Orange County Transportation Authority

Board Agenda

Monday, November 24, 2025 at 9:30 a.m.

550 South Main Street, Orange, California

Board Members

Doug Chaffee, Chair
Jamey M. Federico, Vice Chair
Valerie Amezcua
Katrina Foley
William Go
Patrick Harper
Michael Hennessey
Fred Jung
Stephanie Klopfenstein
Carlos A. Leon
Janet Nguyen
Tam T. Nguyen
Vicente Sarmiento
John Stephens
Kathy Tavoularis
Mark Tettemer
Donald P. Wagner
Lan Zhou, Ex-Officio

Accessibility

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 Board 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 Board 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 OCTA. 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.

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

Invocation

Director Wagner

Pledge of Allegiance

Director Hennessey

1. Closed Session

Overview

A Closed Session will be held as follows:

Pursuant to Government Code Section 54957.6 to discuss negotiations with Teamsters Local 952 regarding the maintenance unit. The lead negotiator for the Orange County Transportation Authority is Maggie McJilton, Executive Director of People and Community Engagement and Teamsters Local 952 representative.

Special Calendar

Orange County Transportation Authority Special Calendar Matters

2. Presentation of Resolution of Appreciation for Employees of the Month

Darrell E. Johnson

Overview

Present Orange County Transportation Authority resolutions of Appreciation to Todd Duvall, Coach Operator, Resolution No. 2025-084; Leonardo Villanueva, Maintenance, Resolution No. 2025-085; and Wallace Talbert, Administration, Resolution No. 2025-086 as Employees of the Month for November 2025.

3. Public Hearing for the 2025 Orange County Congestion Management Program Report

Angel Garfio/Rose Casey

Overview

The Orange County Transportation Authority is responsible for monitoring and reporting on the Orange County Congestion Management Program. In accordance with state law, the 2025 Orange County Congestion Management Program Report has been prepared, and all statutory requirements have been fulfilled. A public hearing is required prior to adoption of the Congestion Management Program Report by the Board of Directors.

Recommendation(s)

A. Consider comments received during the public hearing on the 2025 Orange County Congestion Management Program Report.

B. Adopt the 2025 Orange County Congestion Management Program Report.

C. Direct staff to forward the 2025 Orange County Congestion Management Program Report to the Southern California Association of Governments for a finding of regional consistency.

Attachments:

Staff Report
Attachment A
Attachment B
Attachment C
Attachment D

Orange County Local Transportation Authority Special Calendar Matters

4. Adopt Resolution of Necessity for the State Route 91 Improvement Project Between State Route 57 and State Route 55

Joe Gallardo/James G. Beil

Overview

The Orange County Transportation Authority is implementing the State Route 91 Improvement Project between State Route 57 and State Route 55. The project requires acquisition of property interests from public and private parties adjacent to the existing freeway and city streets. Currently, staff has been unable to reach or finalize an agreement to purchase required property interests from the subject property owner. It is necessary for the Board of Directors to adopt a resolution of necessity and commence the eminent domain process to obtain possession of required property interests to maintain the project delivery and construction schedules.

Recommendation

Adopt Resolution of Necessity No. 2025-083 to authorize and direct General Counsel to prepare, commence, and prosecute a proceeding in eminent domain for the purpose of acquiring necessary right-of-way and real property interests for the State Route 91

Improvement Project between State Route 57 and State Route 55.

Attachments:

Staff Report
Attachment A
Attachment B
Attachment C
Attachment D
Attachment E
Presentation

5. Update on Emergency Need for Railroad Track Stabilization in the Vicinity of Mile Post 203.83 to 204.40 and 206.00 to 206.70 on the Orange Subdivision
Jason Lee/James G. Beil

Overview
The four reinforcement areas identified in the Coastal Rail Resiliency Study adjacent to the Orange County Transportation Authority-owned railroad right-of-way, in the vicinity of Mile Post 203.83 to 204.40 and 206.00 to 206.70 on the Orange Subdivision, have continued to experience coastal erosion and the hillside continues to move incrementally, posing an imminent threat to the railroad corridor and public safety if immediate necessary actions are not taken to mitigate the threat. Measures must be taken immediately to stabilize the track and maintain passenger and freight rail service.

Recommendation(s)
Reaffirm Resolution No. 2025-068 and authorize the Chief Executive Officer to take all necessary actions to address the emergency need for railroad track stabilization in the vicinity of Mile Post 203.80 to 204.40 and 206.00 to 206.70 on the Orange Subdivision, and to return to the Board of Directors, as required, to report on the status thereof.

Attachments:

Presentation

Consent Calendar (Items 6 through 24)

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

Orange County Transportation Authority Consent Calendar Matters

6. Approval of Minutes
Clerk of the Board

Recommendation(s)
Approve the minutes of the October 27, 2025 Orange County Transportation Authority and affiliated agencies' regular meeting.

Attachments:

Minutes

7. 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:

Transmittal
Staff Report
Attachment A

8. 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.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

9. Orange County Transportation Authority Investment and Debt Programs Report - September 2025

Robert Davis/Andrew Oftelie

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending September 30, 2025. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation(s)

Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

10. Orange County Employees Retirement System Early Payment for Fiscal Year 2026-27

Robert Davis/Andrew Oftelie

Overview

The Orange County Employees Retirement System has offered an early payment discount of seven percent to member agencies if they elect to prepay their contributions for fiscal year 2026-27. Advance payments must be received by January 15, 2026. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately $1,141,000. Board of Directors' authorization is requested for the early payment option.

Recommendation(s)

Authorize the early payment of approximately $38.1 million by January 15, 2026, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2026-27.

Attachments:

Transmittal
Staff Report

11. Fiscal Year 2024-25 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting

Rima Tan/Andrew Oftelie

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on various financial statements and schedules. Crowe LLP, an independent accounting firm, has completed its annual audit of the Orange County Transportation Authority for fiscal year 2024-25. In addition, a report has been issued on the results of additional analysis performed by Crowe LLP to assist management in determining compliance with certain state requirements.

In connection with the annual audit of the Orange County Transportation Authority, Crowe LLP has issued its auditor's report on internal control over financial reporting with no deficiency.

Recommendation(s)

Receive and file the fiscal year 2024-25 audited financial statements and independent auditor's report on internal control over financial reporting as information items.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D
Attachment E
Attachment F
Attachment G

12. Orange County Transportation Authority's 2025-26 State and Federal Legislative Platforms

Alexis Carter/Kristin Jacinto

Overview

Halfway through each legislative session, staff conducts a refresh of the Orange County Transportation Authority's State and Federal Legislative Platforms to ensure updates are incorporated on relevant issues that are anticipated to be of discussion for the upcoming year. The final drafts of the revised 2025-26 Orange County Transportation Authority State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendation(s)

A. Adopt the revised final draft of the 2025-26 State and Federal Legislative Platforms.

B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

13. Status Report of State Legislation Enacted in 2025
Clara Brotcke/Kristin Jacinto

Overview
At the conclusion of the 2025 state legislative session, 794 bills were signed into law by Governor Newsom and chaptered by the Secretary of State, while 123 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A

14. Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC
Kristin Jacinto

Overview
The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, D.C. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation(s)
Receive and file the staff evaluation of the federal advocacy services of Potomac Partners, DC as an information item and provide any additional comments.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

15. Performance Evaluation of State Legislative Advocate, Topp Strategies
Kristin Jacinto

Overview
The firm Topp Strategies provides state legislative advocacy services for the Orange County Transportation Authority. A staff evaluation of the services provided during this legislative session is presented to the Board of Directors for consideration and further comment.

Recommendation(s)
Receive and file the staff evaluation of the state advocacy services of Topp Strategies as an information item and provide any additional comments.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

16. Regional Planning Update
Gregory Nord/Rose Casey

Overview
Regular updates on regional planning matters are provided to highlight current transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on two issues that have emerged since the last report: federal transportation conformity challenges following revocation of California's vehicle emission waivers, and the ongoing effort to reform the state's regional planning framework for reducing greenhouse-gas emissions.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

Orange County Transit District Consent Calendar Matters

17. Radio Communications Equipment Replacement for OC ACCESS Fleet
Josh Duke/Andrew Oftelie

Overview
Board of Directors' authorization is requested for the purchase of hardware and services to complete the radio communications equipment replacement on the OC ACCESS vehicle fleet.

Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C255013 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of $2,876,847, for the purchase of hardware and services necessary to replace 242 Integrated Vehicle Unit 2100s with the advanced Integrated Vehicle Unit 4000P for the Orange County Transportation Authority's paratransit fleet.

Attachments:

Transmittal
Staff Report

Orange County Local Transportation Authority Consent Calendar Matters

18. 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:

Transmittal
Staff Report
Attachment A
Attachment B
Presentation

19. Agreement for the Construction of the Trabuco Rose Gully Repair Project

Josue Vaglienty/James G. Beil

Overview

On August 18, 2025, the Orange County Transportation Authority issued an invitation for bids for construction of the Trabuco Rose Gully Repair Project, located at one of the Orange County Transportation Authority's environmental mitigation program properties. Bids were received in accordance with the Orange County Transportation Authority's procurement procedures for public works projects. Board of Directors' approval is requested to execute the construction agreement.

Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4213 between the Orange County Transportation Authority and Prestige Prime Engineering, the

lowest responsive, responsible bidder, in the amount of $344,800, for construction of the Trabuco Rose Gully Repair Project.

Attachments:

Transmittal
Staff Report

20. Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55
Jeannie Lee/James G. Beil

Overview
On July 14, 2025, the Orange County Transportation Authority Board of Directors authorized the release of a request for proposals to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55. Board of Directors' approval is requested for the selection of a firm to perform the required services.

Recommendation(s)

A. Approve the selection of Jacobs Project Management Co. as the firm to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4158 between the Orange County Transportation Authority and Jacobs Project Management Co. to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

21. Consultant Selection for Construction Management Services for the Inland Slope Rehabilitation Phase II Project
Jason Lee/James G. Beil

Overview
The Orange County Transportation Authority Board of Directors approved the construction of the Inland Slope Rehabilitation Phase II Project as part of the Orange County Transportation Authority Fiscal Year 2025-26 Budget. On November 18, 2024, a request for proposals was released for construction management services. Board of Directors' approval is requested for the selection of a firm to perform the required work.

Recommendation(s)

A. Approve the recommended selection of Fulcrum Consultants, Inc. as the firm to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-4-2582 between the Orange County Transportation Authority and Fulcrum Consultants, Inc., in the amount of $624,802, to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D

22. Amendment to Cooperative Agreement with the Southern California Regional Rail Authority for the San Juan Creek Bridge Replacement Project

Jason Lee/James G. Beil

Overview

On April 14, 2020, the Orange County Transportation Authority entered into a cooperative agreement with the Southern California Regional Rail Authority for construction capital and construction support services for the San Juan Creek Bridge Replacement Project. Board of Directors' approval is requested to amend the cooperative agreement to reallocate $2,760,000 of existing contingency funds for construction support services and allocate $1,194,039 of SB 125 (Chapter 54, Statutes of 2023) Transit Program accrued interest funds for construction capital and construction support services.

Recommendation(s)

A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-0-2540 between the Orange County Transportation Authority and the Southern California Regional Rail Authority, to reallocate $2,760,000 in contingency funds and $1,194,039 in new funding, for construction support services related to the San Juan Creek Bridge Replacement Project.

B. Authorize the use of up to $1,194,039 in SB 125 Transit Program accrued interest funds for the San Juan Creek Bridge Replacement Project.

C. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C

23. Contract Change Orders for Construction of the OC Streetcar Project
Jeff Mills/James G. Beil

Overview
On September 24, 2018, the Orange County Transportation Authority Board of Directors authorized Agreement No. C-7-1904 with Walsh Construction Company II, LLC, for construction of the OC Streetcar Project. Contract change orders are required for additional pavement modifications and restoration as required by the City of Santa Ana, maintenance and storage facility electrical grounding modifications, special trackwork bonding, emergency walkway modifications, and earthwork inefficiencies caused by differing site conditions.

Recommendation(s)
A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 77.5 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $250,000, for pavement modifications and restoration.

B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 189.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $50,000, for maintenance and storage facility electrical grounding modifications.

C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 238 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $600,000, for special trackwork bonding.

D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 296.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $800,000, for emergency walkway modifications.

E. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 302 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $1,603,812, for earthwork inefficiencies caused by differing site conditions.

Attachments:

Transmittal
Staff Report
Attachment A
Attachment B

24. OC Streetcar Project Quarterly Update
Jeff Mills/James G. Beil

Overview
The Orange County Transportation Authority is implementing the OC Streetcar Project, and updates are provided to the Board of Directors on a quarterly basis. This report covers OC Streetcar Project activities from August 2025 through October 2025.

Recommendation(s)
Receive and file as an information item.

Attachments:

Transmittal
Staff Report
Attachment A
Presentation

Regular Calendar
Orange County Transportation Authority Regular Calendar Matters

25. 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:

Transmittal
Staff Report
Attachment A
Attachment B
Attachment C
Attachment D
Presentation

Orange County Local Transportation Authority Regular Calendar Matters

26. Amendment to the Agreement for Program Management Consultant Services for Capital Programs

Jeff Mills/James G. Beil

Overview

On March 13, 2023, the Orange County Transportation Authority Board of Directors approved an agreement with Mott MacDonald Group, Inc. to provide program management consultant services for the Capital Programs Division. An amendment to the existing agreement is needed to provide additional program management consultant services.

Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 15 to Agreement No. C-2-2855 between the Orange County Transportation Authority and Mott MacDonald Group, Inc., in the amount of $38,774,000, for additional program management consultant services for the Capital Programs Division. This will increase the maximum cumulative obligation of the contract to a total contract value of $79,299,384.

Attachments:

Transmittal
Staff Report
Attachment A

Discussion Items

27. Public Comments

28. Chief Executive Officer's Report

29. Directors' Reports

30. Adjournment

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

9:30 a.m., Monday, December 8, 2025

OCTA Headquarters
Board Room
550 South Main Street
Orange, California

OCTA

November 24, 2025

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Public Hearing for the 2025 Orange County Congestion Management Program Report

Overview

The Orange County Transportation Authority is responsible for monitoring and reporting on the Orange County Congestion Management Program. In accordance with state law, the 2025 Orange County Congestion Management Program Report has been prepared, and all statutory requirements have been fulfilled. A public hearing is required prior to adoption of the Congestion Management Program Report by the Board of Directors.

Recommendations

A. Consider comments received during the public hearing on the 2025 Orange County Congestion Management Program Report.

B. Adopt the 2025 Orange County Congestion Management Program Report.

C. Direct staff to forward the 2025 Orange County Congestion Management Program Report to the Southern California Association of Governments for a finding of regional consistency.

Background

Proposition 111 (1990) required urbanized areas to designate a Congestion Management Agency (CMA) and establish a Congestion Management Program (CMP) to remain eligible for state gasoline tax revenues. The CMP coordinates land use and transportation decisions and evaluates the effectiveness of congestion management strategies.

As Orange County's designated CMA, the Orange County Transportation Authority (OCTA) prepares a biennial CMP Report summarizing traffic data, local

capital improvement programs, and related performance measures in collaboration with cities and the County of Orange. CMP compliance also supports Measure M2 (M2) eligibility.

On September 8, 2025, the OCTA Board of Directors (Board) directed staff to release the draft 2025 Orange County CMP Report for public review. A notice of availability was forwarded to local jurisdictions, the Southern California Association of Governments (SCAG), and the California Department of Transportation (Caltrans) District 12. SCAG and Caltrans District 12 subsequently submitted comments (Attachments A and B, respectively), which have been addressed, as appropriate, in the final 2025 Orange County CMP Report (Attachment C). Only minor edits were necessary, as most comments confirmed compliance with state law or suggested additions beyond statutory requirements and the CMP's intended scope.

State law also requires that the CMP Report be presented at a noticed public hearing prior to adoption. Accordingly, public hearing notices were posted to octa.net (October 1, 2025), Nguoi Viet (October 17, 2025), La Opinion (October 17, 2025), and the OC Register (October 19, 2025).

Discussion

The 2025 Orange County CMP Report has been developed in accordance with state law and includes the required elements discussed below.

Traffic Level of Service Standards

In 1991, OCTA implemented an intersection capacity utilization (ICU) monitoring method. The method was developed in collaboration with local and state agency staff for measuring the level of service (LOS) at CMP intersections and assigning an LOS grade as reflected in the table below. This method is consistent with the latest Caltrans Highway Capacity Manual.

LOS Grade	ICU Rating	General Description
A	0.00 – 0.60	Free flow, no delays
B	0.60 – 0.70	Mostly free flow, minimal delays
C	0.70 – 0.80	Acceptable delays
D	0.80 – 0.90	Approaching instability or delays with some backups forming
E	0.90 – 1.00	Vehicle volume nearing capacity with increased delays and backups
F	> 1.00	Volume exceeds capacity resulting in significant delays and backups

Performance Measures

Intersection LOS is measured every two years by OCTA at 101 CMP intersections. Each intersection must maintain an LOS of E or better, unless its baseline condition was worse than E, in which case the ICU value may not increase by more than 0.10.

The 2025 Orange County CMP Report identifies no deficient intersections. Average intersection performance improved by approximately 19 percent in both morning and evening conditions, demonstrating the positive effect of improvements funded through M2 and other local, state, and federal funds.

Transit system performance measures have also been established for frequency and routing, and for the coordination of transit service by separate operators. Based on the May 2025 service change frequencies that were in operation at the time data was collected for the CMP, OCTA operated 51 fixed bus routes, including local, community, limited-stop, and Stationlink rail-feeder routes. Eight of these routes offered a frequency of every 15 minutes or less, while 24 routes operated with frequencies between 16 to 30 minutes, and 15 routes had frequencies greater than 30 minutes. The four Stationlink rail-feeder routes are timed with Metrolink trains.

OCTA also coordinates with regional and local transit providers to enhance network connectivity and expand service coverage. Partner agencies include the cities of Irvine and Laguna Beach, the Anaheim Transportation Network, and Metrolink and Amtrak rail services, as well as transit providers in neighboring counties. Additionally, OCTA works in partnership with local jurisdictions on projects such as the planning and operation of community circulators, supported by M2. Trip-planning tools like Google Transit further help riders navigate transfers across multiple systems.

Transportation Demand Management (TDM)

Various TDM strategies are implemented countywide to reduce congestion by encouraging alternatives to driving alone, such as carpooling, vanpooling, transit use, bicycling, flexible work hours, remote work, and parking management programs. In spring 2025, OCTA completed a Countywide TDM Strategic Plan that identifies additional strategies for OCTA and local jurisdictions to consider that would further support the CMP.

Land-Use Analysis Program

The CMP Traffic Impact Analysis (TIA) Guidelines define a process that local jurisdictions can choose to use to measure and mitigate impacts of proposed

development projects on the CMP highway system. All local jurisdictions have adopted either the TIA process included in the CMP Report or a consistent process.

Capital Improvement Program (CIP)

The CMP Report includes a seven-year CIP of projects for each Orange County local jurisdiction. The CIP includes projects that help maintain or improve traffic conditions on the CMP highway system and other local facilities. Local jurisdictions submit CIPs to OCTA as part of the CMP Report development process.

CMP Conformance

As the designated CMA, OCTA determines if local jurisdictions are in conformance with the CMP by monitoring the following:

- Consistency with LOS standards,
- Adoption and implementation of deficiency plans when traffic LOS standards are not maintained,
- Adoption and implementation of a program to analyze the impacts of land-use decisions, and
- Adoption and submittal of CIPs.

No deficient intersections are identified in the 2025 Orange County CMP Report. In addition, local jurisdictions completed a set of checklists, developed by OCTA, that guide them through the CMP conformity requirements related to the M2 eligibility process. These checklists also help ensure the legislative requirements of the CMP are addressed. Based on LOS monitoring and completed CMP checklists, all local jurisdictions are found to be in compliance with the CMP (Attachment D).

Next Steps

Upon Board adoption, the 2025 CMP Report will be forwarded to SCAG for a determination of consistency with the Regional Transportation Plan, as required by state law.

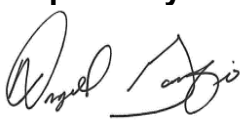
Summary

The 2025 Orange County CMP Report fulfills all statutory requirements and reflects continued collaboration among local jurisdictions and regional partners. As such, Board approval of the 2025 Orange County CMP is requested.

Attachments

A. Letter to Rose Casey, Orange County Transportation Authority, Executive Director, Planning, from Annie Nam, Deputy Director, Transportation Planning, Southern California Association of Governments, dated September 29, 2025, re: Draft 2025 Congestion Management Program
B. Letter to Angel Garfio, Orange County Transportation Authority, from Kevin Nord, District Branch Chief, Caltrans District 12, dated September 30, 2025, re: 2025 OCTA Congestion Management Program
C. 2025 Orange County Congestion Management Program Report
D. 2025 Congestion Management Program, Summary of Compliance

Prepared by:



Angel Garfio
Transportation Analyst, Associate
(714) 560-5822

Approved by:

Rose Casey
Executive Director, Planning
(714) 560-5741

ATTACHMENT A

SCAG
INNOVATING FOR A BETTER TOMORROW

SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

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Curt Hagman
County of San Bernardino

COMMITTEE CHAIRS

Executive/Administration
Cindy Allen, Long Beach

Community, Economic, & Human Development
David J. Shapiro, Calabasas

Energy & Environment
Rick Denison, Yucca Valley

Transportation
Mike T. Judge, Ventura County Transportation Commission

September 29, 2025

Rose Casey
Orange County Transportation Authority
Executive Director, Planning
550 South Main Street
P.O. Box 14184
Orange, CA 92863-1584

Subject: Draft 2025 Congestion Management Program

Dear Ms. Casey:

The Southern California Association of Governments (SCAG) appreciates the opportunity to comment on the Draft 2025 Congestion Management Program (CMP) for Orange County. Under California Government Code Section 65089, SCAG, as the Metropolitan Planning Organization (MPO) and the Regional Transportation Planning Agency (RTPA) for our region is required to perform an evaluation of CMPs developed by the Congestion Management Agencies (CMAs) in the SCAG region.

The Orange County Transportation Authority (OCTA) is the designated CMA for Orange County and is responsible for preparation of the biennial CMP. The Draft 2025 CMP was prepared in response to State CMP requirements. The following evaluations of CMPs are required by the State of California and are based on SCAG's Regional Consistency and Compatibility Criteria for CMPs:

- Consistency between countywide modeling methodology/databases and SCAG's model and database [Section 65089(c)];
- Consistency with the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), including the related socio-economic data [Section 65089.2(a)];
- Compatibility with other CMPs developed within the SCAG region [Section 65089.2(a)]; and
- Incorporation of the CMP into the Federal Transportation Improvement Program (FTIP) [Section 65089.2(b)].

SCAG has reviewed the Draft 2025 CMP and discusses its findings below.

- The Draft 2025 CMP addresses congestion relief in Orange County through the following strategies: CMP Highway System monitoring and performance measurement, transit system performance monitoring, land use impact analysis, transportation demand management (TDM), a defined Deficiency Plan including monitoring and conformance, and a Capital Improvement Program (CIP).
- The Draft 2025 CMP addresses monitored Level of Service (LOS) for Orange County's CMP Highway System as part of State requirements. OCTA uses

the Interchange Capacity Utilization (ICU) method for determining LOS at the intersections. Between 1991 and 2025, the average AM ICU improved from 0.67 to 0.54 (a 19.4 percent improvement), and the PM ICU improved from 0.71 to 0.57 (a 19.7 percent improvement). The ICU improvements indicate that Orange County agencies are effectively operating, maintaining, and improving the CMP Highway System.

- The Draft 2025 CMP includes no intersections that are deficient.
- The Draft 2025 CMP addresses the Orange County Deficiency Plan process. Cities with deficient intersections must prepare deficiency plans. The LOS Deficiency Plans are not required if the deficient intersections are brought into compliance within 18 months of their initial detection, using improvements that have been previously planned and programmed in the CMP Capital Improvement Program (CIP), or are exempt due to other factors per CMP statute.
- The Draft 2025 CMP contains the implementation and monitoring programs for the recommended CMP strategies.
- Chapter 6 of the Draft 2025 CMP addresses the CMP CIP, a seven-year program of projects. OCTA certifies that all projects in the CIP that are funded by federal or state funds, as well as locally funded projects of regional significance, are consistent with SCAG's adopted Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) "Connect SoCal" and included in the Federal Transportation Improvement Program (FTIP).
- Appendix D of the Draft 2025 CMP contains a set of checklists to guide local jurisdictions in conforming with CMP requirements, goals and objectives.
- The Draft 2025 CMP is consistent with SCAG's RTP/SCS goals, objectives, and policies, including use of the related socio-economic data.
- The Draft 2025 CMP modeling, both for methodology and database applications, is consistent with the SCAG regional model used for development of the RTP/SCS.
- Suggest incorporating Transportation Systems Management and Operations (TSMO) into evaluation, project analysis, and operational assessment.

We look forward to receiving the Final 2025 CMP for final review and finding of consistency. If you have any questions on SCAG's comments, please contact me at (213) 236-1827, or Steven Mateer, Planning Supervisor at (213) 630-1581.

Sincerely,

Annie Nam
Deputy Director, Transportation Planning

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September 30, 2025

SCH #: N/A
GTS #: 12-ORA-2025-02924
Route/PM: Countywide

Mr. Angel Garfio
Orange County Transportation Authority
550 South Main Street
Orange, CA 92868

Re: 2025 OCTA Congestion Management Program

Dear Mr. Garfio:

Thank you for including the California Department of Transportation (Caltrans) in the review process of the Orange County Transportation Authority (OCTA) Congestion Management Program (CMP). We are committed to ensuring that impacts to the State's multimodal transportation system and our environment are identified and mitigated to support a safe, sustainable, integrated, and efficient transportation system. The following comments are based on our review of the September 2025 Draft Orange County Congestion Management Program Report.

The goals of Orange County's CMP are to support regional mobility objectives by reducing traffic congestion, to provide a mechanism for coordinating land-use and development decisions that support the regional economy, and to support gas tax funding eligibility. To meet these goals, the CMP contains a number of policies designed to monitor and address system performance issues. The CMP is a county-wide program affecting all State Routes in the District. Caltrans is a commenting agency and has the following comments:

General Comments

1. Caltrans supports OCTA's efforts towards improving the County's Active Transportation and Complete Streets infrastructure. Please coordinate with Caltrans on any efforts and projects, especially those that intersect or are adjacent to State Right-of-Way.

2. Caltrans supports OCTA's operation and improvement of the County's transit system. Caltrans supports the additional vanpool and micro transit services that OCTA provides. Ensure that current and future transit services are equitable to the local population they serve. Please continue to coordinate with District staff on future transit programs and efforts.

3. Caltrans supports first-/last-mile connections, including active transportation connections to transit. Continue to coordinate with Caltrans to add and improve first-/last-mile connections, as this encourages people to utilize alternative modes of transportation and improves regional connectivity.

Transit/First-Last Mile/Park & Ride

4. Caltrans recommends OCTA include the State's transit planning initiatives in the Program update to include the State Rail Plan, California Integrated Bus Study (CIBS), California Integrated Travel Project (Cal-ITP), and other related studies to achieve coordinated statewide efforts.

5. On Pages 22-23 – Recommend addressing system-level transit reliability enhancements such as Transit Signal Priority, dedicated lane, or Bus Rapid Transit (BRT) elements that can improve on-time performance.

6. On Pages 24-25 - Recommend clarifying how transit performance data will be utilized to identify congestion bottlenecks and prioritize improvements to ensure transit supportive improvements are directly tied to CMP goals.

7. On Pages 23-28 - Recommend including performance targets or projections that measure how planned capital investments like the OC Streetcar and State Commitment to Realizing Equity (SCORE) improvements are expected to reduce VMT or relieve congestion to align transit investment with CMP goals more clearly.

8. On Pages 24-25 – Recommend improving the service accessibility metric to include qualitative first- and last-mile conditions like sidewalks, lighting, Americans with Disabilities Act (ADA) compliance, and bike facilities near transit hubs.

9. On Page 26 - Recommend incorporating OC Streetcar specific performance indicators to track how the project supports congestion management goals.

10. On Page 28 – In a recent update from OCTA it was agreed that beach nourishment with sand would become a larger component for Coastal Rail

Resiliency after meeting with the public. Caltrans recommends adding discussion on this.

Freight/Goods Movement

11. Caltrans recommends including freight-specific congestion metrics in CMP performance monitoring such as truck-specific speed profiles, delay, and reliability metrics for primary freight corridors, and identification of freight bottlenecks that affect last-mile deliveries and regional goods movement.

12. Caltrans recommends creating an overlay within the CMP that highlights freight-designated corridors (from Caltrans Freight Mobility Plan 2020 and Southern California Association of Government's (SCAG) Connect SoCal 2024). These overlays should help prioritize congestion mitigation efforts that also improve goods movement efficiency.

13. Caltrans recommends adding freight-oriented congestion relief strategies such as off-peak delivery programs, freight signal priority (FSP), designated curb space for delivery vehicles, and real-time delivery routing tools integrated into CMP Intelligent Transportation System (ITS) investments.

14. Caltrans recommends using CalEnviroScreen or SCAG's Equity in Goods Movement Framework to identify freight-adjacent equity priority areas.

15. The CMP omits any policy consistency checks with key documents such as California Freight Mobility Plan (CFMP 2020), National Freight Strategic Plan (NFSP 2020), and SCAG Regional Freight Strategy (2024). Caltrans recommends including a freight policy alignment appendix or matrix to demonstrate how CMP supports or complements freight goals such as enhanced corridor throughput, freight system resilience, and multimodal freight integration (rail/truck/port).

16. Caltrans recommends including the Park & Ride facilities that Caltrans owns, leases, and/or operates as only OCTA's are currently mentioned.

LOS/VMT Analysis

17. While OCTA uses Level of Service (LOS)for monitoring CMP Highway System (CMPHS) intersections, Caltrans applies a different set of performance measures for State facilities. These include metrics such as vehicle hours of delay, average speed, queue length, ramp metering effectiveness, and throughput. Caltrans also evaluates signal phasing and progression at ramp intersections that influence freeway performance. Therefore, Caltrans recommends that OCTA provide corresponding LOS measurements using Highway Capacity Manual

(HCM) methodologies.

18. Caltrans recommends adding traffic volume and capacity data columns for the LOS calculations shown Figure 4.

19. Caltrans recommends that OCTA add Vehicle Miles Traveled (VMT) evaluation and assessment methodology.

20. Caltrans recommends creating an appendix that lists the total VMT for each freeway in Orange County for planning to establish a baseline for adding/enhancing managed lane facilities throughout the county.

Data Sources & Methodology

21. In Chapter 3 - Recommend adding a section on transitioning from manual traffic counts to continuous, big-data monitoring methods (e.g., connected vehicle data, automated sensors, probe data).

22. In Chapter 4 - Recommend including clear before/after performance metrics or measurable goals to evaluate the effectiveness of transportation demand management (TDM) strategies.

23. In Chapter 5 - Current thresholds are repeated from 1991 guidance in Appendix B. Recommend revisiting these thresholds using updated Institute of Transportation Engineers (ITE) trip generation data and the latest Orange County Transportation Analysis Model (OCTAM) modeling outputs.

24. In Appendix G, Overall - The guidelines are comprehensive and provide a strong framework for ensuring consistency between OCTAM (regional model) and local subarea models. However, much of the methodology reflects practices from the early 2000s, this creates a gap relative to current state mandates (Senate Bill (SB) 743 VMT, SB 375, Assembly Bill (AB)1358) and emerging data science/managed lanes-based forecasting.

25. In Appendix G, on Page 1-10 to 1-11 - Trip Distribution: Reliance on 1991 SCAG Origin-Destination survey is outdated. Suggest integrating SCAG 2019 Household Travel Survey or newer big-data sources (StreetLight, Replica).

26. In Appendix G, Chapter 4 - Consider including activity-based models (ABM), which SCAG has adopted, as an optional modeling methodology.

Caltrans' mission is to improve lives and communities through transportation to create a thriving and connected California. Please continue to coordinate with Caltrans for any future developments that could potentially impact State transportation facilities. If

you have any questions, please do not hesitate to contact Kevin Nord at Kevin.Nord@dot.ca.gov.

Sincerely,

Kevin Nord

Kevin Nord
District Branch Chief
State & Regional Planning / Special Studies
Caltrans, District 12

ATTACHMENT C

2025 Orange County Congestion Management Program Report

Orange County Transportation Authority

November 2025

www.octa.net

Table of Contents

CHAPTER 1: INTRODUCTION 3

Purpose and Need 3

State Statute 4

CHAPTER 2: TRAFFIC LEVEL OF SERVICE STANDARDS 8

CHAPTER 3: SYSTEM PERFORMANCE 11

Highway and Roadway System Performance Measures 11

Transit System Performance Measures 20

CHAPTER 4: TRANSPORTATION DEMAND MANAGEMENT (TDM) 29

TDM Ordinances 29

TDM Strategies 30

CHAPTER 5: LAND-USE IMPACT ANALYSIS 34

CHAPTER 6: CAPITAL IMPROVEMENT PROGRAM 35

CHAPTER 7: CMP CONFORMANCE 36

Appendix

Appendix A: Freeway Mobility Performance Reports

Appendix B-1: Meeting CMP Traffic Impact Analysis Requirements

Appendix B-2: Traffic Impact Analysis Exempt Projects

Appendix C-1: CMP Deficiency Plan Flow Chart

Appendix C-2: Deficiency Plan Decision Flow Chart

Appendix D: CMP Monitoring Checklist

Appendix E: Capital Improvement Programs

Appendix F: Measure M2 Program of Projects

Appendix G: Orange County Subarea Modeling Guidelines

Chapter 1: Introduction

Purpose and Need

In 1990, the passage of the Proposition 111 gas tax increase required California's urbanized areas – areas with populations of 50,000 or more – to adopt a Congestion Management Program (CMP). The purpose of the CMP is to support regional mobility objectives by reducing traffic congestion, provide a mechanism for coordinating land-use and development decisions that support the regional economy, and ensure gas tax funding eligibility.

The following year, Orange County's local agencies designated the Orange County Transportation Authority (OCTA) as the Congestion Management Agency (CMA). As a result, OCTA is responsible for the development, monitoring, and biennial reporting of Orange County's CMP.

To achieve the purpose of the CMP, several policies are followed to monitor and address system performance issues. OCTA developed these policies in coordination with local jurisdictions, the California Department of Transportation (Caltrans), and the South Coast Air Quality Management District (SCAQMD).

The passage of AB 2419 (Chapter 293, Statutes of 1996), in 1996, gave local agencies the ability to opt out of the CMP process without the risk of losing state transportation funding. However, local jurisdictions in Orange County expressed a desire to continue the CMP process, because the requirements were similar to those of the Orange County Measure M Growth Management Program (GMP), and because it contributes to fulfilling requirements for the federal Congestion Management Process (23 Code of Federal Regulations 450.320), which is prepared by the Southern California Association of Governments (SCAG). The OCTA Board of Directors affirmed the decision to continue with the existing CMP process on January 13, 1997. Although the GMP was not part of the Measure M2 (M2) renewal that took effect in 2011, local jurisdiction compliance with the CMP remains a M2 funding eligibility requirement.

As mentioned above, the CMP contributes to the federal Congestion Management Process (Process). This Process serves to provide information on transportation system performance and assess alternative strategies for congestion management that meet state and local needs.

The federal Process is required in metropolitan areas with population exceeding 200,000, which includes the SCAG region. It must also be integrated into the development of Regional Transportation Plans and Federal Transportation Improvement Programs.

State Statute

Required Elements

California Government Code Section 65089(b) requires the CMP to include specific elements, as summarized below.

Traffic Level of Service Standards – §65089(b)(1)(A) & (B)

Traffic level of service (LOS) standards shall be established for a system of highways and roadways. The highways and roadway system shall be designated by OCTA and shall include, at minimum, all state highways and principal arterials. None of the designated facilities may be removed, and new state highways and principal arterials must be added, except if they are within an infill opportunity zone. The LOS must be measured using a method that is consistent with the Highway Capacity Manual. The LOS standards shall not be set below LOS "E", unless the LOS from the baseline CMP dataset is worse than "E". If a Congestion Management Program Highway System (CMPHS) segment or intersection does not meet the minimum LOS standard outside an infill opportunity zone, a deficiency plan must be adopted (subject to exclusions).

Chapter 2 specifically addresses this element.

Performance Measures – §65089(b)(2)

Performance measures shall be established to evaluate the current and future performance of the transportation system. At a minimum, measures must be established for the highway and roadway system, frequency and routing of public transit, and for the coordination of transit service by separate operators. These measures will be used to support improvements to mobility, air quality, land use, and economic objectives and shall be incorporated into the Capital Improvement Program, the Land-Use Analysis Program, and any required deficiency plans.

Chapter 3 specifically addresses this element.

Travel Demand – §65089(b)(3)

A travel demand element shall be established to promote alternative transportation methods, improve the balance between jobs and housing, and other trip reduction strategies. These methods and strategies may include, but are not limited to, carpools, vanpools, transit, bicycles, park-and-ride lots, flexible work hours, telecommuting, parking management programs, and parking cash-out programs.

Chapter 4 specifically addresses this element.

Land-Use Analysis Program – §65089(b)(4)

A program shall be established to analyze the impacts of land-use decisions on the transportation system, using the previously described performance measures. The analysis must also include cost estimates associated with mitigating those impacts. To avoid duplication, this program may require implementation through the requirements and analysis of the California Environment Quality Act (CEQA).

Chapter 5 specifically addresses this element.

Capital Improvement Program – §65089(b)(5)

The CMP shall use the performance measures described above to determine effective projects that mitigate impacts identified in the Land-Use Analysis Program, through an adopted seven-year capital improvement program. This seven-year program will conform to transportation-related air quality mitigation measures and will include any projects that increase the capacity of the transportation system. Furthermore, consideration will be given to maintaining or improving bicycle access and safety within the project areas. Projects necessary for preserving investments in existing facilities may also be included.

Chapter 6 specifically addresses this element.

CMA Requirements

As Orange County's CMA, OCTA is responsible for the administration of the CMP, as well as providing data and models that are consistent with those used by SCAG. OCTA is also responsible for developing the deficiency plan processes. These requirements are described in the legislation and are summarized below.

Modeling and Data Consistency – §65089(c)

In consultation with SCAG and local jurisdictions, OCTA developed a uniform database on traffic impacts for use in a countywide transportation computer model. This database is consistent with the database maintained by SCAG, the regional agency. The Orange County Transportation Analysis Model (OCTAM) is developed and maintained by OCTA. OCTAM uses standardized assumptions and conventions and is consistent with the methodologies adopted by SCAG. OCTA encourages local jurisdictions to use OCTAM to determine the quantitative impacts of development on the circulation system. This approach to modeling and data consistency reflects a consensus approach developed through discussions between OCTA and local jurisdictions.

Appendix G discusses this requirement in more detail.

Deficiency Plan Procedures – §65089.4

OCTA is responsible for preparing and adopting procedures for local deficiency plan development and implementation. OCTA's deficiency plan procedures incorporate a methodology for determining if deficiency impacts are caused by more than one local jurisdiction within Orange County. If required, a multi-jurisdictional deficiency plan must be adopted by all participating local jurisdictions. The procedures also provide for a conflict resolution process for addressing conflicts or disputes between local jurisdictions in meeting the multi-jurisdictional deficiency plan responsibilities.

Chapter 3 and Appendix C discuss this requirement in more detail.

Other Relevant Legislation

SB 743 (Chapter 386, Statutes of 2013)

Approved in 2013, SB 743 amended the CEQA Guidelines to provide an alternative to LOS for evaluating transportation impacts. Since its passing, the Governor's Office of Planning and Research has proposed changes to the CEQA Guidelines that identify vehicle miles traveled (VMT) as the most appropriate metric to evaluate a project's transportation impacts. Since adoption by the California Natural Resources Agency in 2018, automobile delay, as measured by LOS and other similar metrics, generally no longer constitutes a significant environmental effect under CEQA.

The intent of this legislation is to balance the need for traffic LOS standards with the need to build infill housing and mixed-use commercial developments within walking distance

of mass transit facilities, downtowns, and town centers. In doing so, this legislation aims to provide greater flexibility to local governments to balance these sometimes-competing needs.

Lead agencies, including OCTA, are required to comply with SB 743 requirements in the CEQA Guidelines, and OCTA even evaluates VMT in plans such as the Long-Range Transportation Plan (LRTP). However, a jurisdiction may still adopt LOS as a performance standard for analyzing traffic conditions and maintaining throughput on its highway system. Therefore, as Orange County's CMA, OCTA still requires LOS analysis for certain projects as defined in the CMP Traffic Impact Analysis (TIA) guidelines.

Chapter 2: Traffic Level of Service Standards

Since 1991, OCTA has used the Intersection Capacity Utilization (ICU) method to measure LOS at CMP intersections. The ICU methodology, developed with local and state agency input, is consistent with the Highway Capacity Manual and provides a standardized basis for performance monitoring. The ICU thresholds for each LOS grade are illustrated in Figure 1.

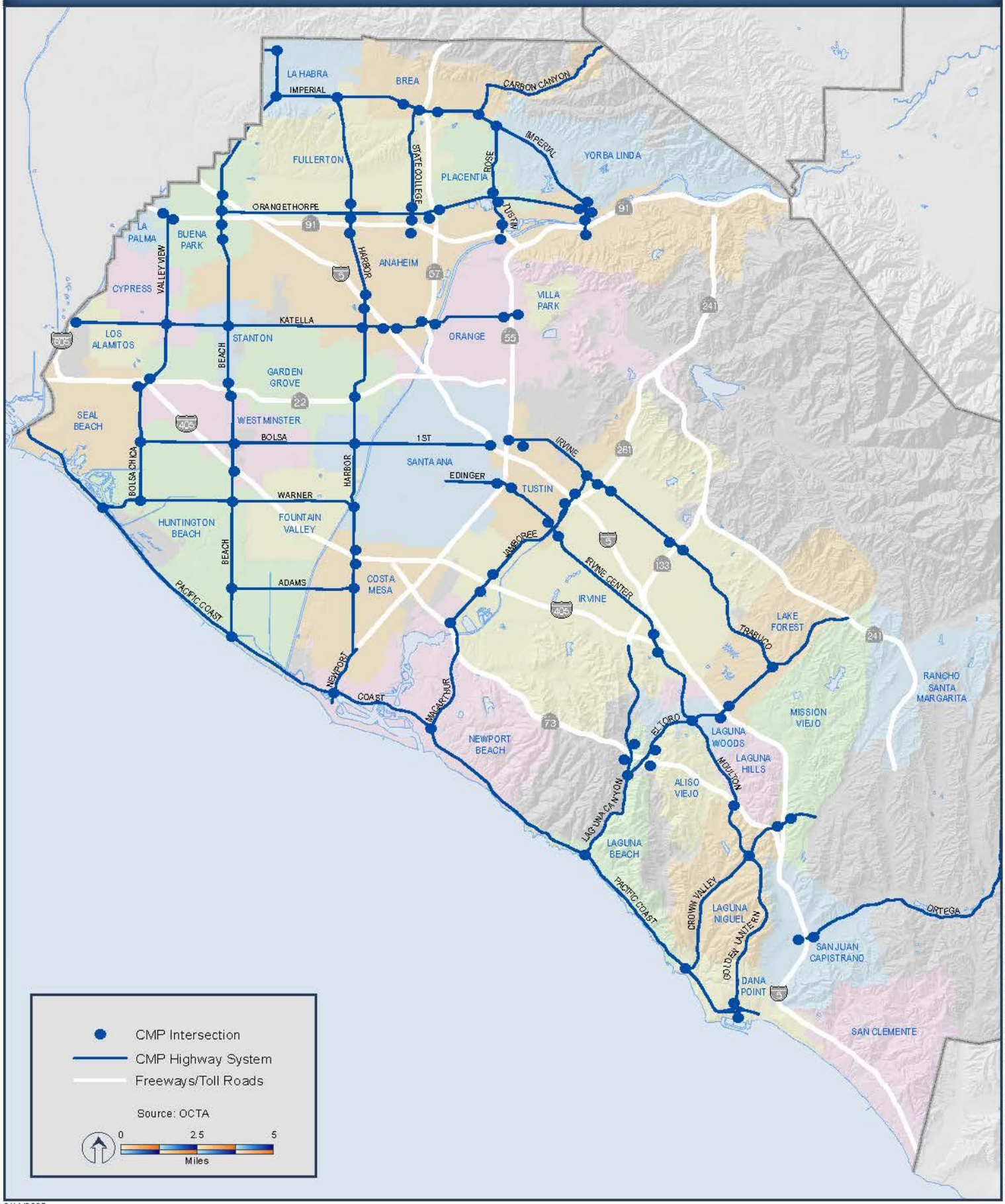
FIGURE 1: LOS Grade Chart

Level of Service	ICU Rating
A	0.00 – 0.60
B	0.60 – 0.70
C	0.70 – 0.80
D	0.80 – 0.90
E	0.90 – 1.00
F	> 1.00

The first measurement recorded (1992 for most CMP intersections) establishes the baseline for comparing future measurements. In general, CMPHS intersections must maintain an LOS grade of 'E' or better. However, if an intersection's baseline LOS is worse than 'E', it can remain at that level, provided the ICU does not increase by more than 0.10 compared to baseline conditions. Chapter 3 discusses the ICU method in more detail.

The CMPHS consists of Orange County's state highways and the arterials included in OCTA's Smart Street network (Figure 2). If, during any monitoring period, a CMPHS intersection is determined to be performing below the LOS standards, the responsible agency must identify improvements necessary to meet the LOS standards. This is accomplished either through existing plans or capital improvement programs, or through the development of a deficiency plan. This is described in more detail in Chapter 3.

Figure 2: 2025 Congestion Management Program Highway System



Caltrans District 12 publishes quarterly mobility performance results, which are in Appendix A. Caltrans is responsible for monitoring freeway performance and addressing any deficient state-operated facilities. The CMP-related responsibilities of Caltrans include, but are not limited to:

A. Evaluating current conditions and identifying deficiencies.

B. Developing plans and strategies to address deficiencies.

C. Evaluating development projects of local and regional significance to determine whether they will impact the state transportation system and, if so, working with lead agencies to develop potential mitigation measures.

While OCTA uses LOS for monitoring CMPHS intersections, Caltrans applies a different set of performance measures for state facilities. These include metrics such as vehicle hours of delay, average speed, queue length, ramp metering effectiveness, and throughput. Caltrans also evaluates signal phasing and progression at ramp intersections that influence freeway performance.

Local agencies are encouraged to coordinate with the Caltrans Local Development Review Branch to determine what methodologies and thresholds of significance should be used to identify impacts from any development projects on the state transportation system.

Chapter 3: System Performance

Highway and Roadway System Performance Measures

This section discusses the process for determining ICU ratings, as well as how ICU ratings determine the LOS at CMPHS intersections. This method is generally consistent with the Highway Capacity Manual.

Overview of ICU Methodology

Traffic counts are manually collected at CMPHS intersections to initiate the ICU calculation process. The counts monitor the traffic flow, including the approach (northbound, eastbound, southbound, or westbound) and movement (left turn, through, or right turn) for each vehicle.

Each intersection has counts conducted in 15-minute increments, during AM and PM peak periods on three separate mid-weekdays (Tuesday, Wednesday, and Thursday). Counts are not taken during periods when irregular conditions exist (inclement weather, holidays, construction, etc.).

The highest count total during any four consecutive 15-minute count intervals within a peak period represents the peak-hour count set. For each intersection, a peak-hour count set is determined for each day's AM and PM peak period, resulting in a group of three AM peak-hour count sets and a group of three PM peak-hour count sets (one for each mid-week count day).

The group of AM peak-hour count sets is averaged, as is the group of PM peak-hour count sets. The results are the volumes used to determine AM and PM volume-to-capacity (V/C) ratios for each movement through the intersection. Several assumptions determine the capacities for each movement.

An example of an assumption used to determine capacity is the saturation flow rate, which represents the theoretical maximum number of vehicles that can move through an intersection in a single lane during a green light phase. In 1991, OCTA and the technical staff members from local and state agencies agreed upon a saturation flow rate of 1,700 vehicles per lane per hour. However, other factors can adjust this assumption.

Such factors include right turn lanes, which can increase the saturation flow rate by 15 percent in specific circumstances. Right turn overlaps (signalized right turn lanes that are green during the cross traffic's left turn movements) and free right turns (lanes in which vehicles are allowed to turn right without stopping, even when the through signal is red) are some of the circumstances that will increase the saturation flow rate. If right turns on red are permitted, a *de facto* right turn lane (approaches that do not have designated right turn lanes, but which are at least 19-feet wide and prohibit on-street parking during peak hours) may also increase the saturation flow rate.

Roadway capacity can also be reduced under certain conditions. For example, if a lane is shared for through and turn movements, the saturation flow rate of 1,700 could be reduced. This occurs only when the turn movement volumes reach a certain threshold that is calculated for each intersection with shared lanes. The reduction represents the slower turning movements interfering with through movements.

Finally, bicycle and pedestrian counts are conducted simultaneously with vehicle counts. Saturation flow rate calculations may be requested to factor in bicycle and pedestrian activity for affected lanes. These calculations shall use standard reductions in accordance with the most recent Highway Capacity Manual. Reductions are only considered when field observations indicate the presence of more than 100 pedestrians per hour on one leg of an intersection.

Once the V/C ratios are determined for each movement, critical V/C ratios are calculated. Conflicting movements determine which V/C ratios are included in the calculation of the critical V/C ratios. Conflicting movements represent a situation where a movement from one approach prevents a movement from the opposite approach. For example, if through movements are being made from the southbound approach, left turn movements cannot simultaneously be made from the northbound approach. For each set of opposing approaches (north/south and east/west), the two conflicting movements with the greatest summed V/C ratios are identified. These summed V/C ratios then become known as the critical V/C ratios.

OCTA and technical staff members from local and state agencies also agreed upon a lost time factor of 0.05 in 1991. The lost time factor represents the assumed amount of time it takes for a vehicle to travel through an intersection. For each intersection, the critical V/C ratios are summed (north/south + east/west), and the lost time factor is added to the sum, producing the ICU rating for the intersection.

Based on a set of ICU rating ranges, which were agreed upon by OCTA and technical staff members from local and state agencies, grades are assigned to each intersection. The grades indicate the LOS for intersections and are used to determine whether the intersections meet the performance standards described at the beginning of the chapter.

The 2025 LOS ratings for the CMP intersections have been mapped in Figure 3. A spreadsheet of the baseline and 2025 LOS ratings for the CMP intersections and corresponding ICU measurements is located in Figure 4.

Note that in Figure 4, Orange County's average ICU rating has improved over the baseline. Between 1991 and 2025, the average AM ICU improved from 0.67 to 0.54 (an improvement of 19.4 percent), and the PM ICU improved from 0.71 to 0.57 (an improvement of 19.7 percent). The ICU improvements indicate that Orange County agencies are effectively operating, maintaining, and improving the CMP Highway System.

Figure 3: 2025 CMP Intersection Level of Service

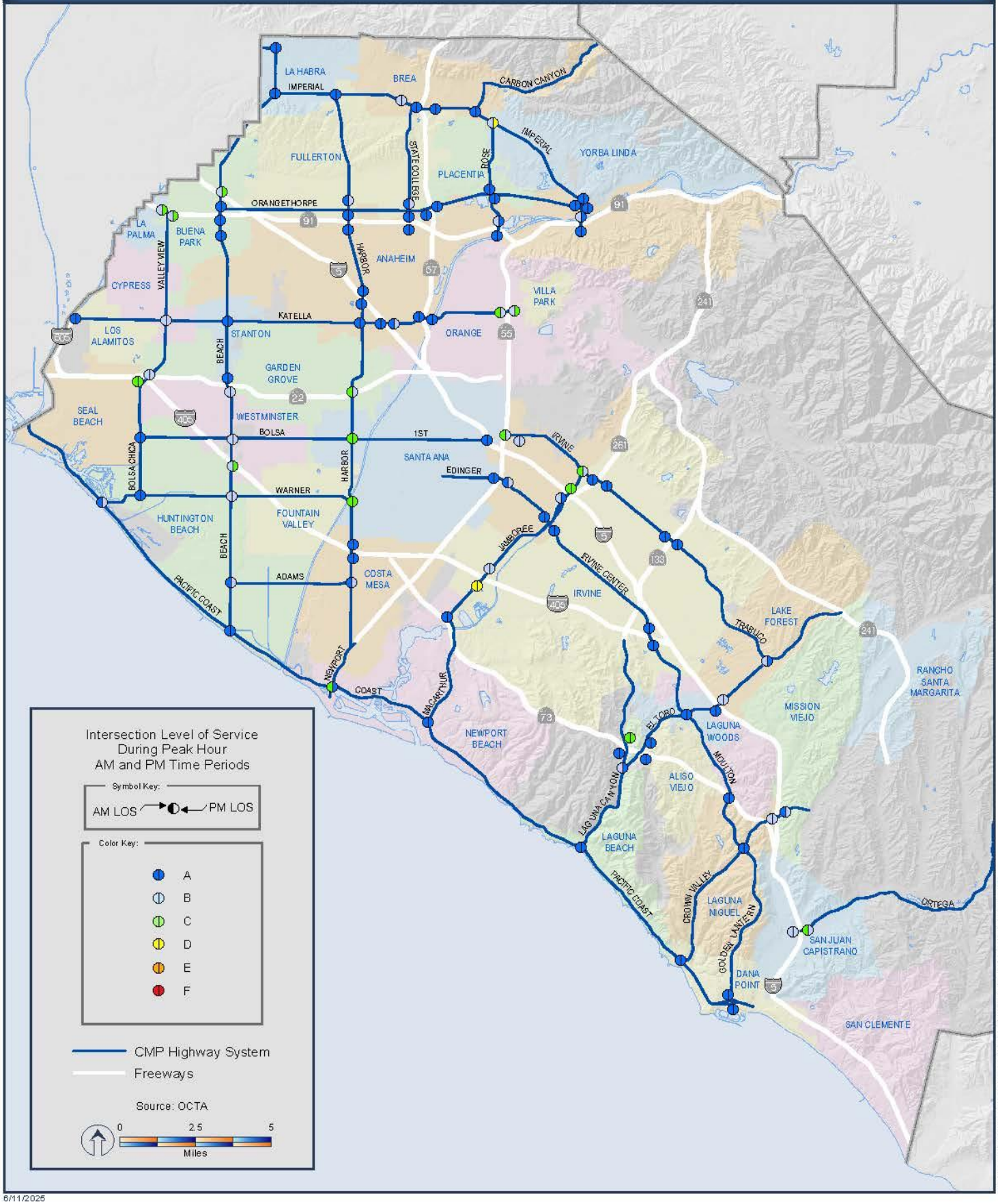


FIGURE 4: 2025 CMP Level of Service Chart

Jurisdiction	Intersection/Interchange	Baseline AM LOS	Baseline AM ICU	2025 AM LOS	2025 AM ICU	Baseline PM LOS	Baseline PM ICU	2025 PM LOS	2025 PM ICU
Anaheim	Anaheim Boulevard-I-5 NB Ramp/Katella Avenue	A	0.49	A	0.38	D	0.82	B	0.61
Anaheim	Harbor Boulevard/Katella Avenue	A	0.53	A	0.54	B	0.67	A	0.58
Anaheim	Harbor Boulevard/I-5 SB Ramps	A	0.29	A	0.28	A	0.31	A	0.35
Anaheim	Harbor Boulevard/SR-91 EB Ramps	A	0.46	A	0.42	A	0.52	A	0.48
Anaheim	I-5 NB Ramp/Harbor Boulevard	A	0.52	A	0.54	A	0.54	A	0.42
Anaheim	I-5 SB Ramps/Katella Avenue	A	0.48	A	0.56	A	0.41	A	0.55
Anaheim	SR-57 NB Ramps/Katella Avenue	A	0.51	A	0.35	A	0.41	A	0.42
Anaheim	SR-57 SB Ramps/Katella Avenue	A	0.52	A	0.4	A	0.51	A	0.49
Anaheim	SR-91 EB Ramp/Imperial Highway	C	0.73	A	0.54	C	0.79	A	0.51
Anaheim	SR-91 EB Ramps/State College Boulevard	B	0.69	A	0.5	D	0.82	A	0.51
Anaheim	SR-91 EB Ramps/Tustin Avenue	B	0.66	A	0.48	D	0.84	A	0.43
Anaheim	SR-91 WB Ramp/Harbor Boulevard	B	0.61	A	0.52	C	0.77	A	0.55
Anaheim	SR-91 WB Ramp/Imperial Highway	C	0.71	B	0.63	B	0.63	A	0.56
Anaheim	SR-91 WB Ramp/State College Boulevard	A	0.55	A	0.54	B	0.63	A	0.6
Anaheim	SR-91 WB Ramps/Tustin Avenue	B	0.64	B	0.61	A	0.6	A	0.57
Anaheim	Imperial Highway Off/SB On/Orangethorpe Avenue	A	0.32	A	0.39	A	0.39	A	0.49
Anaheim	Imperial Highway NB On/Orangethorpe Avenue	A	0.26	A	0.24	A	0.3	A	0.35
Anaheim	Imperial Highway/Orangethorpe Avenue Ramps	A	0.41	A	0.47	A	0.42	A	0.39
Brea	SR-57 SB Ramps/Imperial Highway	B	0.68	A	0.51	B	0.7	A	0.6
Brea	State College Boulevard/Imperial Highway	C	0.73	B	0.66	E	0.93	B	0.62
Brea	Valencia Avenue/Imperial Highway	A	0.56	A	0.41	A	0.59	A	0.44
Brea	SR-57 NB Ramp/Imperial Highway	C	0.78	A	0.5	E	0.91	A	0.6
Buena Park	Beach Boulevard/Orangethorpe Avenue	C	0.76	A	0.53	D	0.87	A	0.54
Buena Park	I-5 SB Ramps/Beach Boulevard	C	0.72	B	0.65	C	0.78	C	0.73
Buena Park	SR-91 EB Ramp/Beach Boulevard	C	0.74	A	0.6	D	0.84	A	0.56
Buena Park	SR-91 EB Ramp/Valley View Street	A	0.58	B	0.62	D	0.86	C	0.71
Buena Park	SR-91 WB Ramp/Beach Boulevard	A	0.58	A	0.43	A	0.59	A	0.47
Buena Park	SR-91 WB Ramp/Valley View Street	C	0.8	B	0.65	E	0.94	C	0.77
Costa Mesa	Harbor Boulevard/Adams Avenue	E	0.99	A	0.54	F	1.09	B	0.63
Costa Mesa	I-405 SB Ramps/Harbor Boulevard	A	0.53	A	0.47	B	0.63	A	0.58
Costa Mesa	I-405 NB Ramps/Harbor Boulevard	E	0.95	A	0.49	F	1.07	A	0.58
Cypress	Valley View Street/Katella Avenue	B	0.63	B	0.64	D	0.87	B	0.67
Dana Point	Crown Valley Parkway/Bay Drive/PCH	F	1.41	A	0.47	F	1.62	A	0.56
Dana Point	Street of the Golden Lantern/Del Prado Avenue	A	0.32	A	0.19	A	0.53	A	0.28
Dana Point	Street of the Golden Lantern/PCH	A	0.42	A	0.52	A	0.55	A	0.6
Fullerton	Harbor Boulevard/Orangethorpe Avenue	A	0.6	A	0.56	E	0.94	B	0.66
Fullerton	State College Boulevard/Orangethorpe Avenue	C	0.8	A	0.58	D	0.86	B	0.67
Garden Grove	SR-22 WB/Beach Boulevard	C	0.73	B	0.69	C	0.73	B	0.62
Garden Grove	SR-22 WB Ramp/Valley View Street	C	0.76	B	0.67	D	0.87	B	0.67
Garden Grove	SR-22 WB Ramps/Harbor Boulevard	F	1.1	C	0.71	F	1.16	C	0.67
Huntington Beach	Beach Boulevard/405 SB Ramp/Edinger Avenue	B	0.63	B	0.69	E	1.03	C	0.71
Huntington Beach	Beach Boulevard/Adams Avenue	A	0.55	A	0.54	C	0.67	B	0.65
Huntington Beach	Beach Boulevard/PCH	A	0.45	A	0.51	A	0.47	A	0.53
Huntington Beach	Beach Boulevard/Warner Avenue	C	0.78	B	0.68	E	0.93	B	0.66
Huntington Beach	Bolsa Chica Street/Bolsa Avenue	B	0.66	A	0.44	A	0.53	A	0.46
Huntington Beach	Bolsa Chica Street/Warner Avenue	A	0.57	A	0.54	D	0.81	A	0.6
Huntington Beach	PCH/Warner Avenue	D	0.81	A	0.54	B	0.72	B	0.62
Irvine	SR-133 NB Ramps/Irvine Boulevard	A	0.37	A	0.51	A	0.33	A	0.58

FIGURE 4: 2025 CMP Level of Service Chart

Jurisdiction	Intersection/Interchange	Baseline AM LOS	Baseline AM ICU	2025 AM LOS	2025 AM ICU	Baseline PM LOS	Baseline PM ICU	2025 PM LOS	2025 PM ICU
Irvine	SR-133 SB Ramps/Irvine Boulevard	A	0.37	A	0.46	A	0.29	A	0.47
Irvine	SR-261 NB Ramps/Irvine Boulevard	A	0.38	A	0.36	A	0.53	A	0.48
Irvine	SR-261 SB Ramps/Irvine Boulevard	A	0.42	A	0.38	A	0.4	A	0.38
Irvine	I-405 NB Ramps/Enterprise/Irvine Center Drive	E	0.95	A	0.48	A	0.39	A	0.58
Irvine	I-405 NB Ramps/Jamboree Road	F	1.03	B	0.65	C	0.78	B	0.67
Irvine	I-405 SB Ramps/Irvine Center Drive	E	1	A	0.46	A	0.57	A	0.47
Irvine	I-405 SB Ramps/Jamboree Road	E	0.92	D	0.81	B	0.66	D	0.85
Irvine	I-5 NB Ramps/Jamboree Road	A	0.54	C	0.71	C	0.75	C	0.72
Irvine	I-5 SB Ramps/Jamboree Road	A	0.4	B	0.67	A	0.35	A	0.58
Irvine	MacArthur Boulevard/Jamboree Road	B	0.61	A	0.49	B	0.69	A	0.56
La Habra	Harbor Boulevard/Imperial Highway	D	0.81	A	0.58	D	0.86	A	0.57
La Habra	Beach Boulevard/Imperial Highway	D	0.85	A	0.51	D	0.87	A	0.58
La Habra	Beach Boulevard/Whittier Boulevard	A	0.33	A	0.46	A	0.29	A	0.49
Laguna Beach	El Toro Road/SR-73 NB Ramps	E	0.91	A	0.52	A	0.59	A	0.57
Laguna Beach	El Toro Road/SR-73 SB Ramps	A	0.41	A	0.39	B	0.67	A	0.54
Laguna Beach	Laguna Canyon Rd/SR-73 NB Ramps	C	0.73	C	0.76	C	0.72	C	0.74
Laguna Beach	Laguna Canyon Rd/SR-73 SB Ramps	A	0.32	A	0.33	A	0.33	A	0.42
Laguna Beach	Laguna Canyon Road/El Toro Road	F	1.54	B	0.63	F	1.16	A	0.59
Laguna Beach	Laguna Canyon Road/PCH	D	0.84	A	0.53	C	0.74	A	0.58
Laguna Hills	I-5 SB Ramp/Avenida de la Carlotta/El Toro Road	F	1.18	A	0.42	F	1.13	A	0.41
Laguna Niguel	Moulton Parkway/SR-73 SB Ramps	A	0.45	A	0.34	A	0.38	A	0.35
Laguna Niguel	Moulton Parkway/Crown Valley Parkway	A	0.56	A	0.52	B	0.65	A	0.55
Laguna Niguel	I-5 SB Ramps/Crown Valley Parkway	E	0.94	B	0.62	F	1.01	B	0.63
Laguna Woods	Moulton Parkway/El Toro Road	A	0.56	A	0.53	F	1.26	A	0.59
Lake Forest	I-5 NB/Bridger/El Toro Road	F	1.03	B	0.69	D	0.81	B	0.63
Lake Forest	Trabuco Road/El Toro Road	B	0.69	B	0.66	C	0.8	A	0.54
Los Alamitos	I-605 NB Ramps/Katella Avenue	B	0.68	A	0.41	B	0.65	A	0.5
Mission Viejo	I-5 NB Ramps/Crown Valley Parkway	D	0.86	A	0.59	B	0.69	B	0.66
Newport Beach	MacArthur Boulevard/PCH	A	0.51	A	0.5	B	0.7	A	0.6
Newport Beach	Newport Boulevard/PCH	A	0.56	C	0.75	A	0.49	A	0.5
Orange	SR-55 NB Ramps/Sacramento/Katella Avenue	C	0.75	B	0.68	D	0.85	C	0.72
Orange	SR-55 SB Ramps/Katella Avenue	C	0.73	C	0.78	E	0.95	B	0.69
Placentia	Rose Drive/Imperial Highway	E	0.95	B	0.66	E	0.99	D	0.81
Placentia	SR-57 NB Ramps/Orangethorpe Avenue	B	0.67	A	0.48	C	0.8	A	0.58
Placentia	SR-57 SB Ramps/Iowa Place/Orangethorpe Avenue	C	0.74	A	0.42	B	0.69	A	0.39
Placentia	Del Cerro Dr/Orangethorpe Ave	A	0.29	A	0.3	A	0.27	A	0.34
Placentia	Rose Dr/Del Cerro Dr	A	0.59	A	0.59	A	0.51	A	0.47
San Juan Capistrano	I-5 NB Ramps/Ortega Highway	A	0.52	C	0.71	A	0.58	B	0.7
San Juan Capistrano	I-5 SB Ramps/Ortega Highway	B	0.61	B	0.63	C	0.77	B	0.65
Santa Ana	Harbor Boulevard/1st Street	A	0.48	C	0.75	D	0.81	C	0.75
Santa Ana	Harbor Boulevard/Warner Avenue	E	0.93	C	0.74	E	0.98	C	0.75
Santa Ana	I-5 SB Ramps/1st Street	A	0.29	A	0.44	A	0.46	A	0.5
Santa Ana	SR-55 SB Ramp/Auto Mall/Edinger Avenue	D	0.9	A	0.52	F	1.06	A	0.53
Santa Ana	SR-55 SB Ramps/Irvine Boulevard	B	0.68	C	0.77	D	0.83	C	0.67
Stanton	Beach Boulevard/Katella Avenue	D	0.89	A	0.58	F	1.02	A	0.58
Tustin	Jamboree Road/Edinger Avenue-NB Ramp	A	0.28	A	0.51	A	0.32	A	0.55
Tustin	Jamboree Road/Edinger Avenue-SB Ramp	D	0.81	A	0.51	A	0.41	A	0.55
Tustin	Jamboree Road/Irvine Boulevard	B	0.65	C	0.71	A	0.59	B	0.67

FIGURE 4: 2025 CMP Level of Service Chart

Jurisdiction	Intersection/Interchange	Baseline AM LOS	Baseline AM ICU	2025 AM LOS	2025 AM ICU	Baseline PM LOS	Baseline PM ICU	2025 PM LOS	2025 PM ICU
Tustin	SR-55 NB Ramps/Edinger Avenue	C	0.72	A	0.43	B	0.65	B	0.63
Tustin	SR-55 NB Ramps/Irvine Boulevard	A	0.59	B	0.62	A	0.45	B	0.62
Westminster	SR-22 EB/Beach Boulevard	A	0.53	A	0.46	A	0.54	A	0.46
Westminster	Beach Boulevard/Bolsa Avenue	F	1.09	B	0.66	F	1.11	B	0.63
Westminster	Bolsa Chica Road/Garden Grove Boulevard	E	0.91	C	0.75	E	0.97	C	0.74
	COUNTY AVERAGE		**0.67**		**0.54**		**0.71**		**0.57**

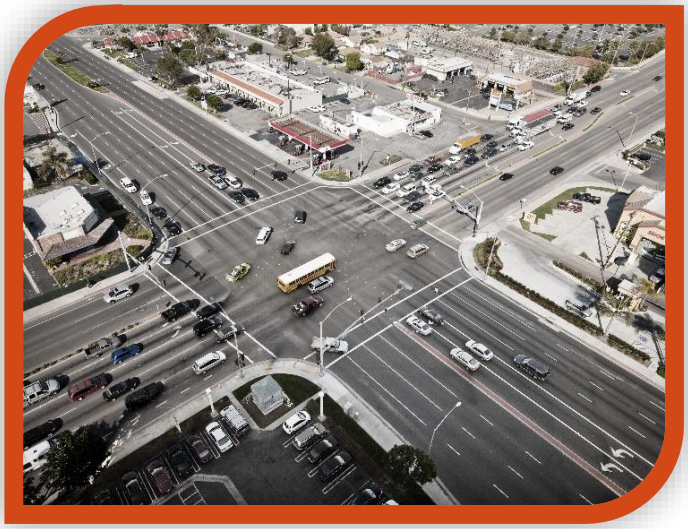
AM – Before noon
Bridger – Bridger Road
EB – Eastbound
Enterprise – Enterprise Drive
I-405 – Interstate 405
I-5 – Interstate 5
I-605 – Interstate 605
NB – Northbound
Off – Off-Ramp
On – On-Ramp
PCH – Pacific Coast Highway
PM – After noon
SB – Southbound
Sacramento – Sacramento Street
SR-133 – State Route 133
SR-22 – State Route 22
SR-261 – State Route 261
SR-55 – State Route 55
SR-57 – State Route 57
SR-73 – State Route 73
SR-91 – State Route 91
WB – Westbound

Deficiency Plans

If an intersection does not meet LOS standards, then a deficiency plan is required, as described under California Government Code Section 65089.4. The deficiency plan identifies the cause of congestion, the improvements needed to solve the problem, and the cost and timing for implementing proposed improvements.

A deficiency plan process was developed by the CMP Technical Advisory Committee to provide local jurisdictions with a framework for maintaining compliance with the CMP when a portion of the CMPHS fails to meet its established LOS standard (Appendix C-1). The Deficiency Plan Decision Flow Chart (Appendix C-2) illustrates the individual steps that must be taken for a local jurisdiction to meet CMP deficiency plan requirements.

Deficiency plans are not required if a deficient intersection is brought into compliance within 18 months of its initial detection, using improvements that have been previously planned and programmed in the CMP Capital Improvement Program. In addition, CMP legislation specifies that the following shall be excluded from deficiency determinations:



- Interregional travel (trips with origins outside the Orange County CMPHS)
- Construction, rehabilitation, or maintenance of facilities that impact the system
- Freeway ramp metering
- Traffic signal coordination by the State or multi-jurisdictional agencies
- Traffic generated by the provision of low-income and very low-income housing
- Traffic generated by high-density residential development within one-quarter mile of a fixed-rail passenger station
- Traffic generated by any mixed-use development located within one-quarter mile of a fixed-rail passenger station, but only if more than half of the land area, or floor area, of the mixed-use development is used for high-density residential housing.

Per §65089.4, the following three CMP intersections have adjustment factors applied to their traffic counts as a result of interregional travel:

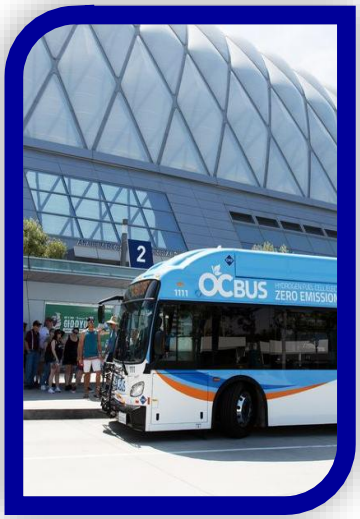
- *Beach Boulevard/Whittier Boulevard (City of La Habra)*
- *Beach Boulevard/Imperial Highway (City of La Habra)*
- *Harbor Boulevard/Imperial Highway (City of La Habra)*

There are no intersections exceeding the CMP level of service standard in 2025.

Transit System Performance Measures

In addition to roadway performance, the CMP statute requires transit performance monitoring, including service frequency, load factors, on-time performance, and coordination among providers. The following section discusses OC Bus and Metrolink services and evaluates the related metrics.

Overview



As Orange County's transit provider, OCTA continually monitors the frequency and routing of its transit services. Bus and rail transit are essential components of Orange County's transportation system and are important tools for achieving a balanced and equitable multimodal transportation system capable of maintaining level of service standards.

Fixed-Route Bus Service

Currently, OC Bus service consists of 51 routes: 34 local, eight community, four limited-stop, four rail feeder, and one circulator shuttle.

- Local routes (numbered 1 to 99): Operate primarily along arterial corridors serving bus stops spaced about one quarter mile apart, serving diverse destinations such as residential areas, employment centers, educational institutions, and health care facilities. They are the most heavily used routes and often require additional trips during peak commute periods.
- Community routes (numbered 100 to 199): Typically shorter and less direct, often serving as local circulators providing connections to the broader community with one-seat rides. They often link to the local transit network. Operating hours vary based on the purpose and type of service.
- Rail feeder/StationLink routes (numbered 400 to 499): Provide first and last mile trips to and from employment centers for commuters using Metrolink commuter rail service. Feeder trips are scheduled to match specific train trips and, like express routes, operate only during commute hours.
- Limited stop/Rapid routes (numbered 500 to 599): Provide faster travel times by stopping less frequently, typically every three-quarter to one mile, and connect with other OCTA bus networks and modes. Local bus riders making longer-distance trips are among those attracted to the service. Typically, limited-stop routes operate on weekdays.

- Shuttle routes (numbered 600 to 699): Serve special events or provide additional connections to points of interest. Shuttle routes may be point-to-point and seasonal in nature such as OCTA's Orange County Fair Express network or a community circular route. Operating hours vary based on the purpose and type of service.

- Circulator shuttle routes (numbered 800 to 899): Typically provide frequent, short-distance connections to local businesses or destinations. For example, Route 862 connects the Santa Ana Regional Transportation Center to Downtown Santa Ana during OC Streetcar construction, mirroring the future OC Streetcar alignment and headway, helping riders acclimate to the service.

Post-Pandemic Bus Service

In March 2020, federal and state emergency declarations were issued to reduce the spread of coronavirus (COVID-19). This resulted in reduced demand for public transit with average weekday bus ridership declining from approximately 125,000 boardings per day to the low 30,000s. In response, OCTA implemented an emergency service change on March 23, 2020, that reduced bus service to approximately 40 percent of the pre-pandemic levels. Since then, ridership has steadily recovered and is back to approximately 125,000 boardings per day.

Recent Transit Studies

The lack of ongoing operating revenues, competing resources (e.g., rising paratransit costs), shift in ridership patterns, and impacts from COVID-19 in recent years have all contributed to an increasing set of challenges. Improvement priorities include addressing vehicle loads, headways, on-time performance, and service accessibility. The following studies highlight OCTA's efforts to address priorities and identify equitable system improvements where appropriate.

Making Better Connections Study

The 2023 Making Better Connections Study examined aligning the transit system design with post pandemic travel patterns, improving customer experience, and growing ridership. This was accomplished by:

- Improving service in the central urban core areas, such as the cities of Anaheim, Garden Grove, and Santa Ana.

- Improving service in the peripheral suburban areas of the County where lower ridership and frequencies are experienced, designing trips to pulse or be timed at existing transit hubs, such as the Brea Mall and Laguna Hills Transportation Center, to improve transfer wait times.

- Increasing service frequency and span, especially in the midday and weekend time periods.

The plan restores service to pre-pandemic levels equating to 390 weekday bus trips (13 percent above 2021 service levels) and 275 weekend bus trips (five percent and nine percent above 2021 service levels for Saturdays and Sundays, respectively). These adjustments allow for more frequent service, better connections, and more hours of service for 89 percent of OC Bus riders. The remaining ten percent of riders will experience no changes and less than one percent of riders will be located more than one-half mile from a bus stop.

To ensure that the plan meets current available resources and demand, OCTA adopted a phasing plan to implement improvements, which coincide with OCTA's quarterly service changes.

2024 OC Transit Vision

The 2024 OC Transit Vision is a 30-year plan to enhance and expand public transit service in Orange County. It is an effort by OCTA to be more responsive and proactive in addressing the changing transit market. The plan identifies near-term, mid-term, and long-term projects and programs that can make transit a more compelling travel option for Orange County residents and visitors. This is the second OC Transit Vision which builds upon the goals and objectives laid out in 2018.

The 2024 OC Transit Vision includes recommendations for fixed-route bus service, paratransit, OC Vanpool, and first/last mile considerations, among others. It also provides policy guidance to cities, developers, and other stakeholders to incorporate transit-oriented development into their planning processes.

Performance Measures

The following section outlines OCTA's transit performance measures for vehicle load, vehicle headway, on-time performance, and service accessibility. These performance measures are used to evaluate the effectiveness of transit service provided by OCTA. OC ACCESS, OCTA's complementary paratransit service, is not reported separately as it functions as an extension of the fixed-route network.

Performance Measure 1: Vehicle Load

Vehicle load refers to the maximum number of passengers allowed on a service vehicle, expressed as the ratio of passengers to the number of seats on the vehicle and varied by mode and time of day. OCTA monitors vehicle load to maintain customer safety and comfort.

Performance Measure 2: Vehicle Headway

Vehicle headway is the time interval between vehicles on a route and reflects how long passengers wait for the next vehicle. Headways vary by mode and time of day and are primarily determined by bus ridership and available operational resources. OCTA routinely monitors ridership and headway data by route to identify areas for service improvement, subject to funding availability.

Peak Weekday Vehicle Headways

Service	≤15 Min.	16 – 30 min.	>30 min.	Timed to Metrolink Trains
Local Routes	7	20	7	0
Limited stop/Rapid*	0	4	0	0
Community Routes	0	0	8	0
Circulator Shuttle Routes	1	0	0	0
Rail Feeder Routes	0	0	0	4

**Rapid routes plus their family local routes provide less than 15-minute service headways on their shared alignments.*

Performance Measure 3: On-Time Performance (OTP)

OCTA defines a trip as "on time" if it departs no more than five minutes later than the scheduled time and does not leave early. OTP is measured at designated time points. For fiscal year (FY) 2024–25, OCTA's systemwide OTP was 78.5 percent.

Performance Measure 4: Service Accessibility

Service accessibility refers to the percentage of the population and employment centers within one half-mile of a bus stop. A 2020 review showed that:

- **86.5 percent** of the total population and employment in Orange County are within one half-mile of OCTA bus service.
- **94.9 percent** of population and employment in minority communities (defined as census tracts with ≥53.75 percent minority population) are within one half-mile of OCTA bus service.

Coordination of Transit Service with Other Carriers

OCTA coordinates with several regional and local transit agencies to enhance network connectivity and improve service coverage. Partner agencies include:

- Municipal Providers: cities of Irvine and Laguna Beach
- Regional Operators: Foothill Transit, LA Metro, Long Beach Transit, North County Transit District, Norwalk Transit, Omnitrans, Riverside Transit Agency

- Special Services: Anaheim Transportation Network, charter bus operators, and commuter rail

OCTA also collaborates with cities through programs like Project V to plan and implement community circulators. Additionally, trip planning tools such as Google Transit help riders navigate transfers across systems.

Commuter Rail Service

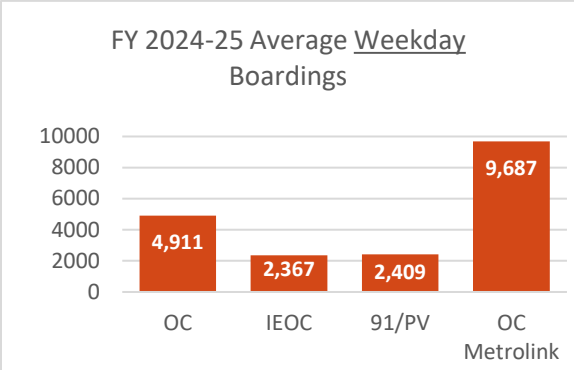
Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Metrolink is operated by the Southern California Regional Rail Authority (SCRRA), a joint powers authority of five member agencies representing the counties of Los Angeles, Orange, Riverside, San Bernardino, and Ventura.

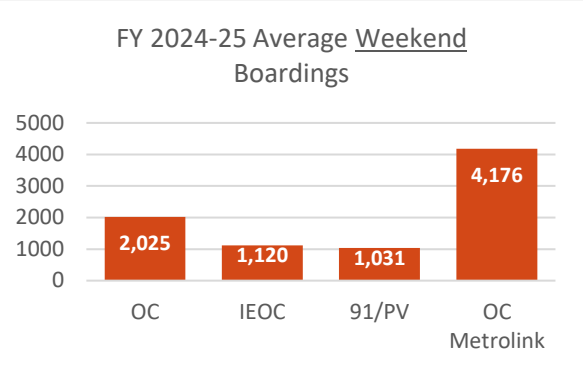
As of 2025, Metrolink provides service on seven routes, covering 538 miles through six counties in Southern California. On an average weekday, there are 134 trains serving an average of 25,337 passengers across 61 stations. Orange County plays an important and growing role within this system.

As one of the five SCRRA member agencies, OCTA administers and funds Orange County's portion of the Metrolink commuter rail system. Orange County's share of Metrolink service covers 68 route miles and sees approximately 9,687 average weekday boardings, an increase of 17 percent compared to FY 2023-24, and comprising almost 40 percent of Metrolink's total system-wide boardings. There are 12 stations in Orange County that serve a total of 58 one-way trips each weekday on three lines:

- **Orange County (OC) Line**: Daily service from Los Angeles Union Station to the City of Oceanside;
- **Inland Empire-Orange County (IEOC) Line**: Daily service from San Bernardino and Riverside counties through Orange County to the City of Oceanside; and
- **91/Perris Valley (91/PV) Line**: Daily service from the South Perris Station through the cities of Riverside and Fullerton to Los Angeles Union Station.

In 2006, Metrolink Weekend service was introduced on the OC and IEOC lines, with increased service during the summer travel season. In July 2014, weekend service was added on the 91/PV Line, providing four trains between Riverside County and Los Angeles





Union Station. Weekend ridership varies considerably depending on the season and local events, but generally the OC, IEOC and 91/PV Lines combined carry a total of approximately 4,176 riders per weekend day, an increase of 39 percent from FY 2023-24.

It should be noted that Metrolink's train ridership has faced significant challenges in its attempt to regain pre-pandemic levels. A significant number of Metrolink's pre-pandemic weekday riders utilized the train to commute to and from work. Reduced demand for public transportation services due to the pandemic, coupled with a shift in remote work has affected ridership for Metrolink. Strategies to increase ridership are continuing to be evaluated.

OCTA and other local agencies provide free transfers to local bus service to deliver Metrolink passengers to their final destinations. OCTA has four dedicated StationLink bus routes that connect with Orange County Metrolink stations in the cities of Irvine, Orange, Santa Ana, and Tustin. The iShuttle in the City of Irvine has four routes that provide peak hour connections to and from the Tustin and Irvine stations. Anaheim Resort Transportation provides transfers at the Anaheim Regional Transportation Intermodal Center to various destinations. These local transit connections offer Metrolink ticket holders free, easy connections between stations and major employment and activity centers, with schedules designed to meet Metrolink weekday train arrivals and departures.

In addition to Metrolink, Amtrak's Pacific Surfliner provides daily service with 14 trains between Los Angeles Union Station and downtown San Diego as an alternative for commuters. Within Orange County, Amtrak stops are located in the cities of Anaheim, Fullerton, Irvine, San Juan Capistrano, Santa Ana, and at the San Clemente Pier.

Rail Capital Improvements

OCTA and partner agencies, such as Metrolink, are working together to improve rail infrastructure in Orange County by undertaking capital improvement projects. Below are several examples of rail capital improvement projects in Orange County.

OC Streetcar

The OC Streetcar, opening in summer 2026, will operate along a 4.15-mile route that connects the Santa Ana Regional Transportation Center with a new transit hub at Harbor Boulevard and Westminster Avenue in the City of Garden Grove. Designed as a high-frequency, zero-emission service, the project includes:

- Ten stations;
- Integration with existing OCTA bus service, Amtrak, and Metrolink; and,
- Multimodal connections supporting active transportation and local circulators.

By connecting major employment, civic, and residential centers, the OC Streetcar will provide a reliable alternative to auto travel along congested arterial corridors. Its role in reducing arterial traffic volumes, enhancing transit frequency, and improving system connectivity aligns directly with CMP priorities.

Southern California Optimized Rail Expansion (SCORE) Program

Metrolink's SCORE program is a region-wide capital improvement initiative designed to increase rail capacity, reliability, and service frequency by 2028. In Orange County, SCORE includes key infrastructure upgrades that directly support CMP goals of congestion reduction and multimodal system performance.

Planned investments include track and signal improvements at the Fullerton Junction, a critical rail bottleneck where multiple Metrolink and freight corridors converge. These upgrades will enhance train throughput and reduce conflicts, enabling more consistent service and minimizing delays that can shift commuters back to single-occupancy vehicles.

SCORE also identifies platform and passenger facility improvements at the Orange Transportation Center, supporting higher service frequencies and improved passenger circulation. These upgrades, combined with existing and planned first/last-mile connections, expand the effective reach and reliability of Metrolink, reducing pressure on regional highways.

Additional SCORE investments planned in Orange County include the Laguna Niguel to San Juan Capistrano passing siding extension, which will enhance schedule flexibility in a high-demand single-track segment, and station improvements in the cities of Tustin and Santa Ana, aimed at improving access, amenities, and boarding efficiency. Signal system upgrades in the Los Alamitos–Seal Beach area will also contribute to safer and more reliable operations where freight and passenger services interface. Collectively, these

projects help reduce service disruptions, improve transit reliability, and strengthen commuter rail as a viable alternative to highway travel.

Collectively, SCORE projects in Orange County strengthen the commuter rail network's ability to accommodate more riders, provide a competitive alternative to highway travel, and contribute to a more balanced, multimodal transportation system.

Coastal Rail Resiliency

The Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor along the City of San Clemente's coast is a critical passenger and freight route and a key component of Orange County's multimodal network. In response to repeated closures caused by coastal erosion and bluff instability, OCTA has implemented targeted stabilization measures to restore and protect this vital infrastructure. These efforts include:

- Installation of ground anchors and slope reinforcement to stabilize the trackbed;
- Real-time geotechnical monitoring to manage risk and ensure safe operations;
- Coordination with partner agencies to maintain continuity in regional mobility.

These stabilization actions are essential to preserving transit reliability, minimizing diversion of passengers to the freeway system, and maintaining multimodal system performance, all of which support CMP goals.

To plan for long-term resilience, OCTA has launched the Coastal Rail Resiliency Study, which will evaluate engineering, environmental, and alignment alternatives to improve the sustainability of the corridor and reduce future service interruptions.

Additional Improvements

San Juan Creek Bridge Replacement Project

OCTA, in coordination with Metrolink, is advancing the San Juan Creek Bridge Replacement Project to modernize a critical rail crossing along the LOSSAN Rail Corridor in south Orange County. The existing bridge, located near the San Juan Capistrano Metrolink Station, is more than 100 years old and presents structural and operational limitations that constrain service reliability and capacity. The replacement project will provide a new, modern rail bridge designed to current seismic and hydraulic standards, improving long-term safety and climate resiliency.

This project directly supports CMP goals by preserving reliable commuter rail service in a corridor that parallels congested segments of I-5. By reducing the risk of unplanned service disruptions and enabling continued passenger operations during extreme weather or flood events, the project helps maintain a viable transit alternative to highway travel, thereby supporting system performance, regional mobility, and congestion management objectives.

Anaheim Canyon Station (Completed 2023)

This recently completed project supports the CMP by facilitating higher rail throughput and improving the reliability of service. The project included construction of a second track and platform that has increased train handling capacity and reduced schedule conflicts. The project also improved boarding efficiency, Americans with Disabilities Act access, and overall station functionality.

Placentia Metrolink Station – Phased Improvements (In Progress)

The planned Metrolink station in the City of Placentia is intended to enhance transit access and regional connectivity in northern Orange County. While the full station project has encountered development challenges, work is progressing on a key element: a parking structure designed to support future rail service and adjacent multimodal connections.

In the near term, the structure will support CMP goals by serving as a park-and-ride facility that can reduce local roadway congestion, enable carpooling and vanpooling opportunities, and support connections to existing bus services, thereby encouraging mode shift away from single-occupancy vehicle travel.

Chapter 4: Transportation Demand Management (TDM)

TDM strategies are intended to reduce the number of single-occupant vehicle trips, promote the use of transit and active transportation options, decrease overall trip lengths, and improve air quality. The adoption of a TDM ordinance was required from every local jurisdiction for Orange County's 1991 CMP. The adoption of these ordinances is no longer a statutory requirement; however, OCTA continues to encourage local jurisdictions to maintain these ordinances.

TDM Ordinances

The model TDM ordinance, prepared by OCTA, promotes carpools, vanpools, alternate work hours, park-and-ride facilities, teleworking, and other traffic reduction strategies. OCTA updated the model ordinance in 2001 to reflect the adoption of Rule 2202 by the SCAQMD, which requires employers with 250 or more employees at a worksite to develop an emission reduction program.

Principal provisions of the TDM model ordinance are as follows:

- Applies to non-residential development proposals expected to generate more than 250 employees;
- Contains a methodology for determining projected employment;
- Includes development standards that apply to proposals that exceed the employment threshold;
- Presents optional provisions for implementing operational TDM programs and strategies that target the property owner or employer;
- Contains implementation and annual monitoring provisions; and
- Includes enforcement and penalty provisions.

Several jurisdictions have adopted strategies that go beyond the provisions contained in the model TDM ordinance, such as:

- Encouraging employers to establish and help subsidize telecommuting, providing monetary incentives for ridesharing, and implement alternative work hour programs;
- Proposing that new development projects establish and/or participate in Transportation Management Associations (TMA);
- Implementing bus loading facilities at work sites;
- Implementing pedestrian facilities such as sidewalks and pedestrian grade separations over arterial streets to connect worksites to shopping, eating, recreation, parking, or transit facilities; and
- Participating in the development of remote parking facilities and shuttles.

TDM Strategies

OCTA developed a countywide TDM Strategic Plan in spring 2025 that serves as a resource to encourage coordinated efforts on advancing TDM objectives. The plan includes a "Toolbox" of TDM strategies that address Orange County's unique transportation needs accompanied by an action plan detailing steps needed to deliver each TDM strategy.

In addition to the transit services discussed in Chapter 3, the following TDM services and programs also help to manage demand on the multimodal system.

OCTA Vanpool Program

The OC Vanpool Program provides subsidies to help commuters in Orange County form shared vanpools to work. Coordinated with regional rideshare providers, OCTA offers a monthly financial incentive to reduce leasing costs and encourage participation. By reducing single-occupant vehicle trips during peak hours, the program directly supports CMP congestion mitigation and VMT reduction goals. Program data also provides valuable insight into regional travel behavior.

Mobility Hubs

OCTA completed the Orange County Mobility Hubs Strategy in fall 2022. While not yet implemented in Orange County, mobility hubs are identifiable places that facilitate travel by co-locating transportation modes and amenities. These can include shared electric bicycles, electric scooters, ride-sharing, and public transportation services, amongst others. Mobility hubs reduce automobile dependency, enhance active transportation, and create a more desirable experience for all public transit passengers.

TMAs

TMAs are local partnerships between employers, developers, and agencies that implement customized TDM programs within business districts or high-employment areas. OCTA coordinates with TMAs like Spectrumotion in the City of Irvine and the Anaheim Transportation Network, which offer rideshare support, shuttle coordination, and commuter outreach. TMAs advance CMP goals by reducing drive-alone rates and improving commute efficiency in targeted areas.

Park-and-Ride Lots

Orange County has a network of 16 park-and-ride lots, which serve as transfer points for carpools, vanpools, and transit connections. These facilities help reduce freeway congestion by offering travelers convenient options to park and switch to higher-occupancy modes. As key components of the CMP's travel demand strategy, park-and-ride lots support regional carpooling, transit use, and VMT reduction.

Parking Cash-Out Programs

Parking cash-out programs are employer-funded programs that provide cash incentives to employees who do not drive to work. The most effective programs provide an incentive equal to the full cost of employee parking. The intent is to reduce single-occupant vehicle commute trips and emissions by offering employees a cash incentive for not driving and parking their personal automobile.

Guaranteed Ride Home Program

OCTA offers a Guaranteed Ride Home (GRH) Program for employees who use alternative commuting methods. The program reimburses occasional emergency rides (e.g., via taxi or rideshare). This encourages commuter participation in TDM programs by reducing barriers to ridesharing and transit use, thereby supporting congestion reduction objectives.

Active Transportation

OCTA supports active transportation as a key strategy to reduce vehicle trips, improve multimodal system performance, and enhance first/last mile access. Through countywide planning efforts like OC Active and regional initiatives such as OC Loop and OC Connect, OCTA works with local jurisdictions to expand safe, connected pedestrian and bicycle

infrastructure. These projects improve access to transit, employment centers, and schools, enabling more people to shift from single-occupancy vehicles to active modes of travel.

To support safe adoption, OCTA implements educational programs including Safe Routes to School and the E-Bike Safety Action Plan. These efforts not only help reduce peak-hour congestion but also improve air quality and system efficiency. By promoting walking and biking as viable alternatives to car travel, OCTA's active transportation initiatives and coordination with local jurisdictions directly advance CMP goals related to congestion management, system performance, and sustainable mobility.

Additionally, OCTA provides bicycle racks, parking, and bicycle lockers at transit stations, and the racks on OCTA buses carry approximately 5,000 bicycles per day. Metrolink trains also have special bicycle cars with room to secure up to 18 bicycles.

Motorist Aid and Traffic Information System (511)

Orange County's 511 service is a one-stop source for up-to-the-minute travel information, advisories, and trip planning information. Traffic and transit updates are provided via the free Go511 application, calling 511, or visiting Go511.com.

The 511 Motorist Aid and Travelers' Information System helps commuters outsmart traffic by providing real-time traffic speeds, congestion alerts, and incident updates. The system offers access to live freeway cameras and roadwork advisories, as well as a trip planner for bus and rail services. Users can view scheduled departures for more than 70 transit agencies across Southern California. Additional features include carpool and ride-matching information, park-and-ride lot locations, airport information, bike resources, and local weather conditions to support informed and multimodal trip planning.

Freeway Construction Mitigation

OCTA and Caltrans developed a comprehensive public outreach program for commuters impacted by construction projects and improvements on Orange County freeways. The outreach program alleviates traffic congestion during freeway construction by providing

up-to-date ramp, lane, and bridge closure information as well as suggestions for alternate routes and travel modes.

Outreach efforts include public workshops, open houses, fast fax construction alerts, flyers, and newsletters, as well as other materials and presentation events. Also, OCTA's website (www.octa.net), and the Orange County Freeway Construction Helpline (800-724-0353), make detour and closure information available. In addition, most jurisdictions implement traffic management plans to alleviate roadway congestion during construction.

Transportation Systems Management and Operations (TSMO)

In addition to demand management strategies, OCTA supports TSMO strategies that optimize the performance of existing infrastructure and enhance system reliability. This includes the Countywide Signal Synchronization Program, which coordinates more than 2,000 traffic signals across Orange County to improve traffic flow, reduce delays, and decrease emissions. Additionally, several studies are underway that include consideration of TSMO elements such as transit signal priority and freeway chokepoint improvements. These types of initiatives advance the objectives of the CMP by improving operational efficiency, safety, and travel time reliability across Orange County's transportation network.

Chapter 5: Land-Use Impact Analysis

The CMP TIA measures the impacts of proposed development projects on the CMPHS. Orange County's jurisdictions are allowed to select either the process outlined in the CMP TIA guidelines (Appendix B-1), or their previously existing traffic-environmental analysis process, so long as consistency is maintained with the CMP TIA guidelines.

It should also be noted that the transportation impact analysis required for the CEQA no longer considers vehicle delay, such as the LOS metric used for CMP analysis. Instead, CEQA guidance recommends analyzing VMT. However, specifically for CMP purposes, Orange County jurisdictions must still use a process consistent with the CMP TIA guidelines for monitoring and maintaining the performance of the CMPHS, in addition to any other analyses used for CEQA purposes. The selected TIA process must be consistently applied to all development projects meeting the adopted trip generation thresholds. Traffic impact analysis focuses on:

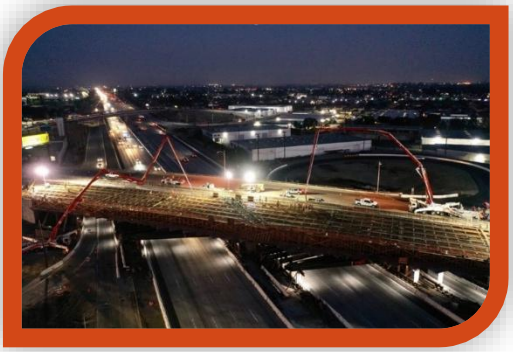
- Identifying CMPHS impacts that could result from trips generated by the proposed project;
- Assessing feasible mitigation strategies capable of reducing the identified impacts, thereby maintaining the LOS standard; and,
- Utilizing existing environmental processes and interjurisdictional forums to conduct cooperative, interjurisdictional discussion when proposed CMP mitigation strategies include modifications to roadway networks beyond the lead jurisdiction's boundaries, and/or when a proposed development will increase traffic at CMPHS locations outside the jurisdiction's boundaries.

OCTA does allow exemptions from this requirement for selected categories of development projects, consistent with state legislation (see Appendix B-2 for a listing of exempt projects).

Chapter 6: Capital Improvement Program

A capital improvement program (CIP) is a seven-year plan of projects and programs that must be adopted by each Orange County jurisdiction and integrated into a countywide CIP by OCTA as part of the CMP requirements. It includes projects that often maintain or improve traffic conditions on the CMPHS and adjacent facilities. In addition to traditional capital projects, the CIP may include projects that increase the capacity of the multimodal system and provide air quality benefits, such as active transportation projects.

The CIP projects can be used to mitigate transportation impacts identified in the Land-Use Impact Analysis component of the CMP, and preserve and maintain CMPHS infrastructure. Many types of CIP projects have been submitted by local jurisdictions in the past, including roadway and intersection improvements, signal coordination projects, and roadway resurfacing projects.



Each Orange County jurisdiction's CIP is included in Appendix E, which is published separately and provided on OCTA's website at https://www.octa.net/programs-projects/programs/plans-and-studies/congestion-management-program/. All projects in the CIP that are state or federally funded, or that are considered regional significant, are included in the Orange County portion of the Federal Transportation Improvement Program (FTIP). These projects are consistent with the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS), which are prepared and adopted by SCAG.

Projects that significantly increase single-occupancy vehicle (SOV) capacity in the region are monitored and regulated by the federal government and should be developed in a manner consistent with the federal Congestion Management Process. In carrying out this process, SCAG identifies SOV capacity increasing projects in the FTIP that are at least one mile in length. These projects, if at least partially funded by federal sources, require the lead agency to document and demonstrate the consideration of alternative Transportation Systems Management/TDM strategies during the alternatives analysis. Those that are considered safety, operational, or bottleneck improvements are exempt from this process.

Lastly, based upon a resolution by the California Transportation Commission (G-17-22), the M2 program of projects is being included in the 2025 CMP (by reference) to satisfy the CMP requirement of this resolution. For a listing of the M2 program of projects, please see Appendix F.

Chapter 7: CMP Conformance

As Orange County's CMA, OCTA is statutorily required to monitor the implementation of all elements of the CMP and biennially determine conformance. In so doing, OCTA consults with local jurisdictions to determine their conformance with the CMP by monitoring the following:

- Consistency with LOS standards;
- Adoption of CIPs;
- Adoption and implementation of a TIA program that is consistent with the CMP TIA guidelines; and
- Adoption and implementation of deficiency plans, as needed.

OCTA gathers local traffic data to determine the LOS at intersections throughout the CMPHS, as discussed in Chapter 2. In addition, local jurisdictions complete checklists, developed by OCTA, to document their conformance with the legislative requirements of the CMP (Appendix D).

Based on the LOS data and the completed CMP checklists, the following determinations were made:

LOS

The LOS data, prepared by OCTA, was provided to local jurisdictions for verification. The data shows that all local jurisdictions are compliant with the established LOS standards.

CIP

All local jurisdictions submitted adopted seven-year CIPs. The CIPs included projects to maintain or improve the traffic LOS on the CMPHS, or adjacent facilities which benefit the CMPHS.

Land-Use Coordination

All local jurisdictions have adopted CMP TIA processes, consistent with the CMP TIA guidelines, for analyzing the impacts of land-use decisions on the CMPHS. All local jurisdictions have applied their TIA processes to development projects that met the CMP

minimum threshold of 2,400 or more daily trips (1,600 or more trips per day for development projects that will directly access the CMPHS).

Deficiency Plans

Based on the data exhibited in Figure 3, all non-exempt intersections on the CMP highway system were found in compliance with LOS requirements. Therefore, no deficiency plans were required for the 2025 CMP.

Based on the findings noted above, all jurisdictions are in compliance with the CMP.

Regional Consistency

To ensure consistency between CMPs within the SCAG region, OCTA submits each biennial update of the Orange County CMP to SCAG. As the regional agency, SCAG evaluates consistency with the RTP/SCS and with the CMPs of adjoining counties, and incorporates the program into the FTIP, once consistency is determined.

FIGURE 5: Summary of Conformance

Jurisdiction	Capital Improvement Program	Deficiency Plan	Land Use	Level of Service	2025 Compliance
Aliso Viejo *	Yes	N/A	Yes	N/A	Yes
Anaheim	Yes	N/A	Yes	Yes	Yes
Brea	Yes	N/A	Yes	Yes	Yes
Buena Park	Yes	N/A	Yes	Yes	Yes
Costa Mesa	Yes	N/A	Yes	Yes	Yes
Cypress	Yes	N/A	Yes	Yes	Yes
Dana Point	Yes	N/A	Yes	Yes	Yes
Fountain Valley *	Yes	N/A	Yes	N/A	Yes
Fullerton	Yes	N/A	Yes	Yes	Yes
Garden Grove	Yes	N/A	Yes	Yes	Yes
Huntington Beach	Yes	N/A	Yes	Yes	Yes
Irvine	Yes	N/A	Yes	Yes	Yes
La Habra	Yes	N/A	Yes	Yes	Yes
La Palma*	Yes	N/A	Yes	N/A	Yes
Laguna Beach	Yes	N/A	Yes	Yes	Yes
Laguna Hills	Yes	N/A	Yes	Yes	Yes
Laguna Niguel	Yes	N/A	Yes	Yes	Yes
Laguna Woods	Yes	N/A	Yes	Yes	Yes
Lake Forest	Yes	N/A	Yes	Yes	Yes
Los Alamitos	Yes	N/A	Yes	Yes	Yes
Mission Viejo	Yes	N/A	Yes	Yes	Yes
Newport Beach	Yes	N/A	Yes	Yes	Yes
Orange	Yes	N/A	Yes	Yes	Yes
Placentia	Yes	N/A	Yes	Yes	Yes
Rancho Santa Margarita *	Yes	N/A	Yes	N/A	Yes
San Clemente *	Yes	N/A	Yes	N/A	Yes
San Juan Capistrano	Yes	N/A	Yes	Yes	Yes
Santa Ana	Yes	N/A	Yes	Yes	Yes
Seal Beach *	Yes	N/A	Yes	N/A	Yes
Stanton	Yes	N/A	Yes	Yes	Yes
Tustin	Yes	N/A	Yes	Yes	Yes
Villa Park *	Yes	N/A	Yes	N/A	Yes
Westminster	Yes	N/A	Yes	Yes	Yes
Yorba Linda *	Yes	N/A	Yes	N/A	Yes
County *	Yes	N/A	Yes	N/A	Yes

*No CMP intersections within jurisdiction

Appendix A: Freeway Mobility Performance Reports

The following appendix includes Caltrans' Quarterly Mobility Performance Reports from 2024 and 2025, comparing VMT, vehicle hours of delay, and other performance measures.

Additional Quarterly Mobility Performance Reports can be found on Caltrans' website: dot.ca.gov/programs/traffic-operations/mpr/quarterly

District 12
Mobility Performance Report

2024 1st Quarter

DEPARTMENT OF TRANSPORTATION
April 29, 2024
District 12 Traffic Operations Northwest

DISTRICT 12 MOBILITY PERFORMANCE REPORT

2024 1st Quarter

EXECUTIVE SUMMARY

Overview

Caltrans District 12 (Orange County) is located in southern California and is adjacent to District 7 (Los Angeles), District 8 (San Bernardino), and District 11 (San Diego). As of April 1, 2020, the total population in Orange County was 3,010,232. Orange County encompasses 794 square miles, and includes 34 cities, and 17 State highway routes. The county has 1,059 lane miles of general purpose lanes and 226 lane miles of High-Occupancy Vehicle (HOV) lanes, which is one of California's largest HOV lane networks. Orange County is the third most populous county in California, the sixth-most populous in the United States, and more populous than twenty-one U.S. states. Its county seat is Santa Ana. It is the second most densely populated county in the state.

The Mobility Performance quarterly analysis compares information from the most recent quarter and the previous 4 quarters, involving the following performance measures:

- Vehicle Miles of Travel (VMT)
- Vehicle Hours of Delay (VHD)
- Lost Lane Miles (LLM)
- Detector Health

This information is based on data collected every day of the quarter, twenty-four hours a day, by automated vehicle detector stations deployed on urban-area freeways where congestion is regularly experienced. The Mobility Performance Report uses congestion at two speed thresholds: delay from vehicles traveling below 35 MPH and delay from vehicles traveling

below 60 MPH. The 35 MPH limit represents severe congestion while the 60 MPH limit represents light and heavy congestion. These thresholds/limits are set by Caltrans and are based upon engineering experience and District input.

FINDINGS

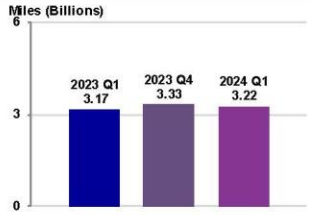
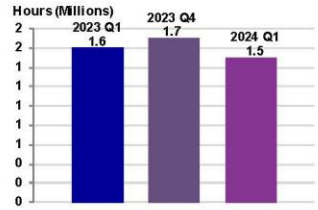
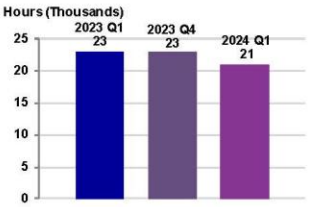
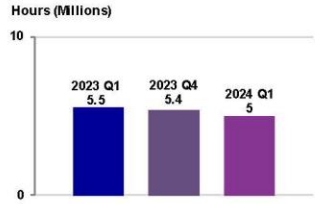
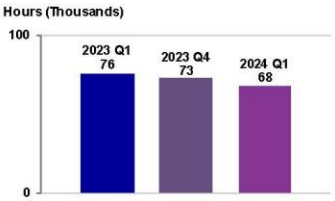
In the 1st quarter of 2024, total delay equaled to 1.5 million vehicle hours of delay (VHD) at the 35 MPH speed threshold and 5 million VHD at 60 MPH threshold. Compared to the previous quarter, there was a 12 percent decrease in 35 MPH VHD and 7.4 percent decrease in 60 MPH VHD.

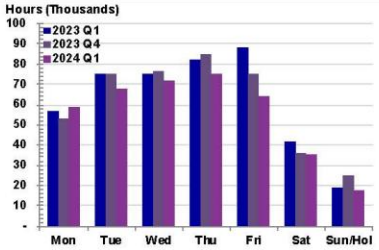
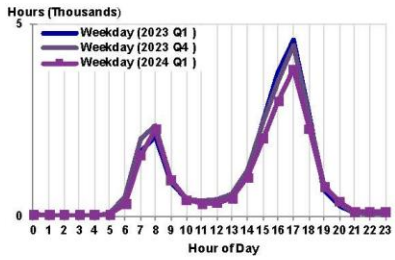
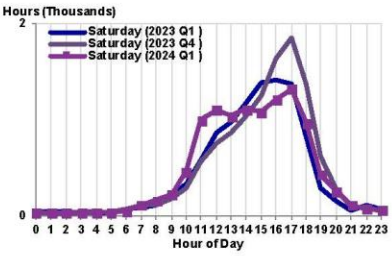
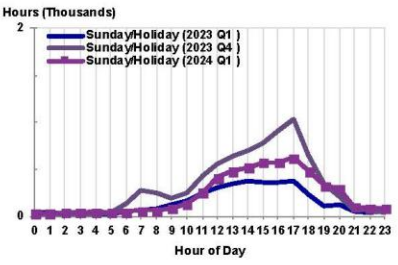
The average weekday VHD experienced in this quarter was approximately 21 thousand VHD at 35 MPH and 68 thousand VHD at 60 MPH. Compared to the previous quarter, there was 11.8 percent decrease in 35 MPH VHD and 7 percent decrease in 60 mph VHD.

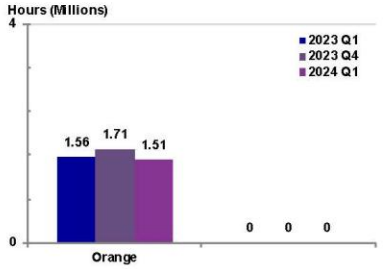
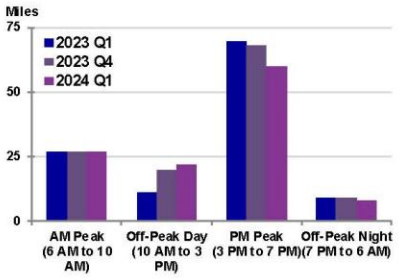
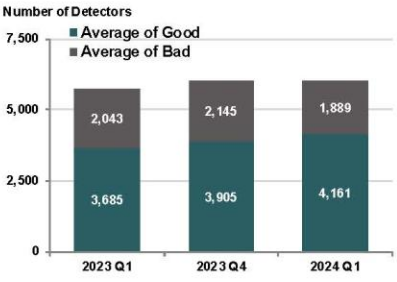
Top 10 Bottlenecks for the 1st Quarter of 2024

Co	Shift	Fwy	Dir	Name	Abs PM	CA PM	Latitude	Longitude	# Days Active	Avg Extent (Miles)	Total Delay (veh-hrs)	Total Duration (mins)
Ora	PM	SR55	N	TAFT	15.78	15.8	33.82	-117.83	59	3.14	44,939	12,870
Ora	PM	SR57	N	TONNER	11.27	22	33.94	-117.88	61	1.24	38,213	13,845
Ora	AM	I5	S	MAIN 1	105.19	33	33.77	-117.87	62	1.05	30,944	9,435
Ora	AM	I5	S	LA PALMA	113.17	40.98	33.85	-117.96	58	1.39	30,735	6,490
Ora	AM	I405	S	HARBOR 1	10.97	11.2	33.69	-117.92	48	1.96	27,088	4,720
Ora	PM	SR91	E	LAKEVIEW1	28.45	R10.08	33.85	-117.81	57	3.09	24,848	13,005
Ora	PM	I405	N	BROOKHUR2	13.74	13.97	33.71	-117.96	60	1.42	22,147	10,200
Ora	PM	I5	N	CULVER 1	98.82	R26.56	33.71	-117.78	62	2.11	21,103	11,730
Ora	PM	SR55	N	N-O E WARNER MVDS	8.56	R8.563	33.72	-117.84	60	2.02	20,934	4,760
Ora	AM	I405	S	WARNER	14.49	14.72	33.71	-117.97	56	1.07	19,361	7,535

2024 Q1 Quarterly Mobility Statistics

Measure	Graph	Percentage Change	
		Over one year ago	Over last quarter
Vehicle Miles of Travel (VMT)		1.6%	-3.4%
Total Vehicle Hours of Delay (VHD) at 35 mph		-3.5%	-12%
Average Non-Holiday Weekday Vehicle Hours of Delay (VHD) at 35 mph		-8.6%	-11.8%
Total Vehicle Hours of Delay (VHD) at 60 mph		-9.1%	-7.4%
Average Non-Holiday Weekday Vehicle Hours of Delay (VHD) at 60 mph		-10.6%	-7%

Measure	Graph	Percentage Change	
Average Vehicle Hours of Delay by Day of Week at 60 mph		Largest Magnitude Decrease over one year ago Friday -26.8%	Largest Magnitude Decrease over last quarter Thursday -12.8%
		Largest Magnitude Increase over one year ago Monday 2.7%	Largest Magnitude Increase over last quarter Monday 10.1%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Weekdays		Largest Magnitude Weekday Decrease over one year ago 5 PM -16.3%	Largest Magnitude Weekday Decrease over last quarter 5 PM -13.9%
		Largest Magnitude Weekday Increase over one year ago 8 AM 8.4%	Largest Magnitude Weekday Increase over last quarter 11 PM 113.2%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Saturdays		Largest Magnitude Saturday Decrease over one year ago 3 PM -22.1%	Largest Magnitude Saturday Decrease over last quarter 5 PM -28.4%
		Largest Magnitude Saturday Increase over one year ago 11 AM 71.9%	Largest Magnitude Saturday Increase over last quarter 11 AM 79.1%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Sundays/ Holidays		Largest Magnitude Sun./Holiday Decrease over one year ago 9 AM -35.5%	Largest Magnitude Sun./Holiday Decrease over last quarter 5 PM -40.3%
		Largest Magnitude Sun./Holiday Increase over one year ago 6 PM 96.8%	Largest Magnitude Sun./Holiday Increase over last quarter 8 PM 38.3%

Measure	Graph	Percentage Change	
Total Vehicle Hours of Delay (VHD) by County at 35 mph		Largest Magnitude Decrease over one year ago Orange -3.5%	Largest Magnitude Decrease over last quarter Orange -12%
		Largest Magnitude Increase over one year ago –	Largest Magnitude Increase over last quarter –
Average Non-Holiday Weekday Equivalent Lost Lane Mile Hours at 35 mph		Largest Magnitude Decrease over one year ago PM Peak -14%	Largest Magnitude Decrease over last quarter PM Peak -12.6%
		Largest Magnitude Increase over one year ago Off-Peak Day 92.8%	Largest Magnitude Increase over last quarter Off-Peak Day 5.9%
Average Number of Good and Bad Detectors		Change in Good over one year ago 13%	Change in Good over last quarter 7%
		Change in Bad over one year ago -8%	Change in Bad over last quarter -12%

Congestion by Route											
		Vehicle Hours of Delay at 35 mph			Difference 2024 Q1-2023 Q1		Difference 2024 Q1-2023 Q4		Rank		
Route	County	2023 Q1	2023 Q4	2024 Q1	Absolute	Percentage	Absolute	Percentage	2023 Q1	2023 Q4	2024 Q1
I405	Orange	303,029	395,101	402,228	99,199	32.7%	7,127	1.8%	3	2	1
I5	Orange	420,637	424,171	346,063	-74,574	-17.7%	-78,109	-18.4%	1	1	2
SR91	Orange	380,644	335,903	280,152	-100,491	-26.4%	-55,750	-16.6%	2	3	3
SR55	Orange	194,124	218,522	217,800	23,676	12.2%	-722	-0.3%	4	4	4
SR57	Orange	170,253	193,305	159,496	-10,757	-6.3%	-33,809	-17.5%	5	5	5
SR22	Orange	62,374	78,028	60,819	-1,555	-2.5%	-17,210	-22.1%	6	6	6
SR73	Orange	8,407	18,697	15,760	7,354	87.5%	-2,937	-15.7%	8	9	7
I605	Orange	2,183	27,056	15,560	13,377	612.7%	-11,497	-42.5%	9	7	8
SR241	Orange	20,098	22,686	9,480	-10,618	-52.8%	-13,206	-58.2%	7	8	9
SR133	Orange	1,038	1,343	1,455	417	40.1%	111	8.3%	11	10	10
SR261	Orange	1,299	158	73	-1,226	-94.4%	-85	-53.9%	10	11	11
SR74	Orange	5	5	5	0	0.0%	0	0.0%	12	12	12
SR142	Orange	3	3	3	0	0.0%	0	0.0%	13	13	13
SR1	Orange	0	0	0	0		0				
TOTALS		1,564,092	1,714,979	1,508,893	-55,199	-3.5%	-206,085	-12.0%			

District 12
Mobility Performance Report

2025 1st Quarter

DEPARTMENT OF TRANSPORTATION
April 30, 2025
District 12 Traffic Operations Northwest

DISTRICT 12 MOBILITY PERFORMANCE REPORT

2025 1st Quarter

EXECUTIVE SUMMARY

Overview

Caltrans District 12 (Orange County) is located in southern California and is adjacent to District 7 (Los Angeles), District 8 (San Bernardino), and District 11 (San Diego). As of July 1, 2024, the total population estimate in Orange County was 3,170,435 per census.gov. Orange County encompasses 794 square miles, and includes 34 cities and 17 State highway routes. The county has 1,059 lane miles of general purpose lanes and 226 lane miles of High-Occupancy Vehicle (HOV) lanes, which is one of California's largest HOV lane networks. Orange County is the third most populous county in California, the sixth-most populous in the United States, and more populous than twenty-one U.S. states. Its county seat is Santa Ana. It is the second most densely populated county in the state.

The Mobility Performance quarterly analysis compares information from the most recent quarter and the previous 4 quarters, involving the following performance measures:

- Vehicle Miles of Travel (VMT)
- Vehicle Hours of Delay (VHD)
- Lost Lane Miles (LLM)
- Detector Health

This information is based on data collected every day of the quarter, twenty-four hours a day, by automated vehicle detector stations deployed on urban-area freeways where congestion is regularly experienced. The Mobility Performance Report uses congestion at two speed thresholds: delay from vehicles traveling below 35 MPH and delay from vehicles traveling

below 60 MPH. The 35 MPH limit represents severe congestion while the 60 MPH limit represents light and heavy congestion. These thresholds/limits are set by Caltrans and are based upon engineering experience and District input.

FINDINGS

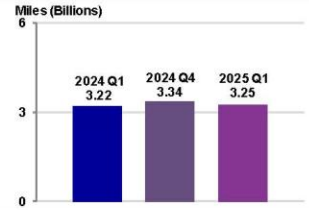
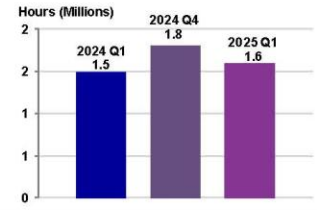
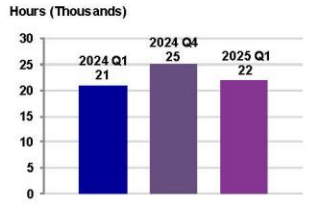
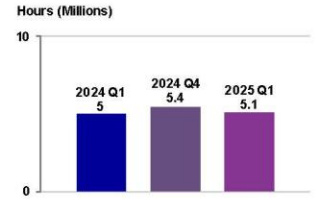
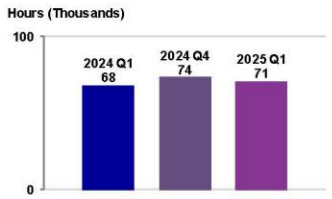
In the 1st quarter of 2025, total delay equaled to 1.6 million vehicle hours of delay (VHD) at the 35 MPH speed threshold and 5.1 million VHD at 60 MPH threshold. Compared to the previous quarter, there was a 11.2 percent decrease in 35 MPH VHD and 5.5 percent decrease in 60 MPH VHD

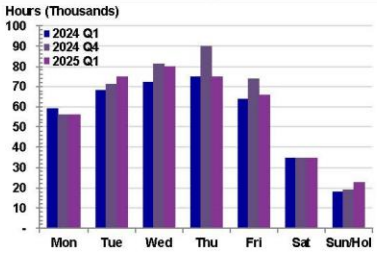
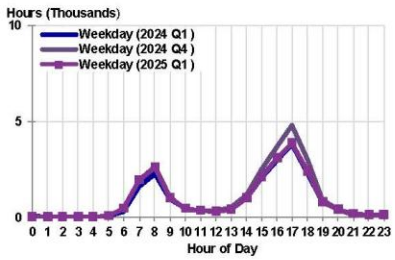
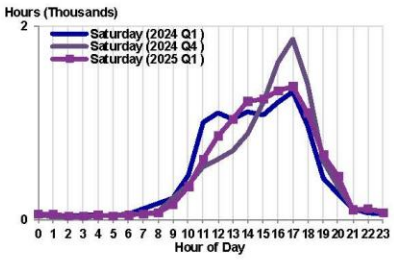
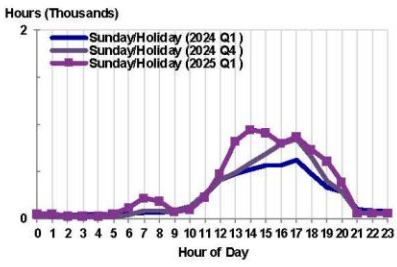
The average weekday VHD experienced in this quarter was approximately 22 thousand VHD at 35 MPH and 71 thousand VHD at 60 MPH. Compared to the previous quarter, there was 12.2 percent decrease in 35 MPH VHD and 4.1 percent decrease in 60 mph VHD.

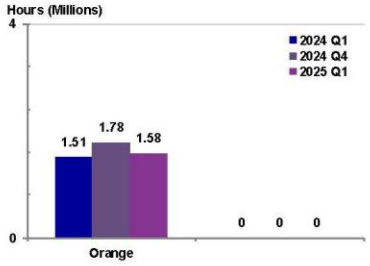
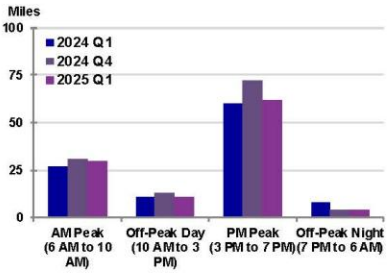
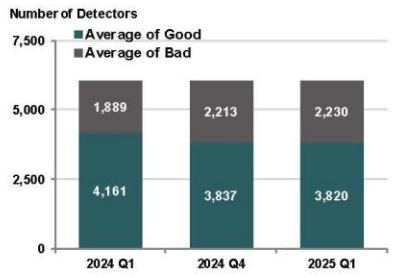
Top 10 Bottlenecks for the 1st Quarter of 2025

Co	Shift	Fwy	Dir	Name	Abs PM	CA PM	Latitude	Longitude	# Days Active	Avg Extent (Miles)	Total Delay (veh-hrs)	Total Duration (mins)
Ora	PM	SR55	N	TAFT	15.78	15.8	33.82	-117.83	60	3.19	58,994	14,705
Ora	PM	SR55	N	NEWPORT AVE OR MVDS	9.76	R9.755	33.73	-117.83	59	1.72	38,707	10,725
Ora	PM	I405	N	BROOKHUR2	13.74	13.97	33.71	-117.96	61	1.66	35,168	11,665
Ora	AM	I5	S	MAIN 1	105.19	33	33.77	-117.87	58	1.11	34,787	9,945
Ora	AM	I405	S	HARBOR 1	10.97	11.2	33.69	-117.92	44	2.03	27,573	4,215
Ora	PM	SR55	N	LINCOLN 2	17.10	17.12	33.84	-117.83	48	2.06	26,950	8,690
Ora	PM	I5	S	RED ROBIN	91.53	19.33	33.62	-117.71	57	1.10	24,222	8,835
Ora	AM	I405	S	WARNER	14.49	14.72	33.71	-117.97	54	1.32	23,679	8,175
Ora	PM	I5	N	CULVER 1	98.82	R26.56	33.71	-117.78	43	2.03	21,879	9,495
Ora	PM	I5	N	YALE	98.06	R25.8	33.70	-117.77	55	0.82	20,143	7,255

2025 Q1 Quarterly Mobility Statistics

Measure	Graph	Percentage Change	
		Over one year ago	Over last quarter
Vehicle Miles of Travel (VMT)		1%	-2.7%
Total Vehicle Hours of Delay (VHD) at 35 mph		4.9%	-11.2%
Average Non-Holiday Weekday Vehicle Hours of Delay (VHD) at 35 mph		5.3%	-12.2%
Total Vehicle Hours of Delay (VHD) at 60 mph		2.2%	-5.5%
Average Non-Holiday Weekday Vehicle Hours of Delay (VHD) at 60 mph		4%	-4.7%

Measure	Graph	Percentage Change	
Average Vehicle Hours of Delay by Day of Week at 60 mph		Largest Magnitude Decrease over one year ago Monday -5.3%	Largest Magnitude Decrease over last quarter Thursday -16.6%
		Largest Magnitude Increase over one year ago Wednesday 11.1%	Largest Magnitude Increase over last quarter Sun/Hol 19.3%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Weekdays		Largest Magnitude Weekday Decrease over one year ago 12 PM -20.6%	Largest Magnitude Weekday Decrease over last quarter 5 PM -19.5%
		Largest Magnitude Weekday Increase over one year ago 7 AM 23.5%	Largest Magnitude Weekday Increase over last quarter 9 PM 33.7%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Saturdays		Largest Magnitude Saturday Decrease over one year ago 11 AM -38.3%	Largest Magnitude Saturday Decrease over last quarter 5 PM -26.5%
		Largest Magnitude Saturday Increase over one year ago 7 PM 57%	Largest Magnitude Saturday Increase over last quarter 2 PM 38.8%
Average Vehicle Hours of Delay by Hour of Day at 35 mph, Sundays/ Holidays		Largest Magnitude Sun./Holiday Decrease over one year ago 10 AM -25.5%	Largest Magnitude Sun./Holiday Decrease over last quarter 11 AM -12.4%
		Largest Magnitude Sun./Holiday Increase over one year ago 2 PM 81.5%	Largest Magnitude Sun./Holiday Increase over last quarter 2 PM 62%

Measure	Graph	Percentage Change	
Total Vehicle Hours of Delay (VHD) by County at 35 mph		Largest Magnitude Decrease over one year ago –	Largest Magnitude Decrease over last quarter Orange -11.2%
		Largest Magnitude Increase over one year ago Orange 4.9%	Largest Magnitude Increase over last quarter –
Average Non-Holiday Weekday Equivalent Lost Lane Mile Hours at 35 mph		Largest Magnitude Decrease over one year ago Off-Peak Night -51.6%	Largest Magnitude Decrease over last quarter PM Peak -14.2%
		Largest Magnitude Increase over one year ago AM Peak 11.3%	Largest Magnitude Increase over last quarter Off-Peak Night 4.8%
Average Number of Good and Bad Detectors		Change in Good over one year ago -8%	Change in Good over last quarter 0%
		Change in Bad over one year ago 18%	Change in Bad over last quarter 1%

Congestion by Route

Route	County	Vehicle Hours of Delay at 35 mph			Difference 2025 Q1-2024 Q1		Difference 2025 Q1-2024 Q4		Rank		
		2024 Q1	2024 Q4	2025 Q1	Absolute	Percentage	Absolute	Percentage	2024 Q1	2024 Q4	2025 Q1
I405	Orange	402,228	476,511	393,993	-8,235	-2.0%	-82,518	-17.3%	1	1	1
I5	Orange	346,063	429,484	368,277	22,215	6.4%	-61,207	-14.3%	2	2	2
SR55	Orange	217,800	277,698	281,089	63,289	29.1%	3,391	1.2%	4	3	3
SR91	Orange	280,152	262,799	278,663	-1,490	-0.5%	15,864	6.0%	3	4	4
SR57	Orange	159,496	180,345	153,339	-6,157	-3.9%	-27,007	-15.0%	5	5	5
SR22	Orange	60,819	78,656	49,711	-11,108	-18.3%	-28,945	-36.8%	6	6	6
SR73	Orange	15,760	43,194	28,700	12,939	82.1%	-14,494	-33.6%	7	7	7
I605	Orange	15,560	28,303	17,001	1,441	9.3%	-11,302	-39.9%	8	8	8
SR241	Orange	9,480	448	6,186	-3,294	-34.7%	5,737	1279.5%	9	10	9
SR133	Orange	1,455	4,074	5,232	3,777	259.6%	1,158	28.4%	10	9	10
SR261	Orange	73	106	61	-12	-16.3%	-45	-42.4%	11	11	11
SR74	Orange	5	5	5	0	0.0%	0	0.0%	12	12	12
SR142	Orange	3	3	3	0	0.0%	0	0.0%	13	13	13
SR1	Orange	0	0	0	0		0				
TOTALS		**1,508,893**	**1,781,626**	**1,582,260**	**73,366**	**4.9%**	**-199,367**	**-0.03%**			

Appendix B-1: Meeting CMP Traffic Impact Analysis Requirements

Meeting CMP Traffic Impact Analysis Requirements

AN OPTIONAL GUIDANCE FOR LOCAL JURISDICTIONS

Prepared for:

Orange County Environmental Management Agency
Orange County Transportation Commission
Orange County Transit District
League of Cities, Orange County Division
Transportation Corridor Agencies

Prepared by:

Kimley-Horn and Associates, Inc.
and
The Planning Center

June 11, 1991

CMP-TIA REQUIREMENTS

Requirements of CMP legislation

- Analyze impacts of land-use decisions on CMP Highway System.
- Estimate costs associated with mitigation of impacts on CMP Highway System.
- Exclude costs associated with mitigating the impacts of interregional travel.
- Allow credits against mitigation costs for local public and private contributions to improvements to the CMP Highway System.
  - For toll road facilities, allow credits only for local public and private contributions which will not be reimbursed from toll revenues or other state or federal sources.
- Report annually on actions taken to adopt and implement a program to analyze the impacts of land-use decisions on the CMP Highway System and to estimate the costs of mitigating those impacts.

Year One Goal

- Identify the impacts of development anticipated to occur over the next 7 years on the CMP Highway System and the projected costs of mitigating those impacts.

Actions Required of Local Jurisdictions

- A TIA will be required for CMP purposes for all proposed developments generating 2,400 or more daily trips. For developments which will directly access the CMP Highway System, the threshold for requiring a TIA should be reduced to 1,600 or more trips per day.
- Document procedures used to identify and analyze traffic impacts of new development on CMP Highway System. This documentation should include the following:
  - Identification of type of development proposals which are subject to a traffic impact analysis (TIA);
  - Description of required or acceptable TIA methodology; and
  - Description of inter-jurisdictional coordination process used when impacts cross local agency boundaries.
- Document procedures/standards used to determine the costs of mitigation requirements for impacts of new development on CMP Highway System.
- Document methodology and procedures for determining applicable credits against mitigation costs including allowable credits associated with contributions to toll road facilities.

SECTION 1 – INTRODUCTION

Purpose

State legislation creating the CMP requires that the program contain a process to analyze the impacts of land-use decisions by local governments on the regional transportation system. Once impacts of a land-use decision are identified, the CMP also requires that the costs to mitigate the impacts be determined.

For CMP purposes, the regional transportation system is defined by the legislation as all state highways and principal arterials at a minimum. This system is referred to as the CMP Highway System. The identification and analysis of impacts along with estimated mitigation costs are determined with respect to this CMP Highway System.

The objectives of this report are to:

- Provide guidance to local agencies in conducting traffic impact analyses.
- Assist local agencies in maintaining eligibility for funds through documentation of CMP compliance.
- Make available minimum standards for jurisdictions wishing to use them for identifying and analyzing impacts on CMP Highway System.
- Establish CMP documentation requirements for those jurisdictions which elect to use their own TIA methodology.
- Establish a baseline from which TIA standardization may evolve as experience is gained in the CMP process.
- Cause the analysis of impacts on the CMP Highway System to be integrated into the local agency development review process.
- Provide a method for determining the costs associated with mitigating development impacts.
- Provide a framework for facilitating coordination between agencies when appropriate.

Background

Through a coordinated effort among local jurisdictions, public agencies, business and community groups, Orange County has developed a CMP framework in response to the requirements of Assembly Bill 1791. This framework is contained in the CMP Preparation Manual which was issued in January 1991 as a joint publication of the following agencies:

- County of Orange
- Orange County Division, League of California Cities
- Orange County Transportation Commission
- Orange County Transit District
- Transportation Corridor Agencies

The CMP Manual describes the CMP Program requirements for each component prescribed by the CMP provision of AB 1791. The components include one entitled Land-Use Coordination, which sets forth the basic requirements for the assessment, mitigation, and monitoring of traffic impacts to the CMP Highway System which are attributable to development projects.

Consolidation of Remaining Issues

This report is intended to present a useful reference in addressing the remaining issues associated with the identification and treatment of development impacts on the CMP Highway System. It is desirable that a standardized approach be utilized for determining which projects require analysis and in carrying out the resulting traffic impact analysis (TIA). It is also desirable that a reasonably uniform approach be utilized in determining appropriate mitigation strategies and estimating the associated costs.

TIA Survey History

In 1989, Kimley-Horn and Associates, Inc. conducted a survey of TIA procedures being used at the time by local jurisdictions within Orange County. The survey revealed that although there were some commonalities, there was considerable variation in approach, scope, evaluation methodology, and project disposition.

As part of the CMP process, it was determined that the identification of TIA elements which can or should be standardized should be accomplished. Additional documentation of cost estimating practices and the development of standardized costs and estimating procedures will be valuable in achieving desired consistency among jurisdictions.

To accomplish these objectives, Kimley-Horn's previous TIA survey was updated, and additional information was solicited from each local agency within Orange County. The information was obtained through telephone interviews with City Engineers and Planners after they had an opportunity to examine the survey questionnaire which was mailed to them in advance of the interview. The information obtained was used in preparing the methodology recommendations contained in this report. A summary of the updated survey results is provided in the Appendix.

Relationships with Other Components

In addition to being an integral part of the Land-Use Coordination component of the CMP, the traffic impact analysis requirements also relate to all other CMP components to a greater or lesser degree. These components include the following:

- Modeling
- Level of Service
- Transit Standards
- Traffic Demand Management

- Deficiency Plans
- Capital Improvement Program

The Land-Use Coordination section in Chapter 3 of the CMP Preparation Manual dated January 1991 contains a detailed description of each of the component linkages listed above.

SECTION 2- REQUIREMENTS OF CMP LEGISLATION

The complete text of CMP legislation is contained in Appendix A to the Preparation Manual for the CMP for Orange County dated January 1991. For ease of reference, the requirements of this legislation related to analysis of the impacts of land-use decisions made by local jurisdictions are summarized as follows:

- Analyze impacts of land-use decisions on CMP Highway System.
- Estimate costs associated with mitigation of impacts on CMP Highway System.
- Exclude costs associated with mitigating the impacts of interregional travel.
- Allow credits against mitigation costs for local public and private contributions to improvements to the CMP Highway System.
    - For toll road facilities, allow credits only for local public and private contributions which will not be reimbursed from toll revenues or other state or federal sources.
- Report annually on actions taken to adopt and implement a program to analyze the impacts of land-use decisions on the CMP Highway System and to estimate the costs of mitigating those impacts.

SECTION 3 - ACTIONS REQUIRED OF LOCAL AGENCIES

The provisions of CMP legislation, as summarized in the preceding section, impose a requirement on local jurisdictions to carry out certain actions to demonstrate their compliance with the CMP program. This compliance will maintain eligibility to receive state gas tax funds made available by the voter approved Proposition 111. The actions and documentation requirements related to the identification and analysis of traffic impacts include the following:

- A TIA will be required for CMP purposes for all proposed developments generating 2,400 or more daily trips. For developments which will directly access the CMP Highway System, the threshold for requiring a TIA should be reduced to 1,600 or more trips per day.
- Document procedures used to identify and analyze traffic impacts of new development on CMP Highway System. This documentation should include the following:
    - Identification of type of development proposals which are subject to a

traffic impact analysis (TIA);

- Description of required or acceptable TIA methodology; and
- Description of inter-jurisdictional coordination process used when impacts cross local agency boundaries.

- Document procedures/standards used to determine the costs of mitigation requirements for impacts of new development on CMP Highway System.
- Document methodology and procedures for determining applicable credits against mitigation costs, including allowable credits associated with contributions to toll road facilities.
- Establish annual monitoring and reporting process to summarize activities performed in analyzing the impacts of land-use decisions on the CMP Highway System and in estimating the associated mitigation costs. Procedures for incorporating mitigation measures into the Capital Improvement Program should also be established.
- For the first year, local jurisdictions may assume that all interregional travel occurs on the freeway system, or they may develop an analysis methodology to determine the amount of interregional travel occurring on arterials which are part of the CMP Highway System. During the first year, TIAs need to analyze only the impacts to arterial portions of the CMP Highway System.

SECTION 4 - CMP TRAFFIC IMPACT ANALYSIS METHODOLOGY

To ensure that the CMP Program meets its objectives of linking land-use decisions with the adequate evaluation of impacts related to those decisions, traffic impact analyses must often be undertaken. There are a few essential elements which should be included in traffic impact analyses (TIA) used to support the program. Many local jurisdictions already employ development review processes which will be adequate for addressing CMP requirements. For those jurisdictions wishing technical guidance in carrying out the analysis of traffic impacts on the CMP Highway System, this section offers an appropriate TIA methodology.

PROJECTS REQUIRING TIA ANALYSIS

All development in Orange County will use the CMP Network to a greater or lesser extent from time to time. The seven-year capital improvement program, together with deficiency plans to respond to deficiencies which cannot be resolved in the 7-year timeframe, are developed in response to anticipated growth in travel within a jurisdiction. Thus, a certain level of travel growth is addressed in the normal planning process, and it is not necessary to evaluate relatively small projects with a TIA or to rely on TIAs as the primary means of identifying needed CMP Highway System improvements. Furthermore, County voters have approved a sales tax increase which will fund major improvements to the transit and highway systems serving the County.

Many jurisdictions will require an EIR for a proposed development project. When required, the EIR should include steps necessary to incorporate the required CMP analysis. Most or all of the TIA elements described in this section would normally be incorporated into the typical EIR traffic analysis.

Certain development projects not requiring an EIR should still be evaluated through a TIA process due to their land-use type, intensity, proximity to the CMP network, and/or duration of development timeframe. In other words, developments which will significantly alter the anticipated demand on a CMP roadway should be evaluated through a TIA approach.

At the present time, there is a wide-ranging approach to determining which projects will require a TIA. In some jurisdictions, there are formal guidelines, while in others it depends primarily on the judgment of a member of staff relative to the probable significance of the project's impact on the surrounding road system.

The OCTC TIA guidelines recommended defining three percent of the level of service standard as significant impact. This seems reasonable for application for CMP purposes. Thus, project impacts of three percent or less can be mitigated by impact fees or other revenues. Projects with the potential to create an impact of more than three percent of Level of Service E capacity will require TIAs. On this basis, it is recommended that all development projects which generate more than 2,400 daily trips be subject to a TIA for CMP evaluation. For projects which will directly access or be near a CMP Highway System link, a reduced threshold of 1,600 trips/day would be appropriate. Appendix B provides background information of the derivation of these threshold values.

TIA PROCESS

There are several essential elements in the TIA process itself. It is desirable that all elements be evaluated within an acceptable range of criteria to assure the objectives of the CMP process and to maintain a reasonable degree of equity from jurisdiction to jurisdiction. It is recognized, however, that for certain elements, some variations relating to professional judgment and local criteria and characteristics are necessary and appropriate to the process. These factors have been fully considered in developing the descriptions of the following elements:

- Evaluation of existing conditions
- Trip generation
- Internal capture and passer-by traffic
- Trip distribution and assignment
- Radius of development influence
- Background traffic
- Capacity analysis methodology

- Impact costs/mitigation

Evaluation of Existing Conditions

To evaluate the relative impacts of a proposed development, determine CMP Highway System status, and define appropriate mitigation for new impacts, it is necessary to understand the existing conditions on the affected roadway network. Evaluation of existing conditions is common to nearly all jurisdictions in Orange County. Given that most jurisdictions use link and intersection capacity analysis techniques compatible with the techniques identified in the level-of-service component, no changes in existing local jurisdiction procedures should be necessary in connection with the CMP Program.

Trip Generation

At the foundation of traffic impact analyses is the quantification of trip generation. Use of the ITE Trip Generation Manual is common throughout Orange County. In addition, other widely accepted practices are being used when appropriate to supplement the lit data. These practices include the use of acceptable rates published by local agencies and surveys conducted at similar sites, subject to approval of the reviewing agency. Given the uniformity of practice in Orange County to date, no major adjustments in this procedure should be required. It would be desirable, however, to establish a central library for reporting the results of special trip generation studies and to make these results available to all other jurisdictions who request them.

Internal Capture and Passer-by Traffic

Techniques for identifying the internal relationship of travel within mixed-use developments and the degree to which development captures passer-by trips as opposed to creating new trips are being applied by approximately 2/3 of the local jurisdictions within Orange County. The use of guidelines in the ITE Trip Generation Manual and appropriate professional judgment are the predominant techniques employed. To supplement the guidance available through ITE documentation, local jurisdictions are encouraged to undertake additional studies to document rates applicable within their jurisdiction. The determination of applicable rates should be undertaken by experienced transportation engineering professionals with thorough documentation of the methodology, data, and assumptions used. It is recommended that those jurisdictions which do not currently allow these adjustments establish revised TIA procedures incorporating this element. As with trip generation data, a central library would be desirable for reporting of data and analyses performed locally related to determination of appropriate factors.

Trip Distribution and Assignment

Several appropriate distribution and assignment techniques are used in Orange County, depending on the size of the development and the duration of buildout. Manual and computer modeling approaches are used as appropriate. Manual methods based on the best socio-economic information available to the agency and applicant should be acceptable except when a development's size makes a modeling approach more appropriate. Sources of this information include demographic surveys, market analyses, and previous studies.

Radius of Development Influence

There are numerous ways to identify the study area to be evaluated in a TIA. These include both qualitative and quantitative approaches. One of the most effective ways is through the determination of the quantity of project traffic on CMP roadway links compared to a selected level of impact. The goal of a quantitative approach is to ensure that all elements of the CMP network are addressed in a comparable manner from jurisdiction to jurisdiction. This is important due to the potential for overlapping impacts among jurisdictions. It is also important to maintain flexibility within a quantitative process to allow transportation professionals at local jurisdictions to add areas to the study which are of specific concern. It is not intended that CMP practices should restrict this aspect of each agency's existing TIA process.

It is recommended that the study area for CMP Highway System links be defined by a measure of significant impact on the roadway links. As a starting point, it is proposed that the measure be three percent of existing roadway capacity. Thus, when a traffic impact analysis is being done it would require the inclusion of CMP roadway links that are impacted by 3 percent or more of their LOS E capacity. If a TIA is required only for CMP purposes, the study area would end when traffic falls below three percent of capacity on individual roadway links. If the TIA is also required for other purposes, additional analysis can be required by the local jurisdiction based on engineering judgment or local regulation as applicable.

Background Traffic

For a reasonable assessment of the level of service on the CMP network, it is necessary to not only identify the proposed development impact, but also the other traffic which can be expected to occur during the development of the project. There are numerous methods of evaluating background traffic. The implications of these alternative methods are that certain methodologies may result in deficiencies, while other methodologies may find acceptable operating conditions.

The cost to mitigate impacts of a land-use decision is unrelated to background traffic. Rather, it is related to the cost of replacing the capacity which is consumed by the proposed development. However, it is necessary to understand background traffic to evaluate level of service. Background traffic is composed of existing traffic demands and growth from new development, which will occur over a specific period of time. Both the existing and the growth elements of background traffic contain sub-elements. These include traffic which is generated within Orange County, that which begins and/or ends within the County, and interregional traffic which has neither end in Orange County. CMP legislation stipulates that interregional traffic will not be considered in CMP evaluations with respect to LOS compliance or determining costs of mitigation.

Given that the CMP process is new, there is no existing practice of separating interregional traffic from locally generated traffic. Until a procedure for identifying interregional traffic is developed, local jurisdictions may assume that all interregional traffic occurs on the freeway system. Initially, TIAs required for CMP purposes need only analyze the impacts to arterial portions of the CMP Highway System.

Local governments in Orange County are generally consistent in their approach to background traffic. There are three major approaches used. The first is to use historical growth factors which are applied to existing traffic volumes to project future demands. The second is to aggregate the impacts of specific individual projects which have been approved or planned but not built to identify the total approved background traffic on the study area roadway system. A third method is to use computer modeling to identify total traffic demands which represent both background traffic and project impact traffic. For the present CMP program, it is recommended that the discretion for the appropriate process lie within the local jurisdiction, however, the method to be used in the jurisdiction should be clearly defined in the agency's TIA rules and procedures. In addition, it is recommended that all jurisdictions create a listing of approved development projects and a map showing their locations which would be updated frequently and be available to other jurisdictions on request. The listing should include information related to type and size of land-use and phasing for each project.

It is appropriate to periodically update long range forecasts based on development approvals and anticipated development growth in the region and plan a transportation system which will provide the necessary level of service for this amount of development. When a development proposal significantly alters this long-term plan, it will be necessary to address the aggregate of all approved development to assure that there is a long-term solution. However, from a TIA perspective, it is reasonable and practical to consider only that development traffic which can be expected to exist at the time of buildout of a new development proposal. For CMP purposes, background traffic should be limited to that traffic which is generated by development which will exist at the time of buildout of a proposed development. CEQA requirements may dictate that other background traffic scenarios be analyzed as well.

Capacity Analysis Methodology

Once the projected traffic demands are known, it is necessary to evaluate these demands relative to available and planned roadway capacity. The methodology used in capacity determination in Orange County is relatively uniform. Additionally, the (LOS) component of the CMP Program has identified specific criteria which are to be used in determining level-of-service on the CMP Highway System.

Impact Costs/Mitigation

This element is at the heart of the CMP process; that is to identify the costs of mitigating a land development decision on the CMP System.

The current practice throughout Orange County requires mitigation only when the level-of-service standard is exceeded. However, some jurisdictions require regular impact mitigation fees and phasing road improvements with development. The growth management requirement of the sales tax M2 mandates a traffic phasing program. Often, mitigation is equated to construction of roadway improvements to maintain an acceptable level-of-service and/or to maintain the existing level-of-service. In some instances, a pay-and-go mitigation approach is allowed. This means that new development may pay its fair share and go forward, and the provision of improvements remains the responsibility for the local jurisdiction.

To assess responsibility for impacts, there are a variety of approaches. One approach is to consider impact traffic as a percentage of total traffic. Impact traffic may also be taken as a percentage of existing capacity. Another common approach is to use the net impact of development as a percentage of total future traffic demand.

Since CMP legislation requires the identification of costs of land-use decisions and impacts across jurisdictional lines, it is desirable that the CMP program have a consistent method for identifying the costs of development impacts. On the other hand, a wide variety of mitigations can occur from jurisdiction to jurisdiction.

It is recommended that the impact costs be calculated as the total of new development traffic on a roadway link requiring improvement divided by the capacity of the improvement times the cost of the improvement. This can be expressed in a formula as follows:

$$\textbf{Impact Cost} = \frac{\text{Development Traffic}}{\text{Capacity of Improvement}} \times \text{Improvement Cost}$$

Improvements to be included in the cost analysis should be those identified in the jurisdiction's adopted Circulation Element and any additional improvements identified in the development TIA. The total impact cost for a development would be the sum of costs for all significantly impacted links. Funds collected from these assessments could be aggregated and applied to specific projects on an annual basis in accordance with locally established priorities. If project impacts extend across jurisdictional boundaries, the impact costs calculated for significantly impacted links in an adjacent jurisdiction should be allocated to that jurisdiction for use in its program of prioritized improvements.

Through this process, progress can be achieved in implementing system improvements without having to wait for 100% of the funds to be collected for each individual improvement. In theory, all required improvements will be accomplished over time as new developments are approved which will generate traffic to utilize available and planned system capacity. The costs should be based on recent unit cost experience in Orange County and may include planning, permitting, preliminary engineering, design, right-of-way, construction, landscaping, construction inspection, and, if applicable, financing costs.

There are two approaches to mitigation. One is traffic reduction, and the other is to build improvements to accommodate the new traffic. Traffic reduction through transportation demand ordinances or other regulations which will reduce impacts can be calculated in the same way a development impact would be calculated. But in this case, it would be taken as a credit or a reduction in impact. Mitigation techniques such as TDM or phasing or reduction in project intensity merely reduce for a new development the amount of impact which must be mitigated and are changes which should occur prior to the calculation of project impact costs. A monitoring program should be established to confirm that anticipated reductions are realized.

To comply with the CMP process, a local jurisdiction should accomplish two things. First, it should demonstrate that it is analyzing and mitigating the impact of new development on the CMP Highway System. Second, it should maintain the level-of-service standards or adopt a deficiency plan Consistent with CMP legislation. To demonstrate the mitigation which has been undertaken, the local jurisdiction should maintain a record of the cumulative impact cost of all development approvals and the cumulative mitigation value of improvements provided by the local jurisdiction. These could be construction programs or credits from a TDM ordinance or other traffic reduction measures. It is then only necessary to show on an annual basis that the total improvement costs plus traffic reduction credits are equal to or greater than the total impact cost of new development approvals to prove mitigation compliance.

The maintenance of level-of-service would come through implementation of improvements contained in the 7-year capital improvements element, M2 and state-funded improvements, additional improvements which may be made in conjunction with development approvals, and from deficiency plans which may be required from time to time. From a TIA perspective, it would be necessary to document the following:

a. the level of service on the CMP network at buildout of the proposed development will be: 1) level of service “E” or better, or 2) will not result in a cumulative increase of more than 0.10 in V/C ratio if the established LOS standard is worse than LOS E.

b. a deficiency plan exists to address the links for which level-of-service is not provided, and

c. a deficiency plan will be developed for a new link when a deficiency occurs.

DOCUMENTATION OF RULES AND PROCEDURES

To assure a clear understanding of the TIA procedures which are necessary to support a viable CMP program, it is recommended that a set of rules and procedures be established by each local jurisdiction. Ideally, these rules and procedures would cover the requirements for the full TIA analysis and would include minimum requirements for the CMP process. Local jurisdictions which prefer not to adopt separate CMP TIA standards could implement standards for CMP requirements within a TIA and maintain their existing approach for all other aspects of their existing TIA process. The following is a summary of the elements which should be included in CMP procedures documentation and the methodologies applicable to each element:

1. **Thresholds for Requiring a TIA for CMP** - Projects with the potential to create an impact of more than 3% of LOS "E" capacity on CMP Highway system links should require a TIA. All projects generating 2,400 or more daily trips should require a TM for CMP evaluation. If a project has direct access to a CMP link, this threshold should be reduced to 1,600 or more daily trips. A TIA should not be required again if one has already been performed for the project as part of an earlier development approval which takes the impact on the CMP Highway System into account.
2. **Existing Conditions Evaluation** - Identify current level-of-service on CMP roadways and intersections where the proposed development traffic will contribute to 3 percent of the existing capacity. Use procedures defined in the level-of-service component for evaluation of level of service.
3. **Trip Generation** - ITE trip generation rates or studies from other agencies and locally approved studies for specific land uses.
4. **Internal Capture and Passerby Traffic** - Justification for internal capture should be included in the discussion. Passerby traffic should be calculated based upon ITE data or approved special studies.
5. **Distribution and Assignment** - Basis for trip distribution should be discussed and should be linked to demographic or market data in the area. Quantitative and/or qualitative information can be used depending on the size of the proposed development. As the size of the project increases, there should be a tendency to use a detailed quantitative approach for trip distribution. Trip assignment should be based on existing and projected travel patterns and the future roadway network and its travel time characteristics.
6. **Radius of Impact/Project Influence** - The analysis should identify the traffic assignment on all CMP roadway links until the impact becomes less than 3 percent of level of service E capacity.
7. **Background Traffic** - Total traffic which is expected to occur at buildout of the proposed development should be identified.
8. **Impact Assessment Period** - This should be the buildout timeframe of the proposed development.
9. **Capacity Analysis Methodology** - The methodology should be consistent with that specified in the level-of-service component of the CMP Program.
10. **Improvement Costs** - The cost of roadway improvements should include all costs of implementation including studies, design, right-of-way, construction, construction inspection, and financing costs, if applicable.
11. **Impact Costs and Mitigation** - The project impact divided by the capacity of a roadway improvement multiplied by the cost of the improvement should be identified for each significantly impacted CMP link and summed for the study area.

12. **Projected Level-of-Service** - The TIA should document that the projected level-of-service on all CMP links in the study area will be at Level-of-Service "E" or the existing level-of-service, whichever is less, or that a deficiency plan exists or will be developed to address specific links or intersections.

SECTION 5 – APPENDICES

Appendix A – Summary of TIA Update Survey Results (Available Upon Request)

Appendix B – Deviation of Thresholds for Projects Requiring TIA Analysis

APPENDIX B

DERIVATION OF THRESHOLDS FOR PROJECTS REQUIRING TRAFFIC IMPACT ANALYSIS

The TIA process recommendation is to require a TIA for any project generating 2,400 or more daily trips. This number is based on the desire to analyze any impacts which will be 3% or more of the existing capacity. Since most of the CMP Highway System will be four lanes or more, the capacity used to derive the threshold is a generalized capacity of 40,000 vehicles/day. The calculations are as follows:

40,000 veh./day x 3% = 1,200 veh./day

Assuming 50/50 distribution of project traffic on a CMP link

1,200 x 2 = 2,400 veh./day total generation

As can be seen, a project which will generate 2,400 trips/day will have an expected maximum link impact on the CMP system of 1,200 trips/day based on a reasonably balanced distribution of project traffic. On a peak-hour basis, the 3% level of impact would be 120 peak-hour trips. For intersections, a 3% level of impact applied to the sum of critical volume (1,700 veh./hr.) would be 51 vehicles per hour.

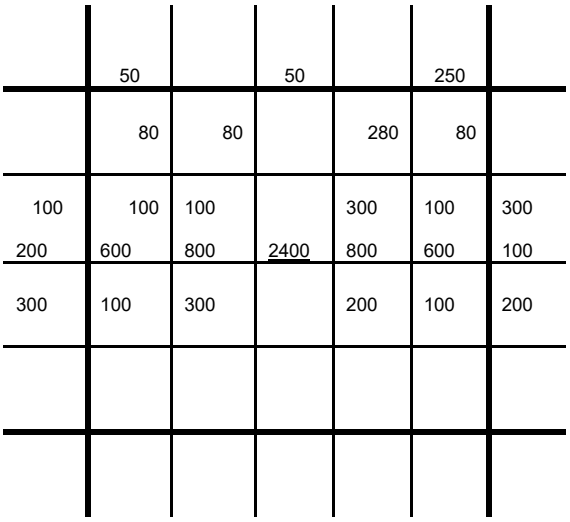
A level of impact below 3% is not recommended because it sets thresholds which are generally too sensitive for the planning and analytical tools available. Minor changes in project assumptions can significantly alter the results of the analysis, resulting in additional unnecessary costs for the developer and additional review time by staff with little benefit. Additionally, a lower threshold of significance will expand the study area, which also increases effort and costs, and increases the probability that the analysis would extend beyond jurisdictional boundaries.

The following illustration shows that the 2,400 trip/day threshold would be expected to produce a 3% impact on the CMP System only when the project has relatively direct access to a CMP link. As a project location moves further off the CMP System, the expected impact is reduced. With a more directional distribution of project traffic a development with direct CMP System access could produce a 3% impact with somewhat lower daily trip generation.

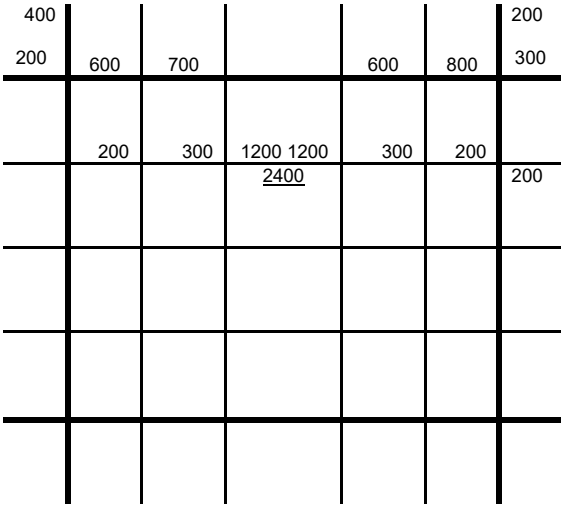
The table included on the following page illustrates the daily trip generation thresholds which would produce various levels of impact on the CMP System for project locations with and without direct access to the system. Based on a 3% impact the trip generation thresholds for requiring a TIA are 1,600 veh./day with direct CMP System access and 2,400 veh./day if a project does not have direct CMP System access.

CMP Highway System Impacts for Development Generating 2,400 trips/day

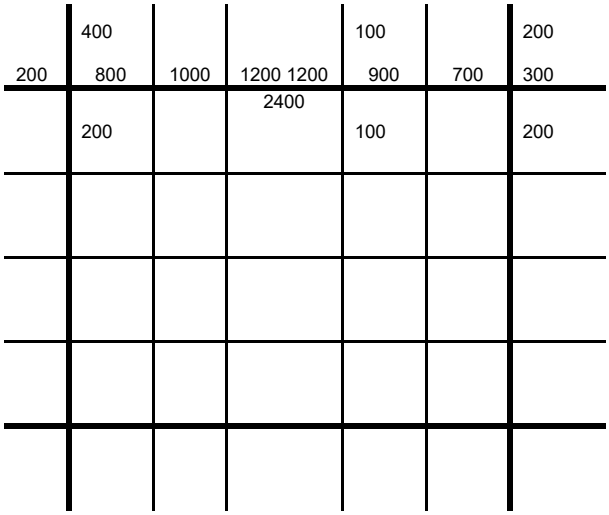
Based on proximity to CMP System



MAXIMUM IMPACT < 1%



MAXIMUM = 1.8%



MAXIMUM = 3%
COULD BE 4.5% WITH 75/25 SPLIT

Alternative Criteria

Assume 75/25 distribution

For direct access to CMP System:
1,200/.75 = 1,600 veh./day

For no direct CMP System Access:
Approximately 1/3 less impact on CMP System
1,600 x 3/2 = 2,400 veh./day

Daily Trip Generation

Significant Impact	Direct Access	No Direct Access
1%	500	800
2%	1,100	1,600
3%	1,600	2,400

Appendix B-2: Traffic Impact Analysis Exempt Projects

Appendix B-2: Traffic Impact Analysis Exempt Projects

Projects exempt from the requirements of a mandatory CMP Traffic Impact Analysis are listed below. This list is not meant to be all-inclusive. Any inquiries regarding additional exemptions shall be transmitted in writing to the Orange County Transportation Authority, attention CMP Program Manager.

Project Not Requiring a CMP TIA Analysis:

1. Applicants for subsequent development permits (i.e., conditional use permits, subdivision maps, site plans, etc.) for entitlement specified in and granted in a development agreement entered into prior to July 10, 1989.[1]
2. Any development application generating vehicular trips below the Average Daily Trip (ADT) threshold for CMP Traffic Impact Analysis, specifically, any project generating less than 2,400 ADT total, or any project generating less than 1,600 ADT directly onto the CMPHS. [1, 2]
3. Final tract and parcel maps. [1, 2, 3]
4. Issuance of building permits. [1, 2, 3]
5. Issuance of certificates of use and occupancy. [1, 2, 3]
6. Minor modifications to approved developments where the location and intensity of project uses have been approved through previous and separate local government actions prior to January 1, 1992. [1, 2, 3]

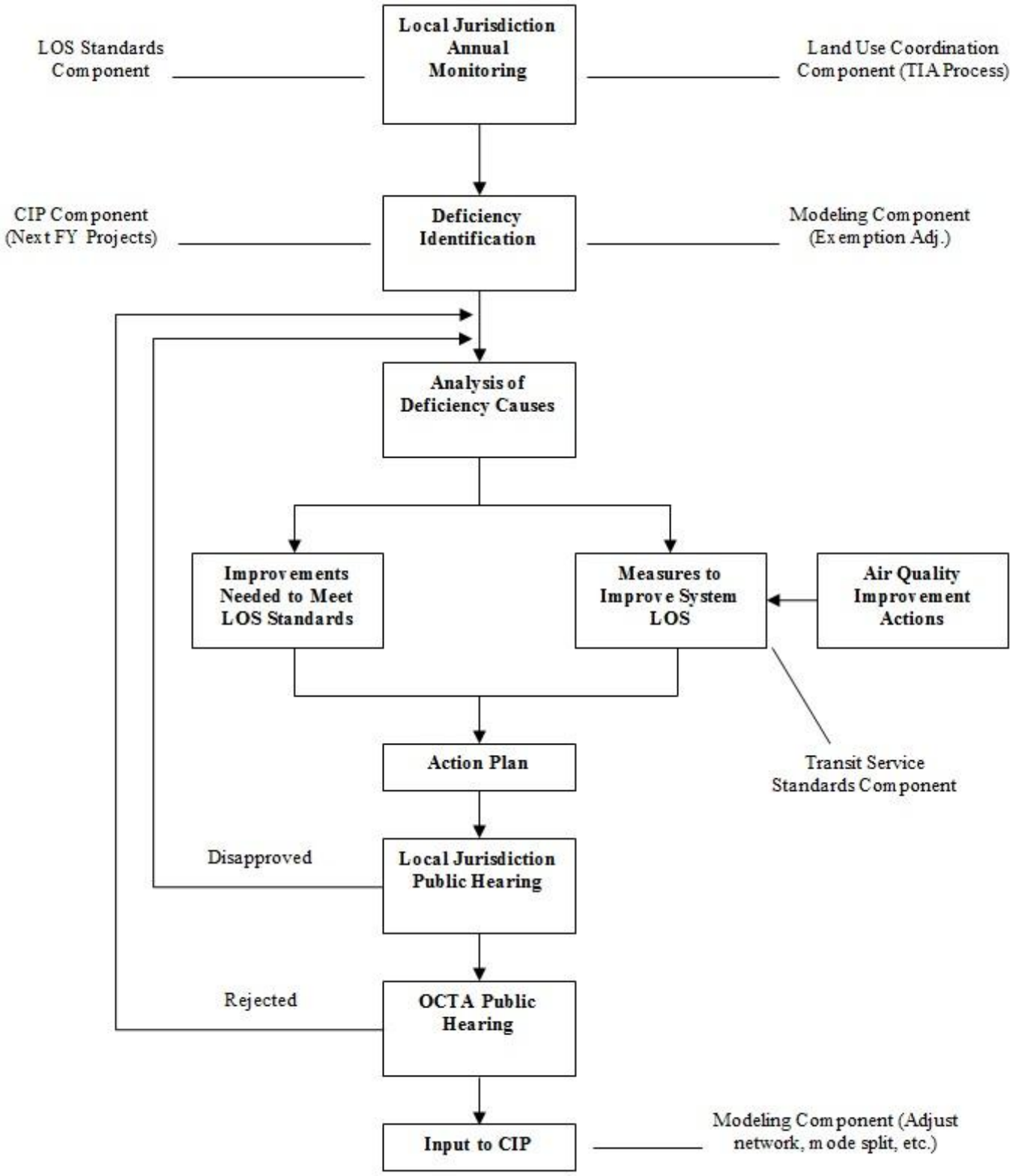
[1] Vehicular trips generated by CMP TIA-exempt development applications shall not be factored out in any traffic analyses or levels of service calculations for the CMPHS.

[2] Exemption from conduction a CMP TIA shall not be considered an exemption from such projects' participation in approved, transportation fee programs established by the local jurisdiction.

[3] A CMP TIA is not required for these projects only in those instances where development approvals granting entitlement for the project sites were granted prior to the effective date of CMP TIA requirements (i.e., January 1992).

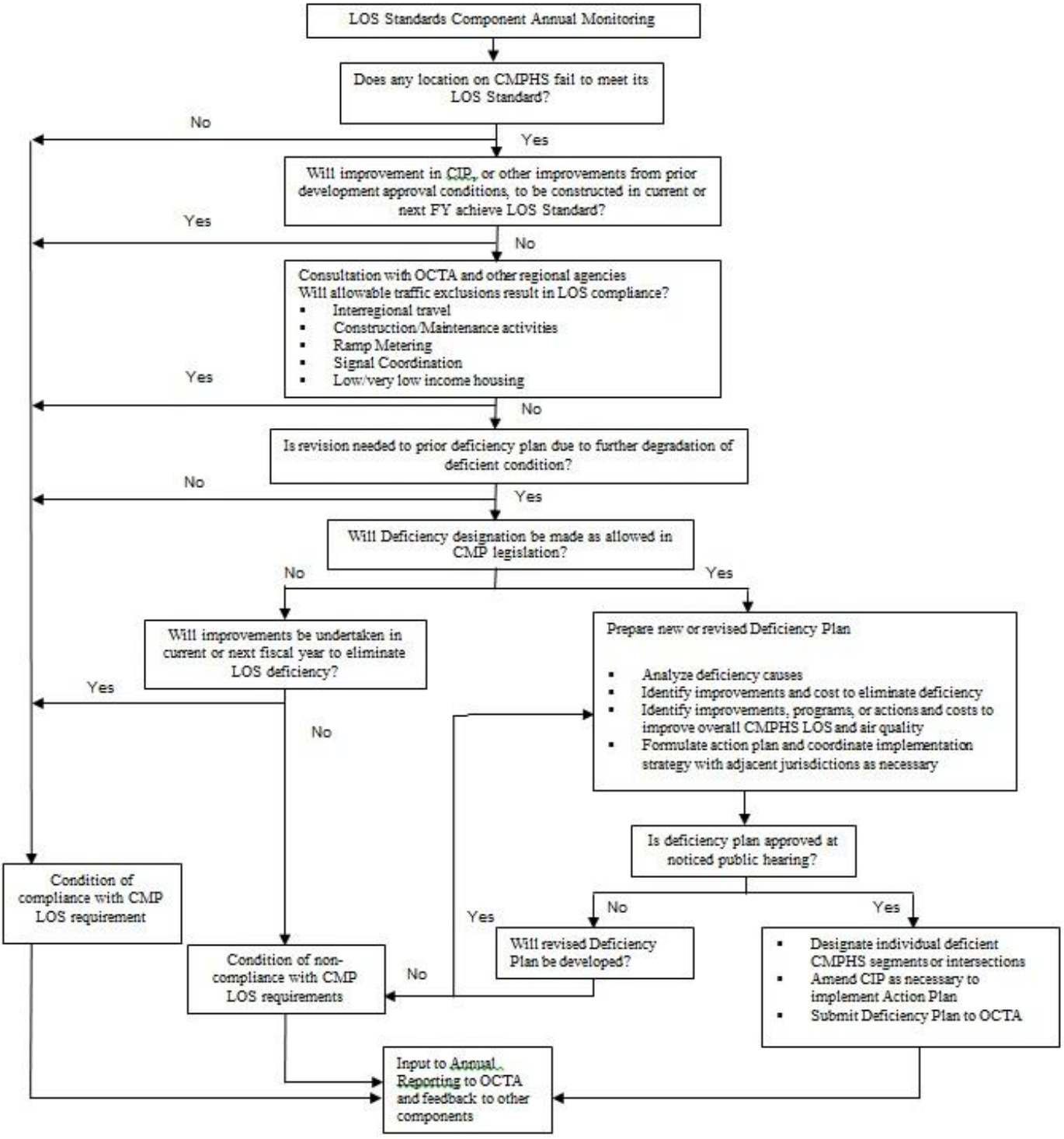
Appendix C-1: CMP Deficiency Plan Flow Chart

APPENDIX C-1: CMP Deficiency Plan Flow Chart



Appendix C-2: Deficiency Plan Decision Flow Chart

APPENDIX C-2: Deficiency Plan Decision Flow Chart



Appendix D: CMP Monitoring Checklist

OCTA

Congestion Management Program (CMP)

Jurisdiction:	Choose an item.

CMP Monitoring Checklist: Level of Service (LOS)				
CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: • There are no CMP intersections in your jurisdiction. • Factoring out statutorily-exempt activities[1], all CMP intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better.	☐	☐	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections that are not operating at the CMP LOS standards. • _____ • _____ • _____			☐
3.	Will deficient intersections, if any, be improved by mitigation measures to be implemented in the next 18 months or improvements programmed in the first year of any recent funding program (i.e. local jurisdiction CIP, Measure M CIP)?	☐	☐	☐
	a. If not, has a deficiency plan been developed for each intersection that will be operating below the CMP LOS standards?	☐	☐	☐
Additional Comments:				

[1]The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.

OCTA

Congestion Management Program (CMP)

CMP Monitoring Checklist: Deficiency Plans				
CMP Checklist		YES	NO	N/A
1.	Check "Yes" if either of the following apply: • There are no CMP intersections in your jurisdiction. • Factoring out statutorily-exempt activities[2], all CMP Highway System (CMPHS) intersections within your jurisdiction are operating at LOS E (or the baseline level, if worse than E) or better.	☐	☐	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTIONS.				
2.	If any, please list those intersections found that are not operating at the CMP LOS standards. • _____ • _____ • _____			☐
3.	Are there improvements to bring these intersections to the CMP LOS standard scheduled for completion during the next 18 months or programmed in the first year of the CIP?	☐	☐	☐
NOTE: ONLY THOSE AGENCIES THAT CHECKED "NO" FOR QUESTION 3 NEED TO ANSWER THE REMAINING QUESTIONS.				
4.	Has a deficiency plan or a schedule for preparing a deficiency plan been submitted to OCTA?	☐	☐	☐
5.	Does the deficiency plan fulfill the following statutory requirements? :			
	a. Include an analysis of the causes of the deficiency?	☐	☐	☐
	b. Include a list of improvements necessary to maintain minimum LOS standards on the CMPHS and the estimated costs of the improvements?	☐	☐	☐
	c. Include a list of improvements, programs, or actions, and estimates of their costs, which will improve LOS on the CMPHS and improve air quality?	☐	☐	☐
	i. Do the improvements, programs, or actions meet the criteria established by South Coast Air Quality Management District (SCAQMD) (see the CMP Preparation Manual)?	☐	☐	☐

[2]The following activities are statutorily-exempt from deficiency determinations: interregional travel, traffic generated by the provision of low and very low income housing, construction rehabilitation or maintenance of facilities that impact the system, freeway ramp metering, traffic signal coordination by the state or multi-jurisdictional agencies, traffic generated by high-density residential development within 1/4 mile of a fixed-rail passenger station, traffic generated by mixed-use residential development within 1/4 mile of a fixed-rail passenger station.

OCTA

Congestion Management Program (CMP)

CMP Monitoring Checklist: Deficiency Plans (cont.)				
CMP Checklist		YES	NO	N/A
6.	Are the capital improvements identified in the deficiency plan programmed in your seven-year CIP?	☐	☐	☐
7.	Does the deficiency plan include a monitoring program that will ensure its implementation?	☐	☐	☐
8.	Does the deficiency plan include a process to allow some level of development to proceed pending correction of the deficiency?	☐	☐	☐
9.	Has necessary inter-jurisdictional coordination occurred?	☐	☐	☐
10.	Please describe any innovative programs, if any, included in the deficiency plan:			☐
Additional Comments:				

OCTA

Congestion Management Program (CMP)

CMP Monitoring Checklist: Land Use Coordination				
CMP Checklist		YES	NO	N/A
1.	Have you maintained the CMP traffic impact analysis (TIA) process you selected for the previous CMP?	☐	☐	
	a. If not, have you submitted the revised TIA approach and methodology to OCTA for review and approval?	☐	☐	☐
2.	Did any development projects require a CMP TIA during this CMP cycle?[3]	☐	☐	
NOTE: ONLY THOSE AGENCIES THAT CHECKED "YES" FOR QUESTION 2 NEED TO ANSWER THE REMAINING QUESTIONS.				
3.	If so, how many?		_____	
4.	Please list any CMPHS links & intersections that were projected to not meet the CMP LOS standards (indicate whether any are outside of your jurisdiction). • _____ • _____ • _____			☐
	a. Were mitigation measures and costs identified for each and included in your seven-year CIP?	☐	☐	☐
	b. If any impacted links & intersections were outside your jurisdiction, did your agency coordinate with other jurisdictions to develop a mitigation strategy?	☐	☐	☐
5.	If a local traffic model was/will be used, did you follow the data and modeling consistency requirements as described in the CMP Preparation Manual (available online at http://www.octa.net/pdf/cmpprepmanual.pdf)?	☐	☐	☐
Additional Comments:				

[3]Exemptions include: any development generating less than 2,400 daily trips, any development generating less than 1,600 daily trips (if it directly accesses a CMP highway), final tract and parcel maps, issuance of building permits, issuance of certificate of use and occupancy, and minor modifications to approved developments where the location and intensity of project uses have been approved through previous and separate local government actions prior to January 1, 1992.

OCTA

Congestion Management Program (CMP)

CMP Monitoring Checklist: Capital Improvement Program (CIP)				
CMP Checklist		YES	NO	N/A
1.	Did you submit a seven-year CIP to OCTA by June 30?	☐	☐	☐
2.	Does the CIP include projects to maintain or improve the performance of the CMPHS (including capacity expansion, safety, maintenance, and rehabilitation)?	☐	☐	☐
3.	Is it consistent with air quality mitigation measures for transportation- related vehicle emissions?	☐	☐	☐
4.	Was the OC Fundtracker CIP provided by the OCTA used to prepare the CIP?	☐	☐	☐
Additional Comments:				

OCTA

Congestion Management Program (CMP)

OPTIONAL - CMP Monitoring Checklist: Federal Congestion Management				
CMP Checklist		YES	NO	N/A
1.	Does any federally funded project in the CIP result in a significant increase in single occupant vehicle (SOV) capacity?	☐	☐	☐
NOTE: ONLY THOSE AGENCIES THAT CHECKED "YES" FOR QUESTION 1 NEED TO ANSWER THE REMAINING QUESTION.				
2.	If so, was the project developed as part of the federal Congestion Management Process, in other words, was there an appropriate analysis of reasonable travel demand reduction and operational strategies?	☐	☐	☐
Additional Comments:				

I certify that the information contained in this checklist is true.

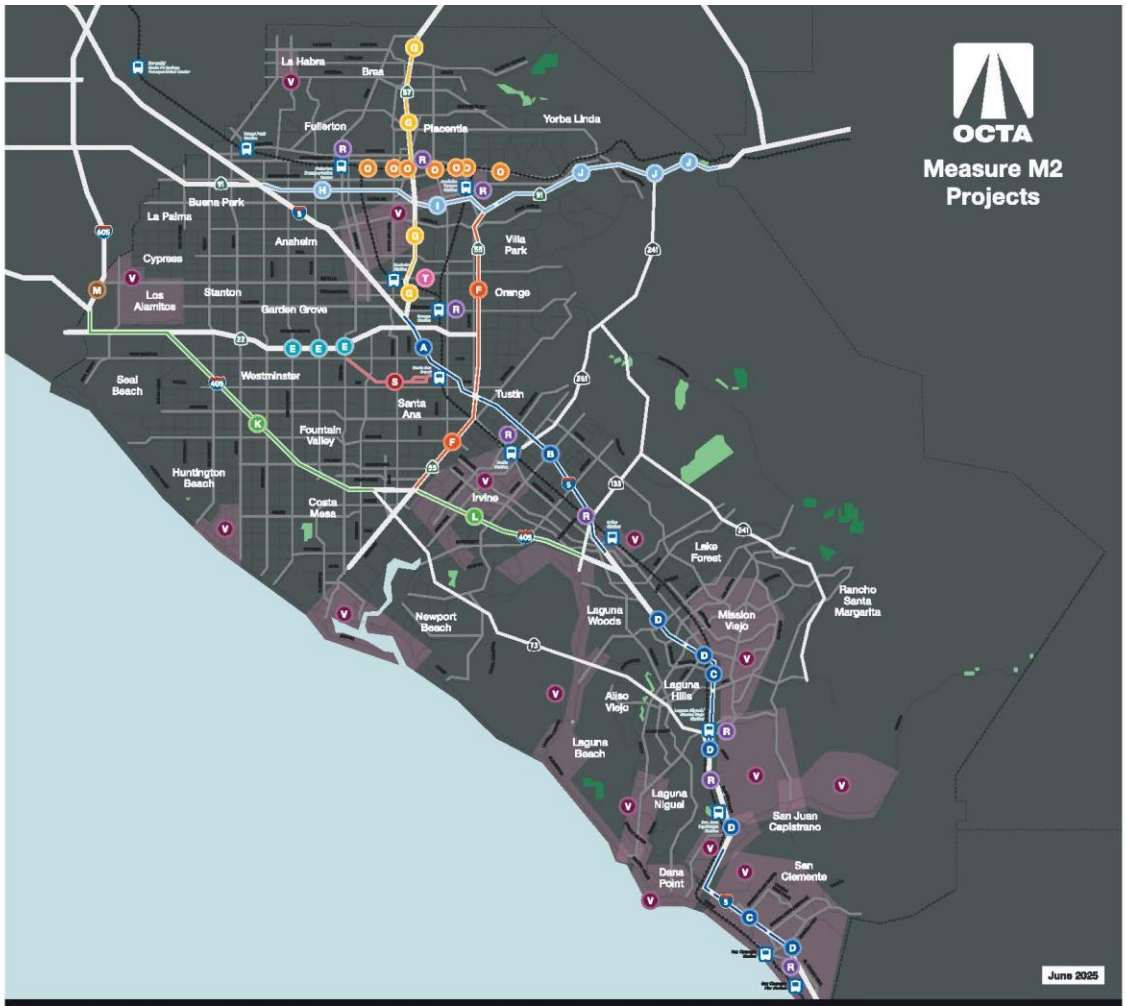
Name (Print)	Title	Signature	Date

Appendix E: Capital Improvement Programs

Available online at:

https://www.octa.net/programs-projects/programs/plans-and-studies/congestion-management-program/

Appendix F: Measure M2 Program of Projects



Freeway Improvement Program

Interstate 5 (I-5) Projects
- A SR-55 to SR-57
- B I-405 to SR-55
- C SR-73 to El Toro Road
- C Avenida Pico to San Juan Creek Road
- D Highway Interchanges

State Route 22 (SR-22) Projects
- E Access Improvements

State Route 55 (SR-55) Projects
- F I-405 to I-5
- F I-5 to SR-91

State Route 57 (SR-57) Projects
- G Northbound, Orangewood Avenue to Katella Avenue
- G Northbound, Katella Avenue to Lincoln Avenue
- G Northbound, Orangethorpe Avenue to Lambert Road
- G Northbound, Lambert Road to Tonner Canyon Road

State Route 91 (SR-91) Projects
- H Westbound, I-5 to SR-57
- I SR-57 to SR-55
- J SR-55 to Riverside County Line

Interstate 405 (I-405) Projects
- K SR-73 to I-605
- L I-5 to SR-55

Interstate 605 (I-605) Projects
- M Katella Avenue Interchange Improvements

Freeway Mitigation Program
- Restoration Projects (Part of Projects A-M)
- Acquisition Projects (Part of Projects A-M)

Streets & Roads
- O Grade Separation Program
- P Signal Synchronization Project Corridors

Rail
- Metrolink Rail Line
- Metrolink Station

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

Other Projects Not Shown

Project N:
- Freeway Service Patrol

Project O:
- Regional Capacity Program

Project Q:
- Local Fair Share Program

Project R:
- Grade Crossing & Trail Safety Enhancements
- Metrolink Service Expansion Program

Project U:
- Senior Mobility Program
- Senior Non-Emergency Medical Transportation Program
- Fare Stabilization Program

Project W:
- Safe Transit Stops

Project X:
- Environmental Cleanup Program

Appendix G: Orange County Subarea Modeling Guidelines

Note: *The primary purpose of these guidelines is to promote consistency in transportation modeling within Orange County.*

Available online at:

https://www.octa.net/programs-projects/programs/plans-and-studies/congestion-management-program/

ATTACHMENT D

2025 Congestion Management Program
Summary of Compliance

Jurisdiction	Capital Improvement Program	Deficiency Plan	Land Use	Level of Service	2025 Compliance
Aliso Viejo *	Yes	N/A	Yes	N/A	Yes
Anaheim	Yes	N/A	Yes	Yes	Yes
Brea	Yes	N/A	Yes	Yes	Yes
Buena Park	Yes	N/A	Yes	Yes	Yes
Costa Mesa	Yes	N/A	Yes	Yes	Yes
Cypress	Yes	N/A	Yes	Yes	Yes
Dana Point	Yes	N/A	Yes	Yes	Yes
Fountain Valley *	Yes	N/A	Yes	N/A	Yes
Fullerton	Yes	N/A	Yes	Yes	Yes
Garden Grove	Yes	N/A	Yes	Yes	Yes
Huntington Beach	Yes	N/A	Yes	Yes	Yes
Irvine	Yes	N/A	Yes	Yes	Yes
La Habra	Yes	N/A	Yes	Yes	Yes
La Palma*	Yes	N/A	Yes	N/A	Yes
Laguna Beach	Yes	N/A	Yes	Yes	Yes
Laguna Hills	Yes	N/A	Yes	Yes	Yes
Laguna Niguel	Yes	N/A	Yes	Yes	Yes
Laguna Woods	Yes	N/A	Yes	Yes	Yes
Lake Forest	Yes	N/A	Yes	Yes	Yes
Los Alamitos	Yes	N/A	Yes	Yes	Yes
Mission Viejo	Yes	N/A	Yes	Yes	Yes
Newport Beach	Yes	N/A	Yes	Yes	Yes
Orange	Yes	N/A	Yes	Yes	Yes
Placentia	Yes	N/A	Yes	Yes	Yes
Rancho Santa Margarita *	Yes	N/A	Yes	N/A	Yes
San Clemente *	Yes	N/A	Yes	N/A	Yes
San Juan Capistrano	Yes	N/A	Yes	Yes	Yes
Santa Ana	Yes	N/A	Yes	Yes	Yes
Seal Beach *	Yes	N/A	Yes	N/A	Yes
Stanton	Yes	N/A	Yes	Yes	Yes
Tustin	Yes	N/A	Yes	Yes	Yes
Villa Park *	Yes	N/A	Yes	N/A	Yes
Westminster	Yes	N/A	Yes	Yes	Yes
Yorba Linda *	Yes	N/A	Yes	N/A	Yes
County *	Yes	N/A	Yes	N/A	Yes

*No CMP intersections within jurisdiction

I certify that the information contained in this table is an accurate representation of materials submitted to OCTA for purposes of meeting requirements related to the Congestion Management Program.

Angel Garfio

Angel Garfio, OCTA

CMP - Congestion Management Program
OCTA - Orange County Transportation Authority

OCTA

November 24, 2025

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Adopt Resolution of Necessity for the State Route 91 Improvement Project Between State Route 57 and State Route 55

Overview

The Orange County Transportation Authority is implementing the State Route 91 Improvement Project between State Route 57 and State Route 55. The project requires acquisition of property interests from public and private parties adjacent to the existing freeway and city streets. Currently, staff has been unable to reach or finalize an agreement to purchase required property interests from the subject property owner. It is necessary for the Board of Directors to adopt a resolution of necessity and commence the eminent domain process to obtain possession of required property interests to maintain the project delivery and construction schedules.

Recommendation

Adopt Resolution of Necessity No. 2025-083 to authorize and direct General Counsel to prepare, commence, and prosecute a proceeding in eminent domain for the purpose of acquiring necessary right-of-way and real property interests for the State Route 91 Improvement Project between State Route 57 and State Route 55.

Background

The acquisition of public and private properties is often required to implement transportation projects, even though extensive efforts are made during the planning and design process to avoid or minimize the impacts to public and private properties. Cooperative Agreement nos. C-9-1274, C-4-2212, C-4-2213, and C-4-2214 between the Orange County Transportation Authority (OCTA) and the California Department of Transportation (Caltrans) were approved by the Board of Directors (Board) on June 10, 2019, and May 13, 2024. These documents define the roles and responsibilities of OCTA and Caltrans for final design and right-of-way (ROW) acquisition for the State Route 91 (SR-91)

Improvement Project between State Route 57 (SR-57) and State Route 55 (SR-55) (Project). Pursuant to the cooperative agreements, OCTA is the lead implementing agency for final design and ROW acquisition for the Project. The environmental document and project report were approved by Caltrans on June 22 and June 24, 2020, respectively.

Discussion

Construction of the Project will impact 18 properties between SR-57 and SR-55, including one multi-residential property, eight commercial/industrial properties, and nine vacant properties. Seven of the properties are identified as partial acquisitions and no properties are identified as full acquisitions. The remaining 11 properties are all identified as temporary acquisitions only. The Project does not require any displacement of tenants/occupants; however, there may be voluntary relocations of small businesses on one property due to impacts to their parking facilities. The real property interests needed to construct the proposed freeway improvements for the Project include partial fee interests (FEE), permanent highway easements (PHE), temporary construction easements (TCE), and a sewer easement (SE). The partial FEEs, PHEs, and TCEs are required for roadway construction, soundwalls, and retaining walls. The SE is required to replace a portion of an existing City of Anaheim (City)-owned SE that will be extinguished as a result of the acquisition of the PHE and construction of the proposed freeway improvements. The existing SE is owned by the City for the operation and maintenance of an underground sewer line. These facilities are not impacted by the project construction.

The Project is being delivered in three segments: SR-55 to Lakeview Avenue (Segment 1), La Palma Avenue to SR-55 (Segment 2), and Acacia Street to La Palma Avenue (Segment 3). The required property interests for Segment 1 have been acquired, and construction began in spring 2025. Segment 2 is in the final design approval phase, with ROW acquisition activities currently in process. The required property interests for Segment 3 have been acquired, and construction is anticipated to commence in mid-2026. Staff has been unable to reach or finalize an agreement to purchase the property interests from one subject property for Segment 2. Consequently, there is a need to proceed with a Resolution of Necessity (RON) for the property interests from the subject property to ensure the construction remains on schedule.

Resolution No. 2025-083 pertains to the acquisition of one PHE and one SE over a portion of the property owned by SA Properties A, LLC, a Delaware Limited Liability Company. The acquisition of the subject PHE is needed to construct the freeway improvements, and the acquisition of the subject SE is needed to replace the portion of an existing City-owned SE that will be extinguished as a result of acquisition of the PHE and construction of the proposed freeway improvements. The property owner, through its legal representative, provided

OCTA staff with the attached written notice of the intent to appear and be heard on the proposed adoption of RON No. 2025-083 (Attachment A).

In accordance with Government Code Section 7267.2, OCTA is required to present a written offer of just compensation to the property owner, based on an appraisal, and is required to negotiate in good faith in an effort to reach a settlement. The property owner has been given substantially more time than the 30 days required by the Federal Highway Administration to consider OCTA's written offer. In the event OCTA is unable to reach a settlement in a timely manner, staff may request Board approval of the RON for the property interests to commence eminent domain proceedings. This will allow OCTA to seek court approval of an early Order of Possession and access to the property to allow the Project to maintain the construction delivery schedule. Provided the Board approves the RON, staff will continue to negotiate with the property owner to reach a settlement. A history of the communication to negotiate an agreement with the property owner is described in Attachment B. The communication includes OCTA staff and legal counsel conducting a Condemnation Panel Review meeting with the property owner to discuss the need for the property rights required in an effort to reach an agreement and avoid the need to commence eminent domain proceedings.

OCTA must secure possession of the property interests in the subject property for Segment 2 by June 2026, to meet project schedule deadlines. Delay in acquiring the property interests in this property will cause project delays. Proceeding with the RON will ensure that project schedules are maintained.

The "List of Property Owner" and "Photo Aerial Exhibit," Attachments C and D respectively, provide information on property ownership and location.

Acquisition of the subject property interests is being conducted in accordance with OCTA's Real Property Policies and Procedures and Caltrans guidelines. The required property interests were identified, engineered, and appraised by OCTA. The full appraised amount for the respective property interests to be acquired was offered to the property owner under the requirements of Governmental Code Section 7267.2.

In order to proceed with the acquisition of the property interests required for the Project, and to comply with state and federal laws for a ROW acquisition, the Board is requested to adopt the RON for the subject property. This action will allow OCTA to commence eminent domain proceedings to acquire the needed property interests.

The following resolution is recommended:

- Resolution No. 2025-083 (SA Properties A, LLC, a Delaware Limited Liability Company) – Action is recommended for the acquisition of one PHE and one SE over a portion of the property to accommodate the construction of the freeway improvements and to replace a portion of an existing City-owned SE that will be extinguished as a result of the acquisition of the PHE and construction of the proposed freeway improvements.

Eminent domain proceedings commence with action by the Board to adopt a RON in accordance with the California Code of Civil Procedure Section 1245.240, which requires an affirmative vote of two-thirds of the Board members. The Board is requested to determine whether the following criteria have been met:

1. The public interest and necessity require the Project
2. The Project is planned and located in the manner that will be most compatible with the greatest public good and the least private injury
3. The property interests sought to be acquired are necessary for the Project
4. The offer required by Section 7267.2 of the Government Code has been made to the owner or owners of record

Any property owner and/or its designated representative affected by a RON may request an appearance to speak to the Board when the RON is considered on matters of project design and the impact to the subject property. The issue regarding compensation for the value of the property or interests to be acquired affected by the RON should not be discussed. In the event the Board approves the RON, OCTA's General Counsel will proceed with litigation to obtain possession and ultimate use of the property interests. Staff will continue negotiation with the property owner throughout the eminent domain process with the objective of reaching an agreement on the acquisition without the necessity of trial.

Summary

The acquisition of specified real property interests is required for the construction of the Project. A statutory offer has been made to the property owner and negotiation is ongoing. Adoption of RON No. 2025-083, and commencement of eminent domain proceedings, is requested to maintain the project delivery schedule.

Attachments

A. Letter from Michael Leifer, Palmieri, Hennessey & Leifer, LLP, to Clerk of the Board, Orange County Transportation Authority, Dated October 27, 2025, Re: Resolution of Necessity Hearing – November 24, 2025, Assessor's Parcel Numbers 360-071-41, 360-071-44, and 360-071-24
B. Correspondence/Contact Summary with Property Owner, Resolution No. 2025-083
C. List of Property Owner, State Route 91 Improvement Project Between La Palma Avenue and State Route 55, Board of Directors Exhibit Matrix
D. Photo Aerial Exhibit, Resolution No. 2025-083 (SA Properties A, LLC)
E. Resolution No. 2025-083

Prepared by:

Joe Gallardo
Manager, Real Property
(714) 560-5546

Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

ATTACHMENT A

PALMIERI HENNESSEY & LEIFER, LLP

Michael H. Leifer
Direct Dial: (949) 851-7294
E-mail: mleifer@palmierilawgroup.com

File No.: -

October 27, 2025

VIA E-MAIL & FEDERAL EXPRESS

Clerk of the Board
Orange County Transportation Authority
550 South Main Street
P. O. Box 14184
Orange, CA 92863-1584
clerkoffice@octa.net

Re: Resolution of Necessity Hearing - November 24, 2025
Assessor's Parcel Numbers 360-071-41, 360-071-44, and 360-071-24

To Whom It May Concern:

This firm represents SA Properties A, LLC, owners of the above-referenced property. The purpose of this letter is to notify the Orange County Transportation Authority that the property owners intend to appear and be heard at the Resolution of Necessity hearing scheduled for November 24, 2025.

Very truly yours,

Michael H. Leifer

MHL:mp

cc: Michael L. D'Angelo

ATTACHMENT B

Correspondence/Contact Summary with Property Owner
Resolution No. 2025-083

SA Properties A, LLC, a Delaware Limited Liability Company
(CPN 104171)

Date	Reason for Contact
June 26, 2025	Orange County Transportation Authority (OCTA) sent Notice of Decision to Appraise to property owner via USPS Mail.
August 28, 2025	Property owner's legal counsel contacted OCTA's legal counsel to request an update on when the offer package would be delivered and to authorize service thereof directly on his office on behalf of his client, SA Properties A, LLC (SA Recycling). Counsel thereafter sent OCTA's legal counsel written confirmation of the same.
August 28, 2025	OCTA's right-of-way (ROW) agent emailed property owner's legal counsel an electronic copy of the offer package for his and his client's review and consideration. A hard copy of the offer was offered to be sent/dropped off. OCTA consultant, staff, and legal counsel were included in the correspondence to the property owner's attorney.
October 14, 2025	Property owner's legal counsel sent an email to OCTA's legal counsel requesting an update on when "acquisition events" for the State Route 91 Improvement Project (Project) as it relates to the SA Recycling property would commence.
October 14, 2025	OCTA's legal counsel sent an email to property owner's legal counsel notifying him of the scheduled resolution hearing date (November 24, 2025) and current anticipated project start date.
October 14, 2025	Property owner's legal counsel sent an email to OCTA's legal counsel requesting copies of design drawings for the Project as it relates to the SA Recycling property.
October 15, 2025	OCTA sent a Notice of Hearing regarding Intent to Adopt Resolution of Necessity to the property owner, with a copy to property owner's legal counsel, via First Class Mail.
October 16, 2025	Property owner's legal counsel contacted OCTA's legal counsel by telephone to request a Condemnation Panel Review Meeting (CPRM) with OCTA to discuss the Project as it relates to the SA Recycling property.
October 17, 2025	OCTA's legal counsel sent an email to the property owner's legal counsel with copies of the current project plans and cut sheets relating to the SA Recycling property.
October 20, 2025	OCTA's legal counsel sent an email to the property owner's legal counsel with proposed dates for a CPRM.
October 22, 2025	Property owner's legal counsel contacted OCTA's legal counsel with the date and time of property owner's availability for a CPRM.
October 23, 2025	OCTA's legal counsel contacted the property owner's legal counsel via email to confirm the CPRM scheduled for November 4, 2025, at 1:00 p.m. via zoom. Zoom invites subsequently were emailed to property owner's counsel. Property owner's counsel stated that his office would forward the invite to his client.
October 23, 2025	OCTA's legal counsel sent a copy of an additional project plan sheet to property owner's legal counsel.
November 4, 2025	OCTA ROW team met with property owner and their legal counsel for a CPRM and discussed the project impacts. OCTA provided a copy of the presentation from the CPRM to property owner.

ATTACHMENT C

List of Property Owner
State Route 91 Improvement Project Between La Palma Avenue and State Route 55
Board of Directors Exhibit Matrix

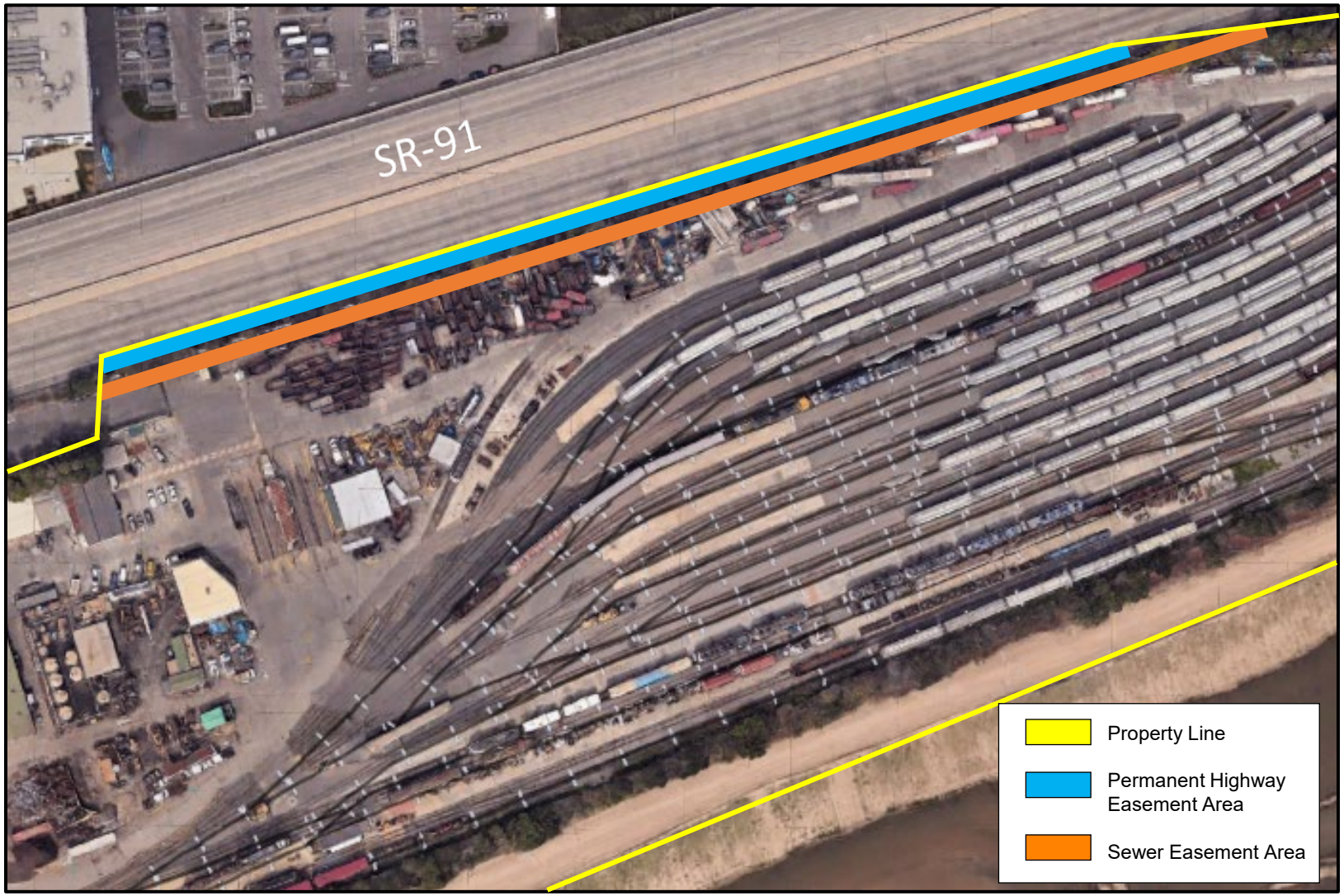
Resolution No.	APN	CPN	Owner	Property Address	Area Needed	Type of Acquisition	Reason for Acquisition
2025-083	360-071-41, 360-071-44, 360-071-24	104171	SA Properties A, LLC, a Delaware Limited Liability Company	3200 E. Frontera Street, Anaheim, California	12,845 sq. ft. 12,880 sq. ft.	PHE SE	One (1) PHE and one (1) SE over a portion of the property to accommodate the construction of the freeway improvements and to replace a portion of an existing City of Anaheim-owned SE that will be extinguished as a result of the acquisition of the PHE and construction of the proposed freeway improvements.

Legend

APN = Assessor's Parcel Number
CPN = Caltrans' Parcel Number
PHE = Permanent Highway Easement
SE = Sewer Easement

Photo Aerial Exhibit

Resolution No. 2025-083 (SA Properties A, LLC)



N

Not to Scale,
For Presentation
Purposes Only

RESOLUTION NO. 2025-083

A RESOLUTION OF THE ORANGE COUNTY TRANSPORTATION AUTHORITY FINDING AND DETERMINING THAT THE PUBLIC INTEREST AND NECESSITY REQUIRE THE ACQUISITION BY EMINENT DOMAIN OF INTERESTS IN CERTAIN REAL PROPERTY FOR PUBLIC USE AND AUTHORIZING AND DIRECTING CONDEMNATION OF PORTIONS OF ASSESSOR PARCEL NOS. 360-071-41, 360-071-44, AND 360-071-24.

WHEREAS, the Orange County Transportation Authority (the "Authority") is undertaking the State Route (SR) 91 Segment No. 2 Improvement Project (the "Project"); and

WHEREAS, the Project is intended to increase freeway capacity, improve traffic and interchange operations, and enhance road safety through SR-91 freeway mainline widening, primarily in the eastbound directions, and modifications to various interchanges, connectors, ramps, and intersections; and

WHEREAS, the Project requires the acquisition of property interests from public and private parties; and

WHEREAS, the Project will be a transportation improvement project serving the public interest; and

WHEREAS, subsection (a) of the California Public Utilities Code section 130220.5 authorizes the Authority to exercise the power of eminent domain to acquire these property interests for public use by condemnation; and

WHEREAS, portions of the real property located at 3200 E. Frontera Street in the City of Anaheim, California (Assessor Parcel Nos. 360-071-41, 360-071-44, and 360-071-24) (the "Subject Property") are required for the Project. The specific portions of the Subject Property required for the Project are a permanent highway easement as legally described and depicted in Exhibit "A" attached hereto (Parcel 104171-1) and a sewer easement as legally described and depicted in Exhibit "B" attached hereto (Parcel 104171-3) (collectively, the "Property Interests"); and

WHEREAS, reasonable vehicular and pedestrian access to and from the Subject Property will be maintained at all times; and

WHEREAS, the Authority communicated an offer of compensation to the owner or owners of record for the acquisition of the Property Interests; and

WHEREAS, in accordance with section 1245.235 of the California Code of Civil Procedure, on October 15, 2025, the Authority mailed a Notice of Hearing on the Intent of the Authority to Adopt a Resolution of Necessity for acquisition by eminent domain of the Property Interests. The Notice of Hearing was mailed to the listed address of all persons whose names appear on the last equalized county assessment roll as having an interest in the Subject Property; and

WHEREAS, the Authority provided written notice to the City of Anaheim as required by subsection (c) of California Public Utilities Code section 130220.5; and

WHEREAS, the Project, including all amendments thereto, together with the staff reports, environmental documents, and all other evidence presented to the Authority's Board of Directors at the times the Project and the amendments thereto were adopted, are incorporated herein by this reference and made a part hereof as though fully set forth herein; and

WHEREAS, pursuant to section 1245.235 of the California Code of Civil Procedure, the Authority scheduled a hearing for November 24, 2025, at 9:30 am at 550 South Main Street, Orange, California and gave to each person whose property is to be acquired by eminent domain and whose name and address appears on the last equalized county assessment roll a reasonable opportunity to be heard; and

WHEREAS, said hearing has been held by the Authority's Board of Directors; and

WHEREAS, the Authority may adopt a Resolution of Necessity pursuant to section 1240.040 of the California Code of Civil Procedure.

NOW, THEREFORE, BE IT RESOLVED, by at least a two-thirds vote of the Authority's Board of Directors under California Code of Civil Procedure sections 1240.030 and 1245.230, the Authority does hereby find and determine as follows:

Section 1. Incorporation of Findings and Recitals. The above findings and recitals are true and correct and are incorporated herein in full by this reference.

Section 2. Compliance with California Code of Civil Procedure. There has been compliance by the Authority with the requirements of section 1245.235 of the California Code of Civil Procedure regarding notice and hearing.

Section 3. Public Use. The public use for which the Property Interests are to be acquired is for the construction and future maintenance of the Project, a public transportation

improvement, as more fully described hereinabove. Subsection (a) of California Public Utilities Code section 130220.5 authorizes the Authority to acquire by eminent domain property and interests in property necessary for such purpose and for all uses incidental or convenient thereto.

Section 4. Necessity.

(a) The proposed Project is necessary to increase freeway capacity, improve traffic and interchange operations, and enhance road safety; and

(b) The public interest and necessity require the acquisition by eminent domain proceedings of the Property Interests.

Section 5. Description of Property Interests. The Property Interests sought to be acquired are more particularly described and depicted in Exhibits "A" and "B" attached hereto and incorporated herein by reference.

Section 6. Findings. The Authority hereby finds, determines, and declares each of the following:

(a) The public interest and necessity require the proposed Project;

(b) The proposed Project is planned or located in the manner that will be most compatible with the greatest public good and least private injury;

(c) The Property Interests sought to be acquired are necessary for the proposed Project; and

(d) The offer required by section 7267.2 of the California Government Code has been made to the owner or owners of record.

Section 7. Existing Public Use(s). Pursuant to sections 1240.510 and 1240.610 of the California Code of Civil Procedure, to the extent that any of the Property Interests are already devoted to a public use, the use proposed by this Project is a more necessary public use than the use to which the Property Interests, or any portion thereof, are already devoted, or, in the alternative, is a compatible public use that will not unreasonably interfere with or impair the continuance of the public use to which the Property Interests, or any portion thereof, are already devoted.

Section 8. Acquisition of Substitute Property. Portions of the real property to be acquired for the Project are currently devoted to or held for some public use. The Authority intends to acquire certain of the Property Interests, in whole or in part, as substitute property

pursuant to California Code of Civil Procedure sections 1240.320 and 1240.330, as the case may be. The requirements of said Code sections have been satisfied and the acquisition of said substitute property is necessary for the purposes specified in said Code sections and for the Project. The substitute property may be conveyed by the Authority to the owner(s) of the necessary property.

Section 9. Authority to Exercise Eminent Domain. The Authority is hereby authorized and empowered to acquire the Property Interests, including the improvements thereon, if any, by eminent domain for the proposed Project.

Section 10. Further Activities. The Authority's legal counsel ("Counsel") is hereby authorized and empowered to acquire the Property Interests in the name of and on behalf of the Authority by eminent domain, and is authorized to institute and prosecute such legal proceedings as may be required in connection therewith. Counsel is further authorized to take such steps as may be permitted and required by law, and to make such security deposits as may be required by law and/or order of court, to permit the Authority to take possession of the Property Interests at the earliest possible time.

Section 11. Effective Date. This Resolution of Necessity shall take effect upon adoption.

PASSED, APPROVED, and ADOPTED on this _____day of _____, 2025.

_____
DOUG CHAFFEE, CHAIR
ORANGE COUNTY
TRANSPORTATION AUTHORITY

APPROVED AS TO FORM:

_____
JAMES M. DONICH
GENERAL COUNSEL

ATTEST:

I, Andrea West, Clerk of the Board of Directors of the Orange County Transportation Authority, do hereby certify the foregoing Resolution No. 2025-083, by the following votes:

AYES:

NOES:

ABSENT:

_____

ANDREA WEST
CLERK OF THE BOARD

EXHIBIT "A"

EXHIBIT "A"
LEGAL DESCRIPTION

Parcel 104171-1: HIGHWAY EASEMENT

An easement for highway purposes, in and to those portions of Lots 16 through 20 of Orange Grove Acres No. 2, in the City of Anaheim, County of Orange, State of California as shown on a map recorded in Book 7, Page 36 of Miscellaneous Maps in the office of the County Recorder of said County, lying northerly of the following described line:

COMMENCING at a point on the westerly line of Caltrans Parcel C724 as described in a Grant Deed to the State of California recorded August 15, 1966 in Book 8018 Page 712 Official Records of said County, said point being the southeasterly terminus of that particular course described as South 02°49'48" East 12.32 feet; thence continuing along the southeasterly prolongation of said westerly line South 02°35'48" East 11.73 feet to the **POINT OF BEGINNING**; thence leaving said prolongation, North 74°08'49" East 1154.35 feet to the southeasterly line of said Caltrans Parcel C724.

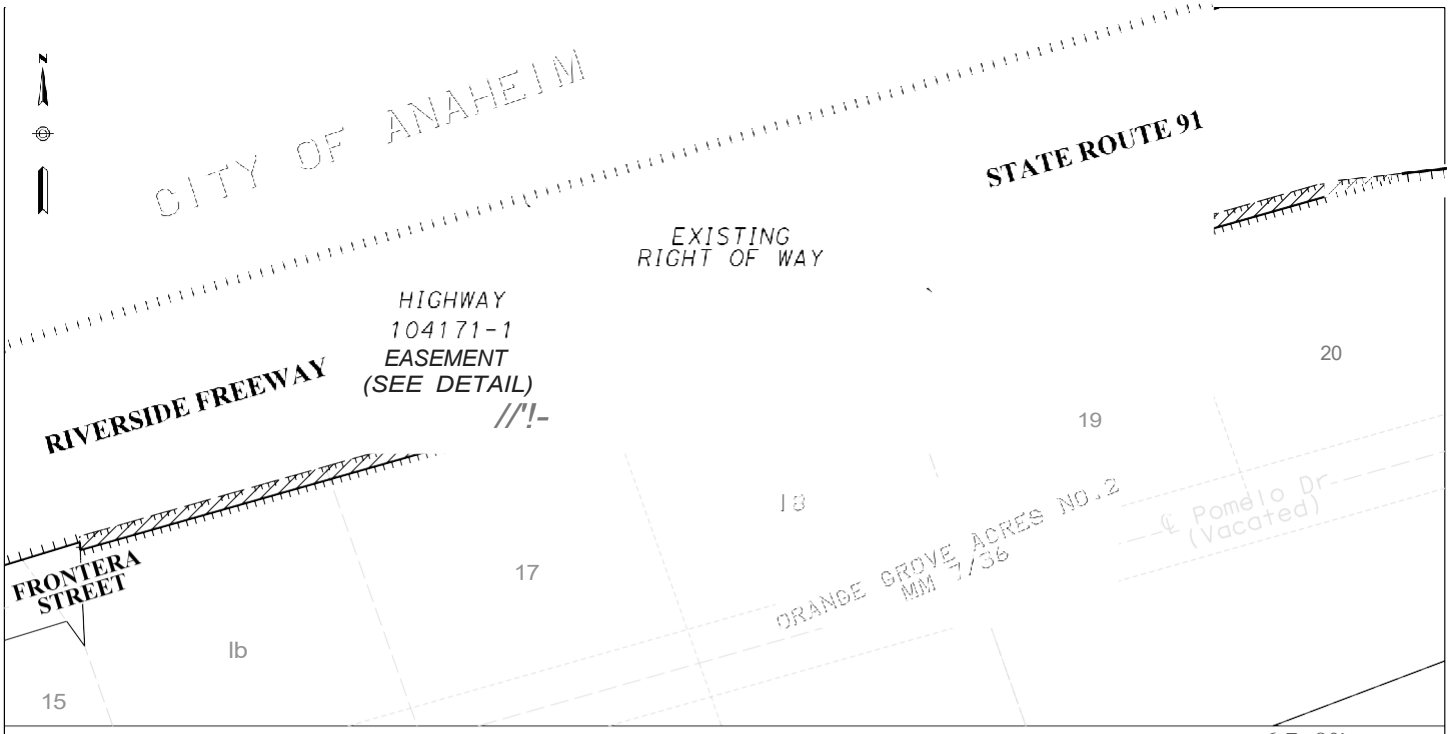
This conveyance is made for the purpose of a freeway and the GRANTOR hereby releases and relinquishes to OCTA any and all abutter's rights including access rights, appurtenant to GRANTOR'S remaining property, in and to the freeway.

The bearings and distances used in the above description are on the California Coordinate System of 1983 (1991.35 epoch), Zone 6. Divide the above distances by 0.99998850 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

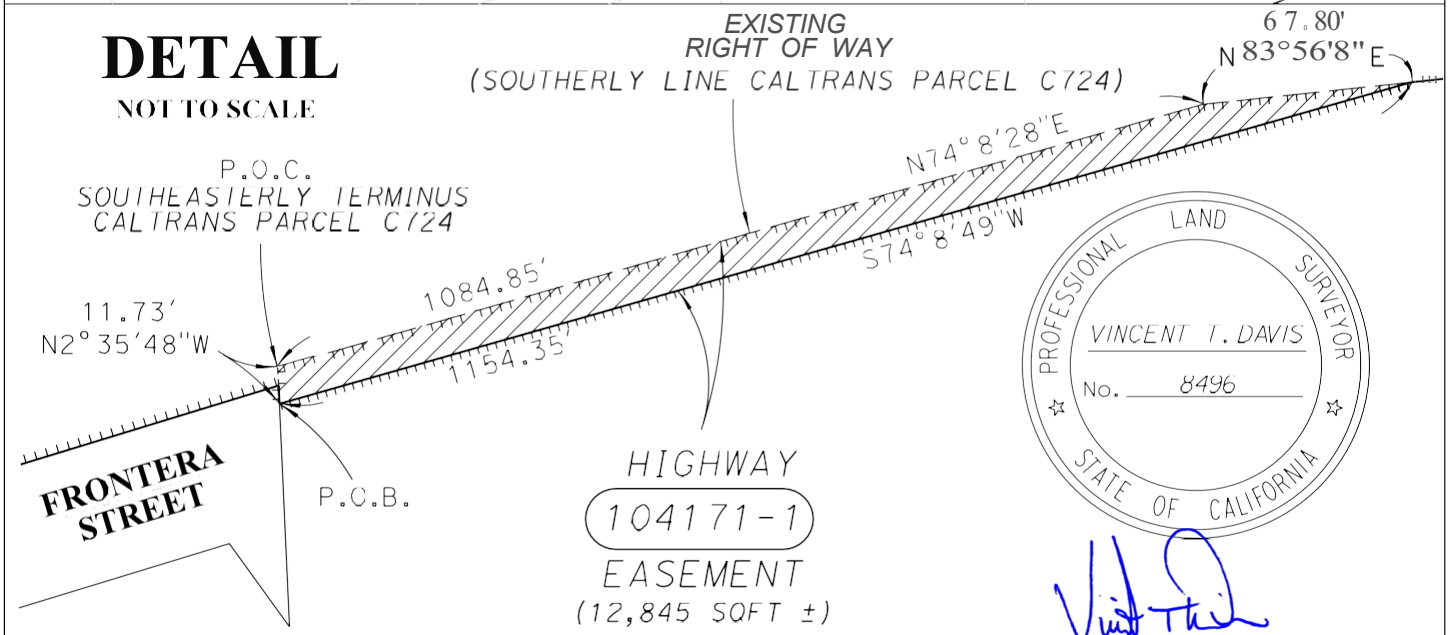
Signature: _____
Vincent T. Davis, PLS

Date: 25 July 2024



DETAIL

NOT TO SCALE



PROFESSIONAL LAND SURVEYOR
VINCENT T. DAVIS
No. 8496
STATE OF CALIFORNIA

VINCENT T. DAVIS

13 Aug 2025

DATE

LEGEND:

P.O.B. = POINT OF BEGINNING
P.O.C. = POINT OF COMMENCEMENT

DATUM: NAD83 EPOCH 1991.35 ORANGE COUNTY SURVEYOR ADJUSTMENT
COORDINATESYSTEM: CCS83 ZONE 6, COORDINATES, BEARINGS, DISTANCES
COMBINEDFACTOR: 0.99998850 (GROUND = GRID/COMBINED FACTOR)

EXHIBIT "B"

(NOT TO SCALE)

STATE OF CALIFORNIA
CALIFORNIA TRANSPORTATION AGENCY
OEPARTMENT OF TRANSPORTATION

DISTRICT: 12 RTE: 91
COUNTY: ORA P.M.: 7.8

DATE: AUG2025

PARCEL: 104171-1

EXHIBIT "B"

SEWER EASEMENT
ATTACHMENT TO LEGAL DESCRIPTION
Assessor Parcel Nos. 360-071-41, 360-071-44, 360-071-24
Caltrans Parcel No. 104171-3

This Sewer Easement shall be in, on, over, under, along, and across that certain real property described and depicted in Exhibits "A" and "B" attached hereto, subject to the rights and limitations described herein ("Easement Area"). The Sewer Easement shall be used by the Orange County Transportation Authority and its employees, agents, representatives, contractors, successors, and assigns (collectively, "Easement Holder") to install, inspect, construct, reconstruct, repair, enlarge, lay, alter, observe, operate, patrol, relocate, remove, replace, and maintain a sewer line and related appurtenances in, on, over, under, upon, along, and across the Easement Area, together with all rights of ingress and egress thereto, including the right to enter on the Easement Area with such vehicles, machinery, and equipment as may be necessary or convenient to the construction, reconstruction, installation, replacement, reconfiguration, operation, maintenance, repair, relocation, removal, inspection, observation, and study of said facilities, equipment, and appurtenances ("Easement Holder Allowed Uses").

The owner and occupant of the real property subject to the Sewer Easement shall have the right to any uses of the Easement Area that do not directly or indirectly interfere with or endanger Easement Holder's exercise of the rights described herein, including without limitation the right to pave the Easement Area and to use the Easement Area for pedestrian and automobile access, parking purposes, equipment and material storage, and agricultural or landscaping purposes excepting vegetation that endangers the integrity of the sewer line ("Property Owner Allowed Uses"); provided, however, that Easement Holder shall have the right to direct the owner and occupants of the real property subject to the Sewer Easement to clear and keep clear from the Easement Area any Property Owner Allowed Uses that interfere with Easement Holder's use of the Sewer Easement. The owner and occupant of the real property subject to the Sewer Easement shall not construct, nor permit others to construct, any improvement(s) that conflict with Easement Holder's ability to use the Sewer Easement. Except as otherwise provided herein, Easement Holder has the right to prevent any activity on or use of the Easement Area that (a) is inconsistent with the purpose of this Sewer Easement; (b) interferes with or is harmful to Easement Holder's rights herein; or (c) interferes with or is harmful to Easement Holder's facilities, equipment, and related appurtenances. The owner and occupant of the real property subject to the Sewer Easement agrees not to use or allow the use of the Easement Area in such a way as to impede, harm, or interfere with (a) Easement Holder's right as defined herein; or (b) Easement Holder's facilities, equipment, and related appurtenances. The Easement Holder will backfill to grade and pay the reasonable cost of removal, repair, or restoration of grass or asphalt only within the Easement Area affected by work performed by Easement Holder in furtherance of the rights granted herein.

No other easement or easements shall be granted on, under, over, or within the Easement Area without Easement Holder's previous written consent.

The rights and obligations of Easement Holder and the owner of the real property subject to the Sewer Easement shall run with the land and be binding upon and/or inure to the benefit of their respective heirs, successors, and assigns.

Easement Holder expressly reserves the right to convey, transfer, or assign the Sewer Easement subject to the same rights and limitations described herein.

EXHIBIT "A"
LEGAL DESCRIPTION

Parcel 104171-3: SEWER EASEMENT

An easement for sewer purposes, in and to those portions of Lots 16 through 20 of Orange Grove Acres No. 2, in the City of Anaheim, County of Orange, State of California as shown on a map recorded in Book 7, Page 36 of Miscellaneous Maps in the office of the County Recorder of said County, described as follows:

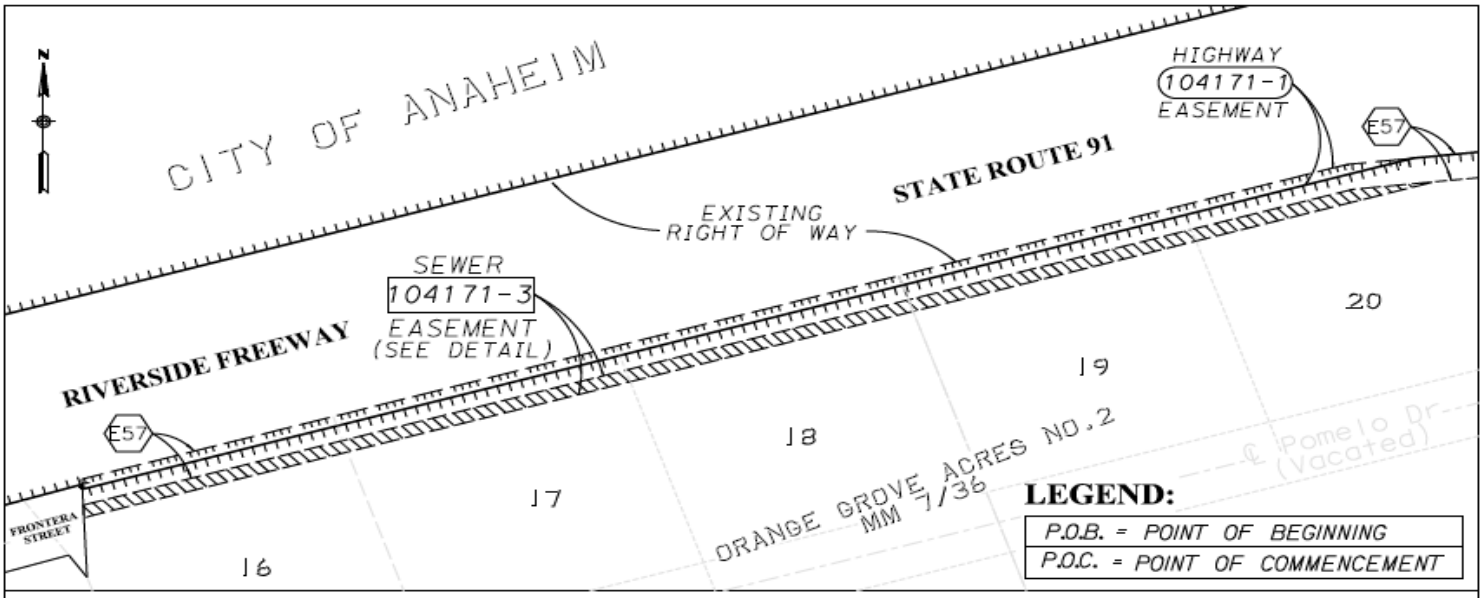
COMMENCING at a point on the westerly line of Caltrans Parcel C724 as described in the Grant Deed to the State of California recorded August 15,1966 in Book 8018 Page 712 of Official Records of said County, said point being the southeasterly terminus of that certain course described as South 02°49'48" East 12.32 feet; thence continuing along the southeasterly prolongation of said westerly line, South 02°35'48" East 20.55 feet to the **POINT OF BEGINNING**; thence leaving said prolongation, North 74°08'28" East 1087.85 feet to the southerly line of Parcel 2 as described in an Easement Deed to the City of Anaheim recorded June 24, 1986 as Document Number 86-266761 of Official Records of said County; thence along said southerly line, North 83°56'08" East 67.79 feet; thence South 74°08'49" West 1151.54 feet; thence South 68°36'33" West 5.01 feet; thence South 72°45'44" West 0.94 feet; thence North 02°35'48" West 12.25' feet to the **POINT OF BEGINNING**.

The bearings and distances used in the above description are on the California Coordinate System of 1983 (1991.35 epoch), Zone 6. Divide the above distances by 0.99998850 to obtain ground level distances.

This real property description has been prepared by me, or under my direction, in conformance with the Professional Land Surveyors' Act.

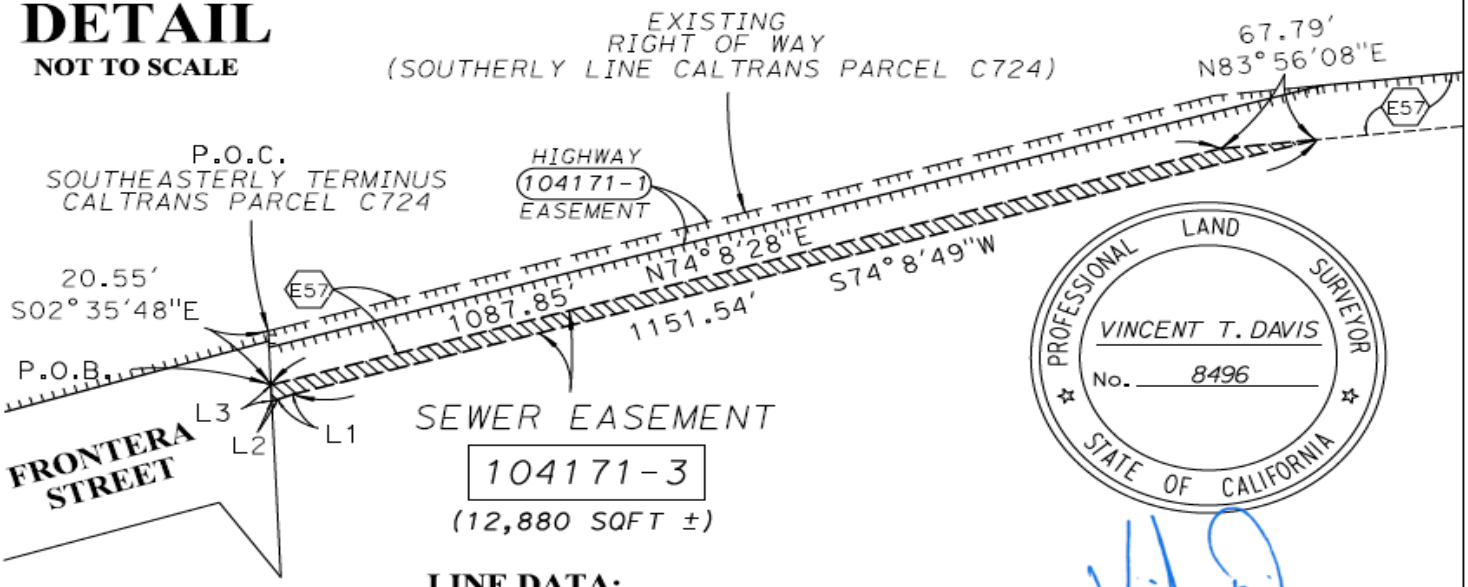
Signature: _____
Vincent T. Davis, PLS

Date: 25 July 2024



DETAIL

NOT TO SCALE



LINE DATA:

NO.	BEARING	DISTANCE
L1	S68°36'33"W	5.01'
L2	S72°45'44"W	0.94'
L3	N02°35'48"W	12.25'

EASEMENT NOTES:

E57 = EASEMENT TO THE CITY OF ANAHEIM FOR SEWER PURPOSES (PARCELS 1 & 2) 86-266761 O.R.

PROFESSIONAL LAND SURVEYOR
VINCENT T. DAVIS
No. 8496
STATE OF CALIFORNIA

VINCENT T. DAVIS

18 Aug 2025

DATE

DATUM: NAD83 EPOCH 1991.35 ORANGE COUNTY SURVEYOR ADJUSTMENT
COORDINATE SYSTEM: CCS83 ZONE 6, COORDINATES, BEARINGS, DISTANCES
COMBINED FACTOR: 0.99998850 (GROUND = GRID/COMBINED FACTOR)

EXHIBIT "B"

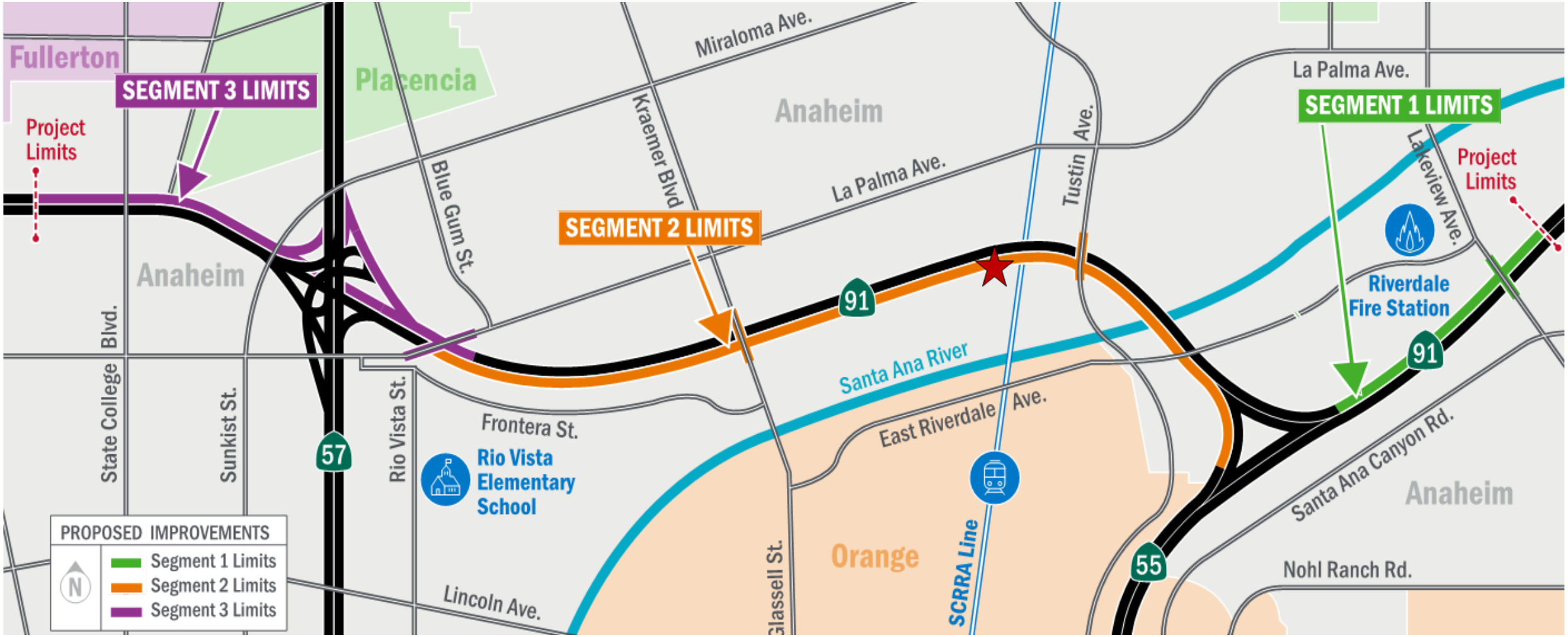
(NOT TO SCALE)

STATE OF CALIFORNIA
CALIFORNIA TRANSPORTATION AGENCY
DEPARTMENT OF TRANSPORTATION
DISTRICT: 12 **RTE: 91**
COUNTY: ORA **P.M.: 7.8**
DATE: AUG 2025

PARCEL: 104171-3

Adopt Resolution of Necessity for the State Route 91 Improvement Project Between State Route 57 and State Route 55

State Route 91 Improvement Project
Resolution of Necessity Location



Resolution of Necessity No. 2025-083
SA Properties A, LLC

N

Not to Scale,
For Presentation
Purposes Only

Resolution of Necessity No. 2025-083
SA Properties A, LLC (cont.)

N

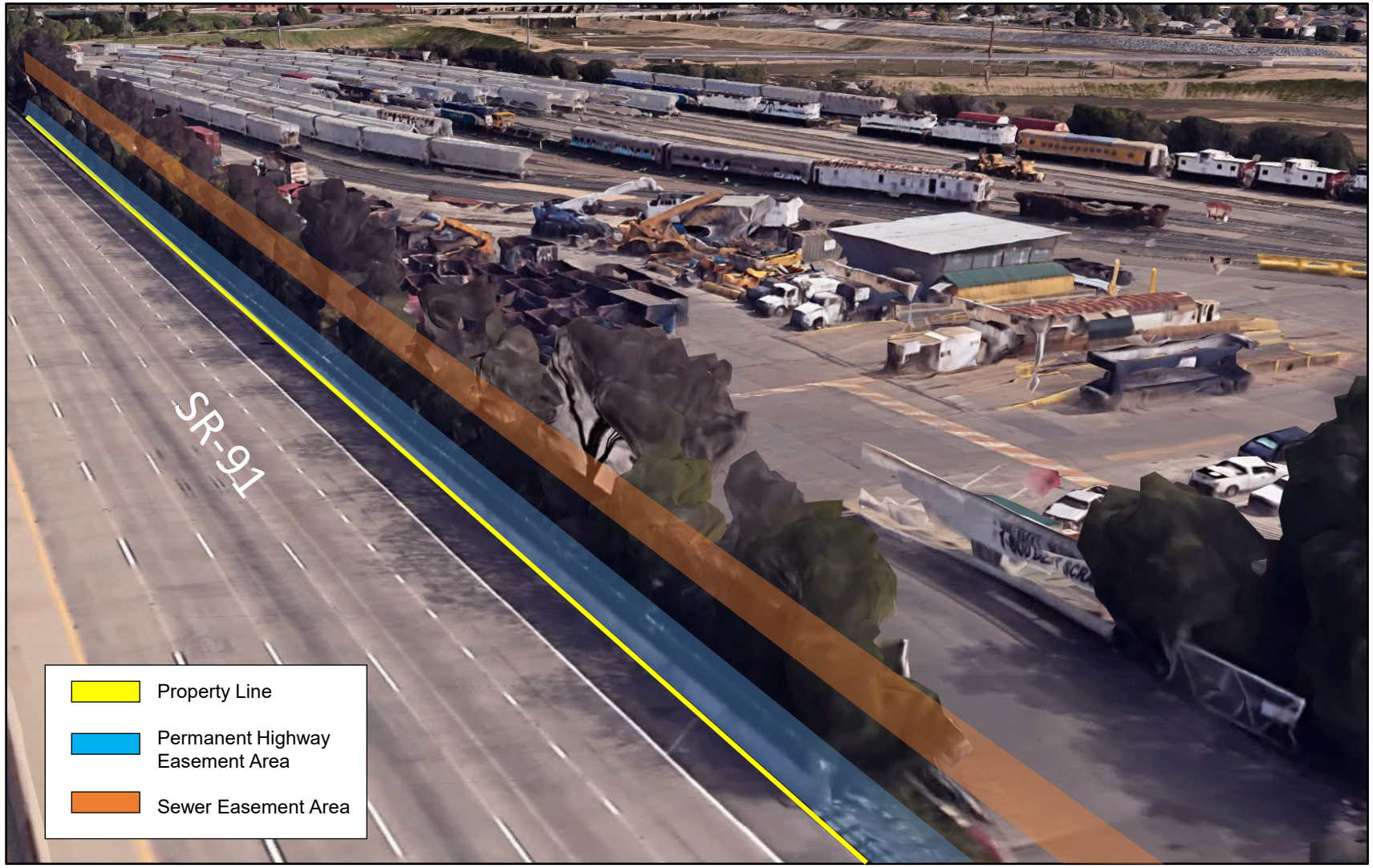
Not to Scale,
For Presentation
Purposes Only

Resolution of Necessity No. 2025-083
SA Properties A, LLC (cont.)

N

Not to Scale,
For Presentation
Purposes Only

Resolution of Necessity No. 2025-083
SA Properties A, LLC (cont.)



Not to Scale,
For Presentation
Purposes Only

Four Requirements to be Considered to Adopt Resolution of Necessity

1. The public interest and necessity require the proposed project
2. The proposed project is planned in a manner that will be most compatible with the greatest public good and the least private injury
3. The property interests sought to be acquired are necessary for the project
4. An offer to acquire the property in compliance with Government Code Section 7267.2 has been made to the owner of record

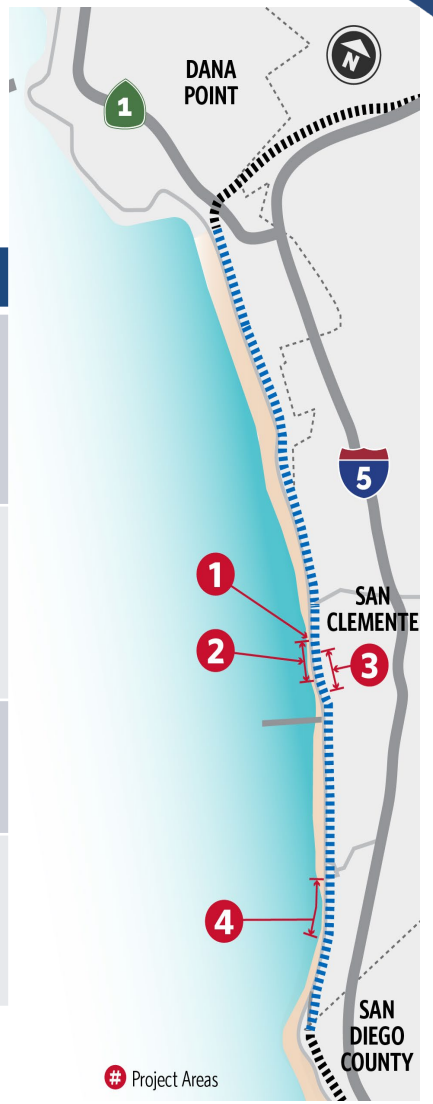
Update on Emergency Need for Railroad Track Stabilization in the Vicinity of Mile Post 203.80 to 204.40 and 206.00 to 206.70 on the Orange Subdivision

Coastal Rail Stabilization Priority Project

- Four priority reinforcement areas were identified in January 2024
- Proposed solutions evaluated at a preliminary design level considering different materials, performance, costs, methods, and schedule

Area	Location (MP)	Challenge	Proposed Solutions	Project Status
1	203.80 - 203.90	Ongoing deterioration of existing riprap protection	Riprap repair (900 tons/600 CY) followed by sand nourishment	Riprap construction and initial sand nourishment complete. Larger sand nourishment environmental clearance process in progress
2	204.00 - 204.40	Erosion - no beach at high tide and direct wave attack damaging existing riprap protection	Riprap repair (6,750 tons/4,500 CY) followed by sand nourishment	Riprap construction and initial sand nourishment complete. Larger sand nourishment environmental clearance process in progress
3	204.07 - 204.34	Steep bluffs with high potential for failure that could impact rail infrastructure	1,400-ft catchment structure	Construction underway
4	206.00 - 206.10 206.42 - 206.70	Near San Clemente State Beach - erosion exposing areas of limited to no riprap protection	Riprap repair (2,100 tons/1,400 CY) and 1,200-ft shoreline protection structure followed by sand nourishment	Obtaining permits for field investigation. Sand nourishment federal environmental clearance process in progress

MP – Mile Post
CY – Cubic Yard



Areas 1 and 2 Riprap Repair and Initial Sand Nourishment

Riprap repair

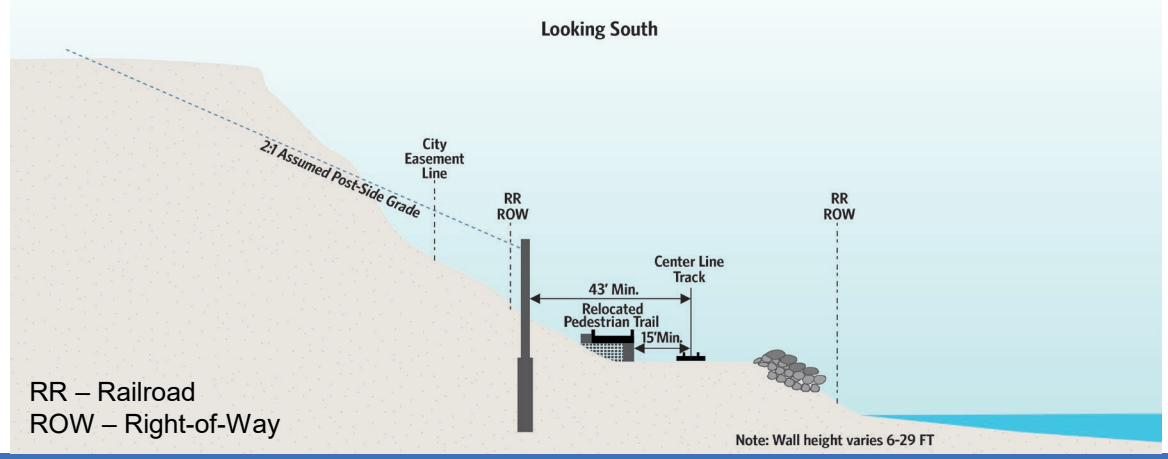
- All construction activities have been completed
- Provided responses to the California Coastal Commission (CCC) on Emergency Coastal Development Permit (eCDP) conditions of approval for Areas 1 and 2
- Staff addressing CCC request for additional construction data and schedule for bulk sand nourishment

Initial sand nourishment

- Initial sand nourishment, completed on September 10, 2025, is part of the larger effort to place 240,000 CY of sand in Areas 1 and 2, as approved by the CCC

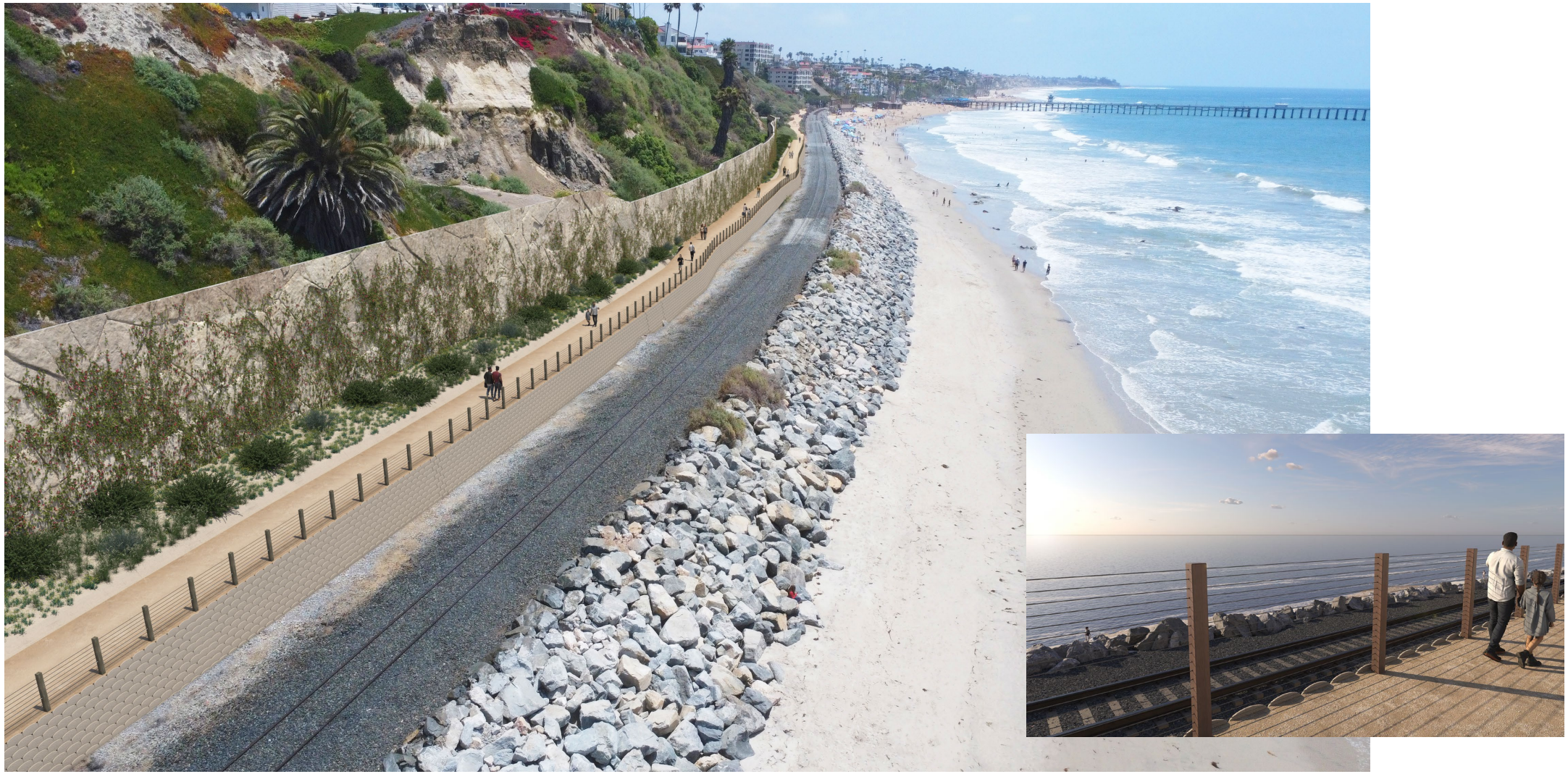
Area 3 Mariposa Catchment Wall Activities

- California Transportation Commission (CTC) allocated $92.231 million on May 16, 2025
- Executed design-build contract with Condon Johnson & Associates (CJA) and work began September 15, 2025
    - Completed removal of pedestrian bridge foundations, continued clearing and grubbing, and soil nail shoring
    - Structural steel delivery in early December 2025 followed by installation of soldier piles
    - Revised final construction plans under review
    - Temporary Mariposa bridge crossing is in place
    - Challenges to protect +100-year-old City of San Clemente (City) sewer line in place
    - Ongoing coordination with Coastal Commission staff

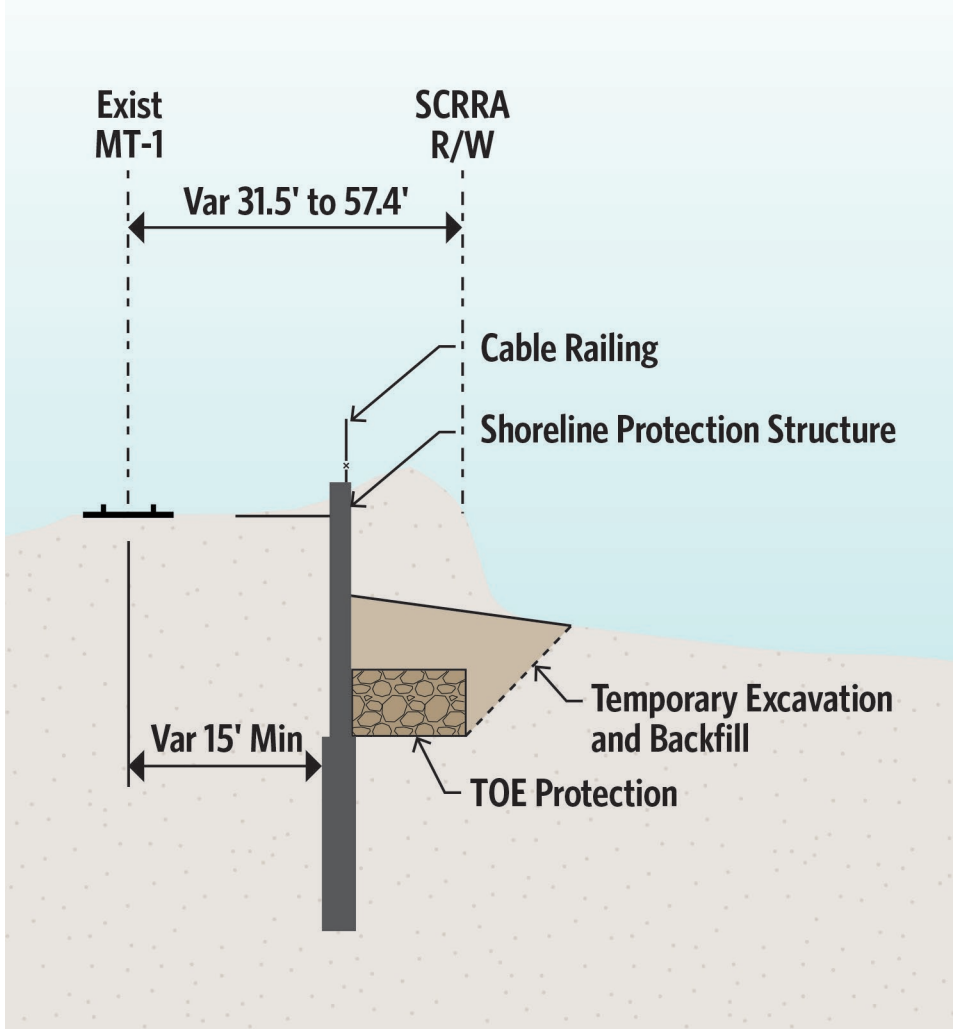


Area 3 Mariposa Catchment Wall Activities – cont.

Area 3 Catchment Wall Renderings



Area 4 Shoreline Protection Structure Activities



Area 4 – Shoreline Protection Structure

- A Coastal Development Permit (CDP) waiver for geotechnical investigation testing was approved by the CCC on August 15, 2025
- Geotechnical field investigation to provide validation of Area 4 conceptual design planned to begin December 1, 2025
- CCC to consider a regular CDP for Area 4 protective design at future CCC meeting (date to be determined)

Estimated Remaining Schedule

Area 3 Mariposa Catchment Wall Activities

Estimated Number of Months	1	2	3	4	5	6	7	8	9	10	11	12	13
Contract Duration													
Notice to Proceed (June 17, 2025)	◆												
Final Design	2 Months												
Steel Procurement		4 Months											
Construction			10 Months										

Area 4 Shoreline Protection Structure Construction

Estimated Number of Months	1	2	3	4	5	6	7	8	9	10
Area 4 - Shoreline Protection Structure	8 Months									

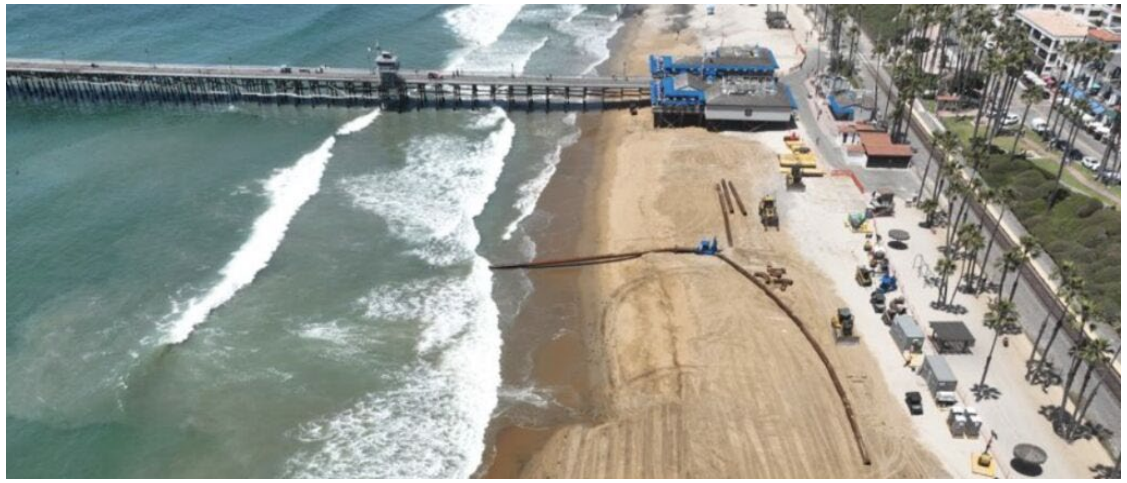
Sand Nourishment Construction

Estimated Number of Months	1	2	3	4	5	6	7	8	9	10
Sand Nourishment	9 Months									

North Beach and Area 1 initial sand nourishment is complete
Area 4 schedule is TBD depending on environmental and permit approvals
Sand nourishment schedule is TBD depending on environmental and permit approvals

Sand Nourishment

- Securing federal environmental clearance for offshore sand source dredging and placement of sand for Areas 1, 2, and 4
- Federal Railroad Administration is the lead agency for environmental approval
- OCTA is utilizing previous studies by the City to streamline the process
- Surfside/sunset determined to be a viable offshore sand source pending final lab testing and Dredged Material Management Team approval
- Marine environmental studies for beach nourishment are underway
- Preliminary sand nourishment schedule (subject to change)
  - Federal environmental and design approval late 2026
  - Procure dredge and placement contractor early to mid-2027
  - Notice to proceed based on dredge availability and permitting mid-2027 to late 2027



Pictures from San Clemente Sand Replenishment Project

Contract Commitments as of October 1, 2025

Area	Entity	Agreement	Value
Area 1, 2, & 3 (Bridge Removal)	Southern California Regional Rail Authority (SCRRA)	Cooperative agreement	$8,238,000 (Direct Allocation by CTC)
Area 1, 2, & 3 (Bridge Removal)	Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency	Cooperative agreement for bus bridge	$565,000
Area 1 & 2	Joshua Grading & Excavating, Inc.	Construction contract for early sand placement	$879,000
Area 3	SCRRA	Cooperative agreement for rail support	$4,500,000 (Direct Allocation by CTC)
Area 3	Kleinfelder, Inc.	Contract for Independent Geotechnical Review	$50,000
Area 3	CJA	Design-build contract	$46,196,198
Area 3	CA Coastal Conservancy	CDP Wetland Mitigation Fee	$53,400
Area 1, 2, & 4	City of San Clemente	Cooperative agreement to partially fund offshore sand exploration	$180,000
Area 1, 2, 3 & 4	Mott MacDonald	Program management consultant services to provide environmental clearances, design, permitting, construction management, and project management	$6,442,470
Note: Reminder of the $313.24 million approved funds will be committed as the projects progress		Total:	$67,104,068

Recommendation

Reaffirm Resolution No. 2025-068 and authorize the Chief Executive Officer to take all necessary actions to address the emergency need for railroad track stabilization in the vicinity of Mile Post 203.80 to 204.40 and 206.00 to 206.70 on the Orange Subdivision, and to return to the Board of Directors, as required, to report on the status thereof.

Call to Order

The October 27, 2025, regular meeting of the Orange County Transportation Authority (OCTA) Board of Directors and its affiliated agencies was called to order by Chair Chaffee at 9:30 a.m. at the OCTA Headquarters, located at 550 South Main Street, Orange, California.

Directors Present:
Doug Chaffee, Chair
Jamey M. Federico, Vice Chair
Valerie Amezcua
Katrina Foley
William Go
Patrick Harper
Michael Hennessey
Fred Jung
Carlos A. Leon
Janet Nguyen
Tam T. Nguyen
John Stephens
Kathy Tavoularis
Mark Tettemer
Donald P. Wagner

Directors Absent:
Stephanie Klopfenstein
Vicente Sarmiento
Lan Zhou

Staff Present:
Darrell E. Johnson, Chief Executive Officer
Jennifer L. Bergener, Deputy Chief Executive Officer
Gina Ramirez, Assistant Clerk of the Board
Sahara Meisenheimer, Clerk of the Board Specialist
Andrea West, Clerk of the Board
Martin Browne, Employee Rotation Program
James Donich, General Counsel

Closed Session

There were no Closed Sessions scheduled.

Special Calendar

1. Presentation of Resolution of Appreciation for Employees of the Month

Resolutions of Appreciation were presented to Parris Cornelious, Coach Operator, Binn Soriano, Maintenance, and Georgia Martinez, Administration, as Employees of the Month for October 2025.

2. Update on Emergency Need for Railroad Track Stabilization in the Vicinity of Mile Post 203.83 to 204.40 and 206.00 to 206.70 on the Orange Subdivision

A motion was made by Director Foley, seconded by Director Tavoularis, and declared passed by those present, to reaffirm Resolution No. 2025-068 and authorize the Chief Executive Officer to take all necessary actions to address the emergency need for railroad track stabilization in the vicinity of Mile Post 203.80 to 204.40 and 206.00 to 206.70 on the Orange Subdivision, and to return to the Board of Directors, as required, to report on the status thereof.

Director Tettemer was not present to vote on this item.

Consent Calendar (Items 3 through 19)

3. Approval of Minutes

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to approve the minutes of October 13, 2025, Orange County Transportation Authority and affiliated agencies' regular meeting.

Director Tettemer was not present to vote on this item.

4. Fiscal Year 2025-26 Internal Audit Plan, First Quarter Update

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file the first quarter update to the Orange County Transportation Authority Internal Audit Department Fiscal Year 2025-26 Internal Audit Plan as an information item.

Director Tettemer was not present to vote on this item.

5. Right-of-Way Maintenance, Internal Audit Report No. 25-515

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to direct staff to implement three recommendations provided in Right-of-Way Maintenance, Internal Audit Report No. 25-515.

Director Tettemer was not present to vote on this item.

6. Investments: Compliance, Controls, and Reporting, January 1 through June 30, 2025, Internal Audit Report No. 26-502

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to direct staff to implement the one recommendation provided in Investments: Compliance, Controls, and Reporting, January 1 through June 30, 2025, Internal Audit Report No. 26-502.

Director Tettemer was not present to vote on this item.

7. Orange County Transportation Authority Investment and Debt Programs Report - August 2025

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

8. Fiscal Year 2024-25 Fourth Quarter Budget Status Report

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

9. Fiscal Year 2024-25 Fourth Quarter Grant Reimbursement Status Report

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

10. SB 1 (Chapter 5, Statutes of 2017) State of Good Repair Claims for Fiscal Year 2025-26

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present, to authorize the filing of SB 1 State of Good Repair claims, in the amount of $7.542 million, or up to the actual allocation published by the State Controller's Office, to fund capital projects approved by the Orange County Transportation Authority Board of Directors.

Director Tettemer was not present to vote on this item.

11. State Transit Assistance Fund Claims for Fiscal Year 2025-26

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to adopt Resolution No. 2025-078 to authorize the filing of State Transit Assistance Fund claims, in the amount of $43,487,476, or up to the actual allocation published by the State Controller's Office, to support public transportation.

Director Tettemer was not present to vote on this item.

12. Update on the Loan Agreements with the Cities of Anaheim, Placentia, and the West Orange County Water Board

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

13. Federal Legislative Status Report

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

14. Draft Revisions to Orange County Transportation Authority's 2025-26 State and Federal Legislative Platforms

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present, to direct staff to integrate the recommended revisions to the 2025-26 Orange County Transportation Authority State and Federal Legislative Platforms and seek further feedback from the Orange County Transportation Authority Board of Directors and internal staff, with subsequent drafts being brought forward for final consideration and adoption later this year.

Director Leon recused himself from voting on this item.

Director Tettemer was not present to vote on this item.

15. Agreements for Temporary Staffing Services

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to:

A. Approve the selection of APR Consulting, Inc. and Tryfacta, Inc. as the firms to provide temporary staffing services, in the aggregate amount of $3,220,000, to be shared by both staffing firms.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4052 between the Orange County Transportation Authority and APR Consulting, Inc. to provide temporary staffing services for a three-year initial term through October 31, 2028, with two, two-year option terms.

C. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4312 between the Orange County Transportation Authority and Tryfacta, Inc. to provide temporary staffing services for a three-year initial term through October 31, 2028, with two, two-year option terms.

Director Tettemer was not present to vote on this item.

16. 2025 Board of Directors and Chief Executive Officer Initiatives and Action Plan - Third Quarter Progress Report

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to receive and file as an information item.

Director Tettemer was not present to vote on this item.

17. Warranty Administration, Internal Audit Report No. 25-516

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to direct staff to implement three recommendations provided in Warranty Administration, Internal Audit Report No. 25-516.

Director Tettemer was not present to vote on this item.

18. Amendment to the Agreement for Same-Day Taxi Service

This item was pulled by Director Wagner, who requested information on ridership and on how the level of subsidized miles was determined.

Darrell E. Johnson, Chief Executive Officer (CEO), responded that the staff reviewed existing ridership trends.

A motion was made by Vice Chair Federico, seconded by Director Foley, and declared passed by those present, to:

A. Approve a pilot to expand the Same-Day Taxi service model and the per-trip subsidy to accommodate trips up to seven miles.

B. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 3 to Agreement No. C-3-2396 between the Orange County Transportation Authority and OCY Management LLC to exercise the option term, in the amount of $2,440,758, to continue providing Same-Day Taxi service effective December 1, 2025, through November 30, 2027. This amendment will increase the maximum cumulative obligation of the agreement to a total contract value of $5,041,901.

Director Tettemer was not present to vote on this item.

19. Programming Recommendation for the City of Newport Beach Project V Service

A motion was made by Director Wagner, seconded by Director Foley, and declared passed by those present to:

A. Approve Project V funding in the amount of $2,624,060 for the City of Newport Beach's Balboa Island/Corona del Mar Local Area Transit Service.

B. Authorize the Chief Executive Officer to negotiate and execute a cooperative funding agreement with the City of Newport Beach to support implementation of its proposed new Project V service.

Director Tettemer was not present to vote on this item.

Regular Calendar

20. Cooperative Agreement with the City of Newport Beach for the Newport Transportation Center Relocation Feasibility Study

A motion was made by Director Foley, seconded by Director Wagner, and declared passed by those present, with the addition of three recommendations (B-D):

A. Authorize the Chief Executive Officer to negotiate and execute a Cooperative Agreement between the Orange County Transportation Authority and the City of Newport Beach for the Newport Transportation Center Relocation Feasibility Study.

B. Bring back the findings of the Newport Transportation Center Relocation Feasibility Study to the Board of Directors within 12 months.

C. Remove the discussion of the co-location of the Newport Transportation Center and the City of Newport Beach's fire station.

D. Focus the Newport Transportation Center Relocation Feasibility Study primarily on how the relocation will impact the Orange County Transportation Authority and not the City of Newport Beach's fire station response times.

21. 2025 Measure M2 Sales Tax Forecast Update

Andrew Oftelie, Chief Financial Officer (CFO), reported on this item.

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

Discussion Items

22. Public Comments

A public comment was heard from Paul Hyek.

23. Chief Executive Officer's Report

Mr. Johnson, CEO, reported on the following:

- Wave Fare Payment System
- S&P Global Ratings Affirmation
- San Juan Creek Bridge Update

24. Directors' Reports

There were no Directors' Reports.

25. Adjournment

The meeting adjourned at 10:31 a.m.

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

9:30 a.m., on Monday, November 24, 2025
OCTA Headquarters
Board Room
550 South Main Street
Orange, California

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to Agreement for Security Officer Services

Executive Committee Meeting of November 3, 2025

Present: Chair Chaffee, Vice Chair Federico, Directors Hennessey, Jung, Klopfenstein, Tam Nguyen, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Director Jung was not present to vote on this item.

Committee 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.

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 Veesapen
Director, Contracts Administration and Materials Management
714-560-5619

Approved by:

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

ATTACHMENT A

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.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

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

Executive Committee Meeting of November 3, 2025

Present: Chair Chaffee, Vice Chair Federico, Directors Hennessey, Jung, Klopfenstein, Tam Nguyen, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Director Jung was not present to vote on this item.

Committee 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.

OCTA

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

ATTACHMENT A

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	Doug Chaffee, Chair
Clerk of the Board	Orange County Transportation Authority

OCTA Resolution No. 2025-074

DESIGNATION OF APPLICANT'S AGENT RESOLUTION FOR NON-STATE AGENCIES

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

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

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

_____ (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 (Name of Applicant), a public entity established under the 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.

DESIGNATION OF APPLICANT'S AGENT RESOLUTION NON-STATE AGENCIES

OES-FPD-130 (Rev. 10-2022)

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, 20 25

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, 20 25.
(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

DRAFT

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Orange County Transportation Authority Investment and Debt Programs Report - September 2025

Finance and Administration Committee Meeting of November 12, 2025

Present: Directors Federico, Go, Harper, Hennessey, Leon, Sarmiento, and Tettemer
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority Investment and Debt Programs Report – September 2025

Overview

The Orange County Transportation Authority has a comprehensive investment and debt program to fund its immediate and long-term cash flow demands. Each month, the Treasurer submits a report detailing investment allocation, performance, compliance, outstanding debt balances, and credit ratings for the Orange County Transportation Authority's debt program. This report is for the month ending September 30, 2025. The report has been reviewed and is consistent with the investment practices contained in the investment policy.

Recommendation

Receive and file as an information item.

Discussion

As of September 30, 2025, the Orange County Transportation Authority's (OCTA) outstanding investments totaled $3.2 billion. The portfolio is divided into two portfolios: the liquid portfolio for immediate cash needs and the managed portfolio for future budgeted expenditures. In addition to these portfolios, OCTA has funds invested in debt service reserve funds for the 91 Express Lanes Program.

Portfolio Compliance and Liquidity Requirements for the Next Six Months: The portfolio is in full compliance with OCTA's Investment Policy and the State of California Government Code. Additionally, OCTA has reviewed the liquidity requirements for the next six months and anticipates that OCTA's liquidity will be sufficient to meet projected expenditures during the next six months.

The weighted average book yield for the OCTA's managed portfolio is 4.31 percent. The book yield measures the exact income, or interest, on a bond

without regard to market price change. The yield is the income return on an investment, such as the interest received from holding a particular security. The yield is usually expressed as an annual percentage rate based on the investment's cost and market value.

OCTA's month-end balance in the Local Agency Investment Fund (LAIF), a pooled investment fund for California local agencies, was $7,358,822, with an average monthly effective yield of 4.21 percent. The LAIF offers local agencies an opportunity to invest funds in a diversified portfolio of high-quality, short-term securities managed by the State Treasurer's Office. OCTA's month-end balance in the Orange County Investment Pool (OCIP), a collective investment fund for local government entities in Orange County, was $96,807, with the monthly gross yield was 4.09 percent. The OCIP allows local government entities to invest funds in a diversified portfolio managed by the Orange County Treasurer-Tax Collector's Office, aiming for competitive returns while prioritizing safety and liquidity. Mandated by the Transportation Development Act (TDA), OCTA is required to participate in the OCIP. It serves as a temporary holding account for TDA funds until claimed by OCTA and then processed by the County of Orange. This framework ensures effective fund management and adherence to regulatory compliance.

During the month of September, no security held within OCTA's investment portfolio was downgraded or placed on Negative Credit Watch. Please refer to A-4 (Rating Downgrades and Negative Credit Watch) of Attachment A for further details.

OCTA's debt program is separate from its investment program and is comprised of Measure M2 (M2) Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and 2021 Transportation Infrastructure Finance and Innovation Act Loan. The debt program currently has an outstanding principal balance of $1.2 billion as of September 30, 2025. Approximately 44 percent of the outstanding balance is comprised of M2 debt, three percent is associated with the 91 Express Lanes Program, and 53 percent is associated with the 405 Express Lanes.

Summary

The Treasurer is submitting a copy of the Orange County Transportation Authority Investment and Debt Programs report to the Finance and Administration Committee. The report is for the month ending September 30, 2025.

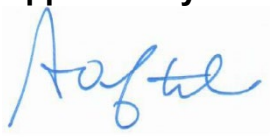
Attachments

A. Orange County Transportation Authority Investment and Debt Programs – For the Period Ending September 30, 2025
B. Orange County Transportation Authority Portfolio Listing as of September 30, 2025

Prepared by:

Robert Davis
Department Manager
Treasury/Public Finance
(714) 560-5675

Approved by:

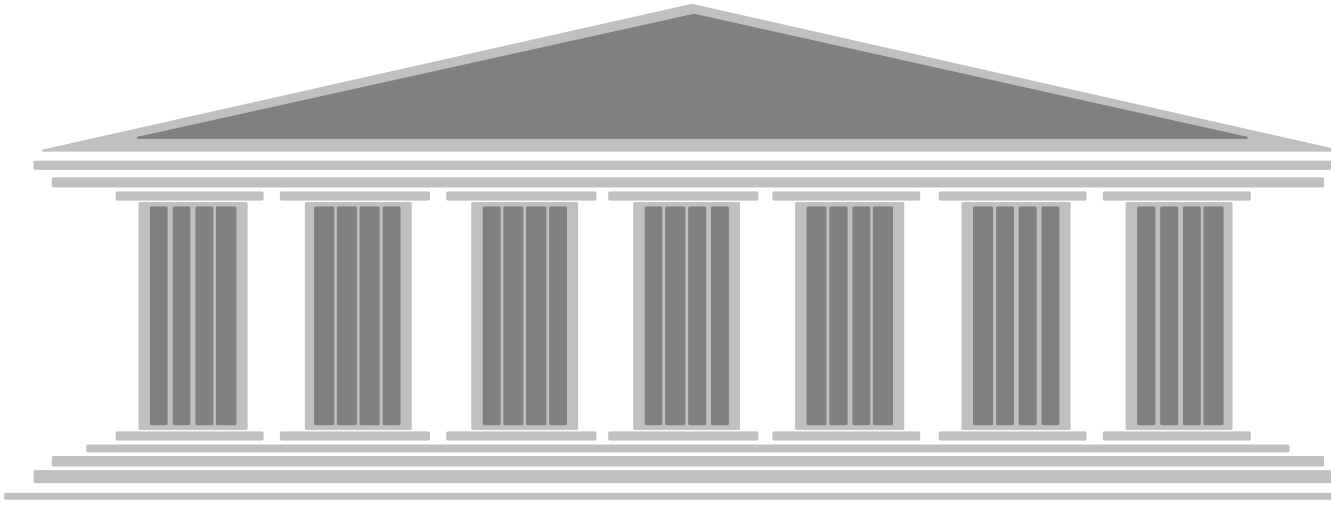


Andrew Oftelie
Chief Financial Officer
Finance and Administration
(714) 560-5649

ATTACHMENT A

Treasury/Public Finance Department's Report On

Orange County Transportation Authority
Investment and Debt Programs



Presented to the Finance and Administration Committee

For The Period Ending September 30, 2025

INVESTMENT PROGRAM

OCTA Investment Dashboard

9/30/2025

Safety of Principal

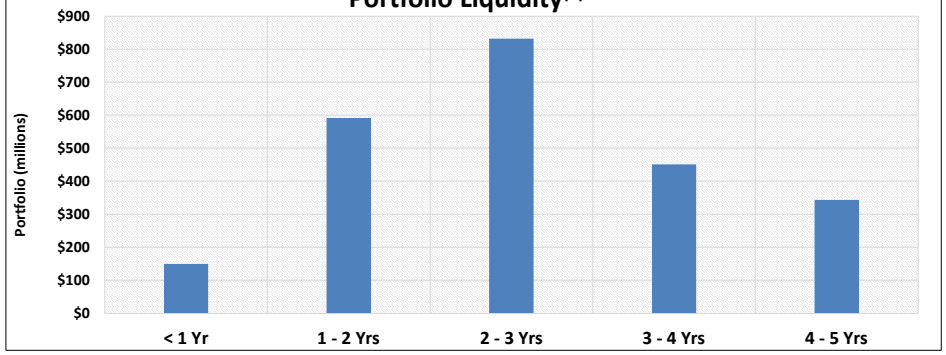
Securities that fell below OCTA's minimum credit quality requirements during the month of September 2025:
N/A

Securities currently held within OCTA's portfolio that fell below OCTA's minimum credit quality requirements during prior reporting periods:
One Keybank security held within OCTA's investment portfolio was downgraded below minimum credit quality requirements for the month of October 2023

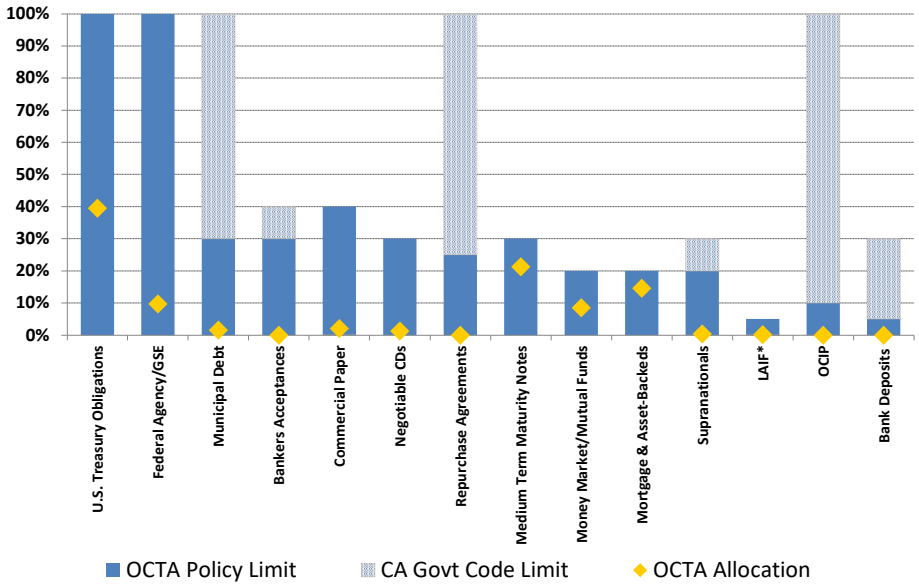
Securities downgraded or placed on Negative Credit Watch during the month of September 2025, but remain in compliance with OCTA's Investment Policy:
N/A

For further details please refer to A-4 of this report.

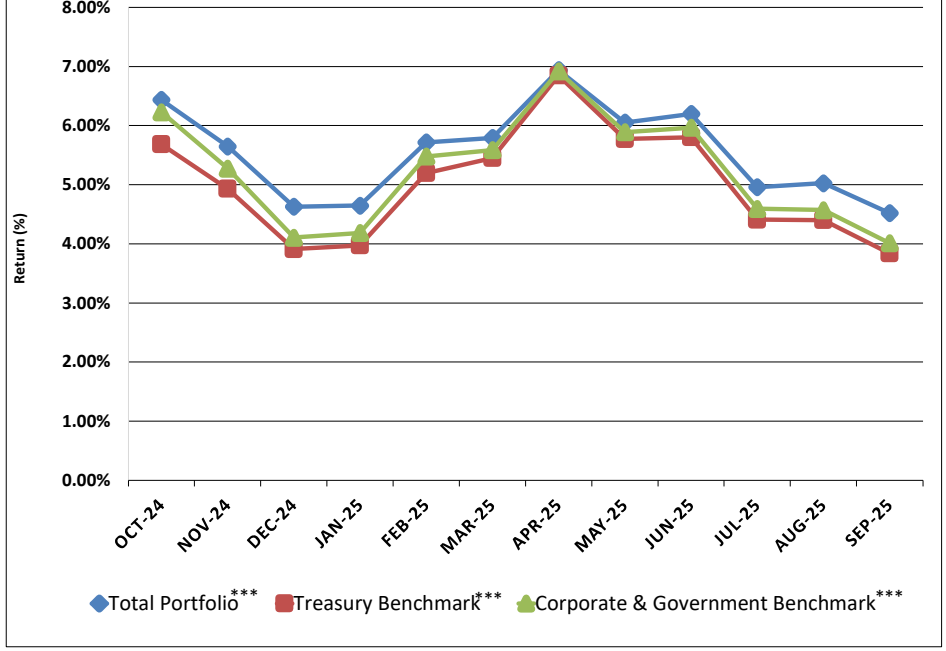
Portfolio Liquidity(1)



Portfolio Diversification **



Total Return - 12 Month(1)



1. Reflects Managed Portfolio.

* Per CA Government Code LAIF limit is $75 million

** Per OCTA's Investment Policy the limit is 30% for variable and floating rate securities. As of September 30, 2025, 7.9% of the portfolio was invested in variable & floating rate securities.

*** Actual portfolio returns represent the aggregate performance of the managed portfolio.
The Treasury Benchmark is the 1-3 Year Treasury Index through September 2024 and transitions to a market value-weighted blend of the 1-3 Year and 1-5 Year Treasury Indices starting October 2024.
The Corporate & Government Benchmark is the 1-3 Year AAA-A U.S. Corporate & Government Index through September 2024 and shifts to a market value-weighted blend of the 1-3 Year and 1-5 Year AAA-A U.S. Corporate & Government Indices beginning October 2024.

Investment Compliance
9/30/2025

Portfolio Subject to Investment Policy				
Managed/Liquid Portfolio [1]		**Dollar Amount Invested**	**Percent Of Portfolio**	**Maximum Percentages**
U.S. Treasury Obligations	$	1,053,633,951	39.6%	100%
Federal Agency/GSE		260,806,811	9.8%	100%
Municipal Debt		43,501,263	1.6%	30%
Commercial Paper		57,827,326	2.2%	40%
Negotiable Certificates of Deposit		34,525,000	1.3%	30%
Repurchase Agreements		-	0.0%	25%
Medium Term Maturity Notes/Corporates		568,651,595	21.4%	30%
Money Market/Mutual Funds		228,996,456	8.6%	20%
Mortgage & Asset-Backed		390,699,816	14.7%	20%
Supranationals		11,786,289	0.4%	20%
Local Agency Investment Fund		7,358,822	0.3%	$ 75 Million
Orange County Investment Pool		96,807	0.0%	10%
Bank Deposits		589,576	0.0%	5%
Total Managed/Liquid Portfolio [2]	**$**	**2,658,473,713**		

1. Excludes portion of Liquid Portfolio subject to Indenture

2. Includes variable & floating rate securities invested in the amount of $211,642,671 (7.9% of total Managed/Liquid portfolio) and subject to 30% limit per OCTA's Investment Policy.

Portfolio Subject to Indenture/Grant Funding Agreement						
			OCTA		**Indenture/Funding Agreement Requirements**	
Portfolio		**Dollar Amount Invested**	**Credit Quality**	**Term**	**Min. Credit Quality**	**Max. Term**
Liquid Portfolio*						
Government Obligations MMKT Fund	$	242,167,670	"AAAm"	N/A	AAA Category	N/A
Government Obligations MMKT Fund		17,756,275	"AAAm"/"Aammf"	N/A	AAA Category	N/A
Government Obligations MMKT Fund **		82,352,312	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		25,000,000	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		21,251,147	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		27,749,504	"AAAm"/"Aammf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		26,711,391	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Government Obligations MMKT Fund **		26,500,000	"AAAm"/"Aaa-mf"	N/A	N/A	N/A
Bank Deposits **		474,934	N/A	N/A	N/A	N/A
Total Liquid Portfolio	**$**	**469,963,232**				
Reserve Funds Portfolio						
Government Obligations MMKT Fund	$	3,921,909	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Negotiable Certificates of Deposit		5,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Negotiable Certificates of Deposit		3,000,000	"A-1"/"P-1"/"F1+"	266 days	"A-1"/"P-1"/"F1"	270 days
Government Obligations MMKT Fund ***		34,610	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Government Obligations MMKT Fund ****		49,712,850	"AAAm"/ "Aaa-mf"/"AAAmmf"	N/A	N/A	N/A
Bank Deposits ****		43,566	N/A	N/A	N/A	N/A
Total Reserve Funds Portfolio	**$**	**61,712,936**				
Total Portfolio Subject to Indenture	**$**	**531,676,168**				

91EL and 405EL Operating Funds *****		
Money Market Funds	$	13,030,182
Bank Deposits		694,032
Total for EL Operating Funds	**$**	**13,724,215**
Portfolio Total	**$**	**3,203,874,095**

* Reflects portion of Liquid Portfolio subject to Indenture (OCTA Sales Tax Revenue) or Grant Funding Agreement
** Senate Bill (SB) 125 Grant Funding
*** 91 EL Debt Service Fund
**** Funds subject to 2021 TIFIA Loan Agreement
***** Reflects Express Lanes customers' prepaid balances held in the 91EL and 405EL operating accounts. These funds are invested by OCTA but represent customer liabilities and are therefore disclosed for transparency but excluded from investment policy compliance calculations.

Managed Portfolio
Sector Allocation and Performance Overview
9/30/2025

Book/Market Value	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
Book Value	$ 586,474,596	$ 589,819,112	$ 591,649,297	$ 597,428,139	$ 2,365,371,145
Market Value with Accrued Interest	$ 600,401,202	$ 601,401,384	$ 602,471,497	$ 607,749,462	$ 2,412,023,545
1-3 Year Portfolio:					
Book Value	$ 386,395,456	$ 393,499,395	$ 417,557,882	$ 397,181,703	$ 1,594,634,436
Market Value with Accrued Interest	$ 395,471,511	$ 401,176,069	$ 425,453,147	$ 404,691,626	$ 1,626,792,353
1-5 Year Portfolio:					
Book Value	$ 200,079,140	$ 196,319,717	$ 174,091,415	$ 200,246,437	$ 770,736,709
Market Value with Accrued Interest	$ 204,929,691	$ 200,225,315	$ 177,018,350	$ 203,057,836	$ 785,231,192

Sector Allocation	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio
Total Portfolio:					
U.S. Treasury Obligations	36.3%	50.5%	40.3%	50.9%	44.5%
Federal Agency/GSE	24.4%	3.6%	14.1%	2.2%	11.0%
Municipal Debt	0.5%	4.8%	0.3%	1.8%	1.8%
Commercial Paper	0.8%	0.0%	0.0%	0.0%	0.2%
Negotiable Certificates of Deposit	0.0%	0.0%	1.6%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	24.3%	21.9%	25.1%	24.8%	24.0%
Money Market/Mutual Funds	1.7%	0.2%	0.1%	1.6%	0.9%
Mortg & Asset Backed Sec	9.9%	18.9%	18.5%	18.7%	16.5%
Supranationals	2.0%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-3 Year Portfolio:					
U.S. Treasury Obligations	39.9%	52.3%	41.4%	50.8%	46.1%
Federal Agency/GSE	19.1%	3.5%	12.6%	2.3%	9.4%
Municipal Debt	0.0%	4.5%	0.3%	1.8%	1.6%
Commercial Paper	1.3%	0.0%	0.0%	0.0%	0.3%
Negotiable Certificates of Deposit	0.0%	0.0%	1.6%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	26.0%	20.7%	24.7%	24.8%	24.1%
Money Market/Mutual Funds	1.3%	0.2%	0.2%	1.7%	0.8%
Mortg & Asset Backed Sec	10.3%	18.7%	19.3%	18.6%	16.8%
Supranationals	2.1%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%
1-5 Year Portfolio:					
U.S. Treasury Obligations	29.4%	46.9%	37.6%	51.1%	41.3%
Federal Agency/GSE	34.8%	3.7%	17.7%	1.9%	14.5%
Municipal Debt	1.4%	5.6%	0.3%	1.7%	2.3%
Commercial Paper	0.0%	0.0%	0.0%	0.0%	0.0%
Negotiable Certificates of Deposit	0.0%	0.0%	1.7%	0.0%	0.4%
Repurchase Agreements	0.0%	0.0%	0.0%	0.0%	0.0%
Medium Term Maturity Notes	21.1%	24.2%	26.1%	24.7%	24.0%
Money Market/Mutual Funds	2.4%	0.4%	0.1%	1.5%	1.1%
Mortg & Asset Backed Sec	9.2%	19.3%	16.5%	19.0%	16.0%
Supranationals	1.7%	0.0%	0.0%	0.0%	0.5%
Total	100.0%	100.0%	100.0%	100.0%	100.0%

Portfolio Characteristics	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Weighted Average Life	2.24	2.41	2.11	2.27	2.26	n/a	n/a
Duration	2.08	2.17	1.97	2.08	2.07	2.00	2.00
Monthly Yield (Annualized)	3.83%	3.87%	3.85%	3.80%	3.84%	3.65%	3.81%
1-3 Year Portfolio:							
Weighted Average Life	1.94	2.14	1.87	2.00	1.99	n/a	n/a
Duration	1.82	1.92	1.76	1.84	1.83	1.77	1.75
Monthly Yield (Annualized)	3.82%	3.86%	3.84%	3.77%	3.82%	3.65%	3.79%
1-5 Year Portfolio:							
Weighted Average Life	2.81	2.94	2.67	2.80	2.81	n/a	n/a
Duration	2.58	2.67	2.46	2.57	2.57	2.48	2.51
Monthly Yield (Annualized)	3.84%	3.88%	3.87%	3.86%	3.87%	3.66%	3.84%

Portfolio Performance (Total Rate of Return)	CHANDLER	METLIFE	PFM	Payden & Rygel	Total Portfolio	* US Treasury Benchmark	** Corp./Govt. Benchmark
Total Portfolio:							
Monthly Return ***	0.32%	0.35%	0.37%	0.31%	0.34%	0.28%	0.31%
Three Months Return ***	1.26%	1.34%	1.29%	1.28%	1.29%	1.12%	1.19%
1-3 Year Portfolio:							
Monthly Return ***	0.32%	0.35%	0.39%	0.33%	0.35%	0.31%	0.32%
Three Months Return ***	1.22%	1.31%	1.28%	1.26%	1.27%	1.12%	1.17%
1-5 Year Portfolio:							
Monthly Return ***	0.30%	0.34%	0.32%	0.27%	0.31%	0.23%	0.27%
Three Months Return ***	1.33%	1.39%	1.32%	1.30%	1.34%	1.14%	1.23%

* Represents the ICE/BAML 1-3 Year U.S. Treasury Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year U.S. Treasury Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

** Represents the ICE/BAML 1-3 Year AAA-A U.S. Corporate & Government Index for the 1-3 Year Portfolio and the ICE/BAML 1-5 Year AAA-A U.S. Corporate & Government Index for the 1-5 Year Portfolio. The benchmarks for duration and monthly yield are weighted for the Total Portfolio.

*** Reflects monthly return and three months only, as the 1-5 year portfolio was launched on October 1, 2024. Additional performance metrics will be reported once sufficient data becomes available.

Rating Downgrades & Negative Credit Watch
9/30/2025

Investment Manager / Security	Par Amount	Maturity	S&P	Moody's	Fitch Ratings
Rating Downgrades:					
- Rating below minimum requirements:					
KEYBANK NATIONAL ASSOCIATION	$ 355,000	01/26/2026	BBB+	Baa1	BBB+

In October 2023, Moody's and Fitch each downgraded KeyBank one notch, citing profitability pressures from a higher-for-longer rate environment and a below-average capital ratio when adjusted for unrealized losses. These downgrades placed three KeyBank securities in the portfolio below the minimum credit quality requirements of the Investment Policy. The Treasurer recommended, and the Chief Executive Officer concurred, that the securities be held for the short term.
As of August 31, 2025, of the initial $3.72 million in KeyBank holdings, $355,000 remains outstanding, with maturity of January 26, 2026.

Negative Credit Watch:

N/A

DEBT PROGRAM

(M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, 2021 TIFIA Loan)

Outstanding Debt[1]
As of 9/30/2025

Orange County Local Transportation Authority (OCLTA-M2)		
2025 M2 Sales Tax Revenue Bonds		
Issued:	$	227,565,000
Outstanding:		227,565,000
Debt Service FY 2026:		17,662,394
All in True Interest Cost:		3.04%
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041
2019 M2 Sales Tax Revenue Bonds		
Issued:	$	376,690,000
Outstanding:		301,885,000
Debt Service FY 2026:		27,579,400
All in True Interest Cost:		3.14%
Pledged Revenue Source:		M2 Sales Tax Revenues
Ratings (Fitch/ S&P):		AA+/AAA
Final Maturity:		2041
Sub-total M2 Outstanding Debt	**$**	**529,450,000**
91 Express Lanes		
2023 OCTA 91 Express Lanes Refunding Bonds		
Issued:	$	47,545,000
Outstanding:		35,610,000
Debt Service FY 2026:		8,048,375
All in True Interest Cost:		2.80%
Pledged Revenue Source:		91 Toll Road Revenues
Ratings (Fitch/ Moody's/ S&P):		AA-/Aa3/AA-
Final Maturity:		2030
Sub-total 91 Express Lanes Outstanding Debt	**$**	**35,610,000**
405 Express Lanes		
2021 TIFIA Loan		
Amount Available	$	628,930,000
Outstanding:		643,734,758
Capitalized Interest:		30,023,463
Interest Rate:		1.95%
Pledged Revenue Source:		405 Toll Road Revenues
Ratings (Moody's):		Baa2
Final Maturity:		2058
Sub-total 405 Express Lanes Outstanding Debt	**$**	**643,734,758**
TOTAL OUTSTANDING DEBT:	**$**	**1,208,794,758**

1. Comprises OCTA's debt obligations (M2 Sales Tax Revenue Bonds, 91 Express Lanes Toll Road Revenue Bonds, and 2021 TIFIA Loan) currently outstanding and irrespective of OCTA's investment program.

ATTACHMENT B

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USDFIIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	4.05	4.05	242,167,670	242,167,670
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9USDFEDG	FEDERATED GOVT OBLIG INSTL 5	N/A	N/A	4.03	4.03	17,756,275	17,756,275
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	60934N500	FEDERATED TREASURY OBLIGATION FUND	N/A	N/A	4.06	4.06	88,422,776	88,422,776
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USD023B0	FIRST AMERICAN GOV OBL P 4198	N/A	N/A	4.14	4.14	40,425,728	40,425,728
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDDGCM3	DREYFUS GOVT CM INST 289	N/A	N/A	4.12	4.12	41,731,302	41,731,302
LIQUID PORTFOLIO	MONEY MARKET/MUTUAL FUND	X9X9USDISLQ9	INVESCO GOVT AGENCY INSTIL 1901	N/A	N/A	4.14	4.14	49,574,868	49,574,868
LIQUID PORTFOLIO	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***480,078,618***	***480,078,618***
LIQUID PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2V5	BMO NEGOTIABLE CD	3/21/2025	10/20/2025	4.39	4.39	25,000,000	25,000,000
LIQUID PORTFOLIO	***SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT***							***25,000,000***	***25,000,000***
LIQUID PORTFOLIO	COMMERCIAL PAPER	US62479LZA6	MUFG BANK	7/10/2025	12/10/2025	4.44	4.44	27,039,499	27,328,895
LIQUID PORTFOLIO	COMMERCIAL PAPER	US22533TZX70	CREDIT AGRICOLE	9/3/2025	12/31/2025	4.17	4.17	25,893,372	25,977,162
LIQUID PORTFOLIO	***SUB-TOTAL FOR COMMERCIAL PAPER***							***52,932,870***	***53,306,057***
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - GENERAL	N/A	N/A	0.00	0.00	264,487	264,487
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - HQ	N/A	N/A	0.00	0.00	325,090	325,090
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 91EL	N/A	N/A	0.00	0.00	433,572	433,572
LIQUID PORTFOLIO	BANK DEPOSIT	N/A	BANK DEPOSIT - 405EL	N/A	N/A	0.00	0.00	260,461	260,461
LIQUID PORTFOLIO	***SUB-TOTAL FOR BANK DEPOSIT***							***1,283,609***	***1,283,609***
LIQUID PORTFOLIO	LAIF	N/A	LOCAL AGENCY INVESTMENT FUND (LAIF)	N/A	N/A	4.21	4.21	7,358,822	7,358,822
LIQUID PORTFOLIO	***SUB-TOTAL FOR LAIF***							***7,358,822***	***7,358,822***
LIQUID PORTFOLIO	OCIP	N/A	ORANGE COUNTY INVESTMENT POOL (OCIP)	N/A	N/A	4.09	4.09	96,807	96,807
LIQUID PORTFOLIO	***SUB-TOTAL FOR OCIP***							***96,807***	***96,807***
LIQUID PORTFOLIO - TOTAL								**566,750,726**	**$ 567,123,913**
MANAGED PORTFOLIO	MONEY MARKET/MUTUAL FUND	31846V567	FIRST AMER:GVT OBLG Z	N/A	9/30/2025	4.00	4.00	21,871,964	21,871,964
MANAGED PORTFOLIO	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***21,871,964***	***21,871,964***
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	21684LGS5	COOPERATIEVE RABOBANK U.A., NEW YORK BRANCH	7/20/2023	7/17/2026	5.08	3.56	2,200,000	2,226,158
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	22536DWD6	CREDIT AGRICOLE CORPORATE AND INVESTMENT BANK	2/5/2024	2/1/2027	4.76	4.15	3,750,000	3,778,050
MANAGED PORTFOLIO	NEGOTIABLE CERTIFICATE OF DEPOSIT	63873QP65	NATIXIS, NEW YORK BRANCH	9/20/2023	9/18/2026	5.61	3.46	3,575,000	3,633,773
MANAGED PORTFOLIO	***SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT***							***9,525,000***	***9,637,981***
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	5/17/2023	11/15/2027	3.59	3.62	3,778,750	3,888,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283F5	UNITED STATES TREASURY	9/27/2024	11/15/2027	3.49	3.62	4,817,578	4,860,950
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128283W8	UNITED STATES TREASURY	9/30/2024	2/15/2028	3.51	3.63	7,320,703	7,351,500
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	4/19/2024	8/15/2028	4.73	3.63	9,283,594	9,795,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128284V9	UNITED STATES TREASURY	8/16/2024	8/15/2028	3.85	3.63	1,928,359	1,959,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285J5	UNITED STATES TREASURY	6/3/2022	10/31/2025	2.87	4.09	8,032,813	7,992,320
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	3/15/2024	11/15/2028	4.28	3.64	4,757,617	4,923,850
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/4/2024	11/15/2028	3.56	3.64	2,065,219	2,068,017
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	10/22/2024	11/15/2028	3.87	3.64	2,333,063	2,363,448
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128285M8	UNITED STATES TREASURY	5/15/2025	11/15/2028	4.06	3.64	7,272,363	7,385,775
MANAGED PORTFOLIO	US TREASURY OBLIGATION	9128286B1	UNITED STATES TREASURY	11/4/2024	2/15/2029	4.19	3.65	1,878,281	1,935,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828M56	UNITED STATES TREASURY	6/10/2022	11/15/2025	3.05	3.91	6,818,164	6,985,230
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828M56	UNITED STATES TREASURY	8/19/2022	11/15/2025	3.27	3.91	7,750,938	7,983,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	912828V98	UNITED STATES TREASURY	1/12/2023	2/15/2027	3.80	3.69	8,006,270	8,337,650
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	7/2/2024	10/31/2027	4.56	3.61	5,342,742	5,721,848
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	8/16/2024	10/31/2027	3.90	3.61	2,560,436	2,673,322
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	10/3/2024	10/31/2027	3.57	3.61	3,645,000	3,752,031
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	10/8/2024	10/31/2027	3.92	3.61	902,305	938,008
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	11/7/2024	10/31/2027	4.26	3.61	3,673,023	3,846,005
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	11/7/2024	10/31/2027	4.26	3.61	1,612,547	1,688,414
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	12/24/2024	10/31/2027	4.36	3.61	6,102,734	6,378,740
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	2/13/2025	10/31/2027	4.39	3.61	4,621,126	4,807,506
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	3/26/2025	10/31/2027	3.99	3.61	2,698,453	2,767,123
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/10/2025	10/31/2027	3.91	3.61	3,891,442	3,977,332
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.98	3.61	3,666,563	3,752,200
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	4/14/2025	10/31/2027	3.99	3.61	3,890,145	3,982,022
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	5/8/2025	10/31/2027	3.82	3.61	7,839,590	7,973,425
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CAU5	UNITED STATES TREASURY	7/8/2025	10/31/2027	3.87	3.61	1,967,866	1,993,356
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/24/2022	3/31/2027	4.45	3.67	1,844,688	1,966,260
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/3/2024	3/31/2027	3.57	3.67	12,666,572	12,775,774
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEF4	UNITED STATES TREASURY	10/7/2024	3/31/2027	3.83	3.67	5,125,170	5,200,758
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEM9	UNITED STATES TREASURY	9/3/2024	4/30/2029	3.72	3.67	2,893,008	2,920,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEN7	UNITED STATES TREASURY	12/1/2022	4/30/2027	4.07	3.65	1,089,041	1,134,142
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	9/26/2024	5/31/2029	3.55	3.67	4,828,516	4,842,800
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CES6	UNITED STATES TREASURY	10/7/2024	5/31/2029	3.84	3.67	2,862,422	2,905,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	8/16/2024	6/30/2029	3.84	3.68	3,190,311	3,225,875
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/27/2024	6/30/2029	3.57	3.68	3,771,809	3,767,778
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	1/13/2025	6/30/2029	4.52	3.68	2,182,754	2,265,500
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	2/13/2025	6/30/2029	4.47	3.68	1,927,395	1,994,625

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	5/5/2025	6/30/2029	3.89	3.68	1,926,705	1,945,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/10/2025	6/30/2029	3.89	3.68	498,069	502,350
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	7/16/2025	6/30/2029	3.99	3.68	1,960,932	1,984,775
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEV9	UNITED STATES TREASURY	9/26/2025	6/30/2029	3.71	3.68	6,493,546	6,501,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	9/19/2022	6/30/2027	3.71	3.63	294,035	298,056
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/6/2022	6/30/2027	4.01	3.63	3,870,781	3,974,080
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	12/21/2022	6/30/2027	3.85	3.63	2,925,820	2,980,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	1/11/2024	6/30/2027	4.11	3.63	6,514,965	6,656,584
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/8/2024	6/30/2027	3.91	3.63	6,635,830	6,706,260
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	10/8/2024	6/30/2027	3.91	3.64	1,376,320	1,390,867
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	11/5/2024	6/30/2027	4.13	3.63	1,887,637	1,917,494
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	12/24/2024	6/30/2027	4.33	3.63	7,308,398	7,451,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	3/26/2025	6/30/2027	3.97	3.64	1,575,193	1,589,563
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CEW7	UNITED STATES TREASURY	5/6/2025	6/30/2027	3.81	3.63	7,760,154	7,799,132
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFB2	UNITED STATES TREASURY	5/17/2023	7/31/2027	3.62	3.64	3,865,469	3,937,520
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	2/10/2023	8/31/2027	3.92	3.63	7,737,813	7,925,920
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	5/6/2025	8/31/2027	3.83	3.63	9,746,859	9,808,326
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/3/2025	8/31/2027	3.78	3.63	8,774,431	8,812,632
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFH9	UNITED STATES TREASURY	7/7/2025	8/31/2027	3.87	3.63	4,924,219	4,953,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFJ5	UNITED STATES TREASURY	6/9/2025	8/31/2029	4.01	3.69	7,244,238	7,346,475
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFM8	UNITED STATES TREASURY	6/9/2023	9/30/2027	4.06	3.62	6,517,012	6,562,725
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CFZ9	UNITED STATES TREASURY	12/18/2024	11/30/2027	4.21	3.62	3,839,429	3,895,421
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGC9	UNITED STATES TREASURY	11/12/2024	12/31/2027	4.19	3.62	3,963,125	4,022,040
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGH8	UNITED STATES TREASURY	11/15/2024	1/31/2028	4.32	3.62	7,317,480	7,480,050
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	8/16/2024	2/29/2028	3.86	3.61	2,008,984	2,017,660
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGP0	UNITED STATES TREASURY	3/27/2025	2/29/2028	4.02	3.61	3,997,656	4,035,320
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/3/2025	2/28/2030	4.02	3.71	2,742,855	2,776,842
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/12/2025	2/28/2030	4.08	3.71	1,494,668	1,517,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/25/2025	2/28/2030	4.09	3.71	746,953	758,700
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CGQ8	UNITED STATES TREASURY	3/27/2025	2/28/2030	4.09	3.71	996,172	1,011,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	8/16/2024	5/31/2028	3.86	3.62	4,115,146	4,150,324
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/3/2024	5/31/2028	3.73	3.62	2,989,102	3,000,480
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	1/13/2025	5/31/2028	4.45	3.62	7,629,050	7,831,253
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.62	790,378	800,063
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	3/27/2025	5/31/2028	4.03	3.62	3,951,576	4,000,640
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/8/2025	5/31/2028	3.82	3.62	19,270,988	19,383,101
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	4/14/2025	5/31/2028	4.02	3.62	6,523,688	6,600,516
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.62	3,920,036	3,945,631
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	7/8/2025	5/31/2028	3.86	3.62	2,355,002	2,370,185
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/29/2025	5/31/2028	3.66	3.62	2,847,672	2,850,456
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHE4	UNITED STATES TREASURY	9/26/2025	5/31/2028	3.66	3.62	12,488,281	12,502,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHK0	UNITED STATES TREASURY	12/20/2024	6/30/2028	4.37	3.62	7,409,473	7,573,575
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	10/25/2024	7/31/2028	4.01	3.63	3,513,809	3,546,480
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	11/27/2024	7/31/2028	4.24	3.63	3,983,750	4,053,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHQ7	UNITED STATES TREASURY	3/7/2025	7/31/2028	4.04	3.63	7,519,629	7,599,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CHX2	UNITED STATES TREASURY	10/9/2024	8/31/2028	3.88	3.63	1,883,025	1,887,648
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	10/17/2023	9/30/2028	4.72	3.63	1,245,068	1,285,163
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.63	3,241,673	3,360,957
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJA0	UNITED STATES TREASURY	11/1/2023	9/30/2028	4.82	3.63	3,044,609	3,157,387
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJN2	UNITED STATES TREASURY	12/1/2023	11/30/2028	4.29	3.65	3,919,034	3,989,348
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJN2	UNITED STATES TREASURY	12/1/2023	11/30/2028	4.31	3.65	2,496,809	2,543,784
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJP7	UNITED STATES TREASURY	1/9/2024	12/15/2026	4.11	3.70	1,007,266	1,007,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	8/16/2024	12/31/2028	3.84	3.64	11,160,625	11,235,875
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	10/3/2024	12/31/2028	3.57	3.64	2,316,262	2,307,367
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	3/27/2025	12/31/2028	4.06	3.64	2,472,860	2,508,008
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJR3	UNITED STATES TREASURY	5/5/2025	12/31/2028	3.86	3.64	1,942,383	1,956,246
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJS1	UNITED STATES TREASURY	4/30/2025	12/31/2025	4.07	3.93	8,009,063	8,005,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	1/19/2024	1/15/2027	4.14	3.70	2,241,123	2,258,438
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.71	1,301,561	1,306,728
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.71	5,304,793	5,324,045
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJT9	UNITED STATES TREASURY	2/1/2024	1/15/2027	4.00	3.70	3,788,704	3,803,209
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/4/2024	1/31/2029	3.62	3.65	3,298,750	3,285,165
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	10/29/2024	1/31/2029	4.13	3.65	2,238,750	2,274,345
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CJW2	UNITED STATES TREASURY	11/27/2024	1/31/2029	4.23	3.65	7,929,375	8,086,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	2/16/2024	2/15/2027	4.46	3.69	2,476,758	2,514,450
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	2/20/2024	2/15/2027	4.46	3.69	847,185	859,942
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/1/2024	2/15/2027	4.43	3.69	5,934,502	6,019,593
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/1/2024	2/15/2027	4.44	3.69	10,633,251	10,786,991

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKA8	UNITED STATES TREASURY	3/12/2024	2/15/2027	4.29	3.69	5,973,047	6,034,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	4/1/2024	2/28/2029	4.21	3.65	936,753	952,784
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	12/16/2024	2/28/2029	4.25	3.65	7,999,063	8,152,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/6/2025	2/28/2029	4.34	3.65	996,641	1,019,020
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKD2	UNITED STATES TREASURY	2/10/2025	2/28/2029	4.33	3.65	997,031	1,019,020
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/1/2024	3/15/2027	4.40	3.67	761,773	771,219
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/5/2024	3/15/2027	4.51	3.67	3,475,117	3,528,455
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKE0	UNITED STATES TREASURY	4/8/2024	3/15/2027	4.52	3.67	3,226,514	3,276,423
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	4/15/2024	4/15/2027	4.53	3.67	2,997,656	3,037,020
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	5/1/2024	4/15/2027	4.88	3.67	618,604	632,713
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKJ9	UNITED STATES TREASURY	5/13/2024	4/15/2027	4.66	3.67	2,986,875	3,037,020
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	5/28/2024	5/15/2027	4.72	3.66	1,217,727	1,240,986
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/3/2024	5/15/2027	4.70	3.66	11,985,514	12,207,253
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/11/2024	5/15/2027	4.49	3.66	3,800,742	3,849,590
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/11/2024	5/15/2027	4.67	3.66	1,343,672	1,367,618
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/12/2024	5/15/2027	4.63	3.66	1,494,785	1,519,575
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	6/17/2024	5/15/2027	4.60	3.66	3,240,732	3,292,413
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKR1	UNITED STATES TREASURY	7/5/2024	5/15/2027	4.61	3.66	7,975,938	8,104,400
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKT7	UNITED STATES TREASURY	6/3/2024	5/31/2029	4.52	3.67	999,180	1,028,050
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	7/1/2024	6/15/2027	4.51	3.65	3,756,849	3,804,546
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKV2	UNITED STATES TREASURY	2/10/2025	6/15/2027	4.28	3.65	1,914,473	1,930,210
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/1/2024	7/15/2027	4.07	3.64	13,331,544	13,385,779
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/5/2024	7/15/2027	3.96	3.64	3,641,344	3,645,144
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CKZ3	UNITED STATES TREASURY	8/12/2024	7/15/2027	3.89	3.64	1,778,446	1,777,008
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	8/16/2024	7/31/2029	3.79	3.69	2,018,750	2,022,120
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLC3	UNITED STATES TREASURY	10/31/2024	7/31/2029	4.11	3.69	8,956,406	9,099,540
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.76	3.63	4,690,503	4,702,414
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/3/2024	8/15/2027	3.77	3.63	1,191,695	1,194,768
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLG4	UNITED STATES TREASURY	9/10/2024	8/15/2027	3.60	3.63	10,542,246	10,521,735
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/27/2024	9/15/2027	3.47	3.62	1,421,382	1,418,431
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	9/30/2024	9/15/2027	3.52	3.62	3,087,285	3,085,709
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/1/2024	9/15/2027	3.57	3.62	9,343,621	9,351,689
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.52	3.62	3,983,750	3,981,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.54	3.62	6,469,785	6,470,035
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLL3	UNITED STATES TREASURY	10/4/2024	9/15/2027	3.57	3.62	3,977,813	3,981,560
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	9/30/2024	9/30/2029	3.54	3.69	5,115,190	5,088,766
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLN9	UNITED STATES TREASURY	10/1/2024	9/30/2029	3.58	3.69	33,063,352	32,945,417
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	10/29/2024	10/15/2027	4.10	3.62	1,987,813	2,009,840
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.62	12,736,648	12,884,883
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/1/2024	10/15/2027	4.12	3.62	15,512,655	15,695,042
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/4/2024	10/15/2027	4.15	3.62	3,820,674	3,868,942
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	11/7/2024	10/15/2027	4.19	3.62	1,982,500	2,009,840
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/10/2025	10/15/2027	4.30	3.62	677,775	688,370
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLQ2	UNITED STATES TREASURY	2/13/2025	10/15/2027	4.39	3.62	7,403,613	7,536,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLR0	UNITED STATES TREASURY	11/12/2024	10/31/2029	4.19	3.70	2,493,262	2,539,750
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	11/26/2024	11/15/2027	4.32	3.62	696,227	707,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.62	3,141,191	3,172,735
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/2/2024	11/15/2027	4.12	3.62	3,064,300	3,095,556
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/6/2024	11/15/2027	4.17	3.62	3,820,368	3,864,015
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/10/2024	11/15/2027	4.10	3.62	3,827,689	3,864,015
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CLX7	UNITED STATES TREASURY	12/16/2024	11/15/2027	4.12	3.62	3,825,149	3,864,015
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/2/2024	11/30/2029	4.08	3.70	9,890,434	10,028,808
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/9/2024	11/30/2029	4.05	3.70	1,946,593	1,971,215
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMA6	UNITED STATES TREASURY	12/10/2024	11/30/2029	4.07	3.70	4,009,844	4,064,360
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	12/17/2024	12/15/2027	4.23	3.61	2,981,016	3,024,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.61	8,264,592	8,395,987
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMB4	UNITED STATES TREASURY	1/2/2025	12/15/2027	4.28	3.61	5,514,318	5,602,870
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/2/2025	12/31/2029	4.39	3.71	5,486,569	5,631,971
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/9/2025	12/31/2029	4.48	3.71	995,586	1,025,860
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMD0	UNITED STATES TREASURY	1/13/2025	12/31/2029	4.52	3.71	2,483,594	2,564,650
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CME8	UNITED STATES TREASURY	7/30/2025	12/31/2026	4.00	3.71	5,016,992	5,032,250
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	1/15/2025	1/15/2028	4.34	3.62	3,840,525	3,902,476
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/3/2025	1/15/2028	4.26	3.62	4,558,931	4,622,153
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/6/2025	1/15/2028	4.27	3.62	3,848,346	3,902,476
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMF5	UNITED STATES TREASURY	2/10/2025	1/15/2028	4.29	3.62	1,747,881	1,773,853
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMH1	UNITED STATES TREASURY	2/18/2025	1/31/2027	4.25	3.70	1,845,736	1,859,972
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/3/2025	2/15/2028	3.97	3.62	2,196,691	2,210,912
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	3/6/2025	2/15/2028	4.01	3.62	840,480	846,840

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/13/2025	2/15/2028	4.00	3.62	7,744,622	7,804,115
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	5/22/2025	2/15/2028	4.00	3.62	8,051,250	8,113,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	6/9/2025	2/15/2028	4.00	3.62	11,621,736	11,713,779
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/2/2025	2/15/2028	3.76	3.62	7,008,316	7,023,197
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	7/7/2025	2/15/2028	3.85	3.62	3,094,872	3,108,462
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMN8	UNITED STATES TREASURY	9/26/2025	2/15/2028	3.67	3.62	8,105,652	8,113,440
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/25/2025	3/15/2028	4.02	3.61	2,988,047	3,018,870
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/26/2025	3/15/2028	3.98	3.61	15,050,187	15,189,948
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	3/27/2025	3/15/2028	4.00	3.61	2,989,453	3,018,870
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/1/2025	3/15/2028	3.88	3.61	6,129,042	6,168,558
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMS7	UNITED STATES TREASURY	4/10/2025	3/15/2028	3.70	3.61	4,019,375	4,025,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/1/2025	3/31/2030	3.96	3.72	2,454,594	2,478,053
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/8/2025	3/31/2030	3.89	3.72	3,873,974	3,899,272
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.03	3.72	1,997,656	2,022,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	4/10/2025	3/31/2030	4.12	3.72	959,688	976,082
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	5/13/2025	3/31/2030	4.11	3.72	3,095,432	3,145,716
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/9/2025	3/31/2030	4.09	3.72	4,283,889	4,349,383
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	6/23/2025	3/31/2030	4.01	3.72	969,700	981,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	7/2/2025	3/31/2030	3.84	3.72	1,168,202	1,173,322
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/26/2025	3/31/2030	3.76	3.72	4,444,344	4,450,531
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMU2	UNITED STATES TREASURY	9/30/2025	3/31/2030	3.75	3.72	3,611,740	3,616,057
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMV0	UNITED STATES TREASURY	3/31/2025	3/31/2027	4.00	3.67	7,980,313	8,023,760
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.62	6,099,352	6,090,219
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMW8	UNITED STATES TREASURY	5/1/2025	4/15/2028	3.59	3.62	7,059,323	7,049,736
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMY4	UNITED STATES TREASURY	5/13/2025	4/30/2027	4.00	3.66	3,941,592	3,965,584
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CMZ1	UNITED STATES TREASURY	5/1/2025	4/30/2030	3.73	3.72	3,805,102	3,803,927
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.77	3.62	2,998,125	3,009,600
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	5/15/2025	5/15/2028	3.78	3.62	1,249,121	1,254,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	4,590,778	4,619,535
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	1,670,230	1,680,761
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/2/2025	5/15/2028	3.86	3.62	4,590,410	4,619,535
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	3.90	3.62	3,162,102	3,185,160
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CND9	UNITED STATES TREASURY	6/10/2025	5/15/2028	4.01	3.62	4,864,781	4,915,680
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNG2	UNITED STATES TREASURY	6/2/2025	5/31/2030	3.96	3.72	4,568,194	4,613,443
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/1/2025	6/15/2028	3.69	3.62	8,281,844	8,294,054
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.74	3.62	4,165,400	4,177,224
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/7/2025	6/15/2028	3.84	3.62	6,851,417	6,889,903
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNH0	UNITED STATES TREASURY	7/9/2025	6/15/2028	3.74	3.62	4,014,375	4,026,240
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/1/2025	6/30/2030	3.80	3.73	1,570,380	1,574,593
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNK3	UNITED STATES TREASURY	7/7/2025	6/30/2030	3.87	3.73	1,750,410	1,760,728
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	7/15/2025	7/15/2028	3.84	3.63	2,101,969	2,113,608
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/6/2025	7/15/2028	3.90	3.63	1,998,594	2,012,960
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/1/2025	7/15/2028	3.88	3.63	2,920,181	2,939,827
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNM9	UNITED STATES TREASURY	8/1/2025	7/15/2028	3.89	3.63	2,708,253	2,726,655
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/25/2025	8/15/2028	3.74	3.62	3,239,463	3,250,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.70	3.62	2,494,824	2,500,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	8/15/2025	8/15/2028	3.73	3.62	747,861	750,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/5/2025	8/15/2028	3.62	3.62	4,225,165	4,225,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNU1	UNITED STATES TREASURY	9/2/2025	8/15/2028	3.58	3.62	13,893,428	13,875,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CDF5	UNITED STATES TREASURY	9/17/2025	10/31/2028	3.50	3.64	7,033,301	7,008,375
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNN7	UNITED STATES TREASURY	9/2/2025	7/31/2030	3.69	3.74	3,427,891	3,420,468
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNV9	UNITED STATES TREASURY	9/5/2025	8/31/2027	3.64	3.63	2,499,316	2,499,900
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/18/2025	8/31/2030	3.61	3.74	1,401,094	1,392,776
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNX5	UNITED STATES TREASURY	9/5/2025	8/31/2030	3.72	3.74	2,738,076	2,735,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/26/2025	9/15/2028	3.66	3.62	5,133,357	5,139,810
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/15/2025	9/15/2028	3.48	3.62	3,738,721	3,724,500
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.50	3.62	4,982,422	4,966,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.62	3,930,867	3,923,140
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	3.55	3.62	4,975,586	4,966,000
MANAGED PORTFOLIO	US TREASURY OBLIGATION	91282CPA3	UNITED STATES TREASURY	9/30/2025	9/30/2030	3.75	3.74	4,972,656	4,974,600
MANAGED PORTFOLIO	***SUB-TOTAL FOR US TREASURY OBLIGATION***							***1,053,633,951***	***1,065,441,140***
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297CAJ1	FRESB 2018-SB52 10F	11/18/2024	6/25/2028	4.69	4.26	551,095	560,850
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/9/2025	6/25/2028	4.41	4.06	331,019	333,956
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30297DAJ9	FRESB 2018-SB53 A1F	6/18/2025	6/25/2028	4.37	4.06	343,077	345,798
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	30308LAD1	FRESB 2018-SB57 A1F	7/10/2025	7/25/2028	4.30	4.50	1,594,106	1,586,426
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/24/2023	3/10/2028	4.01	3.69	5,108,250	5,093,450
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATS57	FEDERAL HOME LOAN BANKS	3/27/2025	3/10/2028	4.04	3.69	4,050,320	4,074,760
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130ATUS4	FEDERAL HOME LOAN BANKS	2/1/2023	12/10/2027	3.77	3.74	5,105,600	5,052,800

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWBZ2	FEDERAL HOME LOAN BANKS	7/10/2025	6/11/2027	3.91	3.62	5,019,550	5,041,050
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWC24	FEDERAL HOME LOAN BANKS	6/30/2023	6/9/2028	4.04	3.64	1,996,120	2,018,340
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWN63	FEDERAL HOME LOAN BANKS	7/21/2023	6/30/2028	4.20	3.59	3,965,360	4,042,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTQ3	FEDERAL HOME LOAN BANKS	10/2/2023	9/11/2026	4.98	3.76	6,931,120	7,055,720
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AWTR1	FEDERAL HOME LOAN BANKS	9/8/2023	9/8/2028	4.49	3.65	3,979,600	4,080,480
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3130AXU63	FEDERAL HOME LOAN BANKS	1/23/2024	11/17/2026	4.19	3.70	3,539,865	3,535,385
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPC60	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/15/2023	11/15/2027	4.77	3.70	4,973,700	5,093,550
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPH81	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/11/2023	10/4/2027	4.42	3.62	4,012,000	4,067,680
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPK79	FEDERAL FARM CREDIT BANKS FUNDING CORP	12/13/2023	12/7/2026	4.52	3.73	7,968,800	8,058,800
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.58	3.75	4,788,960	4,830,432
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPSW6	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/14/2023	8/14/2026	4.70	3.75	3,978,200	4,025,360
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPUW3	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/11/2023	9/1/2026	4.80	3.70	3,994,800	4,037,640
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133EPZY4	FEDERAL FARM CREDIT BANKS FUNDING CORP	11/1/2023	7/30/2026	5.05	3.72	3,995,640	4,041,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERAK7	FEDERAL FARM CREDIT BANKS FUNDING CORP	4/15/2024	4/10/2029	4.64	3.57	4,942,000	5,132,750
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERDZ1	FEDERAL FARM CREDIT BANKS FUNDING CORP	5/30/2024	5/8/2026	5.04	3.83	7,957,920	8,043,600
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERPV7	FEDERAL FARM CREDIT BANKS FUNDING CORP	8/23/2024	8/16/2027	3.86	3.69	4,984,050	5,004,850
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.70	1,183,550	1,176,231
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ERSP7	FEDERAL FARM CREDIT BANKS FUNDING CORP	9/19/2024	9/10/2029	3.53	3.70	1,927,036	1,915,718
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3133ETQN0	FEDERAL FARM CREDIT BANKS FUNDING CORP	7/25/2025	7/22/2030	4.80	4.76	5,990,700	5,998,740
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136A9MS4	FNA 2012-M14 AL	4/26/2023	9/25/2027	5.87	5.30	3,508,352	3,612,077
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136ARTE8	FNA 2016-M03 A2	10/12/2022	2/25/2026	5.16	4.34	1,406,440	1,480,549
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	2/20/2024	6/25/2027	4.93	4.04	2,646,322	2,756,318
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AV6R5	FNGT 2017-T1 A	3/4/2024	6/25/2027	4.99	4.04	927,801	967,129
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136AY7L1	FNA 2018-M1 A2	4/21/2023	12/25/2027	4.92	4.53	627,228	648,919
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136B0YM2	FNA 2018-M2 A2	4/8/2025	1/25/2028	4.60	4.55	2,526,785	2,541,815
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3136BTGM9	FNA 2024-M6 A2	12/17/2024	7/25/2027	4.45	4.44	3,932,375	4,007,600
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137A47J0	FHR 3778 L	5/11/2022	12/15/2025	2.83	4.90	7,638	7,558
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137A6YW6	FHR 3806 L	4/9/2021	2/15/2026	0.56	4.80	7,781	7,343
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137A6YW6	FHR 3806 L	12/10/2021	2/15/2026	1.20	4.80	1,038	999
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137A6YW6	FHR 3806 L	5/5/2022	2/15/2026	2.71	4.80	54,637	53,531
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BN6G4	FHMS K-053 A2	8/9/2022	12/25/2025	3.33	4.22	2,210,232	2,226,361
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	2/21/2023	1/25/2026	4.64	4.06	4,049,743	4,240,763
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	3/6/2023	1/25/2026	4.99	4.06	1,305,284	1,378,248
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BNGT5	FHMS K-054 A2	5/15/2023	1/25/2026	4.17	4.06	4,030,461	4,155,947
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	3/7/2023	7/25/2026	4.94	3.97	1,623,700	1,726,662
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BRQJ7	FHMS K-057 A2	5/23/2023	7/25/2026	4.31	3.97	2,075,322	2,158,327
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BSP72	FHMS K-058 A2	4/17/2023	8/25/2026	4.10	3.87	2,290,781	2,371,728
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BSRE5	FHMS K-059 A2	11/20/2023	9/25/2026	5.15	3.88	3,077,202	3,221,296
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BTUM1	FHMS K-061 A2	5/24/2023	11/25/2026	4.31	4.12	1,596,918	1,631,224
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BUX60	FHMS K-062 A2	11/13/2023	12/25/2026	5.08	3.83	1,904,297	1,986,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	12/9/2022	1/25/2027	4.28	3.82	3,872,656	3,974,520
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BVZ82	FHMS K-063 A2	10/20/2023	1/25/2027	5.40	3.82	1,720,633	1,813,375
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXRT1	FHMS K-S08 A2	9/16/2022	3/25/2027	4.08	3.88	894,504	915,519
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137BXRT1	FHMS K-S08 A2	1/13/2023	3/25/2027	4.31	3.88	456,260	470,131
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/1/2023	4/25/2027	4.10	3.86	1,162,125	1,187,280
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F1G44	FHMS K-065 A2	5/14/2024	4/25/2027	4.97	3.86	2,716,963	2,819,790
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	7/15/2024	6/25/2027	4.76	3.87	2,055,770	2,121,921
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F2LJ3	FHMS K-066 A2	4/11/2025	6/25/2027	4.20	3.87	1,221,777	1,233,675
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4D41	FHMS K-074 A2	3/4/2025	1/25/2028	4.36	3.85	1,712,471	1,737,418
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137F4X72	FHMS K-075 A2	3/10/2025	2/25/2028	4.24	3.86	2,308,967	2,335,031
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	4/18/2023	7/25/2027	4.09	3.87	3,858,125	3,947,800
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FAWS3	FHMS K-067 A2	6/9/2025	7/25/2027	4.19	3.87	1,957,656	1,973,900
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	5/17/2023	8/25/2027	3.98	3.81	2,912,461	2,964,840
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	6/21/2024	8/25/2027	4.81	3.81	2,575,758	2,668,356
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBBX3	FHMS K-068 A2	8/19/2024	8/25/2027	4.17	3.81	778,531	790,624
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/14/2023	9/25/2027	4.41	3.87	3,722,565	3,849,593
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	6/21/2024	9/25/2027	4.83	3.87	2,508,612	2,598,475
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	12/31/2024	9/25/2027	4.65	3.87	940,023	962,549
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FBU79	FHMS K-069 A2	3/11/2025	9/25/2027	4.27	3.87	712,883	721,799
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	8/1/2024	11/25/2027	4.55	3.87	1,851,685	1,900,514
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FCJK1	FHMS K-070 A2	12/31/2024	11/25/2027	4.65	3.86	1,118,131	1,145,428
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEBQ2	FHMS K-072 A2	3/28/2025	12/25/2027	4.29	3.85	640,263	648,463
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	5/30/2023	1/25/2028	4.28	3.85	6,511,410	6,692,210
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FETN0	FHMS K-073 A2	3/28/2025	1/25/2028	4.29	3.85	5,604,453	5,679,735
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/7/2025	4/25/2028	4.23	3.83	1,977,969	1,999,720
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FEZU7	FHMS K-076 A2	3/31/2025	4/25/2028	4.33	3.83	2,219,590	2,249,685
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FG6X8	FHMS K-077 A2	6/11/2025	5/25/2028	4.31	3.86	1,824,057	1,846,356
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FGZT5	FHMS K-079 A2	4/22/2025	6/25/2028	4.21	3.87	2,475,098	2,499,225

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJEH8	FHMS K-081 A2	3/25/2024	8/25/2028	4.65	3.87	4,803,447	4,950,541
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FJZ93	FHMS K-084 A2	12/12/2024	10/25/2028	4.35	3.88	3,916,250	3,982,160
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FKZZ2	FHMS K-088 A2	5/7/2025	1/25/2029	4.17	3.87	1,965,234	1,985,840
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FL6P4	FHMS K-089 A2	7/3/2025	1/25/2029	4.11	3.89	328,653	331,154
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLMV3	FHMS K-090 A2	3/31/2025	2/25/2029	4.37	3.90	2,896,875	2,951,310
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLN34	FHMS K-734 A2	4/24/2023	2/25/2026	4.55	3.81	1,242,359	1,279,926
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FLYV0	FHMS K-092 A2	9/24/2024	4/25/2029	3.83	3.91	1,954,531	1,957,820
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FMCR1	FHMS K-093 A2	10/21/2024	5/25/2029	4.15	3.91	2,828,143	2,878,002
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FNWX4	FHMS K-736 A2	10/11/2023	7/25/2026	5.30	3.97	2,183,915	2,323,417
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FPHK4	FHMS K-098 A2	3/31/2025	8/25/2029	4.31	3.93	1,852,344	1,893,060
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FQ3Y7	FHMS K-101 A1	12/31/2024	7/25/2029	4.96	4.37	665,099	678,197
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H5YC5	FHMS K-748 A2	8/22/2024	1/25/2029	4.19	3.94	1,847,109	1,897,000
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137H9D71	FHMS K-750 A2	11/4/2024	9/25/2029	4.45	3.98	1,881,406	1,932,660
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HA4B9	FHMS K-751 A2	3/28/2025	3/25/2030	4.41	4.03	2,996,367	3,038,970
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAMS2	FHMS K-507 A2	10/15/2024	9/25/2028	4.35	3.98	1,267,578	1,274,813
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HAST4	FHMS K-509 A2	10/15/2024	9/25/2028	4.34	3.93	1,524,492	1,534,440
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	9/30/2024	12/25/2028	3.92	4.01	1,645,875	1,630,304
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HBFY5	FHMS K-513 A2	7/8/2025	12/25/2028	4.15	3.98	2,032,188	2,039,327
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2C5	FHMS K-517 A2	9/30/2024	1/25/2029	3.95	3.97	1,579,863	1,560,300
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HC2L5	FHMS K-518 A2	9/30/2024	1/25/2029	4.00	4.02	1,605,301	1,585,299
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HCKV3	FHMS K-520 A2	9/30/2024	3/25/2029	4.02	4.02	1,405,262	1,391,322
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HFNZ4	FHMS K-528 A2	9/12/2024	7/25/2029	4.02	4.02	566,089	563,564
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HH6C0	FHMS K-529 A2	10/16/2024	9/25/2029	4.02	4.04	974,088	979,295
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHJL6	FHMS K-530 A2	11/27/2024	9/25/2029	4.64	4.04	1,201,222	1,225,544
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HHUN9	FHMS K-531 A2	12/12/2024	10/25/2029	4.65	4.03	803,634	816,312
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HKXJ8	FHMS K-539 A2	4/24/2025	1/25/2030	4.34	4.05	444,984	450,660
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	11/4/2024	9/25/2027	4.46	3.82	4,336,304	4,498,521
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	US3137F64P90	FHMS K-739 A2	3/28/2025	9/25/2027	4.26	3.82	668,782	683,022
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	880591FE7	TENNESSEE VALLEY AUTHORITY	8/8/2025	8/1/2030	3.97	3.82	597,558	601,410
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137FTZQ3	FHMS K-110 A2	9/8/2025	4/25/2030	3.96	4.00	1,798,203	1,797,620
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN4R6	FHMS K-546 A2	9/18/2025	5/25/2030	3.97	4.06	842,438	839,105
MANAGED PORTFOLIO	FEDERAL AGENCY/GSE	3137HN6B9	FHMS K-547 A2	9/29/2025	5/25/2030	3.96	4.39	817,050	805,000
MANAGED PORTFOLIO	***SUB-TOTAL FOR FEDERAL AGENCY/GSE***							***260,806,811***	***265,533,122***
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBB3	COREBRIDGE GLOBAL FUNDING	8/22/2024	8/20/2027	4.66	4.03	1,859,702	1,880,702
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBD9	COREBRIDGE GLOBAL FUNDING	1/9/2025	1/7/2028	4.90	4.11	590,000	600,001
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00138CBF4	COREBRIDGE GLOBAL FUNDING	6/6/2025	6/6/2030	4.88	4.44	973,801	991,897
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YBV0	ABBVIE INC	6/13/2024	11/21/2026	4.93	3.99	4,703,375	4,868,461
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YBX6	ABBVIE INC	4/29/2025	11/21/2029	4.40	4.13	1,902,080	1,929,500
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	9/19/2024	3/15/2029	3.99	4.08	1,197,468	1,186,288
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00287YDS5	ABBVIE INC	3/27/2025	3/15/2029	4.53	4.08	287,693	291,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	8/28/2023	5/3/2026	5.19	4.07	1,651,406	1,722,751
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440EAV9	CHUBB INA HOLDINGS LLC	12/29/2023	5/3/2026	4.60	4.07	2,207,530	2,260,489
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAA1	ACCENTURE CAPITAL INC	10/4/2024	10/4/2027	3.95	3.84	569,265	570,599
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00440KAB9	ACCENTURE CAPITAL INC	10/4/2024	10/4/2029	4.09	4.08	544,046	544,482
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAE9	ADOBE INC	4/4/2024	4/4/2027	4.87	3.79	1,544,228	1,567,665
MANAGED PORTFOLIO	MEDIUM TERM NOTE	00724PAH2	ADOBE INC	1/17/2025	1/17/2028	4.77	3.84	2,398,728	2,445,864
MANAGED PORTFOLIO	MEDIUM TERM NOTE	007903BJ5	ADVANCED MICRO DEVICES INC	3/24/2025	3/24/2028	4.32	3.94	2,095,000	2,113,268
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158AY2	AIR PRODUCTS AND CHEMICALS INC	2/13/2024	5/15/2027	4.71	3.89	1,829,260	1,936,220
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BH8	AIR PRODUCTS AND CHEMICALS INC	9/3/2024	2/8/2029	4.11	4.01	509,605	509,005
MANAGED PORTFOLIO	MEDIUM TERM NOTE	009158BN5	AIR PRODUCTS AND CHEMICALS INC	6/11/2025	6/11/2028	4.32	3.93	1,498,995	1,513,575
MANAGED PORTFOLIO	MEDIUM TERM NOTE	023135BC9	AMAZON.COM INC	7/15/2024	8/22/2027	4.73	3.75	3,819,680	3,956,440
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816CL1	AMERICAN EXPRESS CO	11/4/2021	11/4/2026	0.70	4.53	560,000	561,557
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DG1	AMERICAN EXPRESS CO	7/28/2023	7/28/2027	5.39	4.18	2,445,000	2,468,692
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DL0	AMERICAN EXPRESS CO	10/30/2023	10/30/2026	6.35	4.22	280,000	280,476
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DT3	AMERICAN EXPRESS CO	4/25/2024	4/23/2027	5.65	4.23	595,000	599,629
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816DV8	AMERICAN EXPRESS CO	7/26/2024	7/26/2028	5.05	4.43	475,000	483,104
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816ED7	AMERICAN EXPRESS CO	4/25/2025	4/25/2029	4.73	4.47	3,140,000	3,189,486
MANAGED PORTFOLIO	MEDIUM TERM NOTE	025816EJ4	AMERICAN EXPRESS CO	7/25/2025	7/20/2029	4.35	4.37	4,190,000	4,214,721
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WEK3	AMERICAN HONDA FINANCE CORP	7/7/2023	7/7/2026	5.30	4.11	1,243,469	1,255,533
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFQ9	AMERICAN HONDA FINANCE CORP	9/13/2024	9/5/2029	4.28	4.25	804,152	804,200
MANAGED PORTFOLIO	MEDIUM TERM NOTE	02665WFT3	AMERICAN HONDA FINANCE CORP	7/8/2025	10/22/2027	4.42	4.01	2,626,313	2,647,601
MANAGED PORTFOLIO	MEDIUM TERM NOTE	03073EAV7	CENCORA INC	12/9/2024	12/15/2027	4.69	4.06	419,223	424,746
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BD6	ANALOG DEVICES INC	6/16/2025	6/15/2028	4.29	3.97	2,292,521	2,311,065
MANAGED PORTFOLIO	MEDIUM TERM NOTE	032654BE4	ANALOG DEVICES INC	6/16/2025	6/15/2030	4.52	4.19	1,273,878	1,291,256
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833BY5	APPLE INC	2/27/2023	2/23/2026	4.76	4.04	1,916,880	1,993,720
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833BY5	APPLE INC	3/23/2023	2/23/2026	4.39	4.04	1,938,220	1,993,720
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EY2	APPLE INC	5/12/2025	5/12/2028	4.07	3.72	1,746,570	1,761,813
MANAGED PORTFOLIO	MEDIUM TERM NOTE	037833EZ9	APPLE INC	5/12/2025	5/12/2030	4.24	3.94	673,853	682,277

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04636NAK9	ASTRAZENECA FINANCE LLC	2/26/2024	2/26/2027	4.86	3.92	1,712,119	1,734,294
MANAGED PORTFOLIO	MEDIUM TERM NOTE	04685A3T6	ATHENE GLOBAL FUNDING	3/26/2024	3/25/2027	5.52	4.24	2,555,000	2,601,475
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JAZ4	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	1/18/2024	1/18/2027	4.75	3.91	2,350,000	2,374,722
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05253JB75	AUSTRALIA AND NEW ZEALAND BANKING GROUP LTD (NEW Y	6/18/2025	6/18/2028	4.36	3.94	1,850,000	1,869,795
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	4/2/2024	4/2/2027	4.94	4.04	2,447,085	2,480,405
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	8/13/2024	4/2/2027	4.51	4.04	964,149	966,918
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECH6	BMW US CAPITAL LLC	3/27/2025	4/2/2027	4.59	4.04	246,465	248,058
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECW3	BMW US CAPITAL LLC	3/21/2025	3/21/2028	4.77	4.12	354,823	360,183
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565ECY9	BMW US CAPITAL LLC	3/21/2025	3/21/2030	5.06	4.38	284,926	292,564
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	8/13/2024	4/24/2028	4.75	4.13	1,757,601	1,793,387
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	11/5/2024	4/24/2028	4.81	4.13	3,820,040	3,894,716
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GGL7	BANK OF AMERICA CORP	3/26/2025	4/24/2028	4.63	4.13	476,188	481,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHG7	BANK OF AMERICA CORP	9/13/2024	3/5/2029	4.41	4.18	492,925	497,570
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GHM4	BANK OF AMERICA CORP	11/12/2024	7/23/2029	4.79	4.14	1,965,280	2,006,920
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GLE7	BANK OF AMERICA CORP	1/20/2023	1/20/2027	5.08	4.43	1,425,000	1,427,622
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GLS6	BANK OF AMERICA CORP	3/26/2025	9/15/2029	4.70	4.16	2,070,900	2,091,400
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMK2	BANK OF AMERICA CORP	1/24/2025	1/24/2029	4.98	4.13	9,625,000	9,802,870
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06051GMT3	BANK OF AMERICA CORP	5/9/2025	5/9/2029	4.81	4.12	3,980,000	4,029,312
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	4.05	3,030,000	3,079,783
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06405LAH4	BANK OF NEW YORK MELLON	4/22/2025	4/20/2029	4.73	4.01	895,000	910,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RAH0	BANK OF NEW YORK MELLON CORP	9/13/2024	4/28/2028	4.00	3.77	746,340	751,455
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBA4	BANK OF NEW YORK MELLON CORP	8/31/2022	1/26/2027	3.95	3.89	3,695,080	3,905,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RBX4	BANK OF NEW YORK MELLON CORP	7/22/2024	7/21/2028	4.89	4.03	2,050,000	2,080,504
MANAGED PORTFOLIO	MEDIUM TERM NOTE	06406RCH8	BANK OF NEW YORK MELLON CORP	6/10/2025	6/9/2028	4.45	4.30	1,785,000	1,797,245
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.55	3.80	2,002,720	2,026,620
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.57	3.80	3,002,580	3,039,930
MANAGED PORTFOLIO	MEDIUM TERM NOTE	09290DAH4	BLACKROCK INC	7/26/2024	7/26/2027	4.60	3.80	2,234,933	2,264,748
MANAGED PORTFOLIO	MEDIUM TERM NOTE	10373QBY5	BP CAPITAL MARKETS AMERICA INC	5/17/2024	11/17/2027	5.02	3.93	2,700,000	2,757,105
MANAGED PORTFOLIO	MEDIUM TERM NOTE	110122EE4	BRISTOL-MYERS SQUIBB CO	2/22/2024	2/22/2027	4.94	3.87	859,071	871,206
MANAGED PORTFOLIO	MEDIUM TERM NOTE	127387AM0	CADENCE DESIGN SYSTEMS INC	9/10/2024	9/10/2027	4.21	3.97	1,539,738	1,546,406
MANAGED PORTFOLIO	MEDIUM TERM NOTE	133131BA9	CAMDEN PROPERTY TRUST	11/3/2023	11/3/2026	5.85	4.03	2,449,927	2,493,610
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/14/2024	5/14/2027	5.04	3.88	2,562,179	2,609,503
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAL4	CATERPILLAR FINANCIAL SERVICES CORP	5/17/2024	5/14/2027	4.89	3.88	5,014,650	5,086,750
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAN0	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	10/16/2026	4.49	3.82	3,267,449	3,290,732
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAQ3	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	8/16/2029	4.44	3.99	728,022	740,059
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAR1	CATERPILLAR FINANCIAL SERVICES CORP	8/16/2024	10/15/2027	4.42	3.84	1,319,340	1,334,375
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAS9	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2027	4.63	3.86	1,248,925	1,268,700
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAU4	CATERPILLAR FINANCIAL SERVICES CORP	11/15/2024	11/15/2029	4.74	4.05	549,104	563,349
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAV2	CATERPILLAR FINANCIAL SERVICES CORP	1/8/2025	1/7/2027	4.52	3.88	999,550	1,007,500
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UAX8	CATERPILLAR FINANCIAL SERVICES CORP	1/8/2025	1/8/2030	4.84	4.00	1,542,018	1,592,864
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BB1	CHEVRON USA INC	2/26/2025	2/26/2028	4.48	3.84	7,960,000	8,071,122
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17252MAR1	CINTAS CORPORATION NO 2	5/2/2025	5/1/2028	4.25	4.02	1,737,773	1,747,465
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	2/26/2024	2/26/2027	4.85	3.86	5,802,447	5,879,778
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBQ4	CISCO SYSTEMS INC	3/4/2024	2/26/2027	4.78	3.86	2,336,261	2,363,043
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	2/24/2025	2/24/2030	4.77	4.09	124,906	128,251
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17275RBX9	CISCO SYSTEMS INC	3/12/2025	2/24/2030	4.56	4.09	2,016,520	2,052,020
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967LW9	CITIGROUP INC	5/19/2025	4/23/2029	4.72	4.18	3,134,239	3,182,280
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PF2	CITIGROUP INC	7/16/2025	2/13/2030	4.74	4.33	1,926,942	1,949,801
MANAGED PORTFOLIO	MEDIUM TERM NOTE	172967PZ8	CITIGROUP INC	5/7/2025	5/7/2028	4.64	4.19	3,735,000	3,760,846
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBB3	CITIBANK NA	8/6/2024	9/29/2028	4.51	4.01	722,692	723,748
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBC1	CITIBANK NA	12/4/2023	12/4/2026	5.49	3.99	1,440,000	1,462,810
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBL1	CITIBANK NA	11/19/2024	11/19/2027	4.88	4.16	1,925,000	1,939,996
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBN7	CITIBANK NA	5/29/2025	5/29/2027	4.58	3.99	955,000	963,452
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17325FBP2	CITIBANK NA	5/29/2025	5/29/2030	4.91	4.25	1,000,000	1,027,430
MANAGED PORTFOLIO	MEDIUM TERM NOTE	17327CAW3	CITIGROUP INC	3/4/2025	3/4/2029	4.79	4.22	2,805,000	2,841,128
MANAGED PORTFOLIO	MEDIUM TERM NOTE	194162AT0	COLGATE-PALMOLIVE CO	5/2/2025	5/1/2030	4.21	4.01	1,614,144	1,627,645
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20030NDK4	COMCAST CORP	11/5/2024	4/1/2027	4.46	3.97	3,812,544	3,877,377
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20030NEH0	COMCAST CORP	9/13/2024	6/1/2029	4.12	4.08	624,444	620,310
MANAGED PORTFOLIO	MEDIUM TERM NOTE	20271RAV2	COMMONWEALTH BANK OF AUSTRALIA (NEW YORK BRANCH)	3/14/2025	3/14/2028	4.42	3.91	1,580,000	1,598,691
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABC5	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	9/3/2024	1/9/2029	4.28	4.05	510,175	511,405
MANAGED PORTFOLIO	MEDIUM TERM NOTE	21688ABM3	COOPERATIEVE RABOBANK UA (NEW YORK BRANCH)	5/27/2025	5/27/2027	4.37	3.92	1,485,000	1,495,662
MANAGED PORTFOLIO	MEDIUM TERM NOTE	231021AY2	CUMMINS INC	5/9/2025	5/9/2028	4.28	3.93	299,790	302,253
MANAGED PORTFOLIO	MEDIUM TERM NOTE	23338VAU0	DTE ELECTRIC CO	2/29/2024	12/1/2026	4.85	3.93	3,459,446	3,496,019
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXF1	JOHN DEERE CAPITAL CORP	1/8/2024	1/8/2027	4.54	3.86	998,890	1,007,880
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXF1	JOHN DEERE CAPITAL CORP	1/17/2024	1/8/2027	4.52	3.86	3,997,840	4,031,520
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXM6	JOHN DEERE CAPITAL CORP	3/7/2024	3/5/2027	4.88	3.90	1,348,745	1,367,685
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXR5	JOHN DEERE CAPITAL CORP	6/11/2024	6/11/2027	4.95	3.89	574,287	584,396
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXT1	JOHN DEERE CAPITAL CORP	8/20/2024	6/11/2029	4.33	4.05	2,044,940	2,054,580

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EXV6	JOHN DEERE CAPITAL CORP	9/6/2024	7/15/2027	4.21	3.82	1,734,757	1,746,364
MANAGED PORTFOLIO	MEDIUM TERM NOTE	24422EYD5	JOHN DEERE CAPITAL CORP	6/5/2025	6/5/2028	4.28	3.92	1,163,963	1,174,623
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CAX2	DUKE ENERGY CAROLINAS LLC	12/12/2023	11/15/2028	4.90	3.96	3,653,676	3,809,086
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26442CBA1	DUKE ENERGY CAROLINAS LLC	2/28/2025	2/1/2030	4.69	4.18	1,804,900	1,864,300
MANAGED PORTFOLIO	MEDIUM TERM NOTE	26875PAX9	EOG RESOURCES INC	7/1/2025	7/15/2028	4.43	4.04	984,035	994,042
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29379VCE1	ENTERPRISE PRODUCTS OPERATING LLC	1/11/2024	1/11/2027	4.64	3.98	2,562,358	2,583,468
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2A0	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2028	4.66	4.18	3,218,937	3,257,674
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29446Q2B8	EQUITABLE AMERICA GLOBAL FUNDING	6/9/2025	6/9/2030	4.97	4.47	1,418,566	1,448,389
MANAGED PORTFOLIO	MEDIUM TERM NOTE	29449WAT4	EQUITABLE FINANCIAL LIFE GLOBAL FUNDING	3/27/2025	3/27/2030	5.05	4.39	434,108	445,714
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	8/16/2024	8/15/2029	4.29	3.95	1,595,750	1,614,459
MANAGED PORTFOLIO	MEDIUM TERM NOTE	30303M8S4	META PLATFORMS INC	3/27/2025	8/15/2029	4.40	3.95	403,315	409,941
MANAGED PORTFOLIO	MEDIUM TERM NOTE	31677QBU2	FIFTH THIRD BANK NA	1/28/2025	1/28/2028	4.97	4.17	1,015,000	1,025,252
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	7/24/2023	5/15/2028	4.78	3.92	3,935,680	4,045,080
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	9/19/2024	5/15/2028	3.96	3.92	862,019	859,420
MANAGED PORTFOLIO	MEDIUM TERM NOTE	341081GN1	FLORIDA POWER & LIGHT CO	3/27/2025	5/15/2028	4.45	3.92	229,646	232,549
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	11/6/2024	9/15/2029	4.67	4.12	1,762,476	1,827,517
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334KL4	GEORGIA POWER CO	3/27/2025	9/15/2029	4.65	4.12	446,234	459,247
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GC77	GOLDMAN SACHS GROUP INC	4/23/2025	4/23/2028	4.94	4.15	1,560,000	1,578,268
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GZR8	GOLDMAN SACHS GROUP INC	10/10/2024	3/15/2028	4.64	4.15	1,606,688	1,632,628
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38141GZR8	GOLDMAN SACHS GROUP INC	3/26/2025	3/15/2028	4.66	4.15	401,997	406,916
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38145GAH3	GOLDMAN SACHS GROUP INC	11/14/2023	11/16/2026	5.94	4.09	1,937,324	2,061,492
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAF7	GOLDMAN SACHS BANK USA	3/18/2024	3/18/2027	5.28	4.29	2,220,000	2,230,057
MANAGED PORTFOLIO	MEDIUM TERM NOTE	38151LAG5	GOLDMAN SACHS BANK USA	5/21/2024	5/21/2027	5.41	4.18	1,265,000	1,274,715
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40139LBK8	GUARDIAN LIFE GLOBAL FUNDING	4/28/2025	4/28/2030	4.80	4.26	1,500,000	1,533,075
MANAGED PORTFOLIO	MEDIUM TERM NOTE	40428HR95	HSBC USA INC	6/3/2025	6/3/2028	4.67	4.08	764,640	775,817
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BK3	HERSHEY CO	2/24/2025	2/24/2028	4.58	3.83	779,462	792,379
MANAGED PORTFOLIO	MEDIUM TERM NOTE	427866BL1	HERSHEY CO	2/24/2025	2/24/2030	4.79	4.14	628,891	645,152
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	4.92	3.83	2,796,304	2,846,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DB5	HOME DEPOT INC	6/25/2024	6/25/2027	5.00	3.83	2,860,500	2,917,499
MANAGED PORTFOLIO	MEDIUM TERM NOTE	438516BU9	HONEYWELL INTERNATIONAL INC	8/20/2024	8/15/2029	4.20	4.03	1,865,940	1,905,100
MANAGED PORTFOLIO	MEDIUM TERM NOTE	440452AK6	HORMEL FOODS CORP	3/8/2024	3/30/2027	4.84	3.98	2,282,784	2,310,683
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44644MAK7	HUNTINGTON NATIONAL BANK	2/26/2025	4/12/2028	4.87	4.15	1,265,000	1,278,460
MANAGED PORTFOLIO	MEDIUM TERM NOTE	44891ADU8	HYUNDAI CAPITAL AMERICA	6/23/2025	6/23/2027	4.88	4.35	2,854,629	2,879,753
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PAX4	JPMORGAN CHASE & CO	3/27/2025	12/5/2029	4.74	4.17	2,476,000	2,520,700
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PBT2	JPMORGAN CHASE & CO	10/18/2023	11/19/2026	6.28	4.34	1,671,935	1,851,667
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PCJ3	JPMORGAN CHASE & CO	9/13/2024	6/1/2029	4.35	4.11	553,518	569,328
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PDW3	JPMORGAN CHASE & CO	10/23/2023	10/22/2027	6.07	4.13	1,205,000	1,228,955
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEA0	JPMORGAN CHASE & CO	1/23/2024	1/23/2028	5.04	4.14	1,490,000	1,506,897
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEA0	JPMORGAN CHASE & CO	6/13/2024	1/23/2028	5.15	4.14	3,934,033	3,989,736
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEE2	JPMORGAN CHASE & CO	4/22/2024	4/22/2028	5.57	4.11	240,000	245,242
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEL6	JPMORGAN CHASE & CO	7/22/2024	7/22/2028	4.98	4.10	950,000	964,469
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.49	4.07	195,098	196,665
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEP7	JPMORGAN CHASE & CO	10/22/2024	10/22/2028	4.51	4.07	895,000	902,643
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46647PEU6	JPMORGAN CHASE & CO	1/24/2025	1/24/2029	4.92	4.09	2,485,000	2,529,805
MANAGED PORTFOLIO	MEDIUM TERM NOTE	46849LUX7	JACKSON NATIONAL LIFE GLOBAL FUNDING	1/9/2023	1/9/2026	5.58	4.56	1,601,549	1,608,852
MANAGED PORTFOLIO	MEDIUM TERM NOTE	478160DH4	JOHNSON & JOHNSON	2/20/2025	3/1/2028	4.57	3.66	1,044,394	1,065,691
MANAGED PORTFOLIO	MEDIUM TERM NOTE	48125LRU8	JPMORGAN CHASE BANK NA	12/8/2023	12/8/2026	5.11	3.93	2,965,000	3,002,300
MANAGED PORTFOLIO	MEDIUM TERM NOTE	49327M3G7	KEYBANK NA	1/26/2023	1/26/2026	4.73	4.41	354,705	355,213
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CJ5	ELI LILLY AND CO	2/9/2024	2/9/2027	4.52	3.81	2,468,691	2,491,044
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	8/16/2024	2/9/2029	4.13	4.03	1,516,917	1,516,189
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CK2	ELI LILLY AND CO	3/27/2025	2/9/2029	4.35	4.03	386,944	390,457
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CQ9	ELI LILLY AND CO	8/14/2024	8/14/2029	4.25	4.00	1,137,503	1,148,071
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CU0	ELI LILLY AND CO	2/12/2025	2/12/2028	4.57	3.86	664,574	674,915
MANAGED PORTFOLIO	MEDIUM TERM NOTE	532457CV8	ELI LILLY AND CO	2/12/2025	2/12/2030	4.76	4.09	324,815	333,366
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAA9	LINCOLN FINANCIAL GLOBAL FUNDING	1/13/2025	1/13/2030	5.31	4.40	164,921	170,730
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.24	2,029,391	2,049,559
MANAGED PORTFOLIO	MEDIUM TERM NOTE	53359KAB7	LINCOLN FINANCIAL GLOBAL FUNDING	5/28/2025	5/28/2028	4.64	4.21	1,209,637	1,222,427
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	11/6/2024	2/15/2029	4.57	4.02	1,590,789	1,618,421
MANAGED PORTFOLIO	MEDIUM TERM NOTE	539830CC1	LOCKHEED MARTIN CORP	3/27/2025	2/15/2029	4.52	4.02	404,692	410,947
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55261FAU8	M&T BANK CORP	12/17/2024	1/16/2029	4.84	4.53	870,000	880,771
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55279HAV2	MANUFACTURERS AND TRADERS TRUST CO	1/27/2023	1/27/2026	4.71	4.28	2,430,763	2,436,948
MANAGED PORTFOLIO	MEDIUM TERM NOTE	55279HAW0	MANUFACTURERS AND TRADERS TRUST CO	8/6/2024	1/27/2028	5.15	4.07	340,111	349,613
MANAGED PORTFOLIO	MEDIUM TERM NOTE	564760CC8	MANUFACTURERS AND TRADERS TRUST CO	6/17/2025	7/6/2028	4.76	4.19	520,000	525,008
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/12/2025	3/1/2027	4.50	4.00	1,593,565	1,604,771
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/12/2025	3/1/2027	4.50	3.93	3,796,580	3,826,790
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AW5	MARS INC	3/27/2025	3/1/2027	4.44	4.00	425,094	427,604
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AX3	MARS INC	3/12/2025	3/1/2028	4.60	4.05	2,059,979	2,085,194
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571676AY1	MARS INC	3/12/2025	3/1/2030	4.83	4.32	739,201	753,897

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.97	1,009,303	1,021,241
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.58	3.96	429,703	434,912
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.97	2,357,310	2,386,267
MANAGED PORTFOLIO	MEDIUM TERM NOTE	571748BY7	MARSH & MCLENNAN COMPANIES INC	11/8/2024	11/8/2027	4.59	3.96	599,316	606,854
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBV8	MASSMUTUAL GLOBAL FUNDING II	1/10/2025	1/10/2030	4.96	4.29	1,599,232	1,640,656
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629TBW6	MASSMUTUAL GLOBAL FUNDING II	3/27/2025	3/27/2028	4.49	4.03	3,670,627	3,711,419
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4S6	MASSMUTUAL GLOBAL FUNDING II	4/9/2024	4/9/2027	5.11	4.03	2,614,216	2,655,872
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	8/16/2024	5/30/2029	4.51	4.26	1,525,333	1,529,528
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57629W4T4	MASSMUTUAL GLOBAL FUNDING II	3/26/2025	5/30/2029	4.61	4.26	387,767	391,394
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBA1	MASTERCARD INC	9/5/2024	1/15/2028	4.12	3.85	1,199,340	1,206,360
MANAGED PORTFOLIO	MEDIUM TERM NOTE	57636QBF0	MASTERCARD INC	2/27/2025	3/15/2028	4.58	3.83	1,224,069	1,244,808
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAK3	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	8/23/2023	8/3/2026	5.47	4.06	1,340,348	1,362,515
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAL1	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	9/3/2024	8/3/2028	4.42	4.11	358,474	359,170
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58769JAQ0	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	1/11/2024	1/11/2027	4.84	4.07	1,698,266	1,715,232
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58989V2J2	MET TOWER GLOBAL FUNDING	10/1/2024	10/1/2027	4.02	4.02	494,708	494,777
MANAGED PORTFOLIO	MEDIUM TERM NOTE	592179KL8	METROPOLITAN LIFE GLOBAL FUNDING I	6/11/2024	6/11/2027	5.10	4.01	1,732,849	1,764,217
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GFT1	METROPOLITAN LIFE GLOBAL FUNDING I	1/9/2025	1/9/2030	4.95	4.24	1,317,281	1,353,436
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690DK72	MORGAN STANLEY BANK NA	1/21/2025	1/12/2029	5.02	4.18	1,315,000	1,338,552
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U7W4	MORGAN STANLEY BANK NA	11/1/2023	10/30/2026	5.88	3.87	2,340,000	2,385,747
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8A1	MORGAN STANLEY BANK NA	1/18/2024	1/14/2028	4.95	4.15	1,250,000	1,262,325
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8B9	MORGAN STANLEY BANK NA	5/30/2024	5/26/2028	5.50	4.11	680,000	694,987
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8E3	MORGAN STANLEY BANK NA	7/19/2024	7/14/2028	4.97	4.10	1,060,000	1,075,667
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61690U8G8	MORGAN STANLEY BANK NA	10/18/2024	10/15/2027	4.45	4.21	2,325,000	2,330,557
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFA8	MORGAN STANLEY	8/6/2024	2/1/2029	4.70	4.14	349,595	352,435
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFH3	MORGAN STANLEY	5/19/2025	11/1/2029	4.72	4.21	3,917,160	3,953,876
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	4/19/2024	4/13/2028	5.65	4.13	1,530,000	1,564,257
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	8/13/2024	4/13/2028	4.73	4.12	1,825,680	1,825,186
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFP5	MORGAN STANLEY	3/26/2025	4/13/2028	4.63	4.12	530,234	531,707
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61747YFY6	MORGAN STANLEY	4/17/2025	4/12/2029	4.99	4.16	2,250,000	2,294,933
MANAGED PORTFOLIO	MEDIUM TERM NOTE	61776NVE0	MORGAN STANLEY PRIVATE BANK NA	7/21/2025	7/6/2028	4.47	4.13	2,125,000	2,136,921
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	11/21/2024	10/15/2029	5.09	4.34	1,596,575	1,644,112
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2E9	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	3/26/2025	10/15/2029	4.91	4.34	452,052	461,772
MANAGED PORTFOLIO	MEDIUM TERM NOTE	62829D2G4	MUTUAL OF OMAHA COMPANIES GLOBAL FUNDING	7/8/2025	6/9/2028	4.46	4.19	1,316,880	1,325,704
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CA7	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	11/26/2024	10/26/2027	4.61	3.92	967,177	981,068
MANAGED PORTFOLIO	MEDIUM TERM NOTE	632525CJ8	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/13/2025	6/13/2028	4.31	3.95	2,275,000	2,295,634
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63253QAJ3	NATIONAL AUSTRALIA BANK LTD (NEW YORK BRANCH)	6/11/2024	6/11/2027	5.09	3.90	1,335,000	1,360,819
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.47	4.32	829,411	830,374
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	4.32	836,665	840,378
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFH0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/9/2023	3/13/2026	4.59	4.32	557,760	560,252
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFK3	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	11/2/2023	11/13/2026	5.61	3.98	1,734,393	1,763,211
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFR8	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	5/10/2024	5/6/2027	5.12	3.98	2,828,245	2,876,072
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFS6	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	9/16/2024	6/15/2029	4.22	4.08	223,329	222,693
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFW7	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	2/7/2025	2/7/2028	4.77	4.06	864,619	877,750
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFX5	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	3/27/2025	2/7/2030	4.78	4.17	2,014,320	2,060,160
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AK1	NATIONAL SECURITIES CLEARING CORP	8/6/2024	5/30/2028	4.32	3.98	353,035	353,584
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AN5	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2027	4.40	3.90	4,431,053	4,466,001
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AN5	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2027	4.40	3.91	1,703,483	1,716,696
MANAGED PORTFOLIO	MEDIUM TERM NOTE	637639AQ8	NATIONAL SECURITIES CLEARING CORP	5/20/2025	5/20/2030	4.71	4.17	1,364,154	1,394,661
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	8/16/2024	5/1/2029	4.51	4.21	1,579,361	1,607,539
MANAGED PORTFOLIO	MEDIUM TERM NOTE	641423CC0	NEVADA POWER CO	3/27/2025	5/1/2029	4.60	4.21	401,230	408,030
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFJ7	NEW YORK LIFE GLOBAL FUNDING	10/1/2024	10/1/2027	3.91	3.91	2,739,397	2,739,562
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WFK4	NEW YORK LIFE GLOBAL FUNDING	12/5/2024	12/5/2029	4.61	4.19	1,334,239	1,355,906
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64953BBW7	NEW YORK LIFE GLOBAL FUNDING	4/25/2025	4/25/2028	4.43	3.98	2,693,114	2,722,408
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KCS7	NEXTERA ENERGY CAPITAL HOLDINGS INC	1/31/2024	1/29/2026	4.98	4.14	2,608,826	2,616,629
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDG2	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	4.85	4.05	464,986	473,198
MANAGED PORTFOLIO	MEDIUM TERM NOTE	65339KDH0	NEXTERA ENERGY CAPITAL HOLDINGS INC	2/4/2025	2/4/2028	5.18	4.58	2,325,000	2,344,809
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	11/30/2022	5/10/2027	4.58	3.89	2,442,500	2,503,900
MANAGED PORTFOLIO	MEDIUM TERM NOTE	665859AW4	NORTHERN TRUST CORP	1/13/2023	5/10/2027	4.21	3.89	1,487,715	1,502,340
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	8/19/2024	6/12/2028	4.40	3.98	1,322,438	1,330,255
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2M0	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/26/2025	6/12/2028	4.48	3.98	354,351	358,146
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2R9	NORTHWESTERN MUTUAL GLOBAL FUNDING	3/25/2024	3/25/2027	5.07	3.98	1,209,867	1,228,888
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2T5	NORTHWESTERN MUTUAL GLOBAL FUNDING	9/12/2024	9/12/2027	4.11	3.99	819,975	821,894
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66815L2U2	NORTHWESTERN MUTUAL GLOBAL FUNDING	1/13/2025	1/13/2030	4.96	4.30	1,594,936	1,635,800
MANAGED PORTFOLIO	MEDIUM TERM NOTE	66989HAT5	NOVARTIS CAPITAL CORP	9/18/2024	9/18/2029	3.85	3.92	927,740	925,787
MANAGED PORTFOLIO	MEDIUM TERM NOTE	67080LAA3	NUVEEN LLC	10/2/2024	11/1/2028	4.10	4.11	796,880	797,480
MANAGED PORTFOLIO	MEDIUM TERM NOTE	677347CJ3	OHIO EDISON CO	5/23/2025	12/15/2029	4.95	4.36	429,948	439,404
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BL8	PNC FINANCIAL SERVICES GROUP INC	1/24/2023	1/26/2027	4.76	4.38	1,630,000	1,631,760
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BR5	PNC FINANCIAL SERVICES GROUP INC	3/26/2025	6/12/2029	4.64	4.15	2,055,340	2,072,460

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BT1	PNC FINANCIAL SERVICES GROUP INC	3/12/2024	10/20/2027	5.33	4.22	3,808,843	3,785,343
MANAGED PORTFOLIO	MEDIUM TERM NOTE	693475BV6	PNC FINANCIAL SERVICES GROUP INC	1/22/2024	1/21/2028	5.30	4.70	490,000	497,262
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69353RFZ6	PNC BANK NA (DELAWARE)	7/21/2025	7/21/2028	4.63	4.39	1,380,000	1,386,983
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RS56	PACCAR FINANCIAL CORP	8/10/2023	8/10/2026	5.07	3.86	1,844,078	1,863,339
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT22	PACCAR FINANCIAL CORP	5/13/2024	5/13/2027	5.03	3.85	2,368,175	2,412,162
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT30	PACCAR FINANCIAL CORP	8/6/2024	8/6/2027	4.50	3.80	6,486,362	6,569,563
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT48	PACCAR FINANCIAL CORP	9/26/2024	9/26/2029	4.05	4.02	254,475	254,842
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT63	PACCAR FINANCIAL CORP	3/3/2025	3/3/2028	4.57	3.94	1,224,253	1,242,028
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT71	PACCAR FINANCIAL CORP	5/8/2025	5/8/2030	4.59	4.12	2,211,567	2,254,781
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.22	3.97	880,276	885,106
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69448TAC5	PACIFIC LIFE GLOBAL FUNDING II	7/8/2025	5/1/2028	4.23	3.97	3,027,067	3,044,766
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/6/2024	7/18/2028	4.40	4.13	358,652	357,379
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	8/16/2024	7/18/2028	4.58	4.15	1,001,564	1,004,253
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2U2	PACIFIC LIFE GLOBAL FUNDING II	3/26/2025	7/18/2028	4.52	4.15	262,586	264,005
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL2W8	PACIFIC LIFE GLOBAL FUNDING II	8/30/2023	8/28/2026	5.49	3.98	794,722	805,661
MANAGED PORTFOLIO	MEDIUM TERM NOTE	6944PL3F4	PACIFIC LIFE GLOBAL FUNDING II	2/10/2025	2/10/2030	4.86	4.35	824,711	841,228
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448FX1	PEPSICO INC	9/3/2024	7/17/2029	3.98	3.98	511,250	508,885
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GA0	PEPSICO INC	2/7/2025	2/7/2028	4.47	3.80	2,848,803	2,889,644
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GB8	PEPSICO INC	2/7/2025	2/7/2030	4.64	4.05	364,387	372,837
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GH5	PEPSICO INC	7/31/2025	7/23/2030	4.32	4.16	2,497,650	2,515,250
MANAGED PORTFOLIO	MEDIUM TERM NOTE	713448GL6	PEPSICO INC	7/31/2025	1/15/2029	4.21	3.98	2,491,325	2,508,825
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	8/16/2024	3/15/2029	4.22	3.95	1,969,982	2,002,116
MANAGED PORTFOLIO	MEDIUM TERM NOTE	717081ET6	PFIZER INC	3/27/2025	3/15/2029	4.43	3.95	501,639	511,597
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCT4	PRICOA GLOBAL FUNDING I	8/28/2023	8/28/2026	5.57	3.98	149,849	152,084
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74153WCW7	PRICOA GLOBAL FUNDING I	5/28/2025	5/28/2030	4.72	4.30	1,993,584	2,028,097
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LEX3	PRINCIPAL LIFE GLOBAL FUNDING II	1/16/2024	1/16/2027	5.01	4.10	474,815	480,334
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFA2	PRINCIPAL LIFE GLOBAL FUNDING II	8/19/2024	8/19/2027	4.63	4.07	789,384	797,521
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFB0	PRINCIPAL LIFE GLOBAL FUNDING II	11/27/2024	11/27/2029	4.95	4.38	519,979	531,092
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74256LFC8	PRINCIPAL LIFE GLOBAL FUNDING II	1/9/2025	1/9/2028	4.83	4.19	1,938,506	1,965,123
MANAGED PORTFOLIO	MEDIUM TERM NOTE	742718GM5	PROCTER & GAMBLE CO	5/1/2025	5/1/2030	4.10	3.93	997,940	1,005,130
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBU9	PUBLIC SERVICE ELECTRIC AND GAS CO	7/26/2023	5/1/2028	4.86	3.93	1,929,762	2,017,455
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74456QBX3	PUBLIC SERVICE ELECTRIC AND GAS CO	1/31/2024	9/1/2028	4.57	4.00	2,539,642	2,613,454
MANAGED PORTFOLIO	MEDIUM TERM NOTE	74464AAC5	PUBLIC STORAGE OPERATING CO	7/2/2025	7/1/2030	4.44	4.26	1,994,660	2,009,220
MANAGED PORTFOLIO	MEDIUM TERM NOTE	771196CE0	ROCHE HOLDINGS INC	11/13/2023	11/13/2026	5.27	3.83	2,035,000	2,064,426
MANAGED PORTFOLIO	MEDIUM TERM NOTE	771196CP5	ROCHE HOLDINGS INC	9/18/2024	9/9/2029	3.96	4.08	757,913	753,173
MANAGED PORTFOLIO	MEDIUM TERM NOTE	79587J2B8	SAMMONS FINANCIAL GROUP GLOBAL FUNDING	1/10/2025	1/10/2028	5.08	4.26	794,364	808,467
MANAGED PORTFOLIO	MEDIUM TERM NOTE	842434CW0	SOUTHERN CALIFORNIA GAS CO	10/10/2024	4/15/2027	4.36	3.96	1,070,259	1,090,468
MANAGED PORTFOLIO	MEDIUM TERM NOTE	842434CW0	SOUTHERN CALIFORNIA GAS CO	3/27/2025	4/15/2027	4.60	3.96	266,241	270,893
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857449AE2	STATE STREET BANK AND TRUST CO	4/21/2025	11/23/2029	4.59	4.10	2,015,560	2,051,120
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477BX0	STATE STREET CORP	11/4/2022	11/4/2026	5.75	4.40	685,000	685,801
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CL5	STATE STREET CORP	3/18/2024	3/18/2027	4.99	3.84	5,775,000	5,863,877
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477CU5	STATE STREET CORP	2/28/2025	2/28/2028	4.51	3.95	2,790,000	2,825,796
MANAGED PORTFOLIO	MEDIUM TERM NOTE	857477DA8	STATE STREET CORP	4/24/2025	4/24/2028	4.54	3.99	595,000	599,927
MANAGED PORTFOLIO	MEDIUM TERM NOTE	87612EBU9	TARGET CORP	6/10/2025	6/15/2028	4.35	3.95	739,993	747,363
MANAGED PORTFOLIO	MEDIUM TERM NOTE	882508CE2	TEXAS INSTRUMENTS INC	2/8/2024	2/8/2027	4.62	3.83	2,198,592	2,220,900
MANAGED PORTFOLIO	MEDIUM TERM NOTE	882508CK8	TEXAS INSTRUMENTS INC	5/23/2025	5/23/2030	4.51	4.09	599,652	610,158
MANAGED PORTFOLIO	MEDIUM TERM NOTE	883556CZ3	THERMO FISHER SCIENTIFIC INC	12/5/2023	12/5/2026	5.03	3.92	1,873,706	1,896,506
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89115A2W1	TORONTO-DOMINION BANK	4/12/2024	4/5/2027	5.41	4.00	4,942,150	5,071,050
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TLY9	TOYOTA MOTOR CREDIT CORP	3/21/2024	3/19/2027	5.04	3.89	724,123	736,375
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMK8	TOYOTA MOTOR CREDIT CORP	8/20/2024	8/9/2029	4.40	4.12	2,012,880	2,030,560
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TMS1	TOYOTA MOTOR CREDIT CORP	10/10/2024	10/8/2027	4.36	3.91	219,914	221,866
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNG6	TOYOTA MOTOR CREDIT CORP	5/15/2025	5/14/2027	4.52	3.92	1,564,296	1,579,132
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788JAF6	TRUIST BANK	7/24/2025	7/24/2028	4.42	4.16	1,420,000	1,426,063
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89788MAJ1	TRUIST FINANCIAL CORP	10/28/2022	10/28/2026	5.90	4.71	1,650,000	1,651,370
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90261AAD4	UBS AG (STAMFORD BRANCH)	1/10/2025	1/10/2028	4.86	4.17	4,605,000	4,644,004
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QD97	USAA CAPITAL CORP	6/3/2024	6/1/2027	5.36	3.91	2,213,584	2,267,508
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90327QDA4	USAA CAPITAL CORP	6/2/2025	6/1/2028	4.44	3.99	833,422	842,782
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPP2	US BANK NA	10/22/2024	10/22/2027	4.51	4.19	1,935,000	1,941,269
MANAGED PORTFOLIO	MEDIUM TERM NOTE	90331HPS6	US BANK NA	5/15/2025	5/15/2028	4.89	4.49	1,035,000	1,044,170
MANAGED PORTFOLIO	MEDIUM TERM NOTE	904764BU0	UNILEVER CAPITAL CORP	8/12/2024	8/12/2027	4.35	3.81	1,002,317	1,012,568
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJC5	US BANCORP	9/3/2024	1/27/2028	4.57	4.23	3,769,259	3,877,435
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	8/13/2024	7/22/2028	4.75	4.18	1,501,755	1,519,448
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91159HJF8	US BANCORP	3/26/2025	7/22/2028	4.60	4.18	414,469	417,597
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PEH1	UNITEDHEALTH GROUP INC	7/31/2024	5/15/2029	4.59	4.10	3,411,485	3,488,485
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PEY4	UNITEDHEALTH GROUP INC	3/21/2024	4/15/2027	4.85	4.02	2,085,363	2,117,199
MANAGED PORTFOLIO	MEDIUM TERM NOTE	91324PFF4	UNITEDHEALTH GROUP INC	7/25/2024	7/15/2026	4.84	4.02	603,984	608,370
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FL2	WALMART INC	4/28/2025	4/28/2027	4.11	3.65	874,886	880,950
MANAGED PORTFOLIO	MEDIUM TERM NOTE	931142FN8	WALMART INC	4/28/2025	4/28/2030	4.39	3.95	549,049	559,026

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LBX6	WASTE MANAGEMENT INC	7/3/2024	7/3/2027	4.99	3.87	2,561,896	2,609,657
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.97	1,606,410	1,629,243
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	11/4/2024	3/15/2028	4.57	3.96	3,826,448	3,881,250
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94106LCB3	WASTE MANAGEMENT INC	3/27/2025	3/15/2028	4.39	3.97	426,271	430,080
MANAGED PORTFOLIO	MEDIUM TERM NOTE	94988J6F9	WELLS FARGO BANK NA	12/11/2023	12/11/2026	5.25	3.92	4,100,000	4,158,917
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3L5	WELLS FARGO & CO	4/22/2024	4/22/2028	5.71	4.15	995,000	1,018,124
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3R2	WELLS FARGO & CO	1/24/2025	1/24/2028	4.90	4.17	6,275,000	6,332,730
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.18	2,295,000	2,338,697
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U3T8	WELLS FARGO & CO	4/23/2025	4/23/2029	4.97	4.20	1,395,000	1,420,806
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95954A2B8	WESTERN-SOUTHERN GLOBAL FUNDING	7/16/2025	7/16/2028	4.52	4.25	1,674,297	1,685,904
MANAGED PORTFOLIO	MEDIUM TERM NOTE	69371RT97	PACCAR FINANCIAL CORP	8/8/2025	8/8/2028	4.02	3.90	3,248,083	3,258,645
MANAGED PORTFOLIO	MEDIUM TERM NOTE	7425APAD7	PRINCIPAL LIFE GLOBAL FUNDING II	8/18/2025	8/18/2028	4.27	4.16	1,714,091	1,718,927
MANAGED PORTFOLIO	MEDIUM TERM NOTE	166756BH8	CHEVRON USA INC	8/13/2025	8/13/2028	4.05	3.86	2,794,776	2,808,975
MANAGED PORTFOLIO	MEDIUM TERM NOTE	63743HFZ0	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	8/25/2025	8/25/2028	4.19	4.05	3,950,570	3,965,679
MANAGED PORTFOLIO	MEDIUM TERM NOTE	14913UBB5	CATERPILLAR FINANCIAL SERVICES CORP	8/15/2025	8/15/2028	4.11	3.93	499,930	502,245
MANAGED PORTFOLIO	MEDIUM TERM NOTE	05565EDA0	BMW US CAPITAL LLC	8/11/2025	8/11/2027	4.20	4.08	1,248,938	1,251,525
MANAGED PORTFOLIO	MEDIUM TERM NOTE	64952WCX9	NEW YORK LIFE GLOBAL FUNDING	8/27/2025	1/10/2028	4.04	4.00	1,953,440	1,956,960
MANAGED PORTFOLIO	MEDIUM TERM NOTE	373334LC3	GEORGIA POWER CO	9/29/2025	10/1/2028	4.02	4.00	1,874,044	1,874,963
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DH2	HOME DEPOT INC	9/15/2025	9/15/2028	3.77	3.88	504,672	503,177
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.03	4.14	2,844,751	2,830,447
MANAGED PORTFOLIO	MEDIUM TERM NOTE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	4.04	4.14	1,001,030	996,357
MANAGED PORTFOLIO	MEDIUM TERM NOTE	476556DJ1	JERSEY CENTRAL POWER & LIGHT CO	9/4/2025	1/15/2029	4.18	4.19	1,798,452	1,797,714
MANAGED PORTFOLIO	MEDIUM TERM NOTE	58933YBP9	MERCK & CO INC	9/9/2025	9/15/2027	3.90	3.73	1,748,338	1,753,868
MANAGED PORTFOLIO	MEDIUM TERM NOTE	59217GCK3	METROPOLITAN LIFE GLOBAL FUNDING I	9/24/2025	9/19/2027	3.97	4.03	1,963,260	1,961,500
MANAGED PORTFOLIO	MEDIUM TERM NOTE	8426EPAJ7	SOUTHERN COMPANY GAS CAPITAL CORP	9/8/2025	9/15/2028	4.09	4.09	988,901	988,931
MANAGED PORTFOLIO	MEDIUM TERM NOTE	89236TNR2	TOYOTA MOTOR CREDIT CORP	9/5/2025	9/5/2028	4.09	3.95	1,273,432	1,278,341
MANAGED PORTFOLIO	MEDIUM TERM NOTE	95000U4A8	WELLS FARGO & CO	9/15/2025	9/15/2029	4.37	4.19	2,915,000	2,905,905
MANAGED PORTFOLIO	***SUB-TOTAL FOR MEDIUM TERM NOTE***							***568,651,595***	***576,650,035***
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007NAC2	ALLYA 2024-2 A3	9/27/2024	7/16/2029	4.44	3.97	974,899	977,350
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02007WAC2	ALLYA 2023-1 A3	7/19/2023	5/15/2028	5.53	4.32	1,116,707	1,126,626
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02008JAC0	ALLYA 2022-1 A3	5/18/2022	11/16/2026	3.53	4.31	1,158	1,158
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02008MAC3	ALLYA 2022-2 A3	10/12/2022	5/17/2027	5.30	4.40	217,631	217,855
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	023947AD6	AMCAR 2024-1 A3	5/29/2024	1/18/2029	5.83	-2.07	1,199,889	1,212,516
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JJZ4	AMXCA 2023-1 A	6/14/2023	5/15/2028	4.87	4.02	1,339,881	1,347,276
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKH2	AMXCA 2024-1 A	4/23/2024	4/16/2029	5.31	3.88	5,218,930	5,327,897
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	2/11/2025	12/17/2029	4.57	3.90	949,789	963,956
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKM1	AMXCA 2025-1 A	6/23/2025	12/17/2029	4.26	3.93	1,511,719	1,521,086
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKP4	AMXCA 2025-2 A	5/13/2025	4/15/2030	4.28	3.92	5,724,896	5,779,674
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02582JKV1	AMXCA 2025-4 A	7/22/2025	7/15/2030	4.30	3.93	3,834,447	3,876,150
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02589BAE0	AMXCA 2024-3 A	10/11/2024	7/16/2029	4.34	3.86	1,614,500	1,622,665
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	02589BAE0	AMXCA 2024-3 A	3/26/2025	7/16/2029	4.42	3.86	598,579	603,429
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	03065UAD1	AMCAR 2023-2 A3	9/20/2023	5/18/2028	5.89	4.38	4,344,557	4,377,864
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	5/21/2025	11/13/2029	4.62	4.07	674,984	681,480
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05330QAC6	DRVPNK 2025-1 A3	6/4/2025	11/13/2029	4.52	4.07	1,320,239	1,327,624
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	5/16/2024	8/21/2028	5.56	4.23	1,906,563	1,988,320
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	7/17/2024	8/21/2028	5.19	4.23	1,906,492	1,963,466
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377REZ3	AESOP 221 A	8/15/2024	8/21/2028	4.81	4.26	1,756,125	1,788,599
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHL1	AESOP 2023-7 A	4/28/2025	8/21/2028	4.76	4.25	2,047,500	2,054,780
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.37	1,991,175	2,005,812
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RHM9	AESOP 2023-8 A	7/25/2025	2/20/2030	4.70	4.38	3,992,775	4,021,040
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	8/20/2024	10/20/2028	4.83	4.24	575,611	579,414
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05377RJG0	AESOP 242 A	9/27/2024	10/20/2028	4.51	4.24	727,736	726,809
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDH8	BACCT 2023-2 A	12/14/2023	11/15/2028	4.99	3.90	1,334,821	1,351,380
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	6/13/2024	5/15/2029	4.93	3.88	2,544,857	2,588,138
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	7/5/2024	5/15/2029	4.94	3.88	399,859	406,780
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDJ4	BACCT 2024-1 A	3/27/2025	5/15/2029	4.39	3.87	3,035,156	3,051,422
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05522RDK1	BACCT 2025-1 A	6/12/2025	5/15/2030	4.35	3.88	1,954,993	1,977,365
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05592XAD2	BMWOT 2023-A A3	7/18/2023	2/25/2028	5.47	4.37	451,470	454,738
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05594BAD8	BAAT 2025-1 A3	5/12/2025	11/20/2029	4.35	4.07	2,029,860	2,042,972
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	05613MAD1	BMWLT 2024-2 A3	10/7/2024	10/25/2027	4.49	3.88	3,349,690	3,359,916
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06054YAC1	BAAT 232 A3	11/21/2023	6/15/2028	5.74	4.40	1,066,638	1,078,305
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	06428AAC2	BAAT 231 A3	7/31/2023	2/15/2028	5.60	4.38	663,529	668,929
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096912AD2	BMWLT 2025-1 A3	6/10/2025	6/26/2028	4.82	3.93	5,539,878	5,582,326
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096919AD7	BMWOT 2024-A A3	6/11/2024	2/26/2029	5.18	4.21	3,864,413	3,910,568
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	096924AD7	BMWOT 2025-A A3	2/12/2025	9/25/2029	4.56	4.07	864,915	873,027
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	09709AAC6	BAAT 2024-1 A3	5/22/2024	11/15/2028	5.35	4.35	549,910	555,407
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.92	3.89	3,694,279	3,699,286
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.89	999,297	1,001,160

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGE5	COMET 2024-1 A	9/24/2024	9/17/2029	3.94	3.83	2,498,242	2,505,483
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043GAD6	COPAR 2022-2 A3	8/10/2022	5/17/2027	4.18	4.09	370,737	370,270
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14043QAC6	COPAR 2022-1 A3	5/4/2022	4/15/2027	3.15	4.06	240,401	239,946
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290DAC5	CARMX 2024-4 A3	11/5/2024	10/15/2029	4.85	4.09	1,099,794	1,110,714
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14290FAD8	CARMX 2025-3 A3	7/23/2025	7/15/2030	4.58	4.06	3,799,219	3,831,046
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14317HAC5	CARMX 2022-2 A3	4/28/2022	2/16/2027	3.55	4.17	126,110	126,054
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318MAD1	CARMX 2022-3 A3	7/20/2022	4/15/2027	4.00	4.25	508,081	507,793
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14318UAD3	CARMX 2022-4 A3	10/31/2022	8/16/2027	5.79	4.36	957,123	960,900
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14319GAD3	CARMX 2024-3 A3	7/30/2024	7/16/2029	4.94	4.19	5,699,743	5,766,690
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16144QAC9	CHAOT 245 A3	9/24/2024	8/27/2029	4.60	3.96	944,901	947,627
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	16145NAC5	CHAOT 251 A3	7/30/2025	6/25/2030	4.29	4.04	2,684,738	2,702,963
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HT4	CHAIT 2023-1 A	9/15/2023	9/15/2028	5.17	3.91	6,538,187	6,618,807
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	161571HV9	CHAIT 241 A	1/31/2024	1/16/2029	4.61	3.88	3,259,504	3,290,872
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	17305EHA6	CCCIT 2025-A1 A1	6/26/2025	6/21/2030	4.31	3.89	5,003,642	5,057,052
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLLAA 251 A3	1/22/2025	9/20/2029	4.95	4.02	1,319,876	1,344,790
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	233249AC5	DLLAA 251 A3	1/22/2025	9/20/2029	4.95	4.11	549,948	559,410
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29374MAC2	EFF 244 A3	10/16/2024	11/20/2028	4.56	4.05	7,829,054	7,896,790
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	29375UAC3	EFF 253 A3	7/23/2025	9/20/2029	4.46	4.06	3,499,685	3,535,280
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	31680EAD3	FITAT 2023-1 A3	8/23/2023	8/15/2028	5.53	4.39	1,986,956	2,005,380
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	32113CCE8	FNMNT 2025-1 A	7/18/2025	2/15/2030	4.33	4.04	962,951	968,193
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	344930AD4	FORDO 2023-B A3	6/26/2023	5/15/2028	5.29	4.22	1,054,628	1,062,320
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJA3	FORDF 2024-1 A1	5/10/2024	4/15/2029	5.60	4.06	2,599,488	2,649,166
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJA3	FORDF 2024-1 A1	1/30/2025	4/15/2029	4.64	4.06	1,268,164	1,273,638
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	10/8/2024	9/17/2029	4.30	4.10	5,849,468	5,876,091
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	4.08	1,400,438	1,406,737
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34528QJK1	FORDF 243 A1	7/23/2025	9/17/2029	4.32	4.10	2,825,883	2,837,600
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	5/28/2025	4/15/2030	4.68	4.08	1,599,618	1,622,560
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	4.08	2,194,711	2,205,668
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34529BAA4	FORDF 2025-1 A1	7/24/2025	4/15/2030	4.31	4.10	1,094,833	1,099,732
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34531QAD1	FORDO 2024-B A3	6/24/2024	4/15/2029	5.10	4.04	3,264,970	3,313,159
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532UAD1	FORDO 2024-C A3	9/20/2024	7/15/2029	4.81	3.95	1,524,990	1,528,691
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	4.31	1,974,762	1,985,408
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34533MAF3	FORDL 2025-B B	7/29/2025	8/15/2029	4.52	4.37	984,881	989,029
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34535KAD0	FORDO 2025-A A3	3/25/2025	10/15/2029	4.45	3.98	2,929,715	2,959,329
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFORT 244 A1	7/22/2025	11/15/2029	4.31	4.07	631,348	633,800
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	361886DQ4	GFORT 244 A1	7/23/2025	11/15/2029	4.33	4.07	176,695	177,464
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362549AD9	GMCAR 2025-2 A3	5/14/2025	4/16/2030	4.71	3.95	2,599,617	2,619,812
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362583AD8	GMCAR 2023-2 A3	4/12/2023	2/16/2028	4.51	4.19	360,047	360,705
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362585AC5	GMCAR 2022-2 A3	4/13/2022	2/16/2027	3.16	4.17	105,683	105,574
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36265WAD5	GMCAR 2022-3 A3	7/13/2022	4/16/2027	3.93	4.21	202,993	202,836
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36268GAD7	GMCAR 2024-1 A3	1/17/2024	12/18/2028	4.91	4.19	764,846	769,827
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	36269FAD8	GMALT 2024-1 A3	2/15/2024	3/22/2027	5.09	4.14	1,421,024	1,425,763
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362955AD8	GMCAR 2025-1 A3	1/15/2025	12/17/2029	5.04	4.02	2,964,780	2,998,327
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	362962AD4	GMALT 2025-2 A3	5/29/2025	5/22/2028	4.84	3.92	919,985	928,492
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379930AD2	GMCAR 2023-4 A3	10/11/2023	8/16/2028	5.86	4.42	821,599	831,235
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379931AD0	GMCAR 2024-2 A3	4/10/2024	3/16/2029	5.10	4.26	1,269,754	1,281,684
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38012QAD0	GMALT 2024-3 A3	10/2/2024	10/20/2027	4.61	4.01	439,948	440,788
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38013KAD2	GMCAR 2024-3 A3	7/10/2024	4/16/2029	5.13	4.17	1,894,708	1,919,029
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	38014AAD3	GMCAR 2024-4 A3	10/16/2024	8/16/2029	4.32	4.00	2,639,492	2,658,163
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154GAJ5	GALC 251 A3	3/12/2025	4/16/2029	4.49	4.03	1,699,832	1,716,167
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TBW7	GALC 2022-1 A3	10/12/2022	9/15/2026	5.09	4.28	1,125,240	1,127,404
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	39154TCJ5	GALC 241 A3	1/31/2024	1/18/2028	4.99	3.81	2,799,516	2,830,184
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	41285JAD0	HDMOT 2023-A A3	2/23/2023	12/15/2027	5.11	4.33	706,540	708,964
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	437921AD1	HAROT 252 A3	5/8/2025	10/15/2029	4.15	4.02	5,354,402	5,373,475
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	438123AC5	HAROT 2023-4 A3	11/8/2023	6/21/2028	5.74	4.29	525,075	531,381
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43813YAC6	HAROT 2024-3 A3	8/21/2024	3/21/2029	4.66	4.01	3,324,478	3,351,401
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	43815PAC3	HAROT 2022-2 A3	8/24/2022	7/20/2026	3.87	3.96	93,250	93,220
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	446144AE7	HUNT 241 A3	2/22/2024	1/16/2029	5.23	4.24	1,599,940	1,617,696
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448976AD2	HART 2024-C A3	10/16/2024	5/15/2029	4.46	3.98	1,794,869	1,808,660
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	448988AD7	HALST 2024-A A3	1/24/2024	3/15/2027	5.03	4.15	1,663,551	1,668,525
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44918MAD2	HART 2022-B A3	7/20/2022	11/16/2026	4.31	4.29	66,362	66,345
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44933DAD3	HART 2022-C A3	11/9/2022	6/15/2027	5.39	4.19	635,756	638,175
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44934FAD7	HALST 2024-B A3	5/22/2024	5/17/2027	5.41	4.07	1,964,945	1,978,971
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935CAD3	HART 2025-A A3	3/12/2025	10/15/2029	4.84	3.95	4,439,345	4,473,922
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAD1	HALST 2025-B A3	4/30/2025	4/17/2028	4.53	3.93	629,943	635,594
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935DAE9	HALST 2025-B A4	4/30/2025	4/16/2029	4.57	4.02	1,999,733	2,020,440
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAD4	HALST 25C A3	7/30/2025	7/17/2028	4.37	4.08	2,299,645	2,315,157
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAE2	HALST 25C A4	7/30/2025	6/15/2029	4.38	4.18	1,899,968	1,912,920

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935GAF9	HALST 25C B	7/30/2025	11/15/2029	4.57	4.38	5,739,579	5,772,843
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935WAD9	HALST 2025-A A3	1/22/2025	1/18/2028	4.83	3.87	809,939	819,129
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	44935XAD7	HART 2025-B A3	6/11/2025	12/17/2029	4.36	3.95	7,174,352	7,243,234
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47787JAC2	JDOT 2022 A3	3/16/2022	9/15/2026	2.34	4.31	50,181	50,151
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800DAD6	JDOT 2025 A3	3/11/2025	9/17/2029	5.09	3.99	2,644,834	2,659,521
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800RAD5	JDOT 2024 A3	3/19/2024	11/15/2028	5.12	3.97	1,254,930	1,268,642
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	47800UAD8	JDOT 2025-B A3	7/17/2025	12/17/2029	4.52	3.98	4,548,943	4,573,751
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	500945AC4	KCOT 2023-2 A3	7/26/2023	1/18/2028	5.29	4.13	1,170,451	1,180,476
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117BAC4	KCOT 241 A3	2/21/2024	7/17/2028	5.19	4.14	1,539,940	1,561,267
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117DAB2	KCOT 2024-2 A2	6/25/2024	4/15/2027	5.45	3.07	518,822	521,304
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117EAC8	KCOT 2022-1 A3	3/23/2022	10/15/2026	2.67	4.25	216,073	215,810
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117FAB7	KCOT 251 A2	2/19/2025	12/15/2027	4.62	4.13	899,888	903,744
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117JAC7	KCOT 222 A3	7/21/2022	12/15/2026	0.00	4.30	114,732	114,717
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117JAC7	KCOT 222 A3	7/21/2022	12/15/2026	4.10	4.30	331,969	331,927
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117KAC4	KCOT 2023-1 A3	3/31/2023	6/15/2027	5.41	4.20	1,043,762	1,048,205
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	50117LAC2	KCOT 252 A3	6/25/2025	9/17/2029	4.42	3.98	3,979,996	4,019,163
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	55340QAC9	MTLRF 25LEA1 A3	5/21/2025	9/17/2029	4.79	4.27	3,599,284	3,653,856
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768PAC8	MBART 2022-1 A3	11/22/2022	8/16/2027	5.28	4.32	1,107,616	1,111,979
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58768YAD7	MBALT 2025-A A3	5/21/2025	4/16/2029	4.66	3.88	1,004,877	1,019,010
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58769GAD5	MBALT 2024-B A3	9/25/2024	2/15/2028	4.24	3.98	2,149,638	2,155,053
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770AAC7	MBART 2023-1 A3	1/25/2023	11/15/2027	4.57	4.19	271,594	272,110
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58770JAD6	MBALT 2024-A A3	5/23/2024	1/18/2028	5.73	3.86	1,319,846	1,336,790
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	58773DAD6	MBART 2025-1 A3	1/23/2025	12/17/2029	4.84	4.12	2,659,434	2,695,431
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KBZ8	NFMOT 241 A2	9/19/2024	3/15/2029	4.28	4.11	1,429,094	1,420,697
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	10/10/2024	9/17/2029	4.43	4.16	1,954,518	1,966,026
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCC8	NFMOT 242 A2	11/27/2024	9/17/2029	4.62	4.16	1,159,900	1,176,599
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65341KCF1	NFMOT 251 A2	6/23/2025	2/15/2030	4.52	4.10	3,005,391	3,033,070
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479UAD0	NAROT 2024-A A3	5/22/2024	12/15/2028	5.85	4.18	2,629,754	2,660,692
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479VAB2	NMOTR 24B A	10/25/2024	2/15/2029	4.56	4.17	1,593,211	1,594,298
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.25	1,104,975	1,121,310
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65479XAF9	NALT 2025-A B	1/22/2025	2/15/2029	5.24	4.48	464,990	469,974
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65480JAC4	NAROT 2022-B A3	9/28/2022	5/17/2027	4.63	4.27	489,977	490,549
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481GAD7	NAROT 2025-A A3	5/27/2025	12/17/2029	4.74	3.98	3,529,322	3,572,113
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.37	2,679,639	2,694,070
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	65481RAF8	NALT 2025-B B	7/29/2025	7/16/2029	4.98	4.40	1,334,820	1,341,141
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFE0	PFSFC 24B A	4/15/2024	2/15/2029	5.26	4.10	616,797	632,363
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	69335PFE0	PFSFC 24B A	9/20/2024	2/15/2029	4.21	4.14	1,526,602	1,516,907
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	73328AAD1	PILOT 241 A3	8/21/2024	11/22/2027	4.67	4.45	749,918	753,833
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	73329KAD8	PILOT 251 A3	5/21/2025	10/20/2028	4.61	3.92	5,359,426	5,421,426
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	78437PAC7	SBAT 24A A3	3/28/2024	12/15/2028	5.32	4.42	2,653,273	2,664,484
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AE4	SFUEL 25A A4	7/30/2025	3/20/2029	4.45	4.07	1,036,779	1,043,570
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858928AF1	SFUEL 25A B	7/30/2025	4/20/2029	4.66	4.31	777,028	781,913
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87166PAM3	SYNIT 2024-1 A	3/27/2025	3/15/2030	4.48	4.03	581,491	583,493
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268CAA5	TMUST 2024-2 A	10/9/2024	5/21/2029	4.77	4.02	5,338,980	5,360,506
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	872974AA8	TMUST 2025-1 A	4/1/2025	11/20/2029	4.54	4.09	1,915,957	1,924,244
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891940AC2	TAOT 2023-A A3	1/30/2023	9/15/2027	5.18	4.22	370,555	371,337
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891941AD8	TAOT 2023-B A3	5/23/2023	2/15/2028	5.15	4.18	1,292,679	1,297,431
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	891943AD4	TLOT 2024-B A3	9/17/2024	9/20/2027	4.21	3.94	1,059,876	1,062,629
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231CAD9	TAOT 2022-C A3	8/16/2022	4/15/2027	3.80	4.21	230,406	230,175
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89231HAD8	TAOT 2025-B A3	4/30/2025	11/15/2029	4.82	4.00	1,114,936	1,124,087
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89238FAD5	TAOT 2022-B A3	4/13/2022	9/15/2026	3.09	4.30	49,712	49,685
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89238VAD0	TAOT 2025-C A3	7/30/2025	3/15/2030	4.11	3.93	1,599,831	1,607,984
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239FAD4	TAOT 2023-D A3	11/14/2023	8/15/2028	6.30	4.26	1,947,557	1,970,166
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAD7	TLOT 2025-A A3	2/26/2025	2/22/2028	4.75	3.89	2,099,972	2,122,848
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89239NAE5	TLOT 2025-A A4	2/26/2025	6/20/2029	4.81	4.02	1,199,960	1,215,924
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240JAD3	TAOT 2025-A A3	1/29/2025	8/15/2029	4.69	3.97	4,774,809	4,835,452
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90327VAC2	USAOT 2024-A A3	7/30/2024	3/15/2029	5.04	4.25	814,847	822,873
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	90367VAC3	USCAR 251 A3	6/20/2025	6/17/2030	4.49	4.04	1,899,656	1,918,848
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92348KDY6	VZMT 2025-3 A1A	3/31/2025	3/20/2030	4.55	3.96	3,584,846	3,614,791
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868MAD1	VALET 2025-1 A3	3/25/2025	8/20/2029	4.97	4.03	2,429,917	2,454,349
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868RAD0	VALET 2024-1 A3	11/26/2024	7/20/2029	4.93	4.02	569,946	576,584
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	5/20/2024	2/15/2029	5.07	3.89	4,490,859	4,565,205
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAA3	WFCIT 2024-1 A	6/27/2024	2/15/2029	5.06	3.89	2,455,964	2,495,645
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.89	1,534,772	1,548,105
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAE5	WFCIT 2024-2 A	10/24/2024	10/15/2029	4.33	3.90	5,744,146	5,792,454
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	6/10/2025	5/15/2030	4.33	3.94	8,024,867	8,110,787
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.94	173,811	174,866
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.20	3.94	348,627	350,709

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.94	187,716	189,016
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92970QAJ4	WFCIT 2025-1 A	7/25/2025	5/15/2030	4.23	3.94	374,428	376,987
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043GAA9	WFLOOR 241 A1	2/29/2024	2/15/2028	5.43	4.42	999,872	1,003,850
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAC4	WLAKE 2025-P1 A3	5/29/2025	6/15/2029	4.58	4.12	2,099,723	2,116,884
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAC4	WLAKE 2025-P1 A3	8/19/2025	6/15/2029	4.41	4.12	467,761	468,739
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	96043LAD2	WLAKE 2025-P1 A4	5/29/2025	4/15/2030	4.67	4.18	1,999,600	2,024,980
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AD8	GMALT 2025-3 A3	8/13/2025	8/21/2028	4.18	3.96	894,864	898,356
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	87268MAA3	TMUST 2025-2 A	8/6/2025	4/22/2030	4.34	3.91	12,844,773	12,933,887
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	4.24	349,997	351,566
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	379965AF3	GMALT 2025-3 B	8/13/2025	8/20/2029	4.41	4.24	704,994	708,137
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	858933AE4	SFUEL 25B B	8/20/2025	7/20/2029	4.47	4.56	3,874,529	3,883,101
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14319WAD8	CARMX 2025-1 A3	8/7/2025	1/15/2030	4.27	4.12	638,613	639,576
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14041NGF2	COMET 2025-1 A	9/16/2025	9/16/2030	3.83	3.87	2,564,514	2,563,666
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	14320BAC3	CMXS 2025-B A3	9/24/2025	3/15/2030	4.16	4.18	599,885	599,658
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	4.27	3.95	5,779,376	5,778,439
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	88162VAF7	TLEVS 25A B	9/29/2025	6/20/2029	4.80	4.80	5,089,114	5,097,075
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	89240NAD4	TLOT 25B A3	9/17/2025	11/20/2028	3.97	3.95	1,334,761	1,336,121
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92868BAE3	VWALT 2025-B A4	9/16/2025	5/20/2030	4.49	4.06	2,499,804	2,498,750
MANAGED PORTFOLIO	MORTGAGE & ASSET-BACKED SECURITY	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	3.99	3.99	3,329,723	3,314,439
MANAGED PORTFOLIO	***SUB-TOTAL FOR MORTGAGE & ASSET-BACKED SECURITY***							***390,699,816***	***393,919,400***
MANAGED PORTFOLIO	MUNICIPAL DEBT	010268CP3	ALABAMA FED AID HWY FIN AUTH SPL OBLIG REV	9/6/2022	9/1/2027	3.85	3.88	98,611	105,299
MANAGED PORTFOLIO	MUNICIPAL DEBT	120827EH9	BURBANK GLENDALE PASADENA ARPT AUTH CALIF ARPT REV	5/30/2024	7/1/2028	5.12	4.00	1,500,000	1,543,290
MANAGED PORTFOLIO	MUNICIPAL DEBT	13063EGT7	CALIFORNIA ST	11/5/2024	8/1/2029	4.38	3.76	1,713,985	1,749,535
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068XKC2	CALIFORNIA ST PUB WKS BRD LEASE REV	11/8/2023	11/1/2026	5.54	4.06	1,600,000	1,624,912
MANAGED PORTFOLIO	MUNICIPAL DEBT	13068XLJ6	CALIFORNIA ST PUB WKS BRD LEASE REV	4/11/2024	4/1/2027	4.92	4.07	1,510,000	1,528,392
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZH5	CONNECTICUT ST	5/7/2025	3/15/2027	4.28	3.68	1,319,474	1,326,377
MANAGED PORTFOLIO	MUNICIPAL DEBT	20772KZL6	CONNECTICUT ST	5/7/2025	3/15/2030	4.59	3.89	700,000	719,922
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.88	1,873,417	1,913,630
MANAGED PORTFOLIO	MUNICIPAL DEBT	21969AAF9	CORONA	10/3/2024	5/1/2027	3.90	3.85	1,613,220	1,648,741
MANAGED PORTFOLIO	MUNICIPAL DEBT	485429Z49	KANSAS ST DEV FIN AUTH REV	11/22/2024	4/15/2029	4.60	3.95	1,318,473	1,349,912
MANAGED PORTFOLIO	MUNICIPAL DEBT	54438CDT6	LOS ANGELES CALIF CMNTY COLLEGE DIST	2/14/2025	8/1/2029	5.07	-35.87	671,609	681,483
MANAGED PORTFOLIO	MUNICIPAL DEBT	544445U98	LOS ANGELES CALIF DEPT ARPTS ARPT REV	9/25/2024	5/15/2029	3.96	4.18	821,894	832,617
MANAGED PORTFOLIO	MUNICIPAL DEBT	5445872T4	LOS ANGELES CALIF MUN IMPT CORP LEASE REV	3/4/2021	11/1/2025	0.95	3.89	1,600,000	1,595,936
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.74	3,825,000	3,865,851
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KX7	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2027	4.38	3.47	1,000,000	1,015,319
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647KY5	LOS ANGELES CALIF UNI SCH DIST	5/13/2025	7/1/2028	4.42	3.82	1,000,000	1,015,580
MANAGED PORTFOLIO	MUNICIPAL DEBT	544647LA6	LOS ANGELES CALIF UNI SCH DIST	7/9/2025	10/1/2027	4.22	3.79	490,000	494,008
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582RK96	MASSACHUSETTS COMMONWEALTH	6/26/2023	11/1/2026	4.61	3.74	431,068	470,930
MANAGED PORTFOLIO	MUNICIPAL DEBT	57582TEA6	MASSACHUSETTS COMMONWEALTH	6/18/2025	6/1/2030	4.32	3.92	1,001,300	1,018,200
MANAGED PORTFOLIO	MUNICIPAL DEBT	576004HD0	MASSACHUSETTS (COMMONWEALTH OF)	5/1/2024	7/15/2027	4.99	3.73	764,544	794,356
MANAGED PORTFOLIO	MUNICIPAL DEBT	64990KHE6	NEW YORK STATE DORMITORY AUTHORITY	3/31/2025	3/15/2027	4.30	3.72	1,426,125	1,438,709
MANAGED PORTFOLIO	MUNICIPAL DEBT	650036AX4	NEW YORK ST URBAN DEV CORP REV	9/25/2024	3/15/2029	3.94	4.04	525,642	534,353
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PQZ3	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2027	4.56	3.89	540,000	545,843
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRA7	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2028	4.64	3.96	455,000	462,740
MANAGED PORTFOLIO	MUNICIPAL DEBT	70869PRB5	PENNSYLVANIA ECONOMIC DEV FING AUTH REV	2/26/2025	6/1/2029	4.72	4.06	1,500,000	1,533,637
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	9/25/2024	5/1/2029	3.96	4.13	1,284,426	1,299,754
MANAGED PORTFOLIO	MUNICIPAL DEBT	735000TR2	PORT OAKLAND CALIF REV	7/25/2025	5/1/2029	4.57	4.13	173,245	176,622
MANAGED PORTFOLIO	MUNICIPAL DEBT	757696AS8	REDONDO BEACH CALIF CMNTY FING AUTH LEASE REV	7/15/2021	5/1/2026	1.32	3.93	1,495,000	1,472,635
MANAGED PORTFOLIO	MUNICIPAL DEBT	797356NZ1	SAN DIEGO UNIFIED SCHOOL DISTRICT	9/19/2024	7/1/2029	3.97	3.86	790,000	792,758
MANAGED PORTFOLIO	MUNICIPAL DEBT	79766DSZ3	SAN FRANCISCO CALIF CITY & CNTY ARPTS COMMN INTL A	9/19/2024	5/1/2029	3.94	3.94	933,320	947,052
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	7/31/2024	10/1/2027	4.66	3.86	4,230,000	4,291,843
MANAGED PORTFOLIO	MUNICIPAL DEBT	79768HJN9	SAN FRANCISCO (CITY & COUNTY) PUBLIC UTILITIES COM	10/4/2024	10/1/2027	3.91	3.76	499,937	498,038
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HN9	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	3/26/2025	5/1/2029	4.36	3.91	437,761	450,671
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100HT6	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	2/16/2023	5/1/2026	4.36	3.87	1,240,000	1,243,472
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100JE7	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	5/17/2023	5/1/2027	4.12	3.70	2,276,950	2,281,741
MANAGED PORTFOLIO	MUNICIPAL DEBT	977100JF4	WISCONSIN ST GEN FD ANNUAL APPROPRIATION REV	5/17/2023	5/1/2027	4.12	3.85	841,263	841,137
MANAGED PORTFOLIO	***SUB-TOTAL FOR MUNICIPAL DEBT***							***43,501,263***	***44,105,294***
MANAGED PORTFOLIO	SUPRANATIONAL	459058KL6	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	9/27/2024	9/21/2029	3.58	3.74	2,003,800	1,991,880
MANAGED PORTFOLIO	SUPRANATIONAL	459058LN1	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	10/16/2024	10/16/2029	3.93	3.73	1,481,124	1,492,811
MANAGED PORTFOLIO	SUPRANATIONAL	459058LT8	INTERNATIONAL BANK FOR RECONSTRUCTION AND DEVELOPI	5/6/2025	5/5/2028	3.70	3.66	3,362,519	3,367,102
MANAGED PORTFOLIO	SUPRANATIONAL	45950KDF4	INTERNATIONAL FINANCE CORP	12/6/2023	1/15/2027	4.49	3.68	4,938,847	4,997,613
MANAGED PORTFOLIO	***SUB-TOTAL FOR SUPRANATIONAL***							***11,786,289***	***11,849,406***
MANAGED PORTFOLIO	COMMERCIAL PAPER	62479MBS1	MUFG Bank, Ltd., New York Branch	8/26/2025	2/26/2026	4.22	4.06	4,894,456	4,917,350
MANAGED PORTFOLIO	***SUB-TOTAL FOR COMMERCIAL PAPER***							***4,894,456***	***4,917,350***
MANAGED PORTFOLIO - TOTAL								**2,365,371,145**	**$ 2,393,925,691**
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDFIIN	FIDELITY INVESTMENT MM GOV 1 57	N/A	N/A	4.14	4.14	21,251,147	21,251,147
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDDGCM	DREYFUS GOVT CM INST 289	N/A	N/A	4.12	4.12	25,000,000	25,000,000
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDINVE	INVESCO TREASURY INSTL 1931	N/A	N/A	4.00	4.00	27,749,504	27,749,504

Orange County Transportation Authority
Portfolio Listing
As of September 30, 2025

PORTFOLIO	SECURITY TYPE	SECURITY ID	Description	Settle Date	Maturity	*YIELD AT COST	**YIELD AT MARKET	BOOK VALUE	*** MARKET VALUE
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDMOR3	MORGAN STANLEY LIQ GOVT INST 8302	N/A	N/A	4.12	4.12	26,711,391	26,711,391
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDRBCG	RBC US GOVTT 1 1465	N/A	N/A	4.17	4.17	82,352,312	82,352,312
GRANT FUNDS	MONEY MARKET/MUTUAL FUND	X9USDWAIG	WESTERN ASSET INSTL GOVT MM 4512	N/A	N/A	4.14	4.14	26,500,000	26,500,000
GRANT FUNDS	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***209,564,354***	***209,564,354***
GRANT FUNDS	BANK DEPOSIT	N/A	BANK DEPOSIT	N/A	N/A	0.00	0.00	474,934	474,934
GRANT FUNDS	***SUB-TOTAL FOR BANK DEPOSIT***							***474,934***	***474,934***
**** **GRANT FUNDS - TOTAL**								**210,039,288**	**$ 210,039,288**
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 91EL 2023 BONDS DSF/DSRF	N/A	N/A	3.73	3.73	3,956,519	3,956,519
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA DSRF	N/A	N/A	3.73	3.73	1,663,262	1,663,262
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA TRF/DLUF	N/A	N/A	3.73	3.73	40,257,133	40,257,133
DEBT SERVICE RESERVE FUNDS	MONEY MARKET/MUTUAL FUND	31846V203	FIRST AMERICAN MM GOV - 2021 TIFIA ORF	N/A	N/A	3.73	3.73	7,792,456	7,792,456
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR MONEY MARKET/MUTUAL FUND***							***53,669,369***	***53,669,369***
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS MMRF	7/9/2025	4/1/2026	4.37	4.37	5,000,000	5,000,000
DEBT SERVICE RESERVE FUNDS	NEGOTIABLE CERTIFICATE OF DEPOSIT	05612B2Z6	BMO HARRIS BANK - 91EL 2023 BONDS ORF	7/9/2025	4/1/2026	4.37	4.37	3,000,000	3,000,000
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR NEGOTIABLE CERTIFICATE OF DEPOSIT***							***8,000,000***	***8,000,000***
DEBT SERVICE RESERVE FUNDS	BANK DEPOSIT	N/A	BANK DEPOSIT - 2021 TIFIA TRF/DLUF	N/A	N/A	0.00	0.00	43,566	43,566
DEBT SERVICE RESERVE FUNDS	***SUB-TOTAL FOR BANK DEPOSIT***							***43,566***	***43,566***
DEBT SERVICE RESERVE FUNDS - TOTAL								**61,712,936**	**$ 61,712,936**
TOTAL PORTFOLIO								**3,203,874,095**	**$ 3,232,801,828**

* Yield at Cost represents the yield to maturity based on the acquisition cost, which refers to the internal rate of return of a security, calculated using its acquisition cost and the expected cash flows over the entire holding period.
** Yield at Market represents the yield to worst (the lowest yield based on maturity or earliest possible call date) calculated from the market value. It reflects the internal rate of return of a security given its market price as of the report date and its future expected cash flows.
*** Market Value does not include accrued interest.
**** SB125 Funding Agreement.

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF SEPTEMBER 2025

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
PURCHASE	14041NGF2	COMET 2025-1 A	9/16/2025	9/16/2030	PFM	3.82	2,565,000	(2,564,514)
PURCHASE	14320BAC3	CMXS 2025-B A3	9/24/2025	3/15/2030	P&R	4.12	600,000	(599,885)
PURCHASE	22533TZX7	CREDIT AGRICOLE	9/3/2025	12/31/2025	BNY INVESTMENT	4.11	26,250,000	(25,893,372)
PURCHASE	3137FTZQ3	FHMS K-110 A2	9/8/2025	4/25/2030	CAM	1.48	2,000,000	(1,798,778)
PURCHASE	3137HN4R6	FHMS K-546 A2	9/18/2025	5/25/2030	PFM	4.36	830,000	(844,148)
PURCHASE	3137HN6B9	FHMS K-547 A2	9/29/2025	5/25/2030	PFM	4.42	805,000	(819,818)
PURCHASE	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	P&R	3.91	5,000,000	(4,999,461)
PURCHASE	34532BAG6	FORDO 2025-B A3	9/26/2025	4/15/2030	PFM	3.91	780,000	(779,916)
PURCHASE	373334LC3	GEORGIA POWER CO	9/29/2025	10/1/2028	P&R	4.00	1,875,000	(1,874,044)
PURCHASE	437076DH2	HOME DEPOT INC	9/15/2025	9/15/2028	PFM	3.75	505,000	(504,672)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	CAM	3.95	2,500,000	(2,490,663)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	P&R	3.95	1,170,000	(1,165,800)
PURCHASE	437076DJ8	HOME DEPOT INC	9/15/2025	9/15/2030	PFM	3.95	190,000	(189,318)
PURCHASE	476556DJ1	JERSEY CENTRAL POWER & LIGHT CO	9/4/2025	1/15/2029	P&R	4.15	1,800,000	(1,798,452)
PURCHASE	58933YBP9	MERCK & CO INC	9/9/2025	9/15/2027	PFM	3.85	1,750,000	(1,748,338)
PURCHASE	59217GCK3	METROPOLITAN LIFE GLOBAL FUNDING I	9/24/2025	9/19/2027	CAM	3.00	2,000,000	(1,964,093)
PURCHASE	8426EPAJ7	SOUTHERN COMPANY GAS CAPITAL CORP	9/8/2025	9/15/2028	P&R	4.05	990,000	(988,901)
PURCHASE	88162VAF7	TLEVS 25A B	9/29/2025	6/20/2029	MetLife	4.79	5,090,000	(5,089,114)
PURCHASE	89236TNR2	TOYOTA MOTOR CREDIT CORP	9/5/2025	9/5/2028	PFM	4.05	1,275,000	(1,273,432)
PURCHASE	89240NAD4	TLOT 25B A3	9/17/2025	11/20/2028	CAM	3.96	1,335,000	(1,334,761)
PURCHASE	91282CDF5	UNITED STATES TREASURY	9/17/2025	10/31/2028	CAM	1.38	7,500,000	(7,072,533)
PURCHASE	91282CEV9	UNITED STATES TREASURY	9/26/2025	6/30/2029	MetLife	3.25	6,600,000	(6,544,839)
PURCHASE	91282CHE4	UNITED STATES TREASURY	9/26/2025	5/31/2028	MetLife	3.63	12,500,000	(12,634,371)
PURCHASE	91282CHE4	UNITED STATES TREASURY	9/29/2025	5/31/2028	MetLife	3.63	2,850,000	(2,881,827)
PURCHASE	91282CMN8	UNITED STATES TREASURY	9/26/2025	2/15/2028	MetLife	4.25	8,000,000	(8,144,456)
PURCHASE	91282CMU2	UNITED STATES TREASURY	9/26/2025	3/31/2030	MetLife	4.00	4,400,000	(4,530,420)
PURCHASE	91282CMU2	UNITED STATES TREASURY	9/30/2025	3/31/2030	MetLife	4.00	3,575,000	(3,611,740)
PURCHASE	91282CNN7	UNITED STATES TREASURY	9/2/2025	7/31/2030	P&R	3.88	3,400,000	(3,439,705)
PURCHASE	91282CNU1	UNITED STATES TREASURY	9/5/2025	8/15/2028	PFM	3.63	4,225,000	(4,233,905)
PURCHASE	91282CNU1	UNITED STATES TREASURY	9/2/2025	8/15/2028	P&R	3.63	13,875,000	(13,918,029)
PURCHASE	91282CNV9	UNITED STATES TREASURY	9/5/2025	8/31/2027	PFM	3.63	2,500,000	(2,500,568)
PURCHASE	91282CNX5	UNITED STATES TREASURY	9/5/2025	8/31/2030	PFM	3.63	2,750,000	(2,739,453)
PURCHASE	91282CNX5	UNITED STATES TREASURY	9/18/2025	8/31/2030	PFM	3.63	1,400,000	(1,403,617)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/15/2025	9/15/2028	PFM	3.38	3,750,000	(3,738,721)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	CAM	3.38	5,000,000	(4,977,451)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/19/2025	9/15/2028	PFM	3.38	8,950,000	(8,916,627)
PURCHASE	91282CNY3	UNITED STATES TREASURY	9/26/2025	9/15/2028	PFM	3.38	5,175,000	(5,138,665)
PURCHASE	91282CPA3	UNITED STATES TREASURY	9/30/2025	9/30/2030	CAM	3.63	5,000,000	(4,972,656)
PURCHASE	92868BAE3	VWALT 2025-B A4	9/16/2025	5/20/2030	P&R	4.44	2,500,000	(2,499,804)
PURCHASE	92886CAC3	VFET 252 A3	9/24/2025	12/17/2029	MetLife	3.99	3,330,000	(3,329,723)
PURCHASE	95000U4A8	WELLS FARGO & CO	9/15/2025	9/15/2029	P&R	4.08	2,915,000	(2,915,000)
PURCHASE	9AMRTAPG1	METLIFE CREGIT AG REPO 7 4.470 09/16/2025	9/15/2025	9/16/2025	MetLife	4.47	2,000,000	(2,000,000)
PURCHASE - TOTAL							**$ 171,505,000**	**$ (170,865,586)**
DISPOSITION	025816DL0	AMERICAN EXPRESS CO	9/3/2025	10/30/2026	P&R	6.34	(485,000)	496,885
DISPOSITION	02582JKH2	AMXCA 2024-1 A	9/17/2025	4/16/2029	MetLife	5.23	(1,650,000)	1,686,380
DISPOSITION	05565ECP8	BMW US CAPITAL LLC	9/26/2025	8/13/2026	MetLife	4.65	(3,965,000)	4,006,451
DISPOSITION	14318WAD9	CARMX 2024-1 A3	9/17/2025	10/16/2028	P&R	4.92	(2,500,000)	2,519,824
DISPOSITION	14686TAC2	CRVNA 23P2 A3	9/16/2025	4/10/2028	P&R	5.42	(992,115)	997,313
DISPOSITION	166756AZ9	CHEVRON USA INC	9/26/2025	2/26/2027	MetLife	4.41	(2,365,000)	2,391,064
DISPOSITION	17325FBJ6	CITIBANK NA	9/25/2025	8/6/2026	P&R	4.93	(330,000)	334,663
DISPOSITION	21684LGS5	CoÃ¶peratieve Rabobank U.A., New York Branch	9/4/2025	7/17/2026	PFM	5.08	(1,250,000)	1,267,253

ORANGE COUNTY TRANSPORTATION AUTHORITY
TRANSACTION ACTIVITY
FOR THE MONTH OF SEPTEMBER 2025

TRANSACTION	SECURITY ID	DESCRIPTION	SETTLE DATE	MATURITY DATE	ACCOUNT	COUPON RATE	PAR VALUE	PROCEEDS/ (COST)
DISPOSITION	24422EXR5	JOHN DEERE CAPITAL CORP	9/9/2025	6/11/2027	P&R	4.90	(1,600,000)	1,651,260
DISPOSITION	3130ARAB7	FEDERAL HOME LOAN BANKS	9/26/2025	3/25/2027	MetLife	2.75	(5,150,000)	5,075,255
DISPOSITION	437076CZ3	HOME DEPOT INC	9/26/2025	6/25/2026	MetLife	5.15	(5,225,000)	5,340,044
DISPOSITION	44891ACT2	HYUNDAI CAPITAL AMERICA	9/29/2025	1/8/2027	MetLife	5.25	(1,735,000)	1,773,174
DISPOSITION	46625HRY8	JPMORGAN CHASE & CO	9/26/2025	2/1/2028	MetLife	3.78	(3,740,000)	3,740,666
DISPOSITION	46647PBT2	JPMORGAN CHASE & CO	9/3/2025	11/19/2026	P&R	1.05	(600,000)	597,449
DISPOSITION	58769JAT4	MERCEDES-BENZ FINANCE NORTH AMERICA LLC	9/26/2025	7/31/2026	MetLife	4.88	(4,245,000)	4,305,336
DISPOSITION	63743HFM9	NATIONAL RURAL UTILITIES COOPERATIVE FINANCE CORP	9/29/2025	2/5/2027	MetLife	4.80	(2,855,000)	2,902,108
DISPOSITION	64953BBF4	NEW YORK LIFE GLOBAL FUNDING	9/25/2025	9/18/2026	P&R	5.45	(1,385,000)	1,407,132
DISPOSITION	66815L2R9	NORTHWESTERN MUTUAL GLOBAL FUNDING	9/29/2025	3/25/2027	MetLife	5.07	(1,450,000)	1,472,799
DISPOSITION	69371RT55	PACCAR FINANCIAL CORP	9/26/2025	11/25/2026	MetLife	4.50	(2,345,000)	2,396,649
DISPOSITION	74153WCT4	PRICOA GLOBAL FUNDING I	9/9/2025	8/28/2026	P&R	5.55	(660,000)	671,514
DISPOSITION	91282CEF4	UNITED STATES TREASURY	9/25/2025	3/31/2027	MetLife	2.50	(3,000,000)	2,985,840
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/5/2025	11/15/2026	PFM	4.63	(3,700,000)	3,788,535
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/9/2025	11/15/2026	PFM	4.63	(1,650,000)	1,692,180
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/16/2025	11/15/2026	PFM	4.63	(75,000)	76,969
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/19/2025	11/15/2026	PFM	4.63	(2,425,000)	2,489,566
DISPOSITION	91282CJK8	UNITED STATES TREASURY	9/11/2025	11/15/2026	PFM	4.63	(3,150,000)	3,230,211
DISPOSITION	91282CJP7	UNITED STATES TREASURY	9/19/2025	12/15/2026	PFM	4.38	(6,000,000)	6,120,755
DISPOSITION	91282CJP7	UNITED STATES TREASURY	9/26/2025	12/15/2026	PFM	4.38	(4,000,000)	4,079,717
DISPOSITION	91282CJP7	UNITED STATES TREASURY	9/2/2025	12/15/2026	P&R	4.38	(10,360,000)	10,534,319
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/5/2025	5/15/2027	PFM	4.50	(4,100,000)	4,213,029
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/15/2025	5/15/2027	PFM	4.50	(225,000)	231,575
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/16/2025	5/15/2027	PFM	4.50	(100,000)	103,024
DISPOSITION	91282CKR1	UNITED STATES TREASURY	9/18/2025	5/15/2027	PFM	4.50	(1,025,000)	1,055,928
DISPOSITION	91282CKZ3	UNITED STATES TREASURY	9/26/2025	7/15/2027	PFM	4.38	(1,275,000)	1,301,106
DISPOSITION	91282CKZ3	UNITED STATES TREASURY	9/18/2025	7/15/2027	PFM	4.38	(50,000)	51,062
DISPOSITION	91282CLG4	UNITED STATES TREASURY	9/18/2025	8/15/2027	PFM	3.75	(1,000,000)	1,007,293
DISPOSITION	91282CMS7	UNITED STATES TREASURY	9/24/2025	3/15/2028	P&R	3.88	(5,100,000)	5,143,363
DISPOSITION	91282CNH0	UNITED STATES TREASURY	9/9/2025	6/15/2028	P&R	3.88	(2,145,000)	2,187,908
DISPOSITION	91282CNM9	UNITED STATES TREASURY	9/4/2025	7/15/2028	P&R	3.88	(970,000)	982,560
DISPOSITION	91282CNM9	UNITED STATES TREASURY	9/3/2025	7/15/2028	P&R	3.88	(550,000)	556,698
DISPOSITION	928668CK6	VOLKSWAGEN GROUP OF AMERICA FINANCE LLC	9/26/2025	8/14/2026	MetLife	4.90	(4,505,000)	4,552,873
DISPOSITION	92866EAD1	VWALT 2024-A A3	9/10/2025	6/21/2027	P&R	5.21	(3,600,000)	3,642,904
DISPOSITION - TOTAL							**$ (103,532,115)**	**$ 105,060,632**
MATURITY & CALL REDEMPTION	437076CR1	HOME DEPOT INC	9/15/2025	9/15/2025	CAM	4.00	(1,700,000)	1,700,000
MATURITY & CALL REDEMPTION	912797MH7	UNITED STATES TREASURY	9/4/2025	9/4/2025	CAM	0.00	(10,000,000)	10,000,000
MATURITY & CALL REDEMPTION	9128285C0	UNITED STATES TREASURY	9/30/2025	9/30/2025	CAM	3.00	(9,150,000)	9,150,000
MATURITY & CALL REDEMPTION	931142EW9	WALMART INC	9/9/2025	9/9/2025	CAM	3.90	(1,275,000)	1,275,000
MATURITY & CALL REDEMPTION	9AMRTAPG1	METLIFE CREGIT AG REPO 7 4.470 09/16/2025	9/16/2025	9/16/2025	MetLife	4.47	(2,000,000)	2,000,000
MATURITY & CALL REDEMPTION - TOTAL							**$ (24,125,000)**	**$ 24,125,000**

Note: Transaction activity is based on the settle date.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Orange County Employees Retirement System Early Payment for Fiscal Year 2026-27

Finance and Administration Committee Meeting of November 12, 2025

Present: Directors Federico, Go, Harper, Hennessey, Leon, Sarmiento, and Tettemer
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the early payment of approximately $38.1 million by January 15, 2026, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2026-27.

OCTA

November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Employees Retirement System Early Payment for Fiscal Year 2026-27

Overview

The Orange County Employees Retirement System has offered an early payment discount of seven percent to member agencies if they elect to prepay their contributions for fiscal year 2026-27. Advance payments must be received by January 15, 2026. The estimated savings for the Orange County Transportation Authority over the next year and a half under this payment option will total approximately $1,141,000. Board of Directors' authorization is requested for the early payment option.

Recommendation

Authorize the early payment of approximately $38.1 million by January 15, 2026, to the Orange County Employees Retirement System, for employer contributions for fiscal year 2026-27.

Background

The Orange County Employees Retirement System (OCERS) provides retirement benefits to Orange County Transportation Authority (OCTA) employees. The majority of OCTA employees and retirees are covered by the OCERS plan. OCERS is a defined benefit plan with benefits determined by a formula based on years of service, age at retirement, and highest average salary over a consecutive three-year period. OCERS is administered by a ten-member Board of Retirement. The OCERS Board of Retirement serves as fiduciary and has administrative authority over investments and benefits. As of June 30, 2025, the plan had approximately $25.8 billion in net assets. OCERS operates under the state statutory requirements of the County Employees Retirement Act of 1937, a section of the California Government Code.

Employer contributions to OCERS are calculated each pay period by OCTA and paid electronically every two weeks. During fiscal year (FY) 2026-27, based on preliminary estimates, OCTA will contribute approximately $41 million to OCERS, based upon wages of approximately $141.3 million. OCTA's employer rate is 29.24 percent, and the Public Employees' Pension Reform Act (PEPRA) contribution rate is 28.77 percent during this period.

Discussion

On July 21, 2025, the OCERS Board of Retirement voted to offer an early payment discount on employer contribution payments made by January 15, 2026, for the succeeding FY. OCERS is offering to discount the contributions for FY 2026-27 by seven percent. If the early payment option is exercised, OCERS will reconcile the projected payroll wages for the FY and collect appropriate additions or provide credits against future payments from OCTA for FY 2026-27.

The OCTA Board of Directors approved a similar action in previous years where the early payment option was offered. By using available cash now, OCTA will reduce the overall cost of future budgeted expenditures.

For FY 2026-27, OCERS decreased OCTA's employer rates to 29.24 percent from the FY 2025-26 rate of 30.91 percent. The PEPRA contribution rate decreased to 28.77 percent for FY 2026-27 from the 30.26 percent rate in FY 2025-26. OCTA's estimated wages for FY 2026-27 are $141.3 million. Applying the FY 2026-27 rates to the estimated wages for the year translates into an approximate contribution value of $41 million for FY 2026-27.

Under the early payment option, OCTA may either:

- Pay OCERS $38.1 million (representing a seven percent discount on $41 million, totaling $38.3 million, less a $195,509 credit from a prior year overpayment) by January 15, 2026, or
- Continue making regular biweekly payments of approximately $1,568,177 (for a total of $40.8 million) during FY 2026-27.

Given these assumptions, OCTA estimates total savings of approximately $1,141,000, representing the net of $2.6 million in guaranteed savings from the OCERS prepayment and $1.5 million in estimated interest earnings that OCTA would otherwise retain.

Based upon this analysis, it is financially prudent and advantageous for OCTA to exercise this early payment option. If this option were to be exercised, these funds would be deposited into OCERS on behalf of OCTA and credited to OCTA's account. The funds will be paid from the General Fund (37 percent) and the Orange County Transit District Fund (63 percent).

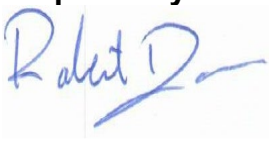
Summary

The Orange County Employees Retirement System has offered an early payment of contributions to member agencies for the upcoming fiscal year. Under this early payment option, a seven percent discount will be applied to the amounts due for employer contributions. The Orange County Transportation Authority has calculated the potential savings of approximately $1,141,000. Staff recommends exercising this early payment option.

Attachment

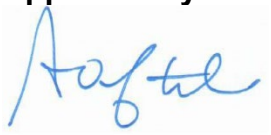
None.

Prepared by:



Robert Davis
Department Manager
Treasury/Public Finance
714-560-5675

Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
714-560-5649

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Fiscal Year 2024-25 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting

Finance and Administration Committee Meeting of November 12, 2025

Present: Directors Federico, Go, Harper, Hennessey, Leon, Sarmiento, and Tettemer
Absent: None

Committee Vote

No action was taken on this item.

Staff Recommendation(s)

Receive and file the fiscal year 2024-25 audited financial statements and independent auditor's report on internal control over financial reporting as information items.

OCTA

November 12, 2025

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Fiscal Year 2024-25 Audited Financial Statements and Independent Auditor's Reports on Internal Control Over Financial Reporting

Overview

The Orange County Transportation Authority is required to obtain an independent auditor's opinion on various financial statements and schedules. Crowe LLP, an independent accounting firm, has completed its annual audit of the Orange County Transportation Authority for fiscal year 2024-25. In addition, a report has been issued on the results of additional analysis performed by Crowe LLP to assist management in determining compliance with certain state requirements.

In connection with the annual audit of the Orange County Transportation Authority, Crowe LLP has issued its auditor's report on internal control over financial reporting with no deficiency.

Recommendation

Receive and file the fiscal year 2024-25 audited financial statements and independent auditor's report on internal control over financial reporting as information items.

Background

Pursuant to Section 28770 of the Public Utilities Code, the Orange County Transportation Authority (OCTA) prepares an annual set of financial statements presenting its results of operations and financial position at fiscal year (FY)-end. These financial statements are included in OCTA's Annual Comprehensive Financial Report (ACFR). OCTA staff also prepares stand-alone financial statements for various funds. In connection with the audit of these financial statements, Crowe LLP (Crowe) provided opinions on financial reports and various stand-alone funds and conducted additional analysis to assist management in determining compliance with certain state requirements.

The audits were performed under generally accepted auditing standards, the standards set forth for financial audits in the Government Accountability Office's Government Auditing Standards and State of California Transportation Development Act.

Discussion

Crowe has completed its annual audit of OCTA's financial records and systems and has issued its opinion on OCTA's financial statements for the FY ended June 30, 2025. The auditors have issued an unmodified (also known as "clean") opinion on the financial statements, indicating that the statements present fairly, in all material respects, the financial position of OCTA as of June 30, 2025, and the results of its operations and cash flows of the proprietary funds for the FY-end (Attachment A). Fund financial statements for the Orange County Local Transportation Authority as a component unit of OCTA (Attachment B), 91 Express Lanes (Attachment C), 405 Express Lanes (Attachment D), Local Transportation Fund (Attachment E), and the State Transit Assistance Fund (Attachment F) were also prepared and an unmodified opinion on each fund's financial statements was issued.

The ACFR will be submitted to the Government Finance Officers Association (GFOA) for consideration of the Certificate for Excellence in Financial Reporting for FY 2024-25. The GFOA awards certificates only to those governments whose annual financial reports are deemed in conformance with the highest standards of public financial reporting. OCTA has been awarded the GFOA certificate for each year of its existence, commencing with the FY ended June 30, 1992. Such recognition has a positive effect on OCTA's ability to borrow at favorable interest rates. The ACFR is a useful tool in business dealings with outside organizations. The 91 and 405 Express Lanes Fund financial statements will be forwarded to rating agencies, investors, and insurance companies.

In connection with the audit of these financial statements, Crowe has issued its auditor's report on internal control over financial reporting with no deficiency.

The auditor's report on internal control over financial reporting for FY 2024-25 is included herewith as Attachment G.

Summary

Staff has prepared OCTA's ACFR and various stand-alone fund financial statements for the FY ended June 30, 2025. Crowe has audited these financial statements and schedules and has issued unmodified opinions as to fair presentation of the financial statements and schedules.

In connection with the annual audit of OCTA's financial statements for FY 2024-25, Crowe has issued its independent auditor's report on internal control over financial reporting with no deficiency.

Attachments

A. 2025 Annual Comprehensive Financial Report for fiscal year ended June 30, 2025
B. Orange County Local Transportation Authority (A Component Unit of the Orange County Transportation Authority) Annual Financial and Compliance Report Year Ended June 30, 2025
C. 91 Express Lanes Fund (An Enterprise Fund of the Orange County Transportation Authority) Financial Statements For the Year Ended June 30, 2025
D. 405 Express Lanes Fund (An Enterprise Fund of the Orange County Transportation Authority) Financial Statements Year Ended June 30, 2025
E. Orange County Transportation Authority Local Transportation Fund Financial Statements Year ended June 30, 2025
F. Orange County Transportation Authority State Transit Assistance Fund Financial Statements Year ended June 30, 2025
G. Independent Auditor's Report on Internal Control Over Financial Reporting and On Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with Government Auditing Standards

Prepared by:

Rima Tan
Department Manager, Accounting and Financial Reporting
714-560-5371

Approved by:

Andrew Oftelie
Chief Financial Officer,
Finance and Administration
714-560-5649

ATTACHMENT A

Orange County Transportation Authority
Orange County, California

2025 Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025

2025 Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025

Submitted by:
Darrell E. Johnson
Chief Executive Officer

Finance and Administration Division
Andrew Oftelie
Chief Financial Officer

Orange County Transportation Authority
Orange County, California

OCTA

ORANGE COUNTY TRANSPORTATION AUTHORITY
Annual Comprehensive Financial Report
For the Fiscal Year Ended June 30, 2025

TABLE OF CONTENTS

INTRODUCTORY SECTION (Unaudited) Page

Transmittal Letter iii
Organization Chart xi
Board of Directors xii
Management Staff xiii
GFOA Certificate of Achievement for Excellence in Financial Reporting xiv

FINANCIAL SECTION

Independent Auditor's Report 1
Management's Discussion and Analysis (Unaudited) 4
Basic Financial Statements:
Government-wide Financial Statements:
Statement of Net Position 16
Statement of Activities 17
Fund Financial Statements:
Governmental Funds:
Balance Sheet 18
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position 19
Statement of Revenues, Expenditures and Changes in Fund Balances 20
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities 21
Proprietary Funds:
Statement of Net Position 22
Reconciliation of the Statement of Net Position of Proprietary Funds to the Statement of Net Position 24
Statement of Revenues, Expenses and Changes in Net Position 25
Reconciliation of the Statement of Revenues, Expenses and Changes in Net Position of Proprietary Funds to the Statement of Activities 26
Statement of Cash Flows 27
Notes to the Financial Statements 29
Required Supplementary Information:
Budgetary Comparison Schedules (Budgetary Basis):
General Fund 71
Local Transportation Authority Special Revenue Fund 72
Local Transportation Special Revenue Fund 73
Supplemental Pension Plan and OPEB Plan Trend Data 74
Notes to Required Supplementary Information 76
Other Supplementary Information:
Combining and Individual Fund Financial Statements and Schedules:
Combining Balance Sheet—Nonmajor Governmental Funds 78

FINANCIAL SECTION (Continued)

Combining Statement of Revenues, Expenditures and Changes in Fund Balances—Nonmajor Governmental Funds ... 79
Budgetary Comparison Schedules (Budgetary Basis):
Local Transportation Authority Debt Service Fund ... 80
Orange County Unified Transportation Trust Special Revenue Fund ... 81
Service Authority for Freeway Emergencies Special Revenue Fund ... 82
State Transit Assistance Special Revenue Fund ... 83
General Capital Project Fund ... 84
Combining Statement of Net Position—Nonmajor Enterprise Fund ... 86
Combining Statement of Revenues, Expenses and Changes in Net Position—Nonmajor Enterprise Fund ... 87
Combining Statement of Cash Flows—Nonmajor Enterprise Fund ... 88
Combining Statement of Net Position—Internal Service Funds ... 90
Combining Statement of Revenues, Expenses and Changes in Net Position—Internal Service Funds ... 91
Combining Statement of Cash Flows—Internal Service Funds ... 92

STATISTICAL SECTION (Unaudited)

Net Position by Component, Last Ten Fiscal Years ... 96
Changes in Net Position, Last Ten Fiscal Years ... 97
Fund Balances, Governmental Funds, Last Ten Fiscal Years ... 99
Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years ... 100
Program Revenues by Function/Program, Last Ten Fiscal Years ... 101
Tax Revenues by Source, Governmental Activities, Last Ten Fiscal Years ... 102
Taxable Sales by Category, Last Ten Calendar Years ... 103
Direct and Overlapping Sales Tax Rates, Last Ten Calendar Years ... 104
Principal Taxable Sales Generation by City, Current Year and Nine Years Ago ... 105
Ratios of Outstanding Debt by Type, Last Ten Fiscal Years ... 106
Legal Debt Margin Information, Last Ten Fiscal Years ... 107
Pledged-Revenue Coverage, Last Ten Fiscal Years ... 108
Demographic and Economic Statistics, Last Ten Calendar Years ... 109
Principal Employers, Current Year and Nine Years Ago ... 110
Full-Time Equivalent Government Employees by Function/Program for Ten Years ... 111
Operating Indicators by Function/Program ... 112
Capital Asset Statistics by Function/Program ... 113

FREEWAYS

Orange County Transportation Authority
Orange County, California

INTRODUCTORY SECTION

STREETS AND ROADS

Orange County Transportation Authority
Orange County, California

OCTA

AFFILIATED AGENCIES

Orange County Transit District

Local Transportation Authority

Service Authority for Freeway Emergencies

Consolidated Transportation Service Agency

Congestion Management Agency

November 24, 2025

To the Board of Directors and Citizens of Orange County
Orange County Transportation Authority
550 South Main Street
Orange, CA 92863

We are pleased to present the Annual Comprehensive Financial Report of the Orange County Transportation Authority (OCTA) for the fiscal year (FY) ended June 30, 2025. The financial statements are presented in conformity with generally accepted accounting principles and were audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

Responsibility for the complete and fair presentation of financial information, including all disclosures, rests with OCTA's management. A comprehensive framework of internal controls has been designed and implemented to ensure that the assets of OCTA are protected from loss, theft, or misuse, and to ensure that financial information is accurate and complete. Because the cost of internal controls should not outweigh the benefits, OCTA's system of internal controls has been designed to provide reasonable, rather than absolute, assurance that the financial statements will be free from material misstatement. As management, we assert that, to the best of our knowledge and belief, this financial report is complete and reliable in all material respects.

Crowe, LLP has audited OCTA's financial statements and issued an unmodified ("clean") opinion thereon for the FY ended June 30, 2025. The independent auditor's report is located at the front of the financial section of this report.

The independent audit of the financial statements of OCTA was also designed to meet the broader, federally mandated single audit of federal grantee agencies. A separately issued single audit report of OCTA provides the results of compliance with these federal requirements.

Management's Discussion and Analysis (MD&A) immediately follows the independent auditor's report and provides a narrative introduction, overview, and analysis of the basic financial statements. This letter of transmittal is designed to complement MD&A and should be read in conjunction with it.

Profile of OCTA

OCTA was established by state law and began serving the public on June 20, 1991. An 18-member Board of Directors (Board) governs OCTA and consists of five members of the Orange County Board of Supervisors, ten city representatives selected by all of the cities within the County, two public members selected by these 15 Board Members, and a representative appointed by the Governor of California serving in a non-voting capacity. A Chief Executive Officer manages OCTA and acts in accordance with the directions, goals, and policies approved by the Board.

OCTA serves Orange County residents and commuters by providing countywide bus and paratransit service, Southern California Regional Rail Authority (Metrolink) commuter rail service, freeway improvements, streets and roads improvements, Express Lanes, and motorist aid services. In addition, OCTA is the managing agency for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency.

Annually, OCTA develops a balanced budget for the upcoming FY. The budget details the expected sources and uses of funds. The Board adopts the budget before the beginning of each FY. On June 9, 2025, the Board approved the FY 2025-26 budget. During the FY, all major budget revisions are presented to the Board for consideration and adoption. On a quarterly basis, financial results are provided to the Board, including all significant variances between actual performance and budget in the areas of revenue, staffing, operating expenditures, and capital expenditures.

Orange County Economy

Unemployment Rates

The unemployment rate in Orange County slightly increased from June 2024 and was less than the statewide rate as of June 2025. The unemployment rate in Orange County was 4.5 percent in June 2025, compared to 4.1 percent in June 2024. Statewide unemployment was 5.4 percent, and national unemployment was 4.1 percent as of June 2025.

Between June 2024 and June 2025, total nonfarm employment grew by 11,900 jobs, or 0.7 percent. The largest increase occurred in private education and health services, which added 13,500 jobs. This growth was mainly driven by a rise of 11,900 jobs in healthcare and social assistance, while private educational services added 1,600 jobs. Additionally, three other sectors contributed a combined 7,500 payroll jobs, together accounting for 63 percent of the total year-over-year increase. Among these, leisure and hospitality grew by 3,200 jobs, with the gain

coming from arts, entertainment, and recreation, which saw a boost of 5,100 jobs. However, this was offset by a loss of 1,900 jobs in accommodation and food services. Six industry sectors experienced employment declines, losing a total of 9,100 jobs. Mining and logging showed no payroll changes over the year.

Residential Sector

According to the Census Bureau, the number of single-family building permits in Orange County decreased by 6.5 percent in FY 2024-25 compared to FY 2023-24, while multi-family building permits increased significantly by 58 percent (total permits increased by 28 percent). The median single family home price increased by 4.6 percent in FY 2024-25 compared to FY 2023-24 (the increase was 12.6 percent in FY 2023-24). The median price reached a new high of $1,470,000 in June 2025. Listings of homes for sales have currently reached over 5,000 units but are still much lower than the three-year average that existed before the Coronavirus (COVID) pandemic due to mortgage rates hovering between 6.7 percent and 7 percent in FY 2024-25. Sales of existing homes increased by 3.1 percent in FY 2024-25 compared to the previous year according to Redfin but continue to be low due to higher prices and high mortgage rates. Listings and sales are expected to be higher in FY 2025-26 as the 30-year mortgage rate edges closer to 6.4 percent.

Sales Tax

According to the forecast from MuniServices, LLC presented to the Finance and Administration Committee in May 2025, sales tax revenue is expected to rise by 0.8 percent for Measure M2 (M2) and 0.5 percent for the Local Transportation Fund (LTF) in FY 2025-26. However, OCTA is taking a conservative approach and projecting no growth for both M2 and LTF in FY 2025-26. Other major revenue sources are expected to increase, such as farebox and Express Lanes revenues.

Long-Term Financial Planning

In an effort to ensure long-term sustainability of transportation programs and services, OCTA updates the Comprehensive Business Plan (CBP) annually and seeks Board approval every two years. The FY 2024-25 CBP was approved by the Board at the December 9, 2024, meeting. The CBP is a financially constrained business planning tool providing a 20-year cash flow for each of OCTA's transportation programs and serves as the baseline for developing the annual budget. The CBP details a comprehensive, multimodal approach ensuring the financial viability of each of OCTA's major programs and is developed consistent with the goals of OCTA's Strategic Plan, Long-Range Transportation Plan, and Next 10 Delivery Plan (Next 10 Plan).

Relevant Financial Policies

OCTA utilizes several financial policies in guiding day-to-day operations and

ensuring long-term financial sustainability. While there are overriding agency-wide financial policies, some financial policies are program-specific.

A brief description of the major financial policies follows below:

Budget Policy
OCTA's Budget Policy articulates that an annual budget will be prepared in accordance with the CBP, will be subject to a public hearing, and expenses will be controlled at the "Major Object" level. The three Major Objects for expenses at OCTA are: 1) salaries and benefits; 2) services and supplies; and 3) capital expenditures.

Position Control Policy
OCTA's Position Control Policy includes the control, maintenance, and reporting of OCTA's annual allocation of full-time equivalent (FTE) positions as approved by the Board. The Position Control Policy ensures that OCTA does not actively employ more FTEs than approved by the Board.

Reserve Policy
OCTA has a Board-adopted Reserve Policy that formalizes OCTA's reserve policies and practices with the goal of keeping programs and projects funded in times of economic uncertainty. This policy was updated in March 2022 to add a long-term operating reserve for the bus program, June 2024 to add three administrative fund reserves, and June 2025 to increase the general liability reserve.

Bus Program

Short-Term Operating Reserve (STOR) Policy
OCTA maintains a 60-day STOR for bus operations. This reserve is in place to accommodate normal fluctuations in revenues and expenditure and protects against significant changes in funding or major expense items.

Long-Term Operating Reserve (LTOR) Policy
The LTOR is to be funded after both the short-term operating reserve and Capital Replacement Fund (CRF) are fully funded. There is no target for the LTOR, and the funds are to be drawn solely to support bus operations unless needed to fully fund the STOR or Capital Replacement Fund.

CRF Reserve Policy
OCTA also maintains a CRF for the Bus Program, which is used to fund the rehabilitation and replacement of its capital assets without the need for debt financing. The CRF allows OCTA to avoid debt service expenditures and instead

maximize the amount of revenue available for service. Funding for the CRF is determined through OCTA's CBP and executed through the annual budget and ensures Orange County Transit District's future capital expenditures are fully funded.

91 Express Lanes

The 91 Express Lanes (EL) has five reserve accounts which include two reserve accounts internal to OCTA and three reserve accounts required as part of the 91 EL outstanding debt. The two reserve accounts internal to OCTA include a 91 EL CRF and a 91 EL Excess Revenue Fund (ERF). The 91 EL CRF is fully funded and used to fund the rehabilitation and replacement of the 91 EL capital assets without the need for additional debt financing. Similar to the Bus Program, funding for the 91 EL CRF is determined through OCTA's CBP on an annual basis. The 91 EL ERF is to be used to fund future State Route 91 (SR-91) corridor improvements. The 91 EL excess revenues are to be allocated 80 percent for freeway projects and 20 percent for transit projects.

Three reserve accounts are required as part of the 91 EL outstanding debt to protect bondholders. The three reserve accounts are held in trust for the benefit of the repayment of the bonds and include a debt service reserve fund, an operating reserve, and a capital reserve. Each of the reserve accounts is fully funded and will remain so until the debt is retired.

405 Express Lanes

The 405 Express Lanes (EL) maintains five reserve accounts, consisting of two internal reserves established by OCTA and three reserves required under the Transportation Infrastructure Finance and Innovation Act (TIFIA) loan agreement. The type and funding level of the internal reserve accounts will be determined by OCTA after evaluating available revenues following satisfaction of all debt-related funding requirements.

Three reserve accounts are mandated under the TIFIA loan agreement with the United States Department of Transportation. These reserves, the Debt Service Reserve, Operations and Maintenance Reserve, and Major Maintenance Reserve, are held in trust for the benefit of loan repayment. Each reserve account has a required balance determined in accordance with formulas specified in the loan agreement and the governing bond indenture.

Major Initiatives

Orange County voters originally endorsed Measure M (M1), a one-half cent sales tax for transportation improvements, in 1990 with a sunset in 2011. On November 7, 2006, by a margin of 69.7 percent, voters approved the renewal of M2. With the approval of M2, local tax dollars will continue to be invested in Orange County's transportation infrastructure for another 30 years until 2041.

The OCTA Board has continued to advance implementation of M2 through the adoption of a series of delivery plans. These delivery plans are designed to ensure the delivery of projects and programs through 2041 as promised to the voters, bring transportation improvements earlier to residents and commuters of Orange County, and, as appropriate, address slower growth in sales tax revenue projections through strategic financing and by successfully capturing and augmenting the program with external revenues. To date, there have been three delivery plans. The most recent is the Next 10 Plan, which spans the timeframe FY 2024-25 through FY 2033-34.

In FY 2024-25, OCTA continued to move Orange County forward with M2 projects and other notable accomplishments, including:

• In November 2024, the Board approved the 2024 Next 10 Plan, which incorporated the 2024 M2 sales tax revenue forecast of $14 billion, updated programmed external revenues, revised bonding assumptions, and refined project schedules and costs. The 2024 update confirmed that the Next 10 Plan and the overall 30-year M2 Program remain deliverable.

• The Measure M2 Taxpayer Oversight Committee determined that OCTA is delivering Measure M2 projects and programs as promised to Orange County voters for the 34th consecutive year.

• Design for both segments of the Interstate 5 (I-5) between Interstate 405 (I-405) and State Route 55 (SR-55) Improvement Project were completed. Both segments are being prepared for construction which is anticipated to begin in early 2026.

• The I-5 (State Route 73 to El Toro Road) South County Improvement Project is one project split into three segments for construction. The middle segment was completed in December 2024, with the remaining two segments anticipated to be complete by fall

• Preparation of the environmental document and project report for the I-5, El Toro Road Interchange Project continued and is anticipated to be complete in December 2026.

• Construction on the SR-55 (I-405 to I-5) Improvement Project continued and is anticipated to be complete in 2027.

• Design for the SR-55 (I-5 to SR-91) Improvement Project began in August 2022 and is anticipated to be complete at the end of 2025.

• Design for State Route 57 (SR-57) Northbound from Orangewood Avenue to Katella Avenue Improvement Project was completed in August 2024 and is being

prepared for construction which is anticipated to begin at the end of 2025.

• The SR-91 (SR-57 to SR-55) Improvement Project is one project split into three segments for the design and construction phases. The easterly segment began construction in February 2025. The westerly segment was advertised for construction in May 2025 and is anticipated to begin construction in late 2025. Design for the middle segment was completed in January 2025 and is being prepared for construction which is anticipated to begin in fall 2026.

• Efforts continued on the Interstate 605, Katella Avenue Interchange to prepare the project for construction. The project was advertised in November 2024, bid opening occurred in January 2025, and the construction contract was awarded and approved in April 2025.

• The 2025 Regional Capacity Program calls for projects approved funding for nine projects totaling more than $25 million. Since 2011, OCTA has awarded 195 projects totaling more than $432 million, including $24 million in leveraged external funding.

• In 2025, $12 million in funding for six projects was awarded through the Regional Traffic Signal Synchronization Program. To date, OCTA has funded 143 projects totaling nearly $197 million, including $40 million in leveraged external funding.

• Through the Local Fair Share Program, 18 percent of M2 net revenues are allocated by formula to eligible local jurisdictions. Over $73 million was distributed in FY 2024-25 to local jurisdictions to help improve the streets and roads network in addition to local transportation priorities.

• Construction continued on the San Juan Creek Bridge Replacement Project to replace a railroad bridge over San Juan Creek. Construction is anticipated to be completed in 2027.

• Construction on the OC Streetcar continued in the cities of Garden Grove and Santa Ana. Seven of the eight vehicles have been delivered to the Maintenance and Storage Facility, and the streetcar will be open to revenue service in the summer of 2026.

• Allocated approximately $14.4 million in M2 funds in FY 2024-25 to expand mobility choices for seniors and persons with disabilities under Project U.

• Awarded approximately $10.7 million through the Environmental Cleanup Program to fund 15 projects focused on removing transportation-related pollutants from roads before they reach waterways and the ocean. Since 2011, OCTA has been awarded 259 projects totaling more than $75 million.

• Continued evaluation of Battery Electric Bus and Fuel Cell Electric Bus programs.

• Achieved an average weekday boarding amount of more than 127,000 for fixed-route bus ridership.

• Secured a total of $305 million from state and federal sources to advance immediate coastal stabilization efforts on the rail corridor along sections of the coastline through San Clemente.

• Traffic volumes and toll revenues for the 91 Express Lanes reached record levels, reflecting increased demand and efficiency in corridor management.

Awards and Acknowledgments

For the 15th consecutive year, the National Procurement Institute awarded OCTA the Achievement of Excellence in Procurement® award based on outstanding innovation, professionalism, productivity, e-procurement, and leadership attributes.

The Government Finance Officers Association (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to OCTA for its Annual Comprehensive Financial Report for the FY ended June 30, 2024. This was the 42nd consecutive year OCTA or its predecessor agency received this prestigious award. In order to be awarded a Certificate of Achievement, the government had to publish an easily readable and efficiently organized Annual Comprehensive Financial Report that satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year. We believe the Annual Comprehensive Financial Report for the FY ended June 30, 2025, continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to the GFOA, expecting it to be eligible for another certificate.

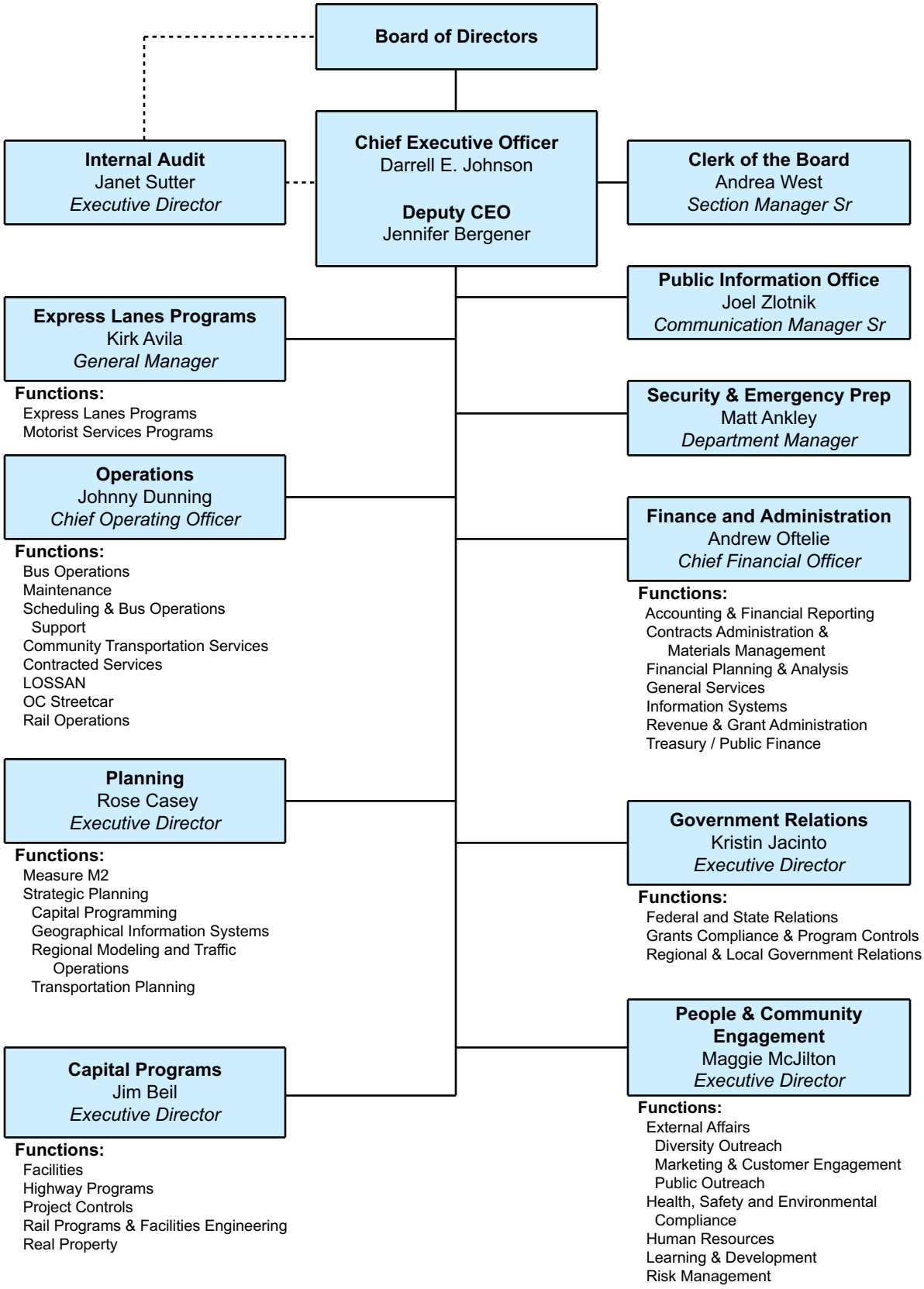
Respectfully submitted,

Darrell E. Johnson
Chief Executive Officer

Andrew Oftelie
Chief Financial Officer

ORANGE COUNTY TRANSPORTATION AUTHORITY

ORGANIZATION CHART



2025 BOARD OF DIRECTORS

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Chair
Supervisor, 4th District

Jamey M. Federico
Vice Chair
City Member, 5th District

Valerie Amezcua
Director
City Member, 2nd District

Katrina Foley
Director
Supervisor, 5th District

William Go
Director
City Member, 3rd District

Patrick Harper
Director
City Member, 1st District

Michael Hennessey
Director
Public Member

Fred Jung
Director
City Member, 4th District

Stephanie Klopfenstein
Director
City Member, 1st District

Carlos A. Leon
Director
City Member, 4th District

Janet Nguyen
Director
Supervisor, 1st District

Tam T. Nguyen
Director
Public Member

Vicente Sarmiento
Director
Supervisor, 2nd District

John Stephens
Director
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Kathy Tavoularis
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City Member, 2nd District

Mark Tettemer
Director
City Member, 3rd District

Donald P. Wagner
Director
Supervisor, 3rd District

Lan Zhou
Governor's Ex-Officio Member
Caltrans District 12
District Director

ORANGE COUNTY TRANSPORTATION AUTHORITY

MANAGEMENT STAFF

Darrell E. Johnson	Chief Executive Officer
Jennifer Bergener	Deputy Chief Executive Officer
Andrea West	Section Manager Sr, Clerk of the Board
James Donich	General Counsel

Matt Ankley	Department Manager, Security and Emergency Preparedness
Kirk Avila	General Manager, Express Lanes Programs
Jim Beil	Executive Director, Capital Programs
Rose Casey	Executive Director, Planning
Johnny Dunning	Chief Operating Officer Operations
Kristin Jacinto	Executive Director, Government Relations
Maggie McJilton	Executive Director, People & Community Engagement
Andrew Oftelie	Chief Financial Officer, Finance and Administration
Janet Sutter	Executive Director, Internal Audit
Joel Zlotnik	Strategic Communication Manager Sr, Public Information Office

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Sara Belovsky	Section Manager, General Services
Lydia Bilynsky	Department Manager, Contracts Administration and Material Management
Robert Davis	Department Manager, Treasury and Public Finance
Josh Duke	Department Manager, Information Systems Technical Services
Dylan Hack	Department Manager, Cyber Security
Sam Kaur	Department Manager, Revenue Administration
Georgia Martinez	Department Manager, Contracts Administration and Material Management
Sean Murdock	Director, Finance and Administration
Lloyd Sullivan	Director, Information Systems Administration
Rima Tan	Department Manager, Accounting and Financial Reporting
Pia Veesapen	Director, Contracts Administration and Materials Management
Victor Velasquez	Department Manager, Financial Planning and Analysis
Eden Wang	Department Manager, Enterprise Business Solutions

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

Orange County Transportation Authority

California

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

June 30, 2024

Christopher P. Morrill

Executive Director/CEO

BUS

Orange County Transportation Authority
Orange County, California

FINANCIAL SECTION

RAIL

Orange County Transportation Authority
Orange County, California

OCTA

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Transportation Authority (OCTA), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCTA's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of OCTA, as of June 30, 2025, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Emphasis of Matter

As discussed in Note 21 to the financial statements, during the year ended June 30, 2025, OCTA adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, which resulted in a restatement of the July 1, 2024 net position for the following opinion units and related amounts: governmental activities $5,450,000, business-type activities $3,875,000, General Fund $1,591,000, and Orange County Transportation District (OCTD) $3,875,000. Our opinions are not modified with respect to the above matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OCTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OCTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis, budgetary comparison information for the General Fund, Local Transportation Authority Special Revenue Fund, and Local Transportation Special Revenue Fund, and supplemental pension plan trend data and other postemployment benefit data, as listed in the table of contents be presented to supplement the basic financial statements.

Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OCTA's basic financial statements. The combining and individual fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the combining and individual fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance.

Crowe LLP

Costa Mesa, California
October 31, 2025

As management of the Orange County Transportation Authority (OCTA), we offer readers of OCTA's financial statements this narrative overview and analysis of OCTA's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented here in conjunction with the transmittal letter on pages iii-x and OCTA's financial statements that begin on page 16. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- As of June 30, 2025, OCTA's total assets and deferred outflows of resources exceeded its liabilities and deferred inflows of resources by $3,506,266, resulting in a net position. Of this amount, $1,149,686 or 33% represents net investment in capital assets; $1,487,497 or 42% is restricted for specific purposes; and the remaining portion represents unrestricted net position of $869,083 or 25%.

- OCTA's total net position increased $782,788 during fiscal year 2024-25. The increase in net position from governmental activities of $661,913 was primarily driven by State capital assistance received through the Transit and Intercity Rail Capital Program (TIRCP) for the OC Streetcar project, along with one-time funding under Senate Bill (SB) 125, which provided additional appropriations to support transit infrastructure, operations, and capital improvements. The net position from business-type activities increased by $120,875, reflecting the impact of the aforementioned capital and operating grants and contributions, as well as a full year of 405 Express Lanes operations in fiscal year 2024–25 compared to seven months in fiscal year 2023–24. The increase also reflected higher average gross revenue per trip on both the 91 and 405 Express Lanes, resulting in greater charges for services revenue.

- OCTA's governmental funds reported combined ending fund balances of $1,933,142, an increase of $557,654 or 40% compared to fiscal year 2023-24. Approximately 69% of the governmental fund balances represent Local Transportation Authority (LTA) amounts available for the Measure M program, including debt service. The increase of governmental fund balances was primarily attributable to the capital and operating grants and contributions described above, as well as interfund transfer to the LTA Fund related to the allocation of TIFIA loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.

- Long-term debt decreased by $33,308, compared to the prior fiscal year, primarily due to the refunding of 2010 Series A bonds through the issuance of the Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, and partially offset by the current year's accreted interest added to the TIFIA loan principal.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to OCTA's basic financial statements. The basic financial statements are comprised of three components: government-wide financial statements, fund financial statements and notes to the financial statements. This report also contains required supplementary information and other supplementary information.

- **Government-wide Financial Statements**

  The government-wide financial statements are designed to provide readers with a broad overview of OCTA's finances, in a manner similar to a private-sector business. The statement of net position presents information on all of OCTA's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether OCTA's financial position is improving or deteriorating.

The statement of activities presents information showing how OCTA's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The government-wide financial statements distinguish functions of OCTA that are principally supported by taxes and intergovernmental revenues, or governmental activities, from other functions that are intended to recover all or a significant portion of their costs through user fees and charges, or business-type activities. The governmental activities of OCTA include general government, the Measure M program, motorist services and commuter rail. The business-type activities of OCTA include fixed route transit services, paratransit services, toll road operations and local rail. The government-wide financial statements include only OCTA and its blended component units and can be found on pages 16-17 of this report.

- **Fund Financial Statements**

A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with finance-related legal requirements. All of OCTA's funds can be divided into two categories: governmental funds and proprietary funds.

Governmental Funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental fund financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds balance sheet and related statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

OCTA maintains eight individual governmental funds. Information is presented separately in the governmental funds balance sheet and in the related statement of revenues, expenditures and changes in fund balances for OCTA's major governmental funds comprised of the General fund; LTA and LTF, which are special revenue funds; LTA Debt Service fund; and General Capital Project fund. Data from the other three governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds are provided in the form of combining statements in the other supplementary information section of this report.

OCTA adopts an annual budget for all funds. Budgetary comparison schedules have been provided for the General fund and the LTA and LTF special revenue funds as required supplementary information to demonstrate compliance with the annual appropriated budgets. The governmental fund financial statements can be found on pages 18-21 of this report.

Proprietary Funds consist of enterprise funds and internal service funds. Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. OCTA uses enterprise funds to account for its transit, toll road, and streetcar operations. Internal service funds are an accounting mechanism used to accumulate and allocate costs internally to the departments benefiting from OCTA's risk management activities, which

include general liability and workers' compensation. Since these risk management activities predominantly benefit business-type rather than governmental functions, they have been included within business-type activities in the government-wide financial statements.

Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the Orange County Transit District (OCTD), the 91 Express Lanes, and the 405 Express Lanes which are considered as major enterprise funds of OCTA. Data from the other nonmajor enterprise funds such as OC Streetcar are presented separate. Additionally, data from the General Liability and Workers' Compensation internal service funds are combined into a single, aggregated presentation. The proprietary fund financial statements can be found on pages 22-28 of this report.

Notes to the Financial Statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 29-70 of this report.

Other Information is in addition to the basic financial statements and accompanying notes. This report also presents certain required supplementary information concerning OCTA's budgetary results for the General fund and major special revenue funds with appropriated budgets. Additionally, trend data for OCTA's pension plans and other postemployment benefits are included. Required supplementary information can be found on pages 71-76 of this report.

The combining statements of nonmajor governmental funds, nonmajor enterprise fund and internal service funds are presented immediately following the required supplementary information. In addition, budgetary results for the LTA Debt Service fund and nonmajor governmental funds are located in this section. This other supplementary information can be found on pages 77-92 of this report.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of a government's financial position. At June 30, 2025, OCTA's assets and deferred outflows exceeded liabilities and deferred inflows by $3,506,266. Our analysis on the following pages focuses on net position (Table 1) and changes in net position (Table 2) of OCTA's governmental and business-type activities.

OCTA's net investment in capital assets was $1,149,686, compared to $1,051,734 in fiscal year 2023-24. This net position represents OCTA's investment in capital assets (i.e., construction in progress; land; buildings and improvements; infrastructure, machinery, equipment and furniture; transit vehicles; intangible assets; and transponders), net of any outstanding debt used to finance those assets. These capital assets are essential for providing transit services to the residents and business community of Orange County. The increase of $97,952 was primarily driven by the acquisition of the OCTA's headquarters building and progress on the OC Streetcar project.

Restricted net position, representing resources subjected to external restrictions on how they may be used, were 42% and 29% of the total net position at June 30, 2025 and 2024, respectively. In fiscal year 2024-25, the restricted net position increased by $700,265 primarily due to the combination of the increase in the restricted net position from governmental activities of $598,376 and the increase of $101,889 for business-type activities. The increase for governmental activities was contributed by the increased in funds restricted to Measure M projects, while the increase in business-type activities was mainly attributable to funds restricted under the SB 125 state grant.

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. At the end of fiscal year 2024-25, OCTA's unrestricted net position was $869,083, a decrease of $6,104 from the prior fiscal year. This decrease was mainly due to the recognition of revenues previously reported as unavailable in the governmental funds, which were recognized as revenue under the accrual basis in the government-wide financial statements.

Table 1
Orange County Transportation Authority
Net Position

	Governmental Activities		Business-type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Assets						
Current and other assets	$ 1,421,743	$ 1,026,450	$ 1,237,507	$ 1,268,769	$ 2,659,250	$ 2,295,219
Restricted assets	730,628	549,037	154,464	37,135	885,092	586,172
Prepaid retirement	14,798	14,145	25,681	24,589	40,479	38,734
Assets held for resale	15,965	20,615	—	—	15,965	20,615
Capital assets, net	753,785	702,868	940,130	894,267	1,693,915	1,597,135
Total assets	**2,936,919**	**2,313,115**	**2,357,782**	**2,224,760**	**5,294,701**	**4,537,875**
Deferred outflows of resources	**45,707**	**29,372**	**209,773**	**153,951**	**255,480**	**183,323**
Liabilities						
Current liabilities	156,033	162,682	117,711	111,905	273,744	274,587
Long-term liabilities	686,320	714,322	974,446	983,877	1,660,766	1,698,199
Total liabilities	**842,353**	**877,004**	**1,092,157**	**1,095,782**	**1,934,510**	**1,972,786**
Deferred inflows of resources	**19,587**	**12,160**	**89,818**	**22,099**	**109,405**	**34,259**
Net position						
Net investment in capital assets	734,535	681,639	415,151	370,095	1,149,686	1,051,734
Restricted	1,353,926	755,550	133,571	31,682	1,487,497	787,232
Unrestricted	32,225	16,134	836,858	859,053	869,083	875,187
Total net position	**$ 2,120,686**	**$ 1,453,323**	**$ 1,385,580**	**$ 1,260,830**	**$ 3,506,266**	**$ 2,714,153**

OCTA's total revenues increased by 40%, while the total costs of all programs increased by 11%. Major contributing factors for the increase of $494,041 in total revenues were an increase of $47,215 in charges for services resulting from toll road revenues, an increase of $412,012 in grants and contributions, driven largely by the TIRCP funding of $149,841 for OC Streetcar project reimbursement, and $262,838 of SB 125 one-time grant funding. In addition, investment earnings increased by $33,146 due to higher available cash balance and favorable investment performance.

During fiscal year 2024-25, OCTA's total expenses increased $91,111, primarily due to higher toll road operating costs related to the 405 Express Lanes. The increase reflected a full year of operations in fiscal year 2024–25 compared to only partial months in the prior year and higher management and operational

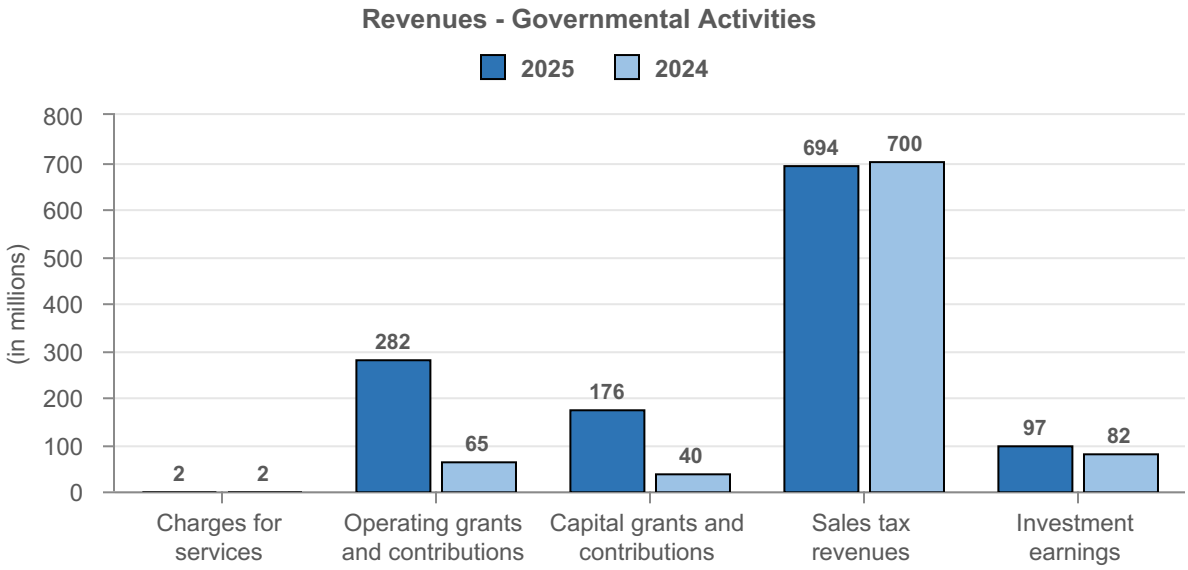
services, professional services, and depreciation and amortization expenses. Approximately 87% of OCTA's program costs were funded either by those who directly benefited from the programs or by other governments providing grants and contributions. The remaining net costs were largely financed through sales tax revenues and investment earnings. Table 2 provides a separate analysis of the operations of governmental and business-type activities.

Table 2
Orange County Transportation Authority
Changes in Net Position

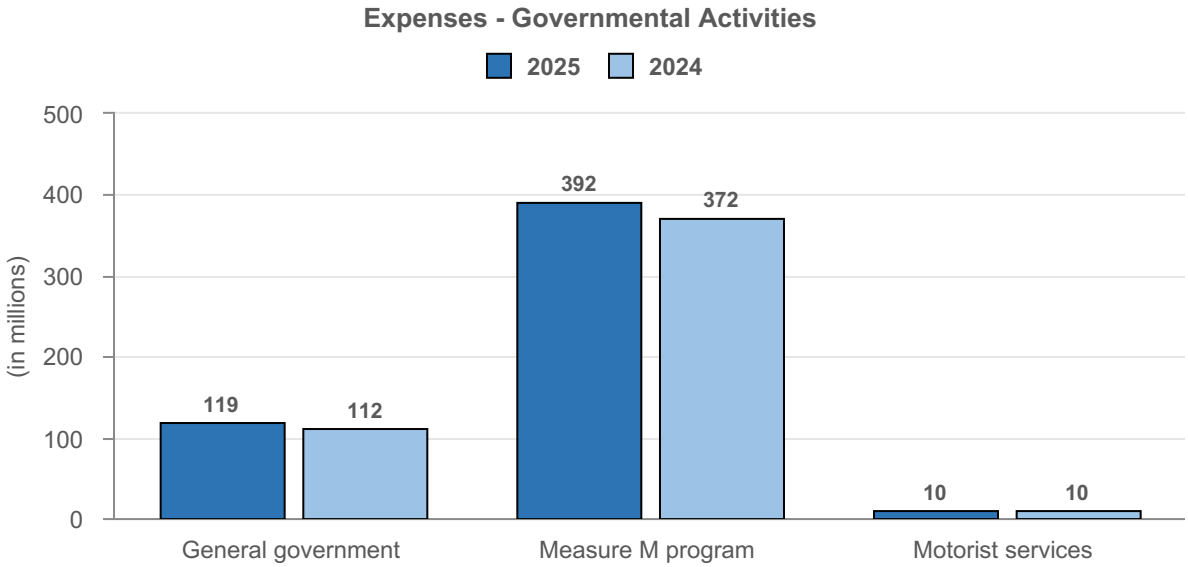
	Governmental Activities		Business-type Activities		Total	
	2025	**2024**	**2025**	**2024**	**2025**	**2024**
Revenues						
Program revenues:						
Charges for services	$ 1,746	$ 1,740	$ 188,010	$ 140,801	$ 189,756	$ 142,541
Operating grants and contributions	281,847	65,287	116,474	62,937	398,321	128,224
Capital grants and contributions	175,563	40,085	54,794	48,357	230,357	88,442
General revenues:						
Sales tax revenues	694,186	700,434	23,585	22,281	717,771	722,715
Investment earnings	97,463	81,699	70,872	53,490	168,335	135,189
Other miscellaneous revenues	7,791	1,064	9,675	9,790	17,466	10,854
Total revenues	**1,258,596**	**890,309**	**463,410**	**337,656**	**1,722,006**	**1,227,965**
Expenses						
General government	119,244	111,528	—	—	119,244	111,528
Measure M program	392,256	371,900	—	—	392,256	371,900
Motorist services	9,977	9,772	—	—	9,977	9,772
Fixed route	—	—	228,591	209,916	228,591	209,916
Paratransit	—	—	127,724	115,153	127,724	115,153
Toll road	—	—	61,243	29,764	61,243	29,764
Local rail	—	—	183	74	183	74
Total expenses	**521,477**	**493,200**	**417,741**	**354,907**	**939,218**	**848,107**
Indirect expense allocation	(65,651)	(61,325)	65,651	61,325	—	—
Increase (decrease) in net position before transfers	**802,770**	**458,434**	**(19,982)**	**(78,576)**	**782,788**	**379,858**
Transfers	(140,857)	(367,030)	140,857	367,030	—	—
Changes in net position	**661,913**	**91,404**	**120,875**	**288,454**	**782,788**	**379,858**
Net position - 6/30/2024, as previously reported	**1,453,323**	**1,361,919**	**1,260,830**	**972,376**	**2,714,153**	**2,334,295**
Change in accounting principle - GASB No. 101	5,450	—	3,875	—	**9,325**	**—**
Net position - 6/30/2024, as restated	**1,458,773**	**1,361,919**	**1,264,705**	**972,376**	**2,723,478**	**2,334,295**
Net position - ending	**$2,120,686**	**$1,453,323**	**$1,385,580**	**$1,260,830**	**$3,506,266**	**$2,714,153**

Governmental Activities

Total revenues for OCTA's governmental activities increased $368,287 primarily due to the TIRCP funding of $149,841 for OC Streetcar project reimbursement and $208,765 of SB 125 grant for transit infrastructure, operations, and capital improvements. In addition, an increase of $15,764 in investment earnings was due to higher available cash balance and favorable investment performance.

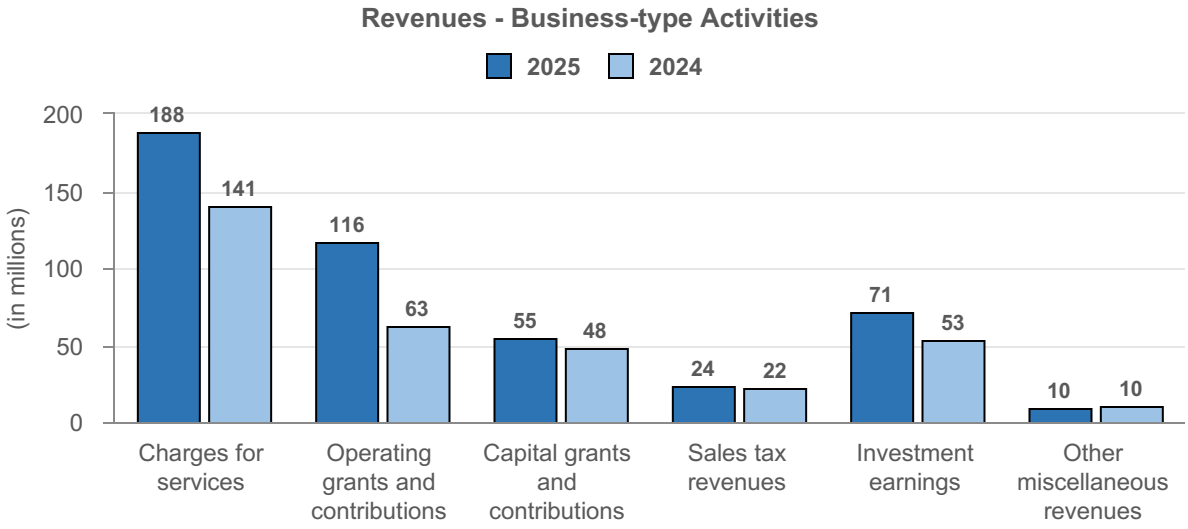


Total expenses for OCTA's governmental activities increased by $28,277, primarily due to higher contributions to other agencies for reimbursement of transportation projects under the Measure M streets and roads program.

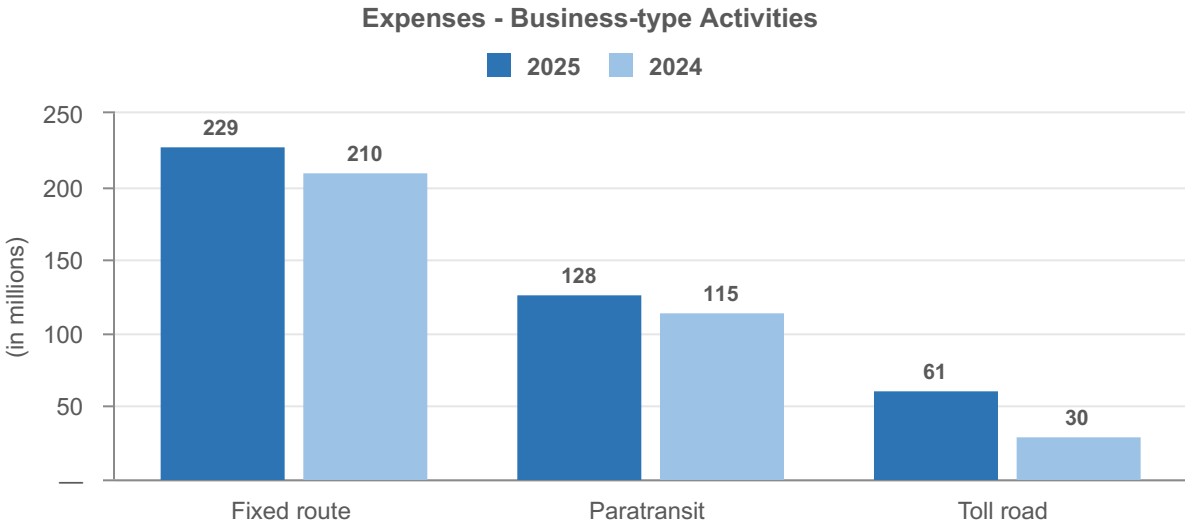


Business-type Activities

Revenues of OCTA's business-type activities increased by $125,754 primarily due to an increase of $17,382 in investment earnings due to the favorable investment performance, an increase of $47,209 in charges for services from toll road revenues. This was further supported by an increase of $53,537 in operating grants and contributions relating to transit operations and an increase of $6,437 in capital grants and contributions.



Total expenses related to business-type activities increased $62,834 or 18%, primarily due to higher toll road operating costs associated with the 405 Express Lanes. These costs included management and operational services, professional services, and depreciation and amortization expenses, reflecting a full year of operations compared to only partial months in the prior year. In addition, fixed-route and paratransit operating costs also contributed to the increase.



Financial Analysis of OCTA's Funds

As noted earlier, OCTA uses fund accounting to ensure and demonstrate compliance with financial and legal requirements.

Governmental Funds

As of June 30, 2025, OCTA's governmental funds reported combined ending fund balances of $1,933,142, an increase of $557,654 from the prior fiscal year. Approximately 98% of the total fund balance or $1,749,453 of this amount was restricted, largely for Measure M projects and other transportation-related purposes. Nonspendable fund balance totaled $26,700, representing amounts not available for spending, such as prepaid retirement costs, other deposits, and prepaid items. The remaining $813 was unassigned and available for general use.

Key changes in the fund balances of OCTA's major governmental funds are summarized below:

- The General fund increased by $22,133, primarily due to an interfund transfer of OCTA's reserve balance for the Additional Retiree Benefit Account (ARBA) from the Workers' Compensation fund (Internal Service fund).

- The LTA fund increased by $484,339, driven by TIRCP reimbursements for the OC Streetcar project, the allocation of TIFIA loan proceeds for general purpose lane construction, and grant funding under SB 125 state grant.

- The LTF fund increased by $99,048, primarily from sales tax revenues generated under the provisions of the Transportation Development Act (TDA), offset by interfund transfers to the OCTD fund to support transit operations.

- The LTA Debt Service fund decreased by $5,194, mainly due to the transfer of excess funds to the LTA fund.

Proprietary Funds

The net position of the enterprise funds totaled $1,352,017 at June 30, 2025 compared to $1,224,069 at June 30, 2024. Key changes in the net position of OCTA's major proprietary funds are summarized below:

- The OCTD fund net position at June 30, 2025 was $1,046,206. During fiscal year 2024-25, the total net position increased by $91,824 or 10%. This growth was primarily driven by higher investment earnings due to favorable market performance, increased operating grants and contributions for transit operations, and higher capital grants and contributions.

- The 91 Express Lanes fund net position for fiscal year 2024-25 increased $64,087 or 17%. The increase was mainly attributable to operating revenues exceeding expenses, favorable investment earnings, and reduced interfund transfers to the LTA fund related to the SR-91 Improvement Project.

- In contrast, the 405 Express Lanes fund net position for fiscal year 2024-25 decreased $51,491. The decrease primarily resulted from an interfund transfer to the LTA fund for the allocation of TIFIA loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.

General Fund Budgetary Highlights

Revenues

The primary sources of revenues for the general fund are from federal, state, and local sources. Actual revenues were $7,252 higher than the final budget of $13,977. This variance was largely attributable to higher-than-budgeted grants and contributions, as well as increased investment earnings resulting from favorable market performance during the fiscal year. The combination of these positive revenue results has strengthened General fund's overall fund balance.

Expenditures

Actual expenditures were $322 higher than the final budget of $38,591, reflecting a close alignment with the projected General fund expenditures.

Capital Assets

As of June 30, 2025, OCTA had $1,693,915, net of accumulated depreciation, invested in a broad range of capital assets including: land, improvements, infrastructure, transit vehicles, machinery, equipment, intangible right-to-use assets, toll facility franchise, and construction in progress (Table 3). During fiscal year 2024-25, OCTA's capital assets increased by $96,780. Capital assets related to governmental activities increased by $50,917, primarily attributable to the ongoing construction activities for the OC Streetcar project. Capital assets related to business-type activities increased by $45,863, largely due to the acquisition of the OCTA's headquarters building.

Table 3
Orange County Transportation Authority
Capital Assets, net of depreciation

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Land	$ 172,236	$ 172,236	$ 92,452	$ 57,106	$ 264,688	$ 229,342
Land - PPP assets	—	—	29,764	27,438	29,764	27,438
Right-of-way improvements	7,300	7,300	—	—	7,300	7,300
Buildings and improvements	616	538	65,741	51,192	66,357	51,730
Leasehold improvements	—	—	1,416	1,590	1,416	1,590
Infrastructure - PPP assets	—	—	392,395	401,682	392,395	401,682
Transit vehicles	—	—	182,825	182,117	182,825	182,117
Machinery, equipment and furniture	2,222	2,321	37,136	40,975	39,358	43,296
Lease asset - building	15,122	19,343	7,282	7,989	22,404	27,332
Lease asset - equipment	108	209	—	—	108	209
Subscription asset - SBITA	4,157	954	145	341	4,302	1,295
Toll facility franchise	—	—	104,761	107,348	104,761	107,348
Construction in progress	552,024	499,967	26,213	16,489	578,237	516,456
Total capital assets, net	**$ 753,785**	**$ 702,868**	**$ 940,130**	**$ 894,267**	**$ 1,693,915**	**$ 1,597,135**

During the fiscal year, major capital asset additions amounted to $51,457 for the OC Streetcar project and $54,570 for the acquisition of the OCTA's headquarters building. Significant capital asset deletions consisted of $29,398 related to retirement of revenue vehicles and $2,246 for the retirement of Transponders (T21) associated with 91 Express Lanes.

OCTA had outstanding capital expenditure commitments; the most significant of which were $93,650 for zero-emission and CNG buses, $191,347 for the I-5 freeway widening construction project, $116,201 for SR91 and I-405 express lanes toll collection project, $279,538 for SR-57 improvement projects.

More detailed information about OCTA's capital assets is presented in note 7 to the financial statements.

Long-term Debt Administration

As of June 30, 2025, OCTA had $1,215,907 in long-term debt outstanding compared to $1,249,215 on June 30, 2024, as presented in Table 4. The decrease of $33,308 was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, This reduction was offset by an increase resulting from the current year's accreted interest being added to the TIFIA loan principal.

Table 4
Orange County Transportation Authority
Outstanding Debt

	Governmental Activities		Business-type Activities		Total	
	2025	2024	2025	2024	2025	2024
Sales tax revenue bonds	$ 529,450	$ 569,315	$ —	$ —	$ 529,450	$ 569,315
Toll road revenue refunding bonds	—	—	41,725	47,545	41,725	47,545
TIFIA loan	—	—	644,732	632,355	644,732	632,355
Total long-term debt	**$ 529,450**	**$ 569,315**	**$ 686,457**	**$ 679,900**	**$ 1,215,907**	**$ 1,249,215**

OCTA's long-term debt is rated by Standard & Poor's, Moody's, and Fitch. As of June 30, 2025, the ratings are as follows:

	Standard & Poor's	Moody's	Fitch
Sales tax revenue bonds	AAA	N/A	AA+
Toll road revenue refunding bonds	AA-	Aa3	AA-
TIFIA loan	N/A	Baa2	N/A

More detailed information about OCTA's long-term debt is presented in note 11 to the financial statements.

Economic and Other Factors

The Board of Directors (Board) adopted the fiscal year 2025-26 budget on June 9, 2025. The $1.74 billion budget was developed in accordance with the goals of the Board and the Chief Executive Officer. This balanced budget is a result of OCTA's ongoing effort to furnish innovative, equitable, and sustainable transportation solutions for the residents and visitors of Orange County.

For the FY 2025-26 budget, OCTA is taking a conservative approach to sales tax assumptions and assuming no growth in the coming year. Sales tax for the Measure M2 (M2) Program is forecasted to be $432.1 million. Similarly, the quarter-cent Local Transportation Fund sales tax revenue, primarily supporting the bus program, is anticipated to be $220.2 million.

The M2 Program budget provides a clear path to enhance transportation across our cities and County. The M2 Program supports a balanced system across freeways, transit, streets, roads, and environmental initiatives. The FY 2025-26 budget for the M2 Program includes $464 million for freeway improvement projects and $166 million for the maintenance and enhancement of streets and roads. The budget also allocates $100 million for M2 Transit Programs, which comprises $38 million to support regional rail services and $37 million to support local rail.

The FY 2025-26 budget outlines a robust plan for transit services, with a clear focus on enhancements, sustainability, and resilient operations. The budget allocates $574 million to support the OC Bus Program, supporting up to 1.62 million service hours. Sustainability and resiliency focus is also a cornerstone of the budget, with ongoing investments in zero-emission buses and infrastructure. A capital budget of $110 million is included for the procurement of seven zero-emission 60-foot buses, bus base and transit center improvements, as well as a communications system upgrade. Additionally, the budget supports ongoing Metrolink service and the launch of the OC Streetcar.

OCTA's express lanes continue to demonstrate solid performance with the 91 Express Lanes effectively moving traffic through the corridor. The budget anticipates traffic volumes to increase by three million trips in FY 2025-26, reaching 23 million trips based on demand. In addition, the 405 Express Lanes are forecasted to reach 67.8 million transactions over the five ingress/egress points in the 405 corridor.

The FY 2025-26 budget is a testament to the Board's Strategic Initiatives and OCTA's dedication to delivering a balanced and sustainable transportation network, ensuring Orange County keeps moving safely and efficiently.

Contacting OCTA's Management

This financial report is designed to provide a general overview of OCTA's finances for all those with an interest in the government's finances and to demonstrate OCTA's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Net Position
June 30, 2025

(amounts expressed in thousands)	Governmental Activities	Business-type Activities	Total
Assets			
Cash and investments	$ 1,188,155	$ 1,144,997	$ 2,333,152
Receivables:			
Interest	10,508	9,858	20,366
Operating grants	58,761	5,889	64,650
Capital grants	5,025	20,415	25,440
Other	1,663	27,367	29,030
Internal balances	(4,067)	4,067	—
Due from other governments	137,859	5,817	143,676
Condemnation deposits	7,883	136	8,019
Lease receivable	2,778	12,013	14,791
Notes receivable	1,402	—	1,402
Inventory	—	5,923	5,923
Restricted cash and investments	730,628	154,464	885,092
Prepaid retirement	14,798	25,681	40,479
Other assets	11,776	1,025	12,801
Assets held for resale	15,965	—	15,965
Capital assets, net:			
Nondepreciable	731,560	148,429	879,989
Depreciable and amortizable	22,225	791,701	813,926
Total assets	**2,936,919**	**2,357,782**	**5,294,701**
Deferred outflows of resources			
Deferred outflows - refunding	23,004	3,655	26,659
Deferred outflows - pensions	22,585	99,683	122,268
Deferred outflows - OPEB	118	—	118
Deferred outflows - PPP	—	106,435	106,435
Total deferred outflows of resources	**45,707**	**209,773**	**255,480**
Liabilities			
Accounts payable	98,413	63,661	162,074
Accrued payroll and related items	3,164	6,044	9,208
Accrued interest payable	8,537	818	9,355
Due to other governments	44,864	7,899	52,763
Unearned revenue	872	38,588	39,460
Total OPEB liability - due within one year	64	138	202
Other liabilities	119	563	682
Noncurrent liabilities:			
Due within one year	27,443	15,510	42,953
Due in more than one year	616,170	824,205	1,440,375
Net pension liability	41,896	132,991	174,887
Total OPEB liability - due in more than one year	811	1,740	2,551
Total liabilities	**842,353**	**1,092,157**	**1,934,510**
Deferred inflows of resources			
Deferred inflows - refunding	—	3,515	3,515
Deferred inflows - pensions	16,908	74,493	91,401
Deferred inflows - OPEB	51	144	195
Deferred inflows - leases	2,628	11,666	14,294
Total deferred inflows of resources	**19,587**	**89,818**	**109,405**
Net position			
Net investment in capital assets	734,535	415,151	1,149,686
Restricted for:			
Measure M projects	596,139	—	596,139
Debt service	18,306	37,178	55,484
Capital and operating reserves	—	15,716	15,716
Capital projects	2,977	—	2,977
Transportation programs	525,163	—	525,163
Pension benefits	55,165	—	55,165
Federal and state grants	156,176	80,677	236,853
Unrestricted	32,225	836,858	869,083
Total net position	**$ 2,120,686**	**$ 1,385,580**	**$ 3,506,266**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)			Program Revenues			Net Revenues (Expenses) and Changes in Net Position		
Functions/Programs	**Expenses**	**Indirect Expense Allocation**	**Charges for Services**	**Operating Grants and Contributions**	**Capital Grants and Contributions**	**Governmental Activities**	**Business-type Activities**	**Total**
Primary government								
Governmental activities:								
General government	$ 119,244	$ (97,783)	$ 291	$ 7,494	$ 175,563	$ 161,887	$ —	$ 161,887
Measure M program	392,256	31,022	1,455	266,279	—	(155,544)	—	(155,544)
Motorist services	9,977	1,110	—	8,074	—	(3,013)	—	(3,013)
Total governmental activities	**521,477**	**(65,651)**	**1,746**	**281,847**	**175,563**	**3,330**	**—**	**3,330**
Business-type activities:								
Fixed route	228,591	57,231	44,233	96,748	54,794	—	(90,047)	(90,047)
Paratransit	127,724	—	8,356	—	—	—	(119,368)	(119,368)
Tollroad	61,243	7,278	135,421	971	—	—	67,871	67,871
Local rail	183	1,142	—	18,755	—	—	17,430	17,430
Total business-type activities	**417,741**	**65,651**	**188,010**	**116,474**	**54,794**	**—**	**(124,114)**	**(124,114)**
Total primary government	**$ 939,218**	**$ —**	**$ 189,756**	**$ 398,321**	**$ 230,357**	**$ 3,330**	**$ (124,114)**	**$ (120,784)**

	Governmental Activities	Business-type Activities	Total
General revenues			
Property taxes	$ —	$ 23,585	$ 23,585
Sales tax revenues	694,186	—	694,186
Investment earnings	97,463	70,872	168,335
Loss on sale of capital assets	(414,550)	(143,578)	(559,000)
Other miscellaneous revenues	8,206	9,819	18,025
Transfers	(140,857)	140,857	—
Total general revenues and transfers	**658,583**	**244,989**	**903,572**
Changes in net position	**661,913**	**120,875**	**782,788**
Net position - 6/30/2024, as previously reported	**1,453,323**	**1,260,830**	**2,714,153**
Change in accounting principle - adoption of GASB No. 101	5,450	3,875	9,325
Net position - 6/30/2024, as restated	**1,458,773**	**1,264,705**	**2,723,478**
Net position - ending	**$ 2,120,686**	**$ 1,385,580**	**$ 3,506,266**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Balance Sheet - Governmental Funds
June 30, 2025

(amounts expressed in thousands)	General	LTA	LTF	LTA Debt Service	General Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Assets							
Cash and investments	$ 40,073	$ 663,401	$ 438,110	$ 18,254	$ 5,484	$ 22,833	$ 1,188,155
Receivables:							
Interest	—	6,814	3,386	52	2	255	10,509
Operating grants	1,559	57,202	—	—	—	—	58,761
Capital grants	129	—	—	—	4,896	—	5,025
Other	616	1,047	—	—	—	—	1,663
Due from other funds	389	8,848	—	—	6,425	88	15,750
Due from other governments	3,525	84,489	37,087	—	—	12,758	137,859
Condemnation deposits	—	7,883	—	—	—	—	7,883
Lease receivable	—	2,778	—	—	—	—	2,778
Notes receivable	—	1,147	—	—	—	255	1,402
Restricted cash and investments	40,367	690,261	—	—	—	—	730,628
Prepaid retirement	14,798	—	—	—	—	—	14,798
Other assets	248	794	—	—	2,977	—	4,019
Total assets	**101,704**	**1,524,664**	**478,583**	**18,306**	**19,784**	**36,189**	**2,179,230**
Liabilities							
Accounts payable	6,074	71,622	67	—	19,722	929	98,414
Accrued payroll and related items	3,164	—	—	—	—	—	3,164
Compensated absences	1,087	—	—	—	—	—	1,087
Due to other funds	—	8,712	389	—	—	12,258	21,359
Due to other governments	163	44,355	244	—	62	40	44,864
Unearned revenue	654	270	—	—	—	—	924
Other liabilities	48	71	—	—	—	—	119
Total liabilities	**11,190**	**125,030**	**700**	**—**	**19,784**	**13,227**	**169,931**
Deferred inflows of resources							
Deferred inflows - leases	—	2,628	—	—	—	—	2,628
Unavailable revenue - grants	4,409	61,403	—	—	2,584	—	68,396
Unavailable revenue - others	—	5,133	—	—	—	—	5,133
Total deferred inflows of resources	**4,409**	**69,164**	**—**	**—**	**2,584**	**—**	**76,157**
Fund balances							
Nonspendable:							
Prepaid retirement	14,798	—	—	—	—	—	14,798
Other deposits and prepaid items	248	8,677	—	—	2,977	—	11,902
Restricted for:							
Measure M projects	—	1,165,617	—	—	—	—	1,165,617
Debt service	—	—	—	18,306	—	—	18,306
Transportation programs	24,318	—	477,883	—	—	17,514	519,715
Motorist services	—	—	—	—	—	5,448	5,448
Pension benefits	40,367	—	—	—	—	—	40,367
SB 125 grant	—	156,176	—	—	—	—	156,176
Unassigned	6,374	—	—	—	(5,561)	—	813
Total fund balances	**86,105**	**1,330,470**	**477,883**	**18,306**	**(2,584)**	**22,962**	**1,933,142**
Total liabilities, deferred inflows of resources, and fund balances	**$ 101,704**	**$ 1,524,664**	**$ 478,583**	**$ 18,306**	**$ 19,784**	**$ 36,189**	**$ 2,179,230**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Net Position (page 18) are different because:

Total fund balances (page 18)	**$**	**1,933,142**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		753,785
Deferred outflows and inflows of resources related to pensions are not available to pay or due in current period expenditures and, therefore, are not reported in the governmental funds.		
Deferred outflows - pensions		22,585
Deferred inflows - pensions		(16,908)
Deferred outflows and inflows of resources related to OPEB are not available to pay or due in current period expenditures and, therefore, are not reported in the governmental funds.		
Deferred outflows - OPEB		118
Deferred inflows - OPEB		(51)
Long-term debt related liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Deferred outflows - refunding		23,004
Long-term debt and premium		(614,624)
Accrued interest payable		(8,537)
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Net pension liability		(41,896)
Total OPEB liability		(875)
Lease liabilities		(16,632)
Subscription liabilities		(2,617)
Compensated absences		(5,410)
Other liabilities		4,565
Receivables that are measurable, but not availabe within the availability period, are reported as deferred inflows of resources in the governmental funds.		73,529
The effect of the elimination entries between the governmental and the business-type activities and the governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund.		1,543
Net position of governmental activities (page 16)	**$**	**2,120,686**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	General	LTA	LTF	LTA Debt Service	General Capital Project	Nonmajor Governmental Funds	Total Governmental Funds
Revenues							
Sales tax revenues	$ —	$ 431,843	$ 218,645	$ —	$ —	$ 43,699	$ 694,187
Transportation improvement fee	—	—	—	—	—	7,446	7,446
Vehicle registration fees	—	—	—	—	—	3,003	3,003
Fines	124	—	—	—	—	—	124
Contributions from other agencies	6,738	245,622	—	—	—	5,071	257,431
Interest and investment earnings	7,665	61,875	22,395	4,721	504	1,558	98,718
Capital assistance grants	1,990	—	—	—	165,061	—	167,051
Miscellaneous	1,500	1,621	—	—	6,565	—	9,686
Total revenues	**18,017**	**740,961**	**241,040**	**4,721**	**172,130**	**60,777**	**1,237,646**
Expenditures							
Current:							
General government	13,348	142,492	2,033	—	778	11,130	169,781
Transportation:							
Contributions to other local agencies	973	119,733	3,072	—	—	—	123,778
Capital outlay	3,170	134,598	—	—	52,631	106	190,505
Debt service:							
Principal	—	—	—	21,950	—	—	21,950
Interest	—	—	—	32,906	—	—	32,906
Bond issuance costs	—	816	—	—	—	—	816
Total expenditures	**17,491**	**397,639**	**5,105**	**54,856**	**53,409**	**11,236**	**539,736**
Excess (deficiency) of revenues over (under) expenditures	**526**	**343,322**	**235,935**	**(50,135)**	**118,721**	**49,541**	**697,910**
Other financing sources (uses)							
Transfers in	21,607	245,942	—	58,966	28,536	4,910	359,961
Transfers out	—	(105,305)	(136,887)	(14,025)	(149,841)	(94,539)	(500,597)
Proceeds from sale of capital assets	—	4,169	—	—	—	—	4,169
Bond issuance	—	227,565	—	—	—	—	227,565
Bond premium	—	36,413	—	—	—	—	36,413
Payment to refunded bond escrow agent	—	(267,767)	—	—	—	—	(267,767)
Total other financing sources (uses)	**21,607**	**141,017**	**(136,887)**	**44,941**	**(121,305)**	**(89,629)**	**(140,256)**
Net changes in fund balances	**22,133**	**484,339**	**99,048**	**(5,194)**	**(2,584)**	**(40,088)**	**557,654**
Fund balances - 6/30/2024, as previously reported	**65,563**	**846,131**	**378,835**	**23,500**	**—**	**63,050**	**1,377,079**
Change in accounting principle - GASB No.101	(1,591)	—	—	—	—	—	(1,591)
Fund balances - 6/30/2024, as restated	**63,972**	**846,131**	**378,835**	**23,500**	**—**	**63,050**	**1,375,488**
Fund balances - ending	**$ 86,105**	**$ 1,330,470**	**$ 477,883**	**$ 18,306**	**$ (2,584)**	**$ 22,962**	**$ 1,933,142**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Activities (page 17) are different because:

Net change in fund balances - total governmental funds (page 20)	**$**	**557,654**
Capital assets related expenses or revenues are not included as financial resources or uses in the governmental funds.		
Capital outlays		56,108
Proceeds sale of fixed assets		(4,169)
Depreciation and amortization expense		(7,143)
Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		
Issuance of new debt		(227,565)
Principal and interest payments		296,474
Premium and deferred loss of refunding amortization		(36,413)
Revenues that are earned but not collected within the availability period have not been recognized in the governmental funds.		(79,188)
Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		40,724
The effect of the elimination entries between the governmental and the business-type activities and the governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund.		65,431
Change in net position of governmental activities (page 17)	**$**	**661,913**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2025

(amounts expressed in thousands)	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor-OC Streetcar	Total Enterprise Funds	Internal Service Funds
Assets						
Current assets						
Cash and investments	$ 702,356	$ 365,037	$ 20,964	$ —	$1,088,357	$ 56,641
Receivables:						
Interest	5,995	2,671	722	44	9,432	424
Operating grants	5,889	—	—	—	5,889	—
Capital grants	20,415	—	—	—	20,415	—
Violations, net	—	5,653	3,606	—	9,259	—
Farebox	419	—	—	—	419	—
Other	1,636	1,796	1,488	—	4,920	604
Due from other funds	14,936	—	—	—	14,936	—
Due from other governments	5,678	77	—	62	5,817	—
Condemnation deposits	—	—	136	—	136	—
Lease receivable	4,740	—	—	—	4,740	—
Inventory	5,923	—	—	—	5,923	—
Prepaid retirement	25,681	—	—	—	25,681	—
Other assets	144	—	52	—	196	829
Total current assets	**793,812**	**375,234**	**26,968**	**106**	**1,196,120**	**58,498**
Noncurrent assets						
Restricted cash and investments	83,355	13,403	38,355	19,350	154,463	—
Violations receivable, net	—	7,886	4,280	—	12,166	—
Lease receivable	7,273	—	—	—	7,273	—
Capital assets, net:						
Nondepreciable	112,975	5,625	29,765	65	148,430	—
Depreciable and amortizable	257,637	110,838	423,008	217	791,700	—
Total noncurrent assets	**461,240**	**137,752**	**495,408**	**19,632**	**1,114,032**	**—**
Total assets	**1,255,052**	**512,986**	**522,376**	**19,738**	**2,310,152**	**58,498**
Deferred outflows of resources						
Deferred outflows - refunding	—	3,655	—	—	3,655	—
Deferred outflows - pensions	99,683	—	—	—	99,683	—
Deferred outflows - OPEB	—	—	—	—	—	—
Deferred outflows - PPP	—	—	106,435	—	106,435	—
Total deferred outflows of resources	**99,683**	**3,655**	**106,435**	**—**	**209,773**	**—**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Net Position
Proprietary Funds
June 30, 2025

(amounts expressed in thousands)	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor-OC Streetcar	Total Enterprise Funds	Internal Service Funds
Liabilities						
Current liabilities						
Accounts payable	$ 40,234	$ 8,241	$ 14,076	$ 85	$ 62,636	$ 1,027
Accrued payroll and related items	6,044	—	—	—	6,044	—
Accrued interest	1	787	30	—	818	—
Due to other funds	479	8,848	—	—	9,327	—
Claims payable	—	—	—	—	—	4,309
Due to other governments	4,463	2,367	1,068	—	7,898	—
Unearned revenue	27,240	10,075	1,272	—	38,587	—
Other liabilities	255	291	46	—	592	—
Compensated absences, current	4,475	—	—	—	4,475	—
Total OPEB liability, current	138	—	—	—	138	—
Long-term debt, current	—	6,115	—	—	6,115	—
Lease liabilities, current	—	411	84	—	495	—
Subscription liabilities, current	87	—	—	—	87	—
Total current liabilities	**83,416**	**37,135**	**16,576**	**85**	**137,212**	**5,336**
Noncurrent liabilities						
Claims payable	—	—	—	—	—	18,057
Compensated absences	3,925	—	—	—	3,925	—
Net pension liability	132,991	—	—	—	132,991	—
Total OPEB liability	1,740	—	—	—	1,740	—
Long-term debt	—	39,000	755,518	—	794,518	—
Lease liabilities	—	1,874	5,676	—	7,550	—
Subscription liabilities	154	—	—	—	154	—
Total noncurrent liabilities	**138,810**	**40,874**	**761,194**	**—**	**940,878**	**18,057**
Total liabilities	**222,226**	**78,009**	**777,770**	**85**	**1,078,090**	**23,393**
Deferred inflows of resources						
Deferred inflows - refunding	—	3,515	—	—	3,515	—
Deferred inflows - pensions	74,493	—	—	—	74,493	—
Deferred inflows - OPEB	144	—	—	—	144	—
Deferred inflows - leases	11,666	—	—	—	11,666	—
Total deferred inflows of resources	**86,303**	**3,515**	**—**	**—**	**89,818**	**—**
Net position						
Net investment in capital assets	365,517	66,837	(17,420)	217	415,151	—
Restricted for:						
Debt service	—	4,576	32,602	—	37,178	—
Capital reserves	—	5,000	—	—	5,000	—
Operating reserves	—	3,000	7,716	—	10,716	—
SGR program	27,684	—	—	—	27,684	—
SB 125 grant	33,643	—	—	19,350	52,993	—
Unrestricted	619,362	355,704	(171,857)	86	803,295	35,105
Total net position	**$1,046,206**	**$ 435,117**	**$ (148,959)**	**$ 19,653**	**$1,352,017**	**$ 35,105**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Net Position of Proprietary Funds to the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for business-type activities in the Statement of Net Position (page 16) are different because:

Total net position (page 23)	**$**	**1,352,017**
Internal service funds are used by management to charge the costs of risk management to individual funds. The assets and liabilities of the general liability and workers' compensation internal service funds are included in Business-type activities. Additionally, the effect of the elimination entries between the Governmental and the Business-type activities and the Governmental activities share of the allocation of the profit and loss of the Workers' Compensation Internal Service fund is included in this difference.		33,563
Net position of business-type activities (page 16)	**$**	**1,385,580**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Revenues, Expenses and Changes in Net Position
Proprietary Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor-OC Streetcar	Total Enterprise Funds	Internal Service Funds
Operating revenues						
User fees and charges	$ 33,612	$ 75,960	$ 57,823	$ —	$ 167,395	$ —
Charges for services	3,302	—	—	—	3,302	10,338
Total operating revenues	**36,914**	**75,960**	**57,823**	**—**	**170,697**	**10,338**
Operating expenses						
Wages, salaries and benefits	131,017	—	—	—	131,017	—
Maintenance, parts and fuel	23,239	—	—	—	23,239	—
Contracted operations	116,734	6,878	6,699	—	130,311	—
Administrative services	56,909	4,070	3,209	1,142	65,330	323
Other	8,211	149	16	2	8,378	570
Insurance claims and premiums	—	253	48	—	301	8,886
Professional services	27,118	5,997	10,146	171	43,432	1,883
General and administrative	4,826	331	1,159	3	6,319	—
Depreciation and amortization	33,333	4,981	15,288	6	53,608	—
Total operating expenses	**401,387**	**22,659**	**36,565**	**1,324**	**461,935**	**11,662**
Operating income (loss)	**(364,473)**	**53,301**	**21,258**	**(1,324)**	**(291,238)**	**(1,324)**
Nonoperating revenues (expenses)						
State transit assistance	10,516	—	—	18,755	29,271	—
Federal operating assistance grants	86,184	—	—	—	86,184	—
Property taxes allocated by the County of Orange	23,585	—	—	—	23,585	—
Investment earnings	42,592	19,515	5,494	702	68,303	2,569
Interest expense	(10)	(1,581)	(6,079)	—	(7,670)	—
Other	13,727	968	8	—	14,703	739
Total nonoperating revenues (expenses)	**176,594**	**18,902**	**(577)**	**19,457**	**214,376**	**3,308**
Income (loss) before contributions and transfers	**(187,879)**	**72,203**	**20,681**	**18,133**	**(76,862)**	**1,984**
Capital contributions	54,833	—	—	222	55,055	—
Transfers in	238,946	—	—	1,298	240,244	11,300
Transfers out	(14,076)	(8,116)	(72,172)	—	(94,364)	(16,545)
Changes in net position	**91,824**	**64,087**	**(51,491)**	**19,653**	**124,073**	**(3,261)**
Net position - 6/30/2024, as previously reported	**950,507**	**371,030**	**(97,468)**	**—**	**1,224,069**	**38,366**
Change in accounting principle - GASB No. 101	3,875	—	—	—	3,875	—
Net position - 6/30/2024, as restated	954,382	371,030	(97,468)	—	1,227,944	38,366
Net position - ending	**$1,046,206**	**$ 435,117**	**$ (148,959)**	**$ 19,653**	**$1,352,017**	**$ 35,105**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Reconciliation of the Statement of Revenues, Expenses and Changes in Net Position of Proprietary Funds to the Statement of Activities
For the Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for business-type activities in the Statement of Activities (page 17) are different because:

Net change in fund net position - total enterprise funds (page 25)	**$**	**124,073**
Internal service funds are used by management to charge the costs of risk management to individual funds. The net revenue of the general liability and workers' compensation internal service funds are included in business-type activities in the Statement of Net Position. Additionally, the effect of allocating the workers' compensation Internal Service Fund loss to the governmental activities is included in this difference.		(3,198)
Change in net position of business-type activities (page 17)	**$**	**120,875**

See accompanying notes to the financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Cash Flows
Proprietary Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor-OC Streetcar	Total	Internal Service Funds
Cash flows from operating activities						
Receipts from customers and users	$ 32,682	$ 73,073	$ 61,103	$ —	$ 166,858	$ —
Receipts from interfund services provided	—	—	—	—	—	10,347
Payments to suppliers	(189,404)	(11,076)	(20,325)	(166)	(220,971)	(1,817)
Payments to claimants	—	—	—	—	—	(8,902)
Payments to employees	(140,984)	—	—	—	(140,984)	—
Payments for interfund services used	(56,909)	(4,070)	(3,209)	(1,142)	(65,330)	(323)
Advertising revenues received	3,375	—	—	—	3,375	—
Miscellaneous revenues received	15,338	968	9	—	16,315	739
Net cash provided by (used for) operating activities	**(335,902)**	**58,895**	**37,578**	**(1,308)**	**(240,737)**	**44**
Cash flows from noncapital financing activities						
Operating assistance grants received	94,239	—	—	—	94,239	—
Reimbursement from other governments	—	6	—	—	6	—
Property taxes received	23,388	—	—	—	23,388	—
State transit assistance funds received	10,179	—	—	18,693	28,872	—
Transfers from other funds	235,555	—	—	1,307	236,862	11,300
Transfers to other funds	(13,655)	(8,449)	(72,172)	—	(94,276)	(16,545)
Net cash provided by (used for) noncapital financing activities	**349,706**	**(8,443)**	**(72,172)**	**20,000**	**289,091**	**(5,245)**
Cash flows from capital and related financing activities						
Capital grants for acquisition and construction of capital assets	38,064	—	—	—	38,064	—
Receipts from lease agreements	3,420	—	—	—	3,420	—
Arbitrage rebate payment	—	—	(449)	—	(449)	—
Principal payment on long-term debt	—	(5,820)	—	—	(5,820)	—
Interest paid on long-term debt	—	(2,232)	(56)	—	(2,288)	—
Acquisition and construction of capital assets	(86,875)	(964)	(909)	—	(88,748)	—
Net cash used for capital and related financing activities	**(45,391)**	**(9,016)**	**(1,414)**	**—**	**(55,821)**	**—**
Cash flows from investing activities						
Investment earnings	43,123	19,686	5,620	658	69,087	2,802
Net cash provided by investing activities	**43,123**	**19,686**	**5,620**	**658**	**69,087**	**2,802**
Net increase (decrease) in cash and cash equivalents	**11,536**	**61,122**	**(30,388)**	**19,350**	**61,620**	**(2,399)**
Cash and cash equivalents at beginning of year	774,175	317,318	89,707	—	1,181,200	59,040
Cash and cash equivalents at end of year	**$ 785,711**	**$ 378,440**	**$ 59,319**	**$ 19,350**	**$1,242,820**	**$ 56,641**
Reconciliation of cash and cash equivalents to statement of net position:						
Cash and investments	$ 702,356	$ 365,037	$ 20,964	$ —	$1,088,357	$ 56,641
Restricted cash and investments	83,355	13,403	38,355	19,350	154,463	—
Total cash and cash equivalents	**$ 785,711**	**$ 378,440**	**$ 59,319**	**$ 19,350**	**$1,242,820**	**$ 56,641**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Statement of Cash Flows
Proprietary Funds, Continued
For the Year Ended June 30, 2025

(amounts expressed in thousands)	OCTD	91 Express Lanes	405 Express Lanes	Nonmajor-OC Streetcar	Total	Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities						
Operating income (loss)	$(364,473)	$ 53,301	$ 21,258	$ (1,324)	$(291,238)	$ (1,324)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:						
Depreciation and amortization expense	33,333	2,395	15,288	6	51,022	—
Amortization of toll road franchise agreement	—	2,586	—	—	2,586	—
Other nonoperating revenues	13,727	968	9	—	14,704	—
Insurance recoveries	—	—	—	—	—	739
Change in assets and liabilities:						
Receivables	611	(2,839)	2,434	—	206	(139)
Due from other governments	(144)	—	—	—	(144)	—
Inventory	(281)	—	—	—	(281)	—
Prepaid retirement	(1,092)	—	—	—	(1,092)	—
Other assets	82	10	(18)	—	74	9
Deferred outflows of resources - pensions	(52,707)	—	—	—	(52,707)	—
Accounts payable	(11,185)	1,776	(2,819)	10	(12,218)	66
Accrued payroll and related items	(1,812)	—	—	—	(1,812)	—
Compensated absences	3,203	—	—	—	3,203	—
Claims payable	—	—	—	—	—	693
Due to other governments	2,142	746	581	—	3,469	—
Unearned revenue	—	(220)	820	—	600	—
Other liabilities	253	172	25	—	450	—
Total OPEB liability	(26)	—	—	—	(26)	—
Net pension liability	(17,192)	—	—	—	(17,192)	—
Deferred inflows of resources - pensions	59,635	—	—	—	59,635	—
Deferred inflows of resources - OPEB	24	—	—	—	24	—
Total adjustments	**28,571**	**5,594**	**16,320**	**16**	**50,501**	**1,368**
Net cash provided by (used for) operating activities	**$(335,902)**	**$ 58,895**	**$ 37,578**	**$ (1,308)**	**$(240,737)**	**$ 44**
Noncash capital, financing and investing activities:						
Amortization of bond premium	$ —	$ 618	$ —	$ —	$ 618	$ —
Amortization of deferred loss on refunding 2003 series	—	670	—	—	670	—
Amortization of deferred gain on refunding 2013 series	—	644	—	—	644	—
Addition in other long-term liabilities related to PPP	—	—	2,395	—	2,395	—
Amortization of deferred outflows related to PPP	—	—	2,771	—	2,771	—
Amortization of deferred inflows on refunding	—	—	7,110	—	7,110	—
Capital assets accrued in payables	4,854	2,365	2,191	65	9,475	—
Change in fair value of investments	520	160	125	44	849	235
Interest accretion on TIFIA loan	—	—	12,377	—	12,377	—
Interfund capital assets transfer	—	—	—	222	222	—

See accompanying notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

On June 20, 1991, under the authority of Senate Bill 838, the Orange County Transportation Authority (OCTA) was formed as a special district by merging the following agencies and funds:

Orange County Transportation Commission (OCTC)
Orange County Transit District (OCTD)
Orange County Local Transportation Fund (LTF)
Orange County Unified Transportation Trust (OCUTT)
Transit Development Reserve
Orange County Local Transportation Authority (LTA)
State Transit Assistance Fund (STAF)
Orange County Service Authority for Freeway Emergencies (SAFE)
Orange County Consolidated Transportation Services Agency (CTSA)
Orange County Congestion Management Agency

On January 3, 2003, OCTA purchased from the California Private Transportation Company (CPTC) its interest in a franchise agreement for a toll facility (see note 7).

The OCTA Board of Directors (Board) consists of 18 members. Five members are the Orange County Board of Supervisors, 10 members are city representatives (one per supervisorial district selected by population-weighted voting, and one per supervisorial district selected on a one-city, one-vote method), two public members (neither of whom can be an elected official or have been an elected official during the previous four years), and one is a non-voting ex-officio member appointed by the governor (Caltrans District Director).

The accompanying financial statements present the government and its component units, entities for which OCTA is considered accountable. Blended component units are, in substance, part of the government's operations, even though they are legally separate entities. Thus, blended component units are appropriately presented as funds of the primary government.

The Orange County Local Transportation Authority (LTA), a blended component unit of OCTA, was created pursuant to the provisions of the Local Transportation Authority and Improvement Act commencing with Section 180000 of the California Public Utilities Code and pursuant to Ordinance No. 2, adopted by the Board of Directors of the LTA on August 2, 1989. The Board also serves as the Board of Directors for the LTA. Management of OCTA is responsible for the operations of LTA. Separate financial statements for the LTA are prepared and available from the OCTA Finance and Administration Division.

The Orange County Service Authority for Freeway Emergencies (SAFE), a blended component unit of OCTA, was created by Senate Bill 1199 which authorized the County Board of Supervisors, upon approval from a majority of the cities with a majority of the population, to establish SAFE. In 1986, SAFE began the implementation and operation of a freeway system of call boxes to help with motorist emergencies. SAFE is funded by a $1.00 (absolute dollars) fee paid at the time of vehicle registration. The Board also serves as the Board of Directors for SAFE. Management of OCTA is responsible for the operations of SAFE. Separate financial statements are not issued for SAFE.

The Orange County Transit District (OCTD), a blended component unit of OCTA, was created by an act of the California State Legislature in 1965 and approved by the voters of Orange County in November 1970. OCTD commenced operating a public transportation system in Orange County in August 1972. OCTD is

primarily funded by the Local Transportation Fund (LTF), which is derived from a one-quarter cent of the general sales tax collected statewide. The Board also serves as the Board of Directors for OCTD. Management of OCTA is responsible for the operations of OCTD. Separate financial statements are not issued for OCTD.

There are many other governmental agencies, including the County of Orange (County), providing service within the area served by OCTA. These other governmental agencies have independently elected governing boards and are, therefore, not under the direction of OCTA. Financial information for these agencies is not included in the accompanying financial statements.

OCTA is funded primarily by sales taxes, farebox collections, tolls, property taxes, gasoline sales tax and various federal and state grant programs. OCTA oversees most Orange County bus and rail transit and the 91/405 Express Lanes operations, administers the Measure M program (one-half percent sales tax revenues), coordinates freeway and regional road projects, and serves as the local advocate and facilitator of state and federal transportation funding programs.

Basis of Presentation

OCTA's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities and fund financial statements that provide a more detailed level of financial information.

Government-wide Statements: The statement of net position and the statement of activities report information for all of the nonfiduciary activities of OCTA. The effect of interfund activity, except for internal service fund activity provided and used, has been eliminated from these statements. Internal service fund activity predominately serves the OCTD Enterprise Fund and, therefore, the net balances are included in the business-type activities. Indirect costs have been allocated to the functions/programs on the statement of activities in a separate column entitled "Indirect Expense Allocation." Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on charges and fees for support.

The statement of activities demonstrates the degree to which the program expenses of a given function are offset by program revenues. Program expenses include direct expenses, which are clearly identifiable with a specific function. Interest expense related to the sales tax revenue bonds and commercial paper, the taxable bonds, and advances from OCTA funds is reported as a direct expense of the Measure M program, fixed route, and toll road functions, respectively, as it would be misleading to exclude the interest from direct expenses and the borrowings are considered essential to the creation or continuing existence of these programs. For the year ended June 30, 2025, interest expense (income) of $26,149 and $7,670, was included in Measure M and toll road program costs, respectively. Program revenues include: charges to customers or applicants who purchase, use, directly benefit from services or privileges provided by a given function and grants and contributions that are restricted to meeting the operational or capital requirements of a particular function. Sales tax and other revenues are not reported as program revenues and instead, are reported as general revenues.

Fund Financial Statements: The fund financial statements provide information about OCTA's funds. Separate statements for each fund category – governmental and proprietary – are presented. The emphasis of fund financial statements is on major governmental and enterprise funds, each displayed in a separate column. All remaining governmental and enterprise funds are aggregated and reported as nonmajor funds.

OCTA reports the following major governmental funds:

- ***General Fund*** – This fund is the general operating fund of OCTA. It is used to account for the financial resources of the general government as well as the transit operations of OCTA, except for those required to be accounted for in another fund. Due to the implementation of GASB Statement No. 84, Fiduciary Activities, the Additional Retiree Benefit Account (ARBA) fund and the Scholarship fund, previously reported as fiduciary funds, are reported as part of the General fund effective fiscal year 2020-21.

- ***Local Transportation Authority (LTA) Fund*** – This special revenue fund accounts for revenues received and expenditures made and is restricted for the implementation of the Orange County Traffic Improvement and Growth Management Plan (Measure M). Funding is provided by a one-half percent sales and use tax assessed for twenty years pursuant to Measure M, which became effective April 1, 1991, and more recently was renewed for an additional 30 years from April 1, 2011 to March 31, 2041. The Measure M ordinance, as approved in an election by the voters of Orange County, requires that sales tax revenues only be expended on projects included in the ordinance. In addition to sales tax proceeds, the LTA fund is supported by other funding sources, including investment income, state and federal grants, other contributions, and miscellaneous revenues. Effective fiscal year 2023-24, the Common Urban Rail Endowment (CURE) fund previously reported under the General fund is presented as part of LTA fund.

- ***Local Transportation Fund (LTF)*** – This special revenue fund accounts for revenues received and expenditures made and is restricted for use on certain transit projects within Orange County. Funding is generated from a one-quarter percent state sales and use tax pursuant to the California Transportation Development Act (TDA). Expenditures of these monies must be made in accordance with TDA provisions.

- ***LTA Debt Service Fund*** – This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the LTA.

- ***General Capital Project Fund*** – This fund is used to account for transportation capital projects.

OCTA reports the following major enterprise funds:

- ***Orange County Transit District (OCTD) Fund*** – This fund accounts for the transit operations of OCTA. The primary sources of funding for transit operations are the TDA one-quarter percent sales tax, farebox collections and federal/state grants.

- ***91 Express Lanes Fund*** – This fund accounts for the operations of the 91 Express Lanes. The primary source of funding for the operations is toll revenues and related fees.

- ***405 Express Lanes Fund*** – This fund accounts for the operations of the 405 Express Lanes. The primary source of funding for the operations is toll revenues and related fees.

Additionally, OCTA reports the following fund types:

- ***Internal Service Funds*** – These funds account for the risk management activities of OCTA, which are managed through a combination of purchased insurance and self-insurance. OCTA's internal services funds are the General Liability fund and the Worker's Compensation fund.

Measurement Focus and Basis of Accounting

The government-wide and the proprietary fund financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Tolls are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenues are recognized when customers utilize the toll road facility. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the grantor have been met. Property taxes are recognized as revenues in the year for which they are levied.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, OCTA considers revenues to be available if they are collected within 90 days of the end of the current fiscal period. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt and compensated absences of governmental funds are recorded only when payment is due.

Revenues susceptible to accrual are sales and gas taxes collected and held by the state at year-end on behalf of OCTA, intergovernmental revenues, interest revenue, charges for services, and fines and fees. In applying the susceptible to accrual concept to intergovernmental revenues, there are two types of revenues. For one, monies must be expended for the specific purpose or project before any amounts will be paid to OCTA; therefore, revenues are recognized when the relevant expenditures incurred and availability criteria met. In the other, monies are unrestricted and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of OCTA's proprietary funds are charges to customers for services. Operating revenues relating to the 91 and 405 Express Lanes are presented net of discounts and allowances. Operating expenses for proprietary funds include the cost of services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Cash and Investments

OCTA maintains cash and investments in accordance with the Investment Policy (Policy) originally adopted by the Board on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). The majority of OCTA's investments are managed by four private sector investment managers. At June 30, 2025, the investment portfolios were held by U.S. Bank as custodial bank. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes, with investment earnings allocated to the different accounts based on average daily account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar

assets in markets that are not active; Level 3 inputs are unobservable inputs. Most of OCTA's leveled investments are measured using Level 2 inputs.

Investments in U.S. government and U.S. agency securities, medium-term notes, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value. The Orange County Investment Pool (OCIP) is carried at fair value based on the value of each participating dollar as provided by the OCIP. The state managed Local Agency Investment Fund (LAIF) is carried at amortized cost.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market mutual funds, mortgage or asset-backed securities, supranationals, LAIF, OCIP, investment pools, variable and floating rate securities, bank deposits and derivatives.

Investment of debt proceeds held by trustees are governed by provisions of the indentures for each obligation, rather than the general provisions of the California Government Code or OCTA's investment policy. The investment of these debt proceeds is in accordance with the Permitted Investments section and applicable account restrictions outlined in the indenture of each debt obligation. Under certain indentures, guaranteed investment contracts are allowed.

LAIF is regulated by Code Section 16429 under the oversight of the Treasurer of the State of California. Investments in OCIP are limited to those funds legally required to be deposited in the County Treasury. Oversight of the OCIP is conducted by the County Treasury Oversight Committee.

All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy. Outside portfolio managers must review, on an ongoing basis, the portfolio they manage (including bond proceeds portfolios) to ensure compliance with OCTA's diversification guidelines.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, certificates of deposit, commercial paper, money market funds, and the proprietary funds' share of OCTA's commingled investment pool represent cash and cash equivalents for cash flow purposes.

Receivables

Receivables include an estimate for outstanding unpaid violations of the 91 and 405 Express Lanes that OCTA anticipates to collect. For violations less than 90 days old, the receivable is based on a 12-month average of violations collected during that time and is recorded net of an allowance for uncollectible accounts. For those violations in excess of 90 days, the receivable is estimated using a three-year average of violations collected and is recorded net, as the majority is not considered probable of collection. Additionally, the 91 and 405 Express Lanes records a receivable for amounts owed from customers net of an allowance.

Since the 405 Express Lanes has only been in operation for less than two years, there is no sufficient collection history to determine the collection percentage. Due to the similarities between the 91 and 405 Express Lanes, OCTA used the collection percentage from the 91 Express Lanes to estimate the outstanding unpaid violations for the 405 Express Lanes for fiscal year 2024-25.

Interfund Transactions

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered. There are also numerous transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances, including internal financing balances, are reported as due to/from other funds. Any residual balances outstanding between the governmental activities and business-type activities are reported in the government-wide financial statements as “internal balances.”

As a centralized transportation planning and administration agency, OCTA allocates costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, administrative services of $100,136 were charged to other OCTA funds from the general fund. These charges for services are reported as general government expenditures in governmental fund types and as administrative services expenses in the proprietary fund types.

Internal service funds are utilized by OCTA to account for risk management activities in the areas of general liability and workers’ compensation. Charges for risk management services are reported as general government expenditures in the governmental funds receiving the services and as wages, salaries and benefits or other operating expenses in the proprietary funds. The risk management internal service funds charged $10,338 to OCTA’s operating funds.

Inventory

All inventory is valued at cost using the average cost method, which approximates market.

Prepaid Retirement

Orange County Employee Retirement System (OCERS) provides a 7.00% discount to employers for early payment of employer contributions. OCTA elected to prepay employer contributions for fiscal year 2025-26 in order to benefit from this discount. Since OCERS records the prepaid retirement as a liability (unearned contributions) and recognizes them over the periods of the related payroll, the prepaid retirement is reported by OCTA as a prepaid asset in the governmental fund financial statements (modified accrual).

Restricted Cash and Investments

Certain proceeds of OCTA’s long-term debt, as well as certain resources set aside for their repayment or capital maintenance, are classified as restricted investments, because they are maintained in separate investment accounts and their use is limited by applicable debt covenants.

In addition, OCTA has restricted investments held by the California Community foundation (CCF). The amount invested in the CCF investment pool is a restricted asset as approved for funding by the OCTA Board of Directors in October of 2014. The CCF is headquartered in Los Angeles, California. CCF is a community foundation and holds a 501(c)3 status, which meets California State Government Code requirements for community foundations. Legislation providing for OCTA to use a qualified organization to hold and manage the endowment is provided in Government Code §§65965-65968. An investment committee is responsible for oversight of the foundation’s investment pools. The Endowment Pool is a diversified pool invested for long-term growth and appreciation while providing a relatively predictable

stream of distributions that keeps the pace with inflation over time. The pool includes a mix of asset classes including equities, fixed income, hedge funds, real assets and venture capital. The target asset allocation is approximately 50% public equity, 20% fixed income, 15% hedge funds, 10% real assets and 5% private equity and venture capital.

The purpose of the agreement between CCF and OCTA is to provide for the establishment of a fund within the CCF to receive and hold M2 Environmental Mitigation Program contributions made by OCTA during the endowment funding period for use in establishing the permanent endowment pursuant to the conservation plan. OCTA is the beneficiary of the fund and, therefore, has reported a restricted asset in the financial statements.

The CCF shall hold, administer, invest, and reinvest the fund in accordance with the CCF's proposal and the objectives set forth in the Scope of Work of the Request for Proposal, each of which is incorporated into the agreement by reference, and in compliance with all applicable state and federal laws, including, but not limited to, Sections 65965, 65966, 69667, and 65968 of the California Government Code and the Uniform Prudent Management of Institutional Funds Act, California Probate Code Section 18501 et seq. The agreement shall remain in place in full force and effect through December 31, 2029.

With the implementation of GASB Statement No. 84, Fiduciary Activities, the assets related to Additional Retiree Benefit Account (ARBA) supplemental pension plan through OCERS, previously reported in fiduciary fund, are reported in General fund effective fiscal year 2020-21. The assets are held in a revocable trust and are classified as restricted investments.

Starting fiscal year 2024-25, restricted cash and investments include amounts received pursuant to Senate Bill (SB) 125. In accordance with the provisions of SB 125, these resources are restricted for the support of transit infrastructure, operations, and capital improvements. Accordingly, such funds are not available to finance the general operating activities and classified as restricted cash and investments

Assets Held for Resale

OCTA holds title to property in connection with the purchase of rights-of-way for infrastructure not held by OCTA. These assets are reported as assets held for resale in the governmental activities column in the government-wide financial statements except in cases in which OCTA has entered into a sales contract prior to the issuance of the financial statements. In these cases, the assets held for resale are reported in the governmental funds financial statements. Proceeds received will be reimbursed to the fund in which the initial expenditure was recorded.

Capital Assets

Capital assets include land, construction in progress, buildings and improvements, infrastructure, machinery, equipment and furniture, transit vehicles, toll facility franchise, transponders, intangible right-to-use lease assets, and intangible right-to-use subscription-based information technology arrangements (SBITA) assets, and are reported in the applicable governmental or business-type activities columns in the government-wide financial statements.

Capital assets are defined by OCTA as assets with an initial, individual cost of more than $5 and a useful life exceeding one year. OCTA also capitalizes non-sticker transponder purchases, as they are considered a significant class of assets even though individually their cost is less than $5. OCTA also capitalize assets whose individual acquisition costs are less than the threshold for an individual asset, but are significant in aggregate.

Capital assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the donation date. OCTA also records the

value of intangible right-to-use assets based on the underlying leased asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year over the shorter of lease term or useful life of the asset. In addition, OCTA records the value of intangible right-to-use subscription assets in accordance with GASB Statement No. 96, SBITAs. The subscription asset is amortized year over the shorter of the subscription term or the useful life of the underlying IT assets.

Freeway construction and certain purchases of right-of-way property, for which title vests with Caltrans, are included in capital outlay. Infrastructure consisting primarily of freeway construction and right-of-way acquisition is not recorded as a capital asset in those instances where OCTA does not intend to maintain or operate the property when complete.

The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset's life are not capitalized.

Capital assets are depreciated using the straight line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Buildings and improvements	10-30 years
Leasehold improvements	Lease term
Infrastructure - PPP assets	40-50 years
Machinery, equipment and furniture	3-10 years
Transit vehicles	3-18 years
Transponders	5-7 years
Lease assets - building	20-30 years
Lease assets - equipment	3 years
Subscription assets - SBITA	3 years
Toll franchise facility	63 years

Leases

OCTA is a lessee for a noncancellable lease of buildings and equipment. OCTA recognizes lease liabilities and intangible right-to-use lease assets (lease assets) in the government-wide financial statements. OCTA recognizes lease liabilities with an initial, individual value of $5 or more.

At the commencement of a lease, OCTA initially measures the lease liabilities at the present value of payments expected to be made during the lease term. Subsequently, the lease liabilities are reduced by the principal portion of the lease payments made. The lease assets are initially measured as the initial amount of the lease liabilities, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the lease assets are amortized on a straight-line basis over the shorter of its useful life or the lease term.

Key estimates and judgments related to lease include how OCTA determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term, and (3) lease payments. OCTA uses the interest rate charged by the lessor as the discount rate. When the interest rate charged by the lessor is not provided, OCTA generally uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liabilities are composed of fixed payments and purchase option price that OCTA is reasonably certain to exercise.

OCTA monitors changes in circumstances that would require a remeasurement of its leases and will remeasure the lease assets and liabilities if certain changes occur that are expected to significantly affect

the amount of the lease liabilities. Lease assets are reported with other capital assets and lease liabilities are reported with long-term debt on the statement of net position.

OCTA is the lessor under a noncancellable land lease. Beginning in fiscal year 2024–25, OCTA also became the lessor of office spaces in its newly acquired headquarters building. OCTA recognizes lease receivable and deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, OCTA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable are reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how OCTA determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. OCTA uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the lease receivable is composed of fixed payments from the lessee.

OCTA monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

OCTA recognizes subscription assets (intangible right-to-use asset) and a corresponding subscription liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges OCTA, when available, or estimated incremental borrowing rate as the discount rate for SBITAs. OCTA recognizes amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods.

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. OCTA recognizes amortization of the subscription asset as an outflow of resources over the subscription term.

Compensated Absences

Vacation, sick leave, and other compensated absences are earned in accordance with OCTA policies and collective bargaining agreements. Effective fiscal year 2024–25, OCTA implemented GASB Statement No. 101, Compensated Absences. Under this guidance, compensated absences are recognized as a liability when earned, provided the leave is attributable to services already rendered, accumulation is permitted, and it is probable that the leave will be used for time off or otherwise paid or settled. The compensated absences liability is measured using the first-in, first-out (FIFO) assumption for leave usage. Under this approach, leave is assumed to be used in the order earned. The liability is calculated based on the pay rates in effect at the financial statement date and includes applicable salary-related payments.

In the governmental funds, only the portion of compensated absences expected to be liquidated with expendable available financial resources is reported as a fund liability. The long-term liability is reported in the government-wide financial statements.

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements include a separate section for deferred outflows of resources. This separate financial statement element; deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense/expenditure) until then. OCTA has four items that qualify for reporting in this category, which are reported in the government-wide statement of net position. The first item is a deferred outflow related to loss on refunding which results from the difference in the carrying value of refunded debt and its reacquisition price. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. The second item is the deferred outflow related to pensions, which represents OCTA's pension contributions made subsequent to the measurement date, change of assumptions, difference between expected and actual experience, and the net difference between projected and actual earnings on plan investments. The third item is the deferred outflow related to other postemployment benefits (OPEB), which represents the change of assumptions and difference between expected and actual experience. The fourth item is the deferred outflow related to Public-Public Partnerships (PPP) which is measured based on the estimated carrying value of the underlying PPP asset as of the expected date of the transfer in ownership. This amount is deferred and amortized over the shorter of the PPP term or the useful life of the underlying PPP asset. Refer to note 12 for information related to amortization of deferred outflows of resources related to PPP.

In addition to liabilities, the financial statements include a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. On the modified accrual basis of accounting, OCTA has one type of deferred inflow, unavailable revenue. The governmental funds report unavailable revenue from multiple sources for grant reimbursements. These amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. In addition, OCTA has four deferred inflow of resources reported in the government-wide statement of net position. These items are the deferred inflow related to leases, which represent value of the lease receivable plus any payments received at or before the commencement of the lease term that relate to future periods; deferred inflows related to gain on refunding; and pensions and OPEB, which represent the change of assumptions, difference between expected and actual experience, or the net difference between projected and actual earnings on plan investments. Refer to note 8 for information related to amortization of deferred inflows of resources related to leases, note 14 for information related to amortization of the deferred outflows/inflows of resources related to pensions, and note 15 for the amortization of the deferred outflows/inflows related to OPEB.

Pension

For purposes of measuring the net pension liability, deferred outflows of resources, and deferred inflows of resources related to pension, and pension expense, information about the fiduciary net position of the OCTA's Orange County Employees Retirement System (OCERS) pension plan, and additions to/ deductions from the plan's fiduciary net position have been determined on the same basis as it is reported by OCERS. For this purpose, benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with benefit terms. Investments are reported at fair value.

Other Postemployment Benefits (OPEB)

OPEB expense, deferred outflows/inflows of resources related to OPEB, and an implied subsidy payment were used to measure the total OPEB liability. OCTA does not provide any cash subsidy towards the benefit, and there are no assets accumulated in a trust for the plan.

Long-Term Debt

In the government-wide financial statements and proprietary fund financial statements, long-term debt is reported as a liability in the applicable governmental activities, business-type activities, or proprietary fund type statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount. Bond issuance costs are recognized as an expense in the period incurred.

In the fund financial statements, governmental funds recognize bond premiums and discounts, as well as bond issuance costs, in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Risk Management

OCTA accounts for its risk management activities in internal service funds. Separate internal service funds are used for general liability and workers' compensation. Charges by internal service funds to the general fund, certain special revenue funds, and OCTD enterprise fund are based on historical cost information and are adjusted over time, so that internal service fund revenues and expenses are approximately equal. Expenses for the actual or estimated loss from claims are recorded when it is probable that a loss will be incurred and the amount can reasonably be determined. OCTA's risk management activities are a combination of purchased insurance coverage and self-insured risk retention. OCTA's real and personal property, including revenue and non-revenue vehicles, are covered under a commercial property insurance policy. The 91 and 405 Express Lanes enterprise funds have purchased commercial property insurance, including business interruption, earthquake and flood coverage related to the toll facility.

Property Taxes

Property taxes are allocated to OCTA from the County based upon a percentage of real property taxes levied by the County. Following is the property tax calendar:

Lien Date	January 1
Levy Date	4th Monday in September
Due Dates	November 1 and February 1
Collection Dates	December 10 and April 10

Contributions to Other Agencies

Contributions to other agencies primarily represent sales tax revenues received in the LTA fund and disbursed to cities for competitive projects, the local fair share, the senior mobility program, and to other outside agencies for projects which are in accordance with the Measure M ordinance. Additionally, contributions are made to Southern California Regional Rail Authority (SCRRA) by the LTA fund.

Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources and is classified into three categories.

- ***Net investment in capital assets*** – This balance reflects the net position of OCTA that is invested in capital assets, net of related debt. This net position is generally not accessible for other purposes.

- ***Restricted net position*** – This balance represents net position that is not accessible for general use because their use is subject to restrictions enforceable by third parties. The government-wide statement of net position reports $1,487,497 of net position restricted by enabling legislation for Measure M projects, debt service, capital/operating reserves, capital projects, transportation programs, pension benefits, and federal/state grants.

- ***Unrestricted net position*** – This balance represents net position that is available for general use.

Fund Balance Classifications

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which OCTA is bound to honor constraints on the specific purposes for which amounts can be spent.

The classifications used in the governmental fund financial statements are as follows*:*

- ***Nonspendable*** – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact.

- ***Restricted*** – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments.

- ***Committed*** – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board, as the highest level of decision making authority, has the ability to commit fund balances through the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the Board removes or modifies the use through the adoption of a subsequent resolution.

- ***Assigned*** – amounts that are constrained by OCTA's intent to be used for specific purposes and that do not meet the criteria to be classified as restricted or committed. This classification also includes residual amounts in governmental funds, other than the General fund. The Board establishes and modifies assignments of fund balances through the adoption of the budget and subsequent budget amendments. The Board retains the authority to assign fund balances.

- ***Unassigned*** – this classification includes the residual fund balances for the General fund. It also includes the negative residual fund balances of any other governmental fund that cannot be eliminated by offsetting assigned fund balance amounts.

When both restricted and unrestricted resources are available for use, it is OCTA's policy to use restricted resources first and then unrestricted resources as they are needed. When using unrestricted fund balance amounts, OCTA's Board approved policy is to use committed amounts first, followed by assigned and then unassigned.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

2. RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net position

The governmental funds balance sheet includes a reconciliation between fund balance – total governmental funds and net position – governmental activities as reported in the government-wide statement of net position.

One element of that reconciliation explains that "Capital assets used in governmental activities are not financial resources, and therefore, are not reported in the governmental funds." The details of this $753,785 difference are as follows:

Capital assets	$	783,124
Less accumulated depreciation		(29,339)
Net adjustment to increase fund balance – total governmental funds to arrive at net position – governmental activities	**$**	**753,785**

Another element of that reconciliation explains that "Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds." The details of this $(62,865) difference are as follows:

Net pension liability	$	(41,896)
Total OPEB liability		(875)
Lease liabilities		(16,632)
Subscription liabilities		(2,617)
Compensated absences		(5,410)
Other assets and liabilities		4,565
Net adjustment to decrease fund balance – total governmental funds to arrive at net position – governmental activities	**$**	**(62,865)**

Explanation of certain differences between the governmental funds statement of revenues, expenditures and changes in fund balances and the government-wide statement of activities

The governmental funds statement of revenues, expenditures and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net position - governmental activities as reported in the government-wide statement of activities.

One element of that reconciliation explains that "governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation and amortization expense, or allocated to the appropriate functional expense when the cost does not meet the capitalization criteria based on the ownership of the assets." The details of this $44,796 difference are as follows:

Capital outlays	$	56,108
Proceeds sale of fixed assets		(4,169)
Depreciation and amortization expense		(7,143)
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position – governmental activities	**$**	**44,796**

Another element of that reconciliation states that "Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds." Also, governmental funds report the effect of premiums, discounts, and similar items when debt is first issued, whereas these amounts are amortized in the statement of activities." The details of this $32,496 difference are as follows:

Issuance of new debt	$	(227,565)
Principal and interest payments		296,474
Premium and deferred charge amortization		(36,413)
Net adjustment to increase net change in fund balance – total governmental funds to arrive at change in net position – governmental activities	**$**	**32,496**

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash		
Deposits	$	37,275
Petty cash		7
Total cash		**37,282**
Investments		
Orange County Treasurer		17,543
LAIF		7,288
Trustee		758,632
Custodian		2,363,414
CA Community Foundation (CCF)		34,085
Total investments		**3,180,962**
Total cash and investments	**$**	**3,218,244**

Total cash and investments are reported in the following funds:

Unrestricted cash and investments		
Governmental funds	$	1,188,155
Proprietary funds:		
Enterprise funds		1,088,357
Internal service funds		56,641
Total unrestricted cash and investments		**2,333,153**
Restricted cash and investments		
Governmental funds		730,628
Proprietary funds:		
Enterprise funds		154,463
Total restricted cash and investments	**$**	**885,091**
Total cash and investments	**$**	**3,218,244**

As of June 30, 2025, OCTA had the following investments along with weighted average maturity (WAM) information:

Investments	Fair Value	Interest Rate Range (Rounded)	Maturity Range	WAM (Years)
Orange County Investment Pool*	$ 17,543	3.960% - 4.280%	1 day - 5 years	0.748
Local Agency Investment Fund*	7,288	4.269% - 4.480%	217 - 248 Days	0.679
U. S. Treasuries	1,032,437	0.250% - 4.625%	07/31/25 - 05/31/30	2.512
U. S. Agency Notes	217,584	0.375% - 5.000%	07/01/25 - 01/25/30	1.890
Medium Term Notes	443,691	1.850% - 5.882%	07/01/25 - 06/15/30	2.256
Variable Rate Notes	221,597	1.045% - 6.615%	07/22/26 - 06/25/28	2.775
Mortgage & Asset Backed Securities	331,464	0.680% - 5.900%	05/15/26 - 06/21/30	3.645
Money Market Funds *	717,020	3.960% - 4.250%	07/01/2025	0.003
Municipal Debt	50,286	0.947% - 5.540%	07/01/25 - 06/01/30	2.223
Commercial Paper *	52,220	4.330% - 4.390%	07/07/25 - 08/22/25	0.081
Negotiable CD*	43,915	4.250% - 5.610%	07/07/25 - 02/01/27	0.500
CCF Investment Fund	34,085	NA	NA	NA
Supranational	11,832	3.625% - 4.375%	01/15/27 - 10/16/29	2.712
Total investments	**$ 3,180,962**			
Portfolio Weighted				1.892

* Money market funds, commercial paper, negotiable CD, OCIP, and LAIF are measured at amortized cost which approximates fair value.

OCTA holds investments that are measured at fair value on a recurring basis. Recurring fair value measurements are those that GASB Statements require or permit in the statement of net position at the end of each reporting period. Fair value measurements are categorized based on the valuation inputs

used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs - other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are significant unobservable inputs.

As of June 30, 2025, most of OCTA's investments, categorized within the fair value hierarchy, are classified as Level 2. These investments are valued using the market valuation approach based on quoted prices for similar assets with exception of the investment in the CA Community Foundation Investment Fund (CCF) which is valued by the CCF using significant unobservable inputs and, therefore, classified as Level 3. Unobservable inputs used by CCF include the foundations own assumptions, market comparable rates, capitalization and occupancy rates.

		Fair Value Measurement	
		Significant Other Observable Inputs	Significant Unobservable Inputs
Investments by fair value level	**Total**	**(Level 2)**	**(Level 3)**
U.S. Treasuries	$ 1,032,437	$ 1,032,437	$ —
U.S. Agency Notes	217,584	217,584	—
Medium Term Notes	443,691	443,691	—
Mortgage & Asset Backed Securities	331,464	331,464	—
Variable Rate Notes	221,597	221,597	—
Municipal Debt	50,286	50,286	—
CCF Investment Fund	34,085	—	34,085
Supranationals	11,832	11,832	—
Total	**$ 2,342,976**	**$ 2,308,891**	**$ 34,085**

Investments not subject to the fair value hierarchy	
Money Market Funds	$ 717,020
Orange County Investment Pool	17,543
Local Agency Investment Fund	7,288
Commercial Paper	52,220
Negotiable Certificate of Deposit	43,915
Total	**837,986**
Total investments	**$ 3,180,962**

Interest Rate Risk

OCTA manages exposure to declines in fair value from increasing interest rates by having an investment policy that limits maturities to five years while also staggering maturities across the portfolio. OCTA maintains a low duration strategy, targeting an estimated average portfolio duration of two to three years or less, with the intent of reducing interest rate risk. Portfolios with low duration are less volatile, therefore, less sensitive to interest rate changes. In accordance with the Policy, amounts restricted for debt service reserves are invested in accordance with the maturity provision of their specific indenture, which may extend beyond five years.

As of June 30, 2025, mortgage and asset-backed securities totaled $331,464. The underlying assets are consumer receivables that include credit cards, auto and home loans. The securities have a fixed interest rate and are rated AA or higher by a nationally recognized statistical rating organizations (NRSROs).

Custodial Credit Risk

Custodial credit risk for deposits is the risk that, in the event of the failure of a depository financial institution, a government will not be able to recover its deposits or will not be able to recover collateral securities that are in the possession of an outside party. The custodial credit risk in terms of investments is the risk that, in the event of the failure of the counterparty (e.g., broker-dealer) to a transaction, a government will not be able to recover the value of its investment or collateral securities that are in the possession of another party. The Policy requires that a third- party bank custody department hold all securities owned by OCTA. All trades are settled on a delivery versus payment basis through OCTA's safekeeping agent. At June 30, 2025, OCTA did not have any deposits or securities exposed to custodial credit risk and there was no securities lending.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three NRSROs: Standard & Poor's (S&P), Moody's Investor Service (Moody's), and Fitch Rating's (Fitch).

For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt shall be rated no less than an "A" by an NSRSO.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2025 (NR means Not Rated, US means obligation of the United States (U.S.) government or obligations explicitly guaranteed by the U.S. government):

Investments	S&P	Moody's	% of Portfolio
CA Community Foundation Fund	NR	NR	1.07%
Orange County Investment Pool	NR	NR	0.55%
Local Agency Investment Fund	NR	NR	0.23%
U.S. Treasuries	NR	NR	32.46%
U.S. Agency Notes	NR	NR	6.84%
Medium Term Notes			
Johnson & Johnson	AAA	Aaa	0.03%
Apple Inc.	AA	Aaa	0.20%
Corporate Notes	AA	Aa	3.20%
Corporate Notes	AA	A	0.45%
Corporate Notes	A	Aa	1.75%
Corporate Notes	A	A	7.68%
Sammons Financial Group	A	NR	0.03%
Corporate Notes	BBB	A	0.19%
Corporate Notes	BBB	Baa	0.33%
National Rural Utilities	NR	A	0.09%

Investments	S&P	Moody's	% of Portfolio
Mortgage and Asset-Backed Securities			
Securities	AAA	Aaa	2.58%
Securities	AAA	NR	4.34%
Verizon	AA	NR	0.02%
Securities	NR	Aaa	3.37%
Nissan	NR	Aa	0.05%
Autonation	NR	NR	0.06%
Variable Rate Notes			
Federal Home Loan Mortgage Corp	AAA	Aa	0.26%
Federal Home Loan Mortgage Corp	AA	Aaa	0.32%
Notes	AA	Aa	1.67%
Notes	A	Aa	0.69%
Notes	A	A	2.83%
Notes	A	Baa	0.15%
Notes	BBB	A	0.90%
Notes	BBB	Baa	0.10%
Federal Home Loan Mortgage Corp	NR	NR	0.05%
Money Market Funds	AAAm	Aaa	22.54%
Municipal Bonds			
Alabama Federal Aid Hwy	AAA	Aa	0.00%
Los Angeles CA Community College	AA	Aaa	0.10%
Various Agencies	AA	Aa	0.22%
San Francisco City & County Arpts	AA	A	0.03%
Various Agencies	AA	NR	0.17%
Various Agencies	A	Aa	0.18%
Various Agencies	A	A	0.16%
Los Angeles California Municipal	A	NR	0.05%
Various Agencies	NR	Aa	0.67%
Commercial Paper			
Barclays	A-1	P-1	1.64%
Certificate of Deposit			
Bank of Montreal	A	P-1	1.04%
Cooperative Rabobank	A	Aa	0.11%
Various	A	A	0.23%
Supranational			
International Bank	AAA	Aaa	0.37%
Total investments			**100%**

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the OCTA's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the OCTA's investment portfolio at June 30, 2025.

Investment in State Investment Pool

OCTA is a voluntary participant in the Local Agency Investment Fund (LAIF) that is regulated by the California Government Code. The Investment Advisory Board provides oversight for LAIF, consisting of five members as designated by statute, which includes the Treasurer of the State of California. The value of OCTA's investment in this pool is reported on an amortized cost basis in the accompanying financial statements, based upon OCTA's pro-rata share of the entire LAIF portfolio.

The balance available for withdrawal is based on the accounting records maintained by LAIF, which are recorded on an amortized cost basis. Deposits and withdrawals are made on the basis of $1.00 (absolute dollars) and not fair value.

Investment in Orange County Investment Pool

The TDA guidelines require the California Department of Tax and Fee Administration (CDTFA) to deposit State Transit Assistance and Local Transportation funds with the OCIP until claimed by OCTA. OCIP is monitored by the Treasury Oversight Committee (TOC) established by the County of Orange Board of Supervisors on December 19, 1995 by Resolution No. 95-946. The TOC reviews and monitors the annual investment policy prepared by the Treasurer in accordance with Government Code §27133. The value of OCTA's investment in this pool is reported on an amortized cost basis in the accompanying financial statements, based upon OCTA's pro-rata share of the entire OCIP portfolio, which is adjusted by the application of a fair value factor provided by OCIP. Deposits and withdrawals are made on the basis of $1.00 (absolute dollars) and not fair value.

Investment in CA Community Foundation Investment Pool

The fair value of OCTA's investment in this pool is reported in the accompanying financial staements at amounts based upon OCTA's pro-rata share of the fair value provided by CCF for the entire CCF portfolio (in relation to the amortized cost of that portfolio).

4. GRANTS AND STATE ASSISTANCE

Operating Assistance Grants

Under provisions of the Federal Transit Administration (FTA), funds are available to OCTA for Americans with Disabilities Act (ADA) paratransit operating assistance, preventive maintenance, capital cost of contracting, demonstration projects, transportation planning, and related services. The appropriations for fiscal year 2024-25 total $68,274. A receivable of $64,650 is outstanding as of June 30, 2025.

Capital Grants

Under the provisions of FTA, appropriations are available for the development and capital investments for a public transportation system including the acquisition and construction of facilities, transit vehicles and related support equipment. The appropriations for fiscal year 2024-25 related to capital investments total $5,793. A receivable of $25,440 is outstanding as of June 30, 2025.

Local Transportation Fund

In fiscal year 2024-25, LTF received revenues from a one-quarter percent state sales and use tax through provisions of the TDA, as amended. Under TDA, revenues are to be made available to OCTD for planning, paratransit, and for operating expenses. In fiscal year 2024-25, OCTA became entitled to $136,887 in LTF revenues. The remaining revenues received by LTF were contributed to other claimants for administration, planning, and operations.

State Transit Assistance Program

State Transit Assistance (STA) revenue is generated by the state sales tax on diesel fuel as specified under the gas tax swap enacted in March 2010. The Road Repair and Accountability Act of 2017, signed into law April 2017, provided additional funding under the State of Good Repair (SGR) Program. This program is funded from a portion of Transportation Improvement Fee on vehicle registrations and provides transit operators in California funding for eligible transit maintenance, rehabilitation, and capital projects. OCTA received $43,699 and $7,446 in STA and SGR respectively, in fiscal year 2024-25.

The Low Carbon Transit Operations Program

The Low Carbon Transit Operations Program (LCTOP) is used to provide operating and capital assistance for transit agencies to reduce greenhouse gas emissions and improve mobility, with a priority on serving disadvantaged communities. In fiscal year 2024-25, OCTA received LCTOP funds allocation of $10,350, which are held in an interest-bearing account. Grant revenue is recognized when all eligibility requirements have been met. As of June 30, 2025, unspent amounts of $22,028 are reported as unearned revenue until program conditions are satisfied.

State of California under Senate Bill (SB) 125

OCTA receives grant funding from the State of California under Senate Bill (SB) 125, which provides additional appropriations to support transit infrastructure, operations, and capital improvements. These funds are administered through the California State Transportation Agency (CalSTA) and allocated to eligible transit agencies for the purpose of enhancing mobility, reducing greenhouse gas emissions, and improving the state's public transportation systems. In fiscal year 2024-25, OCTA was awarded $262,838 in SB 125 funding, and these funds are held in an interest-bearing account. As of June 30, 2025, remaining amounts of $209,171 are reported as restricted cash and investments.

5. DUE FROM/TO OTHER GOVERNMENTS

Amounts due from other governments as of June 30, 2025 in the fund financial statements are as follows:

	Governmental Funds				Enterprise Funds			
Due From	General	LTA	LTF	Nonmajor Gov Funds	OCTD	91 EL	Nonmajor Enterprise	Total
Sales taxes	$ —	$ 74,525	$ 37,087	$ 12,258	$ —	$ —	$ —	$ 123,870
Projects	610	8,184	—	—	337	—	—	9,131
Other	2,915	1,780	—	500	5,341	77	62	10,675
Total	**$ 3,525**	**$ 84,489**	**$ 37,087**	**$ 12,758**	**$ 5,678**	**$ 77**	**$ 62**	**$ 143,676**

Amounts due to other governments as of June 30, 2025 are as follows:

	Governmental Funds					Enterprise Funds			
Due To	General	LTA	LTF	General Capital Project	Nonmajor Gov Funds	OCTD	91 EL	405 EL	Total
Projects	$ 155	$ 34,777	$ —	$ 62	$ 40	$ 4,314	$ 152	$ 1,025	$ 40,525
Other	8	9,578	244	—	—	149	2,215	43	12,237
Total	**$ 163**	**$ 44,355**	**$ 244**	**$ 62**	**$ 40**	**$ 4,463**	**$ 2,367**	**$ 1,068**	**$ 52,762**

6. INTERFUND RECEIVABLES/PAYABLES AND TRANSFERS

The composition of interfund balances at June 30, 2025 is as follows:

Due to/from other funds

	Receivable Funds					
Payable Funds	General	LTA	General Capital Project	Nonmajor Gov Funds	OCTD	Total
LTA	$ —	$ —	$ 5,946	$ 88	$ 2,678	$ 8,712
LTF	389	—	—	—	—	389
Nonmajor Gov Funds	—	—	—	—	12,258	12,258
OCTD	—	—	479	—	—	479
91 EL	—	8,848	—	—	—	8,848
Total	**$ 389**	**$ 8,848**	**$ 6,425**	**$ 88**	**$ 14,936**	**$ 30,686**

The due to/from other funds arise due to short-term funding for certain projects, operations, and temporary cash deficit.

Interfund transfers

	Transfers In								
Transfers Out	**General**	**LTA**	**LTA Debt Service**	**General Capital Project**	**Nonmajor Gov Funds**	**OCTD**	**Nonmajor Enterprise**	**Internal Service**	**Total**
LTA	$ —	$ —	$ 58,966	$ 27,547	$ 4,910	$ 12,584	$ 1,298	$ —	$ 105,305
LTF	5,062	—	—	—	—	131,823	—	—	136,885
LTA Debt Service	—	14,025	—	—	—	—	—	—	14,025
General Capital Project	—	149,841	—	—	—	—	—	—	149,841
Nonmajor Gov Funds	—	—	—	—	—	94,539	—	—	94,539
OCTD	—	1,788	—	989	—	—	—	11,300	14,077
91 EL	—	8,116	—	—	—	—	—	—	8,116
405 EL	—	72,172	—	—	—	—	—	—	72,172
Internal Service	16,545	—	—	—	—	—	—	—	16,545
Total	**$ 21,607**	**$ 245,942**	**$ 58,966**	**$ 28,536**	**$ 4,910**	**$ 238,946**	**$ 1,298**	**$ 11,300**	**$ 611,505**

Interfund transfers reflect a flow of assets between funds and blended component units of the primary governments without an equivalent flow of assets in return. The purpose of these transfers were primarily to: 1) relay cash from LTA fund to LTA Debt Service fund for the payment of long-term obligations, 2) provide resources to fund various project costs such as SR-91 Improvement Project, I-405 Improvement Project, Transportation Security Operations Center (TSOC) construction project and OC Streetcar project 3) to provide funding for operating and capital costs for OCTA bus program, 4) transfer Measure M sales tax revenues to support various services/programs such as fare stabilization program, stationlink services rail feeder, and i-Shuttle project.

7. CAPITAL ASSETS

Capital assets activity for the year ended June 30, 2025 is as follows:

	Beginning Balance	**Increases**	**Decreases**	**Transfer**	**Ending Balance**
Governmental activities					
Capital assets, not being depreciated:					
Land	$ 172,236	$ —	$ —	$ —	$ 172,236
Right-of-way improvements	7,300	—	—	—	7,300
Construction in progress	499,967	52,559	—	(502)	552,024
Total capital assets, not being depreciated	**679,503**	**52,559**	**—**	**(502)**	**731,560**
Capital assets, being depreciated:					
Buildings and improvements	2,003	14	—	144	2,161
Machinery, equipment and furniture	10,270	468	(23)	358	11,073
Lease assets - building	32,006	—	—	—	32,006
Lease assets - equipment	244	—	—	—	244
Subscription asset - SBITA	2,060	5,149	(1,129)	—	6,080
Total capital assets, being depreciated	**46,583**	**5,631**	**(1,152)**	**502**	**51,564**

	Beginning Balance	Increases	Decreases	Transfer	Ending Balance
Less accumulated depreciation for:					
Buildings and improvements	$ (1,465)	$ (80)	$ —	$ —	$ (1,545)
Machinery, equipment and furniture	(7,949)	(925)	23	—	(8,851)
Lease assets - building	(12,663)	(4,221)	—	—	(16,884)
Lease assets - equipment	(35)	(101)	—	—	(136)
Subscription assets - SBITA	(1,106)	(1,816)	999	—	(1,923)
Total accumulated depreciation	**(23,218)**	**(7,143)**	**1,022**	**—**	**(29,339)**
Total capital assets, being depreciated, net	**23,365**	**(1,512)**	**(130)**	**502**	**22,225**
Governmental activities capital assets, net	**702,868**	**51,047**	**(130)**	**—**	**753,785**
Business-type activities					
Capital assets, not being depreciated:					
Land	57,106	35,346	—	—	92,452
Land - PPP assets	27,438	2,326	—	—	29,764
Construction in progress	16,489	18,960	—	(9,236)	26,213
Total capital assets, not being depreciated	**101,033**	**56,632**	**—**	**(9,236)**	**148,429**
Capital assets, being depreciated and amortized:					
Buildings and improvements	157,364	19,352	—	758	177,474
Leasehold improvements	6,039	2	—	—	6,041
Infrastructure - PPP assets	406,287	—	(1,186)	—	405,101
Transit vehicles	415,013	15,765	(29,398)	8,318	409,698
Machinery, equipment and furniture	116,796	8,651	(5,485)	160	120,122
Lease assets - building	9,601	—	—	—	9,601
Subscription assets - SBITA	680	32	—	—	712
Toll facility franchise	205,264	—	—	—	205,264
Total capital assets, being depreciated and amortized	**1,317,044**	**43,802**	**(36,069)**	**9,236**	**1,334,013**
Less accumulated depreciation and amortization for:					
Buildings and improvements	$ (106,172)	$ (5,561)	$ —	$ —	$ (111,733)
Leasehold improvements	(4,449)	(176)	—	—	(4,625)
Infrastructure - PPP assets	(4,605)	(8,101)	—	—	(12,706)
Transit vehicles	(232,896)	(23,069)	29,092	—	(226,873)
Machinery, equipment and furniture	(75,821)	(10,408)	3,243	—	(82,986)
Lease assets - building	(1,612)	(707)	—	—	(2,319)
Subscription assets - SBITA	(339)	(228)	—	—	(567)
Toll facility franchise	(97,916)	(2,587)	—	—	(100,503)
Total accumulated depreciation and amortization	**(523,810)**	**(50,837)**	**32,335**	**—**	**(542,312)**
Total capital assets, being depreciated and amortized, net	**793,234**	**(7,035)**	**(3,734)**	**9,236**	**791,701**
Business-type activities capital assets, net	**894,267**	**49,597**	**(3,734)**	**—**	**940,130**
Total capital assets, net	**$1,597,135**	**$ 100,644**	**$ (3,864)**	**$ —**	**$1,693,915**

Depreciation and amortization expense was charged to functions/programs as follows:

Governmental activities		
General government	$	7,073
Measure M program		20
Motorist services		50
Total depreciation expense - governmental activities		**7,143**
Business-type activities		
Fixed route		30,365
Paratransit		2,968
Tollroad		17,499
Local rail		5
Total depreciation expense - business-type activities		**50,837**
Total depreciation expense	**$**	**57,980**

Toll Facility Franchise

On January 3, 2003, OCTA acquired from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the operation of a 10-mile toll facility on State Route (SR) 91 between the Orange/Riverside County line and SR-55. This acquisition was authorized by Assembly Bill (AB) 1010 (Correa), enacted in September 2002, which granted OCTA the authority to collect tolls and finance related costs through 2030, while eliminating non-compete provisions that restricted improvements along SR-91. The Franchise Agreement, originally between CPTC and the California Department of Transportation (Caltrans), provided CPTC with the right to develop, construct, and operate the toll facility under a 35-year lease; Caltrans retains legal title to the real property, and no franchise fees or installment payments are owed to Caltrans.

In September 2008, Senate Bill (SB) 1316 (Correa) updated AB 1010, authorizing OCTA to assign its franchise rights and obligations in the Riverside County portion of SR-91 to the Riverside County Transportation Commission (RCTC). This legislation permitted RCTC to expand the corridor by adding toll and general-purpose lanes and extended the maximum franchise term to December 31, 2065. SB 1316 also required OCTA and RCTC to coordinate tolling operations in the event of such an assignment. In December 2011, OCTA Board approved the assignment of franchise rights, interests, and obligations in the Riverside County portion to RCTC, along with the extension of the expiration date to 2065. The Board also approved a cooperative agreement with RCTC governing the joint operation of the 91 Express Lanes extension.

8. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, OCTA, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, OCTA is required to recognize a lease receivable and a deferred inflow of resources.

Lease receivable

OCTA is a lessor in several lease agreements for the use of land and office spaces. The terms of these non-cancellable leases include the contractually specified lease period along with any extension options or termination options OCTA is reasonably certain to exercise.

In FY 2024-25, OCTA maintained 28 active lease agreements. The terms of these leases range from 3 to 20 years with interest rates between 1.91% to 3.69%. As of June 30, 2025, the total lease receivable was $14,791 and the total deferred inflow of resources was $14,294. During the fiscal year, OCTA recognized cash receipts of $4,049 in principal and $381 in interest.

The following is a schedule of future minimum lease receivable as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	$ 5,174	$ 368	$ 5,542
2027	3,336	235	3,571
2028	2,360	156	2,516
2029	1,714	94	1,808
2030	1,153	47	1,200
2031-2035	1,048	23	1,071
2036-2040	6	—	6
Total lease receivable	**$ 14,791**	**$ 923**	**$ 15,714**

Lease liabilities

OCTA has entered into non-cancelable lease agreements with various vendors as a lessee for office facilities and leased equipment. The lease terms include the non-cancelable contract periods as well as any extension options that OCTA is reasonably certain to exercise. As of June 30, 2025, the right-to-use lease asset balance was $41,851 with accumulated amortization of $19,339.

In FY 2024-25, OCTA had five (5) active leases agreements. The terms of these leases range from 5 to 25 years with interest rates between 1.57% to 6.28%. OCTA recognized $4,686 and $719 in principal and interest payments. As of June 30, 2025, the total lease liabilities was $24,677.

The following is a schedule of future minimum lease liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	$ 4,942	$ 636	$ 5,578
2027	5,087	548	5,635
2028	5,331	459	5,790
2029	3,477	370	3,847
2030	601	337	938
2031-2035	1,315	1,449	2,764
2036-2040	2,182	924	3,106
2041-2043	1,742	160	1,902
Total lease liabilities	**$ 24,677**	**$ 4,883**	**$ 29,560**

9. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

OCTA adopted GASB Statement No. 96, SBITAs, effective fiscal year 2022-23. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

In fiscal year 2024-25, OCTA recorded subscription payable comprised of five agreements, which OCTA is a lessee for the use of IT arrangements. As of June 30, 2025, OCTA had a subscription liability in the amount of $2,858. The value of the right-to-use subscription assets as of the end of the current fiscal year was $6,792 with accumulated amortization of $2,490.

The following is a schedule of future minimum subscription liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	$ 1,601	$ 84	$ 1,685
2027	1,177	36	1,213
2028	80	2	82
Total subscription liabilities	**$ 2,858**	**$ 122**	**$ 2,980**

10. CLAIMS LIABILITY

OCTA is self-insured for workers' compensation and general liability claims. Workers' compensation claims are self-insured with a maximum amount of $750,000 per claim with statutory limits. For fiscal year 2023-24 and fiscal year 2024-25, general liability claims are fully self-insured with an adequate funding reserve as required by the OCTA Board of Directors. Actual claim liabilities depend on such complex factors as inflation, changes in legal doctrines and damage awards. The process used in computing claims liability may not result in an exact amount but are actuarially determined on a yearly basis. Claims liabilities are re-evaluated periodically to take into consideration recently settled claims, the frequency of claims and other economic and social factors. There are no claims or settlements exceeded insurance coverage for each of the past three fiscal years. Management is of the opinion that the recorded liabilities for OCTA's self-insured claims are adequate.

OCTA's liability for claims where it has retained the risk of loss, as recorded in the appropriate internal service funds, is as follows:

	2025	2024
General Liability		
Unpaid claims as of July 1	**$ 6,350**	**$ 6,102**
Incurred claims (including claims incurred but not reported)	237	143
Payments	(1,538)	(469)
Increase in provision for prior years' events	947	574
Unpaid claims at June 30	**5,996**	**6,350**
Workers' Compensation		
Unpaid claims as of July 1	**15,323**	**14,725**
Incurred claims (including claims incurred but not reported)	1,157	1,165
Payments	(5,043)	(5,534)
Increase in provision for prior years' events	4,933	4,967
Unpaid claims at June 30	**16,370**	**15,323**
Total unpaid claims at June 30	**22,366**	**21,673**
Less current portion of unpaid claims	(4,309)	(4,181)
Total long-term portion of unpaid claims	**$ 18,057**	**$ 17,492**

11. LONG-TERM DEBT

Sales Tax Revenue Bonds

On December 23, 2010, LTA issued $293,540 of Measure M2 Sales Tax Revenue Bonds, 2010 Series A (Taxable Build America Bonds) and $59,030 of 2010 Series B (Tax-Exempt Bonds), to finance transportation projects, restructure the Tax-Exempt Commercial Paper Program, and fund capitalized interest and issuance costs. A total of $75,000 was used to retire outstanding commercial paper.

On February 26, 2019, LTA issued $376,690 of Measure M2 Sales Tax Revenue Bonds, Series 2019, to finance the I-405 Improvement Project, refund $43,540 of the 2010 Series A Bonds, and pay issuance costs. The refunding generated net present value savings of $2,584.

On March 26, 2025, LTA issued $227,565 of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds under the extraordinary optional redemption provision. The refunding generated gross cumulative cash flow savings of $13,002 and net present value savings of $10,505.

The OCTA's outstanding sales tax revenue bonds are limited obligations of the Authority, payable solely from pledged Measure M2 sales tax revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences. The sales tax revenue bonds are rated AA+ by Fitch and AAA by Standard & Poor's.

A summary of the bonds outstanding is as follows:

	2019 Series B (Tax-Exempt Bonds)	2025 Series (Limited Tax Bonds)
Issuance date	2/12/2019	3/4/2025
Original issue amount	$ 376,690	$ 227,565
Original issue premium	69,342	36,413
Net bond proceeds	**$ 446,032**	**$ 263,978**
Issuance costs	$ 970	$ 490
Interest rates	3.00%-5.00%	6.908%
Maturity range	2021-2041	2026-2041
Final maturity	2041	2041
Bonds outstanding	**$ 301,885**	**$ 227,565**
Plus unamortized premium	49,360	35,814
Total	**$ 351,245**	**$ 263,379**

Annual debt service requirements on the sales tax revenue bonds as of June 30, 2025, are as follows:

Year ending June 30,	Principal	Interest
2026	$ 20,395	$ 24,847
2027	23,650	25,123
2028	24,835	23,940
2029	26,075	22,699
2030	27,380	21,395
2031-2035	158,800	85,074
2036-2041	248,315	44,333
Total	**$ 529,450**	**$ 247,411**

Toll Road Revenue Refunding Bonds

On August 8, 2013, OCTA issued $124,415 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2013, to refund the outstanding Series 2003-A, 2003-B-1, and 2003-B-2 Bonds. The refunding reduced total debt service payments and addressed the mandatory tender of the Series 2003-B Bonds.

On July 6, 2023, OCTA issued $47,545 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2023, to refund the outstanding Series 2013 Bonds. The refunding lowered total debt service payments and generated net present value savings of $5,521.

OCTA's outstanding Toll Road Revenue Refunding Bonds are limited obligations of the Authority, payable solely from pledged toll revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences. The Toll Road Revenue Refunding Bonds are rated Aa3 by Moody's, AA- by Fitch, and AA- by Standard & Poor's.

A summary of the terms of the Toll Road Revenue Refunding Bonds is as follows:

	2023 Series (Toll Road Revenue Bonds)
Issuance date	7/6/23
Closing date	7/6/23
Original issue amount	**$ 47,545**
Cash reserve requirements*	$ 12,576
Cash reserve balance	$ 13,403
Interest rate range	5 %
Maturity	August 2030
Principal payment date	August 15
Bonds outstanding	**$ 41,725**
Unamortized premium	$ 3,391
Gain on refunding (2013 Series)	$ 3,515
Loss on refunding (2003 Series)	$ (3,655)

*Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the following three reserve funds are required to be maintained: Senior Lien Reserve Fund $4,576, Major Maintenance Reserve Fund $5,000 and Operating Reserve Fund $3,000 At June 30, 2025, all reserve requirements have been satisfied.

Annual debt service requirements on the toll road revenue bonds as of June 30, 2025, are as follows:

Year ending June 30,	Principal	Interest
2026	$ 6,115	$ 1,933
2027	6,430	1,620
2028	6,760	1,290
2029	7,105	943
2030	7,465	579
2031	7,850	196
Total	**$ 41,725**	**$ 6,561**

TIFIA Loan

On September 9, 2021, OCTA and the Department of Transportation Build America Bureau Credit Programs Office (Bureau) executed a TIFIA loan for $628,930 as a direct borrowing with an interest rate of 1.95%. The proceeds financed a portion of the costs for the I-405 Improvement Project.

During the construction of the I-405 Improvement Project, and for a period of up to five years following the substantial completion, interest on the TIFIA loan is accreted and added to the initial TIFIA loan. The loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent that additional funds are available. Annual debt service payment will commence on June 1, 2028 through June 1, 2058.

The TIFIA loan is secured solely by toll revenues of the I-405 Express Lanes, which commenced operations in December 2023. The loan is non-recourse debt and is issued on a senior lien basis. The

credit rating on the TIFIA loan is Baa2 (Moody's). The legal documents for the TIFIA loan contain provisions with finance-related consequences, that if an event of default occurs and continues, the trust estate shall be under the control of the trustee. Also, under the TIFIA Loan Agreement interest increases to the Default Rate, and the US Department of Transportation has the option of holding up loan disbursements. The OCTA's legal documents also contain acceleration clauses, whereas the OCTA's obligations shall automatically become due and payable.

In accordance with the projected TIFIA loan maturity schedule, the annual debt service requirements from fiscal year 2028 to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30,	Principal	Interest	Total
2028	—	6,589	6,589
2029	—	13,159	13,159
2030	—	13,177	13,177
2031-2035	23,603	65,435	89,038
2036-2040	75,106	60,130	135,236
2041-2045	101,791	51,514	153,305
2046-2050	133,743	40,093	173,835
2051-2055	171,839	25,248	197,087
2056-2058	169,671	6,367	176,038
Total	**$ 675,753**	**$ 281,712**	**$ 957,464**

*Total reflects future accreted interest capitalized to the principal balance.

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities:					
Sales tax revenue bonds	$ 569,315	$ 227,565	$ (267,430)	$ 529,450	$ 20,395
Unamortized premium	52,512	36,412	(3,750)	85,174	—
Total governmental activities	**621,827**	**263,977**	**(271,180)**	**614,624**	**20,395**
Business-type activities:					
Toll road revenue bonds	47,545	—	(5,820)	41,725	6,115
Unamortized premium	4,009	—	(618)	3,391	—
Subtotal for toll road revenue refunding bonds	**51,554**	**—**	**(6,438)**	**45,116**	**6,115**
TIFIA loan principal	613,711	—	—	613,711	—
TIFIA loan accreted interest	18,644	12,377	—	31,021	—
Subtotal for TIFIA loan	**632,355**	**12,377**	**—**	**644,732**	**—**
Total business-type activities	**$ 683,909**	**$ 12,377**	**$ (6,438)**	**$ 689,848**	**$ 6,115**

Arbitrage Rebate

The Tax Reform Act of 1986 instituted certain arbitrage restrictions with respect to the issuance of tax-exempt bonds after August 31, 1986. In general, arbitrage regulations deal with the investment of all tax-exempt bond proceeds at an interest yield greater than the interest yield paid to bondholders. Failure to follow the arbitrage regulations could result in the interest paid to bondholders being retroactively rendered taxable.

In accordance with the arbitrage regulations, if excess earnings were calculated, 90% of the amount calculated would be due to the Internal Revenue Service (IRS) at the end of each five-year period. The remaining 10% would be recorded as a liability and paid after all bonds had been redeemed. During the current year, no excess earnings were calculated, therefore, no payments were made.

Pledged Revenue

OCTA has a number of debt issuances outstanding that are repaid and secured by the pledging of certain revenues. The amount and term of the remainder of these commitments are indicated in the summary of bonds outstanding tables. The purposes for which the proceeds of the related debt issuances were utilized are disclosed in the debt descriptions.

Debt service payments as a ratio of the pledged gross revenue, less certain expenditures/expenses as required by the debt agreement, for the year ended June 30, 2025, are indicated in the following table and OCTA is in compliance with the ratio per the debt agreement:

Pledged Revenues	Annual Amount of Net Pledged Revenues	Annual Debt Service Payments	Pledged Revenue Coverage
Measure M2 net sales tax revenues	$ 335,762	$ 54,856	6.12
91 EL net toll road revenues	77,270	8,052	9.60
405 EL net toll road revenues	41,692	—	—

12. PUBLIC-PUBLIC PARTNERSHIP ARRANGEMENTS (PPP)

In fiscal year 2023, OCTA assessed GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and determined that 91 Express Lanes agreement was not applicable to this standard, wherein exchange or exchange-like transactions does not exist between OCTA and Caltrans pertaining to this arrangement.

In March 2017, OCTA entered into an agreement with the State of California, Department of Transportation (Caltrans), under which OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 Toll Facility for 40 years commencing as of the first day on which the Toll Facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the term of this agreement, all property owned by OCTA and which is related to the Toll Facility, shall automatically become the property of Caltrans.

With the implementation of GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, OCTA has identified this arrangement as a PPP. On December 1, 2023, the I-405 Improvement Project reached substantial completion and the 405 Express Lanes opened to public use. The value of the Toll Facility associated with the PPP arrangement recognized on December 1, 2023 was $431,959. As of June 30, 2025, OCTA has recognized a liability measured based

on the estimated carrying value of the Toll Facility at the end of the 40-year term for $110,815 and deferred outflows of resources related to the I-405 Improvement Project in the amount of $106,435.

13. LONG-TERM LIABILITIES

Long-term liabilities activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Governmental activities					
Compensated absences*	$ 8,898	$ —	$ (2,402)	$ 6,496	$ 1,087
Rent holiday	3,839	4,436	(5,031)	3,244	—
Lease liabilities	20,872	—	(4,240)	16,632	4,447
Subscription liabilities	357	4,057	(1,797)	2,617	1,514
Long-term debt - sales tax revenue bonds	621,827	263,977	(271,180)	614,624	20,395
Total governmental activities	**655,793**	**272,470**	**(284,650)**	**643,613**	**27,443**
Business-type activities					
Claims payable	21,673	7,274	(6,581)	22,366	4,309
Compensated absences*	9,072	—	(672)	8,400	4,475
Lease liabilities	8,492	(781)	334	8,045	495
Subscription liabilities	253	33	(45)	241	87
PPP and other long-term liabilities	108,391	2,424	—	110,815	29
Long-term debt - toll road revenue bonds	51,554	—	(6,438)	45,116	6,115
Long-term debt - TIFIA loan	632,355	12,377	—	644,732	—
Total business-type activities	**$ 831,790**	**$ 21,327**	**$ (13,402)**	**$ 839,715**	**$ 15,510**

*The change in the compensated absences liability is presented as a net of change.

14. PENSION PLAN

OCTA participates in the Orange County Employees Retirement System (OCERS) and also contributes to 401(a) plan which are subject to GASB Statement No. 68, Accounting and Financial Reporting for Pensions.

A summary of pension amounts for OCTA's plan at June 30, 2025 is presented below:

	OCERS
Deferred outflows of resources – pensions	$ 122,268
Net pension liability	174,887
Deferred inflows of resources – pensions	91,401
Pension expenses	23,559

Orange County Employees Retirement System

Plan Description: OCTA participates in OCERS Pension Plan, a cost-sharing multiple-employer defined benefit pension plan administered by OCERS. The County Employees Retirement Law of 1937 and other applicable statutes grant the authority to establish and amend the benefit terms to the OCERS. OCERS issues a publicly available financial report that includes financial statements and required supplementary information for the cost sharing plans administered by OCERS. This report is issued for each year ending December 31 and can be obtained online at www.ocers.org, or from its executive office: 2223 Wellington Avenue, Santa Ana, CA 92701.

Benefits Provided: OCERS provides for service retirement, death, disability, survivor benefits and annual cost-of-living benefits to plan members, who must be public employees and beneficiaries. Service retirement benefits are based on Plan Type, years of service, age at retirement and final average salary. The benefit formulas are an annual annuity equal to 2% of the employee's one-year final average salary for each year of service rendered at age 57 for Plan A members who were hired prior to September 21, 1979 and 1.67% of the employee's three year final average salary for each year of service rendered at age 57.5 for Plan B members who were hired after September 21, 1979.

Contributions: Per Government Code sections 31453.5 and 31454, participating employers are required to contribute a percentage of covered salary to the Plan. The contribution requirements of participating active members and employers are established and may be amended by the OCERS' Board of Retirement. Employee contributions are established by the OCERS' Board of Retirement and guided by state statute (Government Code sections 31621, 31621.5, 31621.8, 31639.25 and 31639.5) and vary based upon employee age at the time of entering OCERS membership. Participating employers may pay a portion of the participating active employees' contributions through negotiations and bargaining agreements.

Funding contributions for the OCERS plan are determined annually on an actuarial basis by OCERS. The contribution requirement for the year ended June 30, 2025 was 33.41% of total covered payroll, actuarially determined as an amount that, when combined with employee contributions, is expected to finance the costs of benefits earned by employee during the year, with an additional amount to finance any unfunded accrued liability. OCTA's contributions to OCERS were $33,339 for the year ended June 30, 2025.

Long-term liabilities for pensions are not reported in the governmental fund financial statements because they are not expected to be liquidated with expendable available financial resources. In prior years, these liabilities have typically been liquidated by the General Fund, through the recognition of expenditures for employer contributions as they become due, and by the OCTD proprietary fund, consistent with where payroll expenditures are recorded.

Pension Liabilities, Pension Expenses and Deferred Outflows/Inflows of Resources Related to Pensions

As of June 30, 2025, OCTA reported a liability of $174,887 for its proportionate share of the net pension liability (NPL). The NPL was measured as of June 30, 2025, and determined by rolling forward the total pension liability (TPL) as of December 31, 2024 actuarial valuation date. OCTA's proportionate share of the TPL has been determined by OCERS' actuary based upon employer contributions within each rate group. While OCERS is comprised of many rate groups, and certain rate groups may have multiple employer participants, OCTA is the only employer within its own individual rate group. Legally required employer contributions for each year less any amounts of those legally required contributions that are paid by the employees are used as the basis for determining each participating employer's proportion of total contributions. Contributions made by the employer on behalf of employees under Government Code

Section 31581.2 are considered employee contributions and are not included in the proportionate share calculation.

At December 31, 2024, OCTA's proportion was 4.36%, which was a decrease of 0.02% from its proportion measured as of December 31, 2024. For the year ended June 30, 2025, OCTA recognized pension expense of $23,559. At June 30, 2025, OCTA reported deferred outflows of resources and deferred inflows of resources related to pension from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Pension contributions subsequent to measurement date	$ 18,869	$ —
Net difference between projected and actual earnings on plan investments	66,477	—
Difference between expected and actual experience	31,060	75,888
Changes of assumptions	5,862	15,513
Total	**$ 122,268**	**$ 91,401**

Deferred outflows of resources related to contributions subsequent to the measurement date but before reporting period of $18,869 will be recognized as a reduction of the net pension liability in the year ended June 30, 2026. Other amounts reported as deferred inflows/outflows of resources related to changes of assumptions and difference between expected and actual experience will be recognized as pension expense over the average of the expected remaining service lives of all employees that are provided with pensions through OCERS which is 5.41 years determined as of December 31, 2024. In addition, the net difference between projected and actual investment earnings on pension plan investments is amortized over a five-year period on a straight-line basis beginning with the year in which they occur.

Other amounts reported as deferred outflows of resources and deferred inflows of resources related to pension will be recognized in pension expense as follows:

Year ended June 30,	Increase (Decrease) in Pension Expense
2026	$ 1,714
2027	21,001
2028	(8,021)
2029	(3,182)
2030	486
Total	**$ 11,998**

Actuarial Assumptions

Following are the key methods and assumptions used for the TPL as of December 31, 2024:

Actuarial Experience Study	Three year period ending December 31, 2022
Actuarial Cost Method	Entry Age Actuarial Cost Method
Actuarial Assumptions:	
Investment Rate of Return	7.00% net of plan investment expenses, including inflation
Discount Rate	7.00%
Inflation Rate	2.50%
Cost of Living Adjustment	2.75% of retirement income
Projected Salary Increases	3.90% to 10.25%; vary by service, including inflation

Mortality Assumptions: The underlying mortality assumptions used in the TPL at December 31, 2024 were based on the results of the actuarial experience study for the period January 1, 2020 through December 31, 2022 using the Pub-2010 General Employee Amount-Weighted Above-Median Mortality Table, projected generationally with the two-dimensional mortality improvement scale MP-2021, with age adjustments, and adjusted separately for healthy and disabled.

Long-term Expected Rate of Return: The long-term expected rate of return on pension plan investments was determined using a building-block method in which expected future real rate of return (expected returns, net of inflation, beginning with December 31, 2024, any applicable investment management expenses) are developed for each major asset class. These returns are combined to produce the long-term expected arithmetic rate of return by weighting the expected arithmetic real rate of return by the target asset allocation percentage and by adding expected inflation and deducting expected investment expenses (beginning with December 31, 2024, including only investment consulting fees, custodian fees, and other miscellaneous investment expenses).

For the prior year, these rates are before deducting investment management expenses while beginning December 31, 2024, they are after deducting applicable investment management expenses. The target allocation and projected arithmetic real rate of return for each major asset class, after deducting inflation, used in the derivation of the long-term expected investment rate of return assumption are summarized in the following table as of December 31, 2024:

Asset Class	Target Allocation	Long-Term Expected Arithmetic Real Rate of Return
Global Equity	45.00%	7.05%
Investment Grade Bonds	9.00%	1.97%
High Yield Bond	0.50%	4.63%
TIPS	2.00%	1.77%
Emerging Market Debt	0.50%	4.72%
Long-Term Government Bonds	3.30%	2.82%
Real Estate	3.00%	3.86%
Private Equity	15.00%	9.84%
Private Credit	3.50%	6.47%
Value Added Real Estate	3.00%	7.38%
Opportunistic Real Estate	1.00%	9.74%
Energy	2.00%	10.89%
Infrastructure (Core Private)	1.00%	5.98%
Infrastructure (Non-Core Private)	3.00%	8.88%
Global Macro	1.70%	3.17%
CTA (Trend Following)	3.30%	3.15%
Alternative Risk Premia	1.70%	3.24%
Special Situations Lending	1.50%	8.96%
Total	**100.00%**	

Discount Rate: The discount rate used to measure the TPL was 7.00% as of December 31, 2024. The projection of cash flows used to determine the discount rate assumed plan member contributions will be made at the current contribution rate and that employer contributions will be made at rates equal to the actuarially determined contribution rates. For this purpose, only employer contributions that are intended to fund benefits for current plan members and their beneficiaries are included. Projected employer contributions that are intended to fund the service costs for future plan members and their beneficiaries, as well as projected contributions from future plan members, are not included. Based on those assumptions, the pension plan's fiduciary net position was projected to be available to make all projected

future benefit payments for current plan members. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the TPL as of December 31, 2024.

Sensitivity of the Proportionate Share of the NPL to Changes in the Discount Rate: The following table represents the net pension liability of calculated using the discount rate of 7.00%, as well as what the NPL would be if it was calculated using a discount rate that is 1.00% lower or 1.00% higher than the current rate:

	1% Decrease	Current Rate	1% Increase
OCTA's Proportionate Share of the NPL	$ 347,541	$ 174,887	$ 33,694

Pension Plan Fiduciary Net Position

Detailed information about the pension plan's fiduciary net position is available in the separately issued OCERS financial report.

OCTA 401(a) Defined Contribution Plan

OCTA contributes to the 401(a) Plan, a defined contribution pension plan, 1) for its full-time administrative employees, 2) for employees represented by the Transportation Communications International Union/ International Association of Machinists and Aerospace Workers (TCU/IAM-AW), and 3) for coach operators represented by Teamsters Local 952. The 401(a) Plan is administered by Nationwide Retirement Solutions.

Per provision of Personnel and Salary Resolution adopted by the Board, OCTA provides 401(a) matching contributions to Administrative employees who meet the following criteria:

- 1% of base pay for employees from 0 but less than 3 years of service
- 2% of base pay for employees with 3 but less than 5 years of service
- 3% of base pay for employees with 5 or more years of service

In addition, certain administrative employees are eligible, upon hire or promotion, to receive an additional matching contribution of up to 2% of base salary to their 401(a) account, provided employees are making contributions of at least that amount to the OCTA 457(b) plan.

According to provision of Agreement with TCU/IAM-AW, OCTA provides employer-paid contributions to represented employees who meet the following criteria:

- 1% of base pay for employees with 5 to 14 years service
- 2% of base pay for employees with 15 to 19 years service
- 3% of base pay for employees with 20 years or more of service

Per provision of Coach Operator Agreement, OCTA provides employer-paid contributions to coach operators who meet the following criteria:

- 1% of base pay for employees with 5 years to 9 years of service
- 2% of base pay for employees with 10 years or more of service
- 2% plus matching up to 1% of base pay for employees with 15 to 19 years or more of service
- 2% plus matching up to 3% of base pay for employees with 20 years or more of service

The 401(a) Plan is entirely funded by employer contributions. For the year ended June 30, 2025, OCTA contributed $2,468 to the 401(a) Plan.

15. OTHER POSTEMPLOYMENT BENEFITS (OPEB)

Plan Description: OCTA sponsors and administers a single-employer defined-benefit postemployment healthcare plan (Plan) to provide medical insurance benefits to eligible retired employees. Benefit provisions are established and may be amended by the Board of Directors of OCTA. OCTA reports the financial activity of the Plan in its basic financial statements. No separate benefit plan report is issued.

Effective July 1, 2018, Coach Operators became eligible to participate in the Other Postemployment Benefits (OPEB) plan sponsored and administered by OCTA. Previously, only Unrepresented Administrative Employees and Transportation Communications International Union Employees were eligible to continue participating in the group healthcare insurance program after retirement until age 65 for retirees who retire directly from OCTA. Unrepresented Administrative Employees and Transportation Communications International Union Employees in OCERS Plan A and B must be at a minimum of age 50 with at least ten years of OCTA service and OCERS Plan U members must be at a minimum of age 52 with at least five years of OCTA service to meet eligibility requirements. Coach Operators in OCERS Plan A and B must be at a minimum of age 55 with at least ten years of OCTA service and OCERS Plan U members must be at a minimum of age 55 with at least five years of OCTA service for eligibility.

Funding Policy: Because of the nature of the implied subsidy, OCTA funds the benefits on a pay-as-you-go basis. No assets are accumulated in a GASB-compliant trust.

OCTA allows retirees to participate in the same medical plan as active employees at the same premium rates.The retiree pays the full premium for retiree, spouse and dependents. OCTA does not provide any cash subsidy towards retiree medical benefits. Because the rate is a “blended rate”, payments for the active employees include an implied subsidy of what would normally be a higher rate for retirees if the retirees were in a stand-alone health plan. For fiscal year ended June 30, 2025, the implied subsidy was determined as part of the June 30, 2025 actuarial valuation. The estimated implied subsidy at June 30, 2025 was $184.

GASB Statement No. 75, Accounting and Financial Reporting by Employers for Post-Employment Benefits Other Than Pensions, requires governments to account for other post-employment benefits (OPEB) on an accrual basis, rather than on a pay-as-you-go basis. The effect is the recognition of an actuarially determined expense when a future retiree earns their post-employment benefits, rather than when they use their post-employment benefit.

Employees covered by benefit terms: As of January 1, 2024, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	24
Active employees	1,008
Total participants covered by OPEB Plan	**1,032**

Total OPEB liability

OCTA's total OPEB liability (TOL) of $2,753 was measured as of June 30, 2025 and was determined by an actuarial valuation as of January 1, 2024. Standard actuarial update procedures were used to project/ discount from valuation to measurement dates.

Actuarial assumptions and other inputs: The TOL of $2,753 was determined using the following actuarial assumptions and other inputs, applied to all periods included in the measurement, unless otherwise specified:

Discount Rate	5.20 %
Healthcare Cost Trend Rates:	
2024 – 2025 Current Year Trend	7.00 %
2029 Trend	5.40 %
Decrement	0.10 %
Ultimate Trend	4.00 %
Year Ultimate Trend is Reached	2029
Salary Increases	3.25 %
Inflation Rate	2.50 %

Actuarial assumptions used in the January 1, 2024 valuation were based on a review of plan experience during the period January 1, 2022 to December 31, 2023. The discount rate was based on the index provided by Fidelity General Obligation AA 20 Years Municipal Index based on the 20 year AA municipal bond rate as of June 30, 2025, an increase from the discount rate used for fiscal year ended June 30, 2024 of 3.97%. Mortality rates were based on the PUB-2010 Mortality Tables, projected generationally with the two-dimensional mortality MP-2021 improvement scale.

Changes in the total OPEB liability:

	Total OPEB Liability
Balance at 6/30/2024	**$ 2,791**
Changes for the current year:	
Service cost	219
Interest	116
Differences between expected and actual experience	—
Changes in assumptions or other inputs	(189)
Benefit payments	(184)
Net changes	**(38)**
Balance at 6/30/2025	**$ 2,753**

Long-term liabilities for OPEB are not reported in the governmental fund financial statements because they are not expected to be liquidated with expendable available financial resources. In prior years, these liabilities have typically been liquidated by the General fund, through the recognition of expenditures for employer contributions as they become due, and by the OCTD proprietary fund, consistent with where payroll expenditures are recorded.

Sensitivity of the total OPEB liability to changes in the discount rate: The following presents the TOL of OCTA, calculated using the discount rate of 5.20%, as well as what OCTA's TOL would be if it was calculated using a discount rate that is one percentage point lower (4.20%) or one percentage point higher (6.20%) than the current rate:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	$ 2,906	$ 2,753	$ 2,603

Sensitivity of the total OPEB liability to changes in the healthcare cost trend rates: The following presents the TOL of OCTA, calculated using an initial trend rate of 7.00%, as well as what OCTA's TOL would be if it was calculated using a trend rate that is one percentage point lower (6.00%) or one percentage point higher (8.00%) than the current rate:

	1% Decrease	Current Rate	1% Increase
Total OPEB liability	$ 2,467	$ 2,753	$ 3,085

OPEB Expense and Deferred Outflows/Inflows of Resources Related to OPEB

For the year ended June 30, 2025, OCTA recognized OPEB expense of $243. At June 30, 2025, OCTA reported deferred outflows and deferred inflows of resources related to OPEB from the following sources:

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 42	$ 25
Changes of assumptions or other inputs	76	170
Total	**$ 118**	**$ 195**

Amounts reported as deferred outflows of resources and deferred inflows of resources related to OPEB will be recognized in OPEB expense as follows:

Year ended June 30,	Increase/(Decrease) in OPEB Expense
2026	$ (11)
2027	(16)
2028	(12)
2029	(8)
2030	(24)
Thereafter	(6)
Total	**$ (77)**

16. PURCHASE COMMITMENTS

OCTA has various long-term outstanding contracts that extend over several years and rely on future years' revenues.

Total commitments at June 30, 2025 are as follows:

	Total Purchase Commitments	Reserve for Encumbrances	Unencumbered Purchase Commitments
Governmental funds			
General	$ 118,726	$ 21,713	$ 97,013
LTA	1,119,434	112,642	1,006,792
LTF	96	—	96
Nonmajor governmental funds	122,830	31,315	91,515
Total governmental funds	**1,361,086**	**165,670**	**1,195,416**
Proprietary funds			
OCTD	655,142	184,988	470,154
91 EL	62,975	402	62,573
405 EL	260,328	1,673	258,655
Nonmajor enterprise fund	48,115	804	47,311
Internal service funds	568	214	354
Total proprietary funds	**1,027,128**	**188,081**	**839,047**
Total	**$ 2,388,214**	**$ 353,751**	**$ 2,034,463**

17. OTHER COMMITMENTS AND CONTINGENCIES

Litigation

In March 2022, Walsh Construction Company filed a claim related to the construction of the OC Streetcar Project. The plaintiff alleges that unforeseen soil conditions, unforeseen utility conflicts, inadequate design, and other actions attributable to OCTA and its consultants resulted in construction delays and damages. During fiscal year 2023–24, OCTA made a partial settlement payment. The remaining exposure was estimated to be $40,000, and trial has been set for May 2026.

In August 2025, Siemens Mobility filed a claim arising from a contract dispute related to the delivery of streetcar vehicles. Siemens has alleged contractual damages for unplanned costs associated with delays on the OC Streetcar project and unpaid change orders for additional scope. The potential exposure is estimated to be up to $3,000. As of June 30, 2025, no litigation has been filed.

Federal Grants

OCTA receives federal grants for capital projects and other reimbursable activities which are subject to audit by the grantor agency. Although the outcome of any such audits cannot be predicted, it is management's opinion that these audits would not have a material effect on OCTA's financial position or results of operations.

18. JOINT VENTURE

OCTA is one of five members of the Southern California Regional Rail Authority (SCRRA), a joint powers authority (JPA) created in 1992. The SCRRA's board consists of one member from the Ventura County Transit Commission (VCTC); two each from OCTA, the San Bernardino County Transportation Authority (SBCTA) and the Riverside County Transportation Commission (RCTC); and four members from the Los

Angeles County Metropolitan Transportation Authority (LACMTA). SCRRA is responsible for maintaining and operating a regional commuter rail system (Metrolink) in five southern California counties. As a member of the agency, OCTA makes annual capital and operating contributions for its pro rata share of rail lines serving Orange County. OCTA made $50,904 contributions during fiscal year 2024-25 for its share of Metrolink capital and operating costs since SCRRA received awards directly from the FTA for OCTA's share. Separate financial statements are prepared by, and available from, SCRRA, which is located at 900 Wilshire Blvd., Ste. 1500, Los Angeles, CA 90017.

OCTA is one of 11 members of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor Agency, a JPA created in 1989 and amended in 2013. The purpose of the JPA is to oversee passenger rail service and improvements in the rail corridor between San Diego, Los Angeles and San Luis Obispo. The LOSSAN's board consists of two members appointed by the LACMTA; two members appointed by OCTA; one member appointed by RCTC; one member appointed by VCTC; one member appointed by the Santa Barbara County Association of Governments; one member appointed by the San Luis Obispo Council of Governments and the following three agencies receive one member appointment but only two votes – the San Diego Metropolitan Transit System, the North County Transit District, and the San Diego Association of Governments. OCTA was selected as the managing agency for LOSSAN and is responsible for the ongoing coordination and service integration efforts. Administrative support is funded by the member agencies. OCTA charged $5,039 to LOSSAN for administrative support during fiscal year 2024-25. Separate financial statements are prepared by, and available from, LOSSAN at the Orange County Transportation Authority located at 550 South Main Street, Orange, CA 92868.

19. FUNDS DEFICIT

The construction of the I-405 Express Lanes, including two new general purpose lanes, was completed, and the Express Lanes were opened to the public in December 2023. As of June 30, 2025, the 405 Express Lanes Fund, an enterprise fund, reported a net position deficit of $(148,959). The deficit primarily resulted from interfund transfers to the LTF fund for the I-405 Improvement Project related to the general purpose lane construction, which were financed through the TIFIA loan held by the 405 Express Lanes fund. In addition, during the construction period and for up to five years following substantial completion, interest on the TIFIA loan is accreted and added to the principal balance. This accretion further contributed to the fund deficit. The deficit is expected to be funded through toll revenues and related fees.

The net investment in capital assets of $(17,420) represents the portion of net position related to I-405 Express Lanes capital assets, offset by associated liabilities and deferred inflows of resources arising from construction, acquisition, or improvements. The unrestricted net position of $(171,857) represents the remainder of net position not classified as net investment in capital assets and relates to non-capital assets and liabilities.

At June 30, 2025, the General Capital Project fund reported a deficit fund balance of $(2,584). The deficit resulted from project expenditures made in advance of reimbursements. The deficit is expected to be eliminated upon receipt of financing sources from the LTA Fund in the subsequent fiscal year.

20. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is

attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The provisions of this Statement are effective for fiscal years beginning after December 15, 2023. OCTA implemented the requirements of this standard in fiscal year 2024–25 and reported the adoption as a change in accounting principle. Additional information is presented in note 21 to the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

21. CHANGE IN ACCOUNTING PRINCIPLE - GASB NO. 101

In fiscal year 2024-25, OCTA implemented the provisions of GASB Statement No. 101, Compensated Absences, which establishes recognition and measurement requirements for certain types of leave benefits provided to employees. Prior to the adoption of GASB Statement No. 101, OCTA recognized compensated absences liability primarily for leave balances that were payable upon termination. Under GASB Statement No. 101, the government is required to recognize a liability for compensated absences that are attributable to services already rendered, are accumulated, and are more likely than not to be used for time off or otherwise paid to employees.

The adoption of GASB Statement No. 101 represents a change in accounting principle, which has been applied retrospectively in accordance with GASB Statement No. 100, Accounting Changes and Error Corrections. Beginning balances for the government-wide financial statements as of July 1, 2024 have been restated to reflect the cumulative effect of applying GASB Statement No. 101.

The effect of this change resulted in adjustments to and restatements of beginning net position and fund balance, as follows:

	6/30/2024 As Previously Reported	Change in Accounting Principle	6/30/2024 As Restated
Government-wide			
Governmental activities	$ 1,453,323	$ 5,450	$ 1,458,773
Business-type activities	1,260,830	3,875	1,264,705
Total primary government	**$ 2,714,153**	**$ 9,325**	**$ 2,723,478**
Governmental funds			
General	$ 65,563	$ (1,591)	$ 63,972
Proprietary funds			
OCTD	$ 950,507	$ 3,875	$ 954,382

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
General Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Fines	$ 162	$ 162	$ 124	$ (38)
Contributions from other agencies	10,589	10,589	9,058	(1,531)
Interest and investment earnings	2,872	2,872	7,665	4,793
Capital assistance grants	275	275	2,882	2,607
Miscellaneous	79	79	1,500	1,421
Total revenues	**13,977**	**13,977**	**21,229**	**7,252**
Expenditures				
Current:				
General government:				
Salaries and benefits	80,896	80,995	74,644	6,351
Supplies and services	62,890	63,014	55,101	7,913
Interfund reimbursements	(115,678)	(115,678)	(100,136)	(15,542)
Transportation:				
Contributions to other local agencies	1,478	1,423	1,027	396
Capital outlay	8,687	8,837	8,277	560
Total expenditures	**38,273**	**38,591**	**38,913**	**(322)**
Deficiency of revenues under expenditures	**(24,296)**	**(24,614)**	**(17,684)**	**6,930**
Other financing sources (uses)				
Transfers in	5,115	5,115	21,607	16,492
Total other financing sources	**5,115**	**5,115**	**21,607**	**16,492**
Net change in fund balances	**$ (19,181)**	**$ (19,499)**	**$ 3,923**	**$ 23,422**

Reconciliation to GAAP:	
Net change in fund balances (budgetary basis)	**$ 3,923**
Less: Estimated revenues for encumbrances outstanding at June 30	3,212
Add: Current year encumbrances outstanding at June 30	21,422
Net change in fund balances (GAAP basis)	**$ 22,133**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
Local Transportation Authority Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Sales tax revenues	$ 441,875	$ 441,875	$ 431,843	$ (10,032)
Contributions from other agencies	152,502	152,502	254,830	102,328
Interest and investment earnings	41,376	41,376	61,875	20,499
Miscellaneous	3,327	3,327	1,621	(1,706)
Total revenues	**639,080**	**639,080**	**750,169**	**111,089**
Expenditures				
Current:				
General government: supplies and services	218,115	218,861	176,592	42,269
Transportation:				
Contributions to other local agencies	214,082	213,006	119,742	93,264
Capital outlay	431,484	540,180	217,662	322,518
Debt service:				
Bond issuance costs	—	—	816	(816)
Total expenditures	**863,681**	**972,047**	**514,812**	**457,235**
Excess (deficiency) of revenues over (under) expenditures	**(224,601)**	**(332,967)**	**235,357**	**568,324**
Other financing sources (uses)				
Transfers in	61,697	61,697	245,942	184,245
Transfers out	(134,026)	(134,026)	(105,305)	28,721
Proceeds from sale of capital assets	—	—	4,169	4,169
Bond issuance	—	—	227,565	227,565
Bond premium	—	—	36,413	36,413
Payment to refunded bond escrow agent	—	—	(267,767)	(267,767)
Total other financing sources (uses)	**(72,329)**	**(72,329)**	**141,017**	**213,346**
Net change in fund balances	**$ (296,930)**	**$ (405,296)**	**$ 376,374**	**$ 781,670**

Reconciliation to GAAP:	
Net change in fund balances (budgetary basis)	**$ 376,374**
Less: Estimated revenues for encumbrances outstanding at June 30	9,208
Add: Current year encumbrances outstanding at June 30	117,173
Net change in fund balances (GAAP basis)	**$ 484,339**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Budgetary Comparison Schedule
Local Transportation Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Sales tax revenues	$ 222,153	$ 222,153	$ 218,645	$ (3,508)
Interest and investment earnings	1,891	1,891	22,395	20,504
Total revenues	**224,044**	**224,044**	**241,040**	**16,996**
Expenditures				
Current:				
General government: supplies and services	2,545	2,545	2,033	512
Transportation:				
Contributions to other local agencies	3,105	3,105	3,072	33
Total expenditures	**5,650**	**5,650**	**5,105**	**545**
Excess of revenues over expenditures	**218,394**	**218,394**	**235,935**	**17,541**
Other financing uses				
Transfers out	(218,394)	(218,394)	(136,887)	81,507
Total other financing uses	**(218,394)**	**(218,394)**	**(136,887)**	**81,507**
Net change in fund balances	**$ —**	**$ —**	**$ 99,048**	**$ 99,048**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Supplemental Pension Plan and OPEB Plan Trend Data
June 30, 2025

(amounts expressed in thousands)

Schedule of OCTA Proportionate Share of the Net Pension Liability
Orange County Employees Retirement System (OCERS) Pension Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Proportion of the NPL	4.400 %	4.288 %	3.842 %	3.581 %	4.415 %	4.419 %	4.353 %	4.283 %	4.436 %	4.377 %
Proportionate share of the NPL	$174,887	$207,825	$207,133	$73,424	$186,024	$ 224,285	$ 230,261	$ 230,261	$ 230,261	$ 250,193
Covered payroll	$119,099	$111,089	$105,542	$97,538	$102,500	$ 101,980	$ 97,230	$ 94,528	$ 94,507	$ 93,110
Proportionate share of the NPL as a percentage of its covered payroll	146.84 %	187.08 %	196.26 %	75.28 %	181.49 %	219.93 %	277.48 %	224.40 %	243.64 %	268.71 %
Plan fiduciary net position as a percentage of the total pension liability	86.21 %	82.82 %	81.45 %	91.45 %	81.69 %	76.67 %	70.03 %	74.93 %	71.16 %	67.10 %

Note: The amounts presented for each fiscal year were determined as of December 31.

Schedule of OCTA Contributions
Orange County Employees Retirement System Pension Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially determined contribution	$ 36,996	$ 32,883	$ 33,932	$ 31,794	$ 29,175	$ 27,801	$ 24,690	$ 24,811	$ 23,900	$ 26,347
Contributions in relation to the actuarially determined contributions	36,996	32,883	33,932	31,794	29,175	27,801	24,690	24,811	23,900	26,347
Contribution excess (deficiency)	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —	$ —
Covered payroll	$ 93,110	$111,089	$ 98,906	$ 95,163	$ 92,887	$ 92,496	$ 87,887	$ 86,117	$ 86,925	$ 97,616
Contributions as a percentage of covered payroll	39.73%	29.60%	34.31%	33.41%	31.41%	30.06%	28.09%	28.81%	27.50%	26.99%

Change of assumptions

For fiscal year 2024-25, the inflation rate remained unchanged at 2.50% (retiree cost-of-living assumption maintained at 2.75%). Projected salary increases changed to 4.00% - 11.00%. Mortality assumptions were based on the Pub-2010 General Health Employee Amount-Weighted Above-Median Mortality Table.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Required Supplementary Information
Supplemental Pension Plan and OPEB Plan Trend Data
June 30, 2025

(amounts expressed in thousands)

Schedule of the Changes in Total OPEB Liability and Related Ratios
Other Post Employment Benefit Plan
Last 10 Fiscal Years*

	2025	2024	2023	2022	2021	2020	2019	2018
Total OPEB liability - beginning	**$ 2,791**	**$ 2,516**	**$ 2,508**	**$ 2,414**	**$ 2,301**	**$ 2,927**	**$ 1,432**	**$ 745**
Changes for the year:								
Service cost	219	213	189	192	185	152	112	40
Interest	116	102	94	48	58	104	48	28
Differences between expected and actual experience	—	62	—	—	—	(869)	12	651
Changes in assumptions or other inputs	(189)	85	(94)	35	60	172	(4)	40
Plan change	—	—	—	—	—	—	1,419	—
Benefit payments	(184)	(187)	(181)	(181)	(190)	(185)	(92)	(72)
Total OPEB liability - ending	**$ 2,753**	**$ 2,791**	**$ 2,516**	**$ 2,508**	**$ 2,414**	**$ 2,301**	**$ 2,927**	**$ 1,432**
Covered employee payroll	$ 104,568	$ 86,100	$ 94,180	$ 85,148	$ 82,937	$ 82,050	$ 70,204	$ 42,366
Total OPEB liability as a percentage of covered employee payroll	2.63%	3.24%	2.67%	2.95%	2.91%	2.80%	4.17%	3.38%

* OCTA will be presenting information for those years for which information is available until a full 10-year trend is compiled.

Notes to the schedule for OPEB Plan

Funding policy: OCTA funds the benefits on a pay-as-you-go basis. No assets are accumulated in a GASB-compliant trust.

The amounts presented for fiscal year 2018 were measured as of December 31, 2017, and the amounts for fiscal year 2019 and thereafter were measured as of June 30 of the preceding year.

Plan Change: Effective July 1, 2018 for fiscal year ended June 30, 2019, Coach Operators became eligible to participate in the OPEB plan. Previously, only Unrepresented Administrative and Transportation Communications International Union employees were eligible for OPEB benefits.

Change of assumptions: For fiscal year 2024-25, the discount rate used to measure the TOL was 5.20%, an increase from the discount rate of 3.97% for fiscal year 2023-24.

1. BUDGETARY DATA

OCTA establishes accounting control through formal adoption of an annual budget for all governmental funds. The budget is prepared in a basis consistent with accounting principles generally accepted in the United States (GAAP) except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget can be amended by the Board to increase both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services includes Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, for budgeted funds, is at the major object level for the budgeted governmental funds. A Fourth Quarter Budget Status Report, June 2025 is available from the OCTA Finance and Administration Division. With the exception of accounts which have been encumbered, appropriations lapse at year end.

EXCESS EXPENDITURES OVER APPROPRIATIONS

There were no excess of expenditures over appropriations for fiscal year 2024-25 for the General fund and the major special revenue funds. In the Local Transportation Authority (LTA) and Local Transportation Fund (LTF), sales tax revenues fell short of budget by $10,032 and $3,508, respectively, due to economic slowdown in consumer spending.

In fiscal year 2014-15, the CURE fund was consolidated with the General fund as it no longer met the definition of a special revenue fund. In fiscal year 2023-24, the CURE fund was closed out and the remaining balances were transferred to the LTA fund.

Beginning fiscal year 2020-21, the Additional Retiree Benefit Account (ARBA) fund and the Scholarship fund were consolidated with the General fund, as they no longer met the definition of a fiduciary fund upon implementation of GASB Statement No. 84, Fiduciary Activities. A reconciliation is included on the General fund budgetary schedule for the consolidation.

NONMAJOR GOVERNMENTAL FUNDS

Special Revenue Funds

Orange County Unified Transportation Trust (OCUTT) – This fund is used to account for the revenues received and expenditures made for disbursements to OCTA, California Department of Transportation and cities within Orange County for various transportation projects. The source of revenue is the interest earned by the general capital project fund. Expenditures of monies in this fund must be made in accordance with provisions of the California Transportation Development Act (TDA).

Service Authority for Freeway Emergencies (SAFE) – This fund is used to account for revenues received and expenditures made for the implementation and maintenance of the motorist emergency aid system. Funding is provided from a one dollar per vehicle registration fee on vehicles registered in Orange County. Expenditure of monies in this fund must be made in accordance with the provisions of Chapter 14 of the California Streets and Highways Code.

State Transit Assistance Fund (STAF) – This fund is used to account for revenues received and expenditures made for OCTD transit operations and fare assistance for seniors and disabled persons. Funding is provided by sales taxes on gasoline and use taxes on diesel fuel. Expenditure of these funds is governed by the provisions of the TDA.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Balance Sheet - Nonmajor Governmental Funds
June 30, 2025

(amounts expressed in thousands)	Special Revenue			Total Nonmajor Governmental Funds
	OCUTT	**SAFE**	**STAF**	
Assets				
Cash and investments	$ 15,543	$ 5,820	$ 1,470	$ 22,833
Receivables:				
Interest	156	64	35	255
Due from other funds	88	—	—	88
Due from other governments	—	501	12,257	12,758
Notes receivable	255	—	—	255
Total assets	**16,042**	**6,385**	**13,762**	**36,189**
Liabilities				
Accounts payable	32	897	—	929
Due to other funds	—	—	12,258	12,258
Due to other governments	—	40	—	40
Total liabilities	**32**	**937**	**12,258**	**13,227**
Fund balances				
Restricted for:				
Transportation programs	16,010	—	1,504	17,514
Motorist services	—	5,448	—	5,448
Total fund balances	**16,010**	**5,448**	**1,504**	**22,962**
Total liabilities, deferred inflows of resources, and fund balances	**$ 16,042**	**$ 6,385**	**$ 13,762**	**$ 36,189**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenditures and Changes in Fund Balances
Nonmajor Governmental Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Special Revenue			Total Nonmajor Governmental Funds
	OCUTT	**SAFE**	**STAF**	
Revenues				
Sales tax revenues	$ —	$ —	$ 43,699	$ 43,699
Transportation improvement fee	—	—	7,446	7,446
Vehicle registration fees	—	3,003	—	3,003
Contributions from other agencies	—	5,071	—	5,071
Interest and investment earnings	948	233	377	1,558
Total revenues	**948**	**8,307**	**51,522**	**60,777**
Expenditures				
Current:				
General government: supplies and services	88	11,036	6	11,130
Capital outlay	—	106	—	106
Total expenditures	**88**	**11,142**	**6**	**11,236**
Excess (deficiency) of revenues over (under) expenditures	**860**	**(2,835)**	**51,516**	**49,541**
Other financing sources (uses)				
Transfers in	—	4,910	—	4,910
Transfers out	—	—	(94,539)	(94,539)
Total other financing sources (uses)	**—**	**4,910**	**(94,539)**	**(89,629)**
Net change in fund balances	**860**	**2,075**	**(43,023)**	**(40,088)**
Fund balances - beginning	15,150	3,373	44,527	63,050
Fund balances - ending	**$ 16,010**	**$ 5,448**	**$ 1,504**	**$ 22,962**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Local Transportation Authority Debt Service Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Interest and investment earnings	$ 6,658	$ 6,658	$ 4,721	$ (1,937)
Total revenues	**6,658**	**6,658**	**4,721**	**(1,937)**
Expenditures				
Debt service:				
Principal payments on long-term debt	21,950	21,950	21,950	—
Interest on long-term debt	32,924	32,924	32,906	18
Total expenditures	**54,874**	**54,874**	**54,856**	**18**
Deficiency of revenues under expenditures	**(48,216)**	**(48,216)**	**(50,135)**	**(1,919)**
Other financing sources (uses)				
Transfers in	54,874	54,874	58,966	4,092
Transfers out	(6,658)	(6,658)	(14,025)	(7,367)
Total other financing sources	**48,216**	**48,216**	**44,941**	**(3,275)**
Net change in fund balances	**$ —**	**$ —**	**$ (5,194)**	**$ (5,194)**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Orange County Unified Transportation Trust Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Interest and investment earnings	$ 94	$ 94	$ 948	$ 854
Total revenues	**94**	**94**	**948**	**854**
Expenditures				
Current:				
General government: supplies and services	1,135	1,135	88	1,047
Total expenditures	**1,135**	**1,135**	**88**	**1,047**
Excess (deficiency) of revenues over (under) expenditures	**(1,041)**	**(1,041)**	**860**	**1,901**
Net change in fund balances	**$ (1,041)**	**$ (1,041)**	**$ 860**	**$ 1,901**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
Service Authority for Freeway Emergencies Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Vehicle registration fees	$ 2,900	$ 2,900	$ 3,003	$ 103
Contributions from other agencies	10,579	10,579	5,071	(5,508)
Interest and investment earnings	88	88	233	145
Miscellaneous	3	3	—	(3)
Total revenues	**13,570**	**13,570**	**8,307**	**(5,263)**
Expenditures				
Current:				
General government: supplies and services	12,265	12,265	11,076	1,189
Capital outlay	805	805	132	673
Total expenditures	**13,070**	**13,070**	**11,208**	**1,862**
Excess (deficiency) of revenues over (under) expenditures	**500**	**500**	**(2,901)**	**(3,401)**
Other financing sources				
Transfers in	5,863	5,863	4,910	(953)
Total other financing sources	**5,863**	**5,863**	**4,910**	**(953)**
Net change in fund balances	**$ 6,363**	**$ 6,363**	**$ 2,009**	**$ (4,354)**

Reconciliation to GAAP:	
Net change in fund balances (budgetary basis)	**$ 2,009**
Less: Estimated revenues for encumbrances outstanding at June 30	—
Add: Current year encumbrances outstanding at June 30	66
Net change in fund balances (GAAP basis)	**$ 2,075**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
State Transit Assistance Special Revenue Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Sales tax revenues	$ 50,986	$ 50,986	$ 43,699	$ (7,287)
Transportation improvement fee	7,084	7,084	7,446	362
Interest and investment earnings	628	628	377	(251)
Total revenues	**58,698**	**58,698**	**51,522**	**(7,176)**
Expenditures				
Current:				
General government: supplies and services	24	24	6	18
Total expenditures	**24**	**24**	**6**	**18**
Excess of revenues over expenditures	**58,674**	**58,674**	**51,516**	**(7,158)**
Other financing uses				
Transfers out	(58,674)	(58,674)	(94,539)	(35,865)
Total other financing uses	**(58,674)**	**(58,674)**	**(94,539)**	**(35,865)**
Net change in fund balances	**$ —**	**$ —**	**$ (43,023)**	**$ (43,023)**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Budgetary Comparison Schedule
General Capital Project Fund (Budgetary Basis)
For the Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Interest	$ —	$ —	$ 504	$ 504
Capital assistance grants	24,209	24,209	166,256	142,047
Miscellaneous	—	—	6,565	6,565
Total revenues	**24,209**	**24,209**	**173,325**	**149,116**
Expenditures				
Current:				
General government: supplies and services	33,145	33,143	3,170	29,973
Transportation:				
Contributions to other local agencies	1,945	1,947	—	1,947
Capital outlay	91,540	117,844	84,421	33,423
Total expenditures	**126,630**	**152,934**	**87,591**	**65,343**
Excess (deficiency) of revenues over (under) expenditures	**(102,421)**	**(128,725)**	**85,734**	**214,459**
Other financing sources				
Transfers in	59,770	59,770	28,536	(31,234)
Total other financing sources	**59,770**	**59,770**	**(121,305)**	**(181,075)**
Net change in fund balances	**$ (42,651)**	**$ (68,955)**	**$ (35,571)**	**$ 33,384**

Reconciliation to GAAP:	
Net change in fund balances (budgetary basis)	**$ (35,571)**
Less: Estimated revenues for encumbrances outstanding at June 30	1,195
Add: Current year encumbrances outstanding at June 30	34,182
Net change in fund balances (GAAP basis)	**$ (2,584)**

NONMAJOR ENTERPRISE FUND

OC Streetcar Fund – This fund is established to account for the operations of the OC Streetcar which is planned to be operative in fiscal year 2025-26. The funding sources for the operation will be Measure M program, Congestion Mitigation and Air Quality (CMAQ) program, fare collections, and local city match.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Net Position
Nonmajor Enterprise Fund
June 30, 2025

(amounts expressed in thousands)	OC Streetcar	Total Nonmajor Enterprise Funds
Assets		
Current assets		
Receivables:		
Interest	$ 44	$ 44
Due from other governments	62	62
Total current assets	**106**	**106**
Noncurrent assets		
Restricted cash and investments	19,350	19,350
Capital assets, net:		
Nondepreciable	65	65
Depreciable and amortizable	217	217
Total noncurrent assets	**19,632**	**19,632**
Total assets	**19,738**	**19,738**
Liabilities		
Current liabilities		
Accounts payable	85	85
Total current liabilities	**85**	**85**
Total liabilities	**85**	**85**
Net position		
Net investment in capital assets	282	282
Restricted	19,350	19,350
Unrestricted	21	21
Total net position	**$ 19,653**	**$ 19,653**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenses and Charges in Net Position
Nonmajor Enterprise Fund
For the Year Ended June 30, 2025

(amounts expressed in thousands)	OC Streetcar	Total Nonmajor Enterprise Funds
Operating revenues		
Charges for services	$ —	$ —
Total operating revenues	**—**	**—**
Operating expenses		
Administrative services	1,142	1,142
Other	2	2
Professional services	171	171
General and administrative	3	3
Depreciation and amortization	6	6
Total operating expenses	**1,324**	**1,324**
Operating loss	**(1,324)**	**(1,324)**
Nonoperating revenues (expenses)		
State transit assistance	18,755	18,755
Investment earnings	702	702
Total nonoperating revenues	**19,457**	**19,457**
Income before contributions and transfers	**18,133**	**18,133**
Transfers in	1,298	1,298
Change in net position	**19,653**	**19,653**
Total net position - beginning	—	—
Total net position - ending	**$ 19,653**	**$ 19,653**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Cash Flows
Nonmajor Enterprise Fund
For the Year Ended June 30, 2025

(amounts expressed in thousands)	OC Streetcar	Total Nonmajor Enterprise Funds
Cash flows from operating activities		
Payments to suppliers	$ (166)	$ (166)
Payments for interfund services used	(1,142)	(1,142)
Net cash used for operating activities	**(1,308)**	**(1,308)**
Cash flows from noncapital financing activities		
State transit assistance funds received	18,693	18,693
Transfers from other funds	1,307	1,307
Net cash provided by noncapital financing activities	**20,000**	**20,000**
Cash flows from capital financing activities		
Acquisition and construction of capital assets	—	—
Net cash used for capital financing activities	**—**	**—**
Cash flows from investing activities		
Investment earnings	658	658
Net cash provided by investing activities	**658**	**658**
Net increase in cash and cash equivalents	19,350	19,350
Cash and cash equivalents at beginning of year	—	—
Cash and cash equivalents at end of year	**$ 19,350**	**$ 19,350**
Reconciliation of operating loss to net cash provided by (used for) operating activities		
Operating loss	$ (1,324)	(1,324)
Adjustments to reconcile operating loss to net cash provided by (used for) operating activities:		
Depreciation and amortization	6	6
Change in assets and liabilities:		
Accounts payable	10	10
Total adjustments	**16**	**16**
Net cash used for operating activities	**$ (1,308)**	**$ (1,308)**

INTERNAL SERVICE FUNDS

General liability - This fund is used to account for OCTA's risk management activities related to public liability, property damage and automobile liability.

Workers' compensation - This fund is used to account for OCTA's risk management activities related to workers' compensation.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Net Position
Internal Service Funds
June 30, 2025

(amounts expressed in thousands)	General Liability	Workers' Compensation	Total Internal Service Funds
Assets			
Current assets			
Cash and investments	$ 33,470	$ 23,171	$ 56,641
Receivables:			
Interest	219	205	424
Other	304	300	604
Other assets	5	824	829
Total current assets	**33,998**	**24,500**	**58,498**
Total assets	**33,998**	**24,500**	**58,498**
Liabilities			
Current liabilities			
Accounts payable	423	604	1,027
Claims payable	1,199	3,110	4,309
Total current liabilities	**1,622**	**3,714**	**5,336**
Noncurrent liabilities			
Claims payable	4,797	13,260	18,057
Total noncurrent liabilities	**4,797**	**13,260**	**18,057**
Total liabilities	**6,419**	**16,974**	**23,393**
Net position			
Unrestricted	27,579	7,526	35,105
Total net position	**$ 27,579**	**$ 7,526**	**$ 35,105**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Revenues, Expenses and Changes in Net Position
Internal Service Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	General Liability	Workers' Compensation	Total Internal Service Funds
Operating revenues			
Charges for services	$ 3,431	$ 6,907	$ 10,338
Total operating revenues	**3,431**	**6,907**	**10,338**
Operating expenses			
Administrative services	238	85	323
Other	34	536	570
Insurance claims and premiums	2,283	6,603	8,886
Professional services	1,355	528	1,883
Total operating expenses	**3,910**	**7,752**	**11,662**
Operating loss	**(479)**	**(845)**	**(1,324)**
Nonoperating revenues (expenses)			
Investment earnings	1,191	1,378	2,569
Other	463	276	739
Total nonoperating revenues	**1,654**	**1,654**	**3,308**
Income before contributions and transfers	**1,175**	**809**	**1,984**
Transfers in	11,300	—	11,300
Transfers out	—	(16,545)	(16,545)
Change in net position	**12,475**	**(15,736)**	**(3,261)**
Total net position - beginning	15,104	23,262	38,366
Total net position - ending	**$ 27,579**	**$ 7,526**	**$ 35,105**

ORANGE COUNTY TRANSPORTATION AUTHORITY
Combining Statement of Cash Flows
Internal Service Funds
For the Year Ended June 30, 2025

(amounts expressed in thousands)	General Liability	Workers' Compensation	Total Internal Service Funds
Cash flows from operating activities			
Receipts from interfund services provided	$ 3,439	$ 6,908	$ 10,347
Payments to suppliers	(1,168)	(649)	(1,817)
Payments to claimants	(2,901)	(6,001)	(8,902)
Payments for interfund services used	(238)	(85)	(323)
Miscellaneous revenue received	463	276	739
Net cash provided by (used for) operating activities	**(405)**	**449**	**44**
Cash flows from noncapital financing activities			
Transfers from other funds	11,300	—	11,300
Transfers to other funds	—	(16,545)	(16,545)
Net cash provided by (used for) noncapital financing activities	**11,300**	**(16,545)**	**(5,245)**
Cash flows from investing activities			
Investment earnings	1,224	1,578	2,802
Net cash provided by investing activities	**1,224**	**1,578**	**2,802**
Net increase (decrease) in cash and cash equivalents	**12,119**	**(14,518)**	**(2,399)**
Cash and cash equivalents at beginning of year	21,351	37,689	59,040
Cash and cash equivalents at end of year	**$ 33,470**	**$ 23,171**	**$ 56,641**
Reconciliation of operating income (loss) to net cash provided by (used for) operating activities			
Operating loss	$ (479)	$ (845)	$ (1,324)
Adjustments to reconcile operating income (loss) to net cash provided by (used for) operating activities:			
Insurance recoveries	463	276	739
Change in assets and liabilities:			
Other receivables	(230)	91	(139)
Other assets	8	1	9
Accounts payable	187	(121)	66
Claims payable	(354)	1,047	693
Total adjustments	**74**	**1,294**	**1,368**
Net cash provided by operating activities	**$ (405)**	**$ 449**	**$ 44**
Noncash capital, financing and investing activities:			
Change in fair value of investments	$ 32	$ 203	$ 235

91 & 405 EXPRESS LANES

Orange County Transportation Authority
Orange County, California

STATISTICAL SECTION

VANPOOL

Orange County Transportation Authority
Orange County, California

OCTA

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATISTICAL SECTION
June 30, 2025

This part of OCTA's annual comprehensive financial report presents detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about OCTA's overall financial health.

CONTENTS **Page**

Financial Trends 96

These schedules contain trend information to help the reader understand how OCTA's financial performance and well-being have changed over time.

Revenue Capacity 101

These schedules contain information to help the reader assess OCTA's most significant local revenue source, the sales tax.

Debt Capacity 106

These schedules present information to help the reader assess the affordability of OCTA's current levels of outstanding debt and OCTA's ability to issue additional debt in the future.

Demographic and Economic Information 109

These schedules offer demographic and economic indicators to help the reader understand the environment within which OCTA's financial activities take place.

Operating Information 112

These schedules contain service and infrastructure data to help the reader understand how the information in OCTA's financial report relates to the services OCTA provides and the activities it performs.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 1

Net Position by Component, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - in thousands)

	As of June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Governmental activities										
Net investment in capital assets	$ 185,209	$ 202,587	$ 211,433	$ 262,985	$ 340,129	$ 433,782	$ 501,053	$ 582,156	$ 681,639	$ 734,535
Restricted	545,220	621,580	565,653	677,934	626,302	545,091	735,780	773,909	755,550	1,353,926
Unrestricted	67,517	29,578	37,947	(14,857)	(49,044)	(23,655)	18,118	5,854	16,134	32,225
Total governmental activities net position	**797,946**	**853,745**	**815,033**	**926,062**	**917,387**	**955,218**	**1,254,951**	**1,361,919**	**1,453,323**	**2,120,686**
Business-type activities										
Net investment in capital assets	300,737	389,791	339,677	320,212	303,484	287,575	306,992	302,428	370,095	415,151
Restricted	13,075	13,199	16,776	18,229	25,156	31,268	29,252	28,432	31,682	133,571
Unrestricted	305,689	323,682	439,737	487,407	547,164	583,939	482,767	641,516	859,053	836,858
Total business-type activities net position	**619,501**	**726,672**	**796,190**	**825,848**	**875,804**	**902,782**	**819,011**	**972,376**	**1,260,830**	**1,385,580**
Primary government										
Net investment in capital assets	485,946	592,378	551,110	583,197	643,613	721,357	808,045	884,584	1,051,734	1,149,686
Restricted	558,295	634,779	582,429	696,163	651,458	576,359	765,032	802,341	787,232	1,487,497
Unrestricted	373,206	353,260	477,684	472,550	498,120	560,284	500,885	647,370	875,187	869,083
Total primary government net position	**$ 1,417,447**	**$ 1,580,417**	**$ 1,611,223**	**$ 1,751,910**	**$ 1,793,191**	**$ 1,858,000**	**$ 2,073,962**	**$ 2,334,295**	**$ 2,714,153**	**$ 3,506,266**

Source: Accounting and Financial Reporting Department

Notes:
In fiscal year 2016-17, the increase in the business-type activities net position is mainly due to a major revenue vehicle purchase.
In fiscal year 2018-19, the increase in the government-type activities net position is mainly due to the Measure M program and the construction of the OC Streetcar project.
In fiscal year 2019-20, the increase in the business-type activities net position is mainly due to a reduction in net pension liabilities.
In fiscal year 2020-21, the increase in the governmental activities net position is mainly due to capital grants and contributions and taxes. The increase in business-type activities net position is mainly due to operating grants and contributions.
In fiscal year 2021-22, the increase in the governmental activities net position is mainly due to sales tax revenues. The decrease in business-type activities net position is mainly due to the construction of I-405 improvement project.
In fiscal year 2022-23, the increase in the business-type activities net position is mainly due to reclassification of the I-405 improvement project (long-term debt TIFIA loan and construction in progress) from unrestricted to net investment in capital assets.
In fiscal year 2023-24, the increase in governmental activities net position is mainly due to decrease in Measure M program expenses related to I-405 Improvement Project. The increase in business-type activities net position is mainly due to increased charges for services from 405 Express Lanes and interfund transfer from the LTA fund to 405 Express Lanes fund for TIFIA loan allocation.
In fiscal year 2024-25, the increase in governmental activities net position is mainly due to TIRCP capital assistance for OC Streetcar project and SB 125 one-time funding.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 2

Changes in Net Position, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - in thousands)

	For the Year Ended June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Expenses										
Governmental activities:										
General government	$ 95,155	$ 94,929	$ 80,877	$ 88,394	$ 89,868	$ 87,346	$ 89,924	$ 104,701	$ 111,528	$ 119,244
Measure M program	272,627	280,154	439,279	390,253	453,965	534,584	543,991	482,865	371,900	392,256
Motorist services	6,355	5,826	5,725	6,359	7,724	7,092	8,284	8,206	9,772	9,977
Commuter rail	34,004	39,736	414	117	454	47	194	15	—	—
Total governmental activities expenses	**408,141**	**420,645**	**526,295**	**485,123**	**552,011**	**629,069**	**642,393**	**595,787**	**493,200**	**521,477**
Business-type activities:										
Fixed route	208,851	204,969	208,167	230,256	201,819	174,441	179,877	210,789	209,916	228,591
Paratransit	63,071	64,594	67,883	71,104	88,086	75,431	88,131	99,541	115,153	127,724
Tollroad	25,120	38,455	25,672	26,491	29,239	30,137	30,162	15,409	29,764	61,243
Taxicab administration	567	524	385	348	160	86	—	—	—	—
Local rail	—	—	—	6	7	28	51	107	74	183
Total business-type activities expenses	**297,609**	**308,542**	**302,107**	**328,205**	**319,311**	**280,123**	**298,221**	**325,846**	**354,907**	**417,741**
Total primary government expenses	**705,750**	**729,187**	**828,402**	**813,328**	**871,322**	**909,192**	**940,614**	**921,633**	**848,107**	**939,218**
Program Revenues										
Governmental activities:										
Charges for services:										
General government	1,180	730	842	855	872	1,113	1,094	935	694	291
Other activities	1,087	1,104	1,544	968	1,197	1,149	1,373	1,257	1,046	1,455
Operating grants and contributions	125,220	92,486	98,233	83,458	78,703	74,365	63,978	61,774	65,287	281,847
Capital grants and contributions	3,897	17,602	7,679	19,994	37,921	65,919	65,949	47,923	40,085	175,563
Total governmental activities program revenues	**131,384**	**111,922**	**108,298**	**105,275**	**118,693**	**142,546**	**132,394**	**111,889**	**107,112**	**459,156**
Business-type activities:										
Charges for services:										
Fixed route	50,197	42,753	40,821	41,067	39,747	22,380	37,647	38,580	39,939	44,233
Tollroad	52,240	56,005	57,615	57,417	43,944	45,353	64,848	61,376	93,335	135,421
Other activities	8,650	8,656	8,280	8,727	7,654	2,193	4,824	6,183	7,527	8,356
Operating grants and contributions	65,226	74,966	74,236	87,667	64,917	164,819	258,866	77,750	62,937	116,474
Capital grants and contributions	35,848	89,740	17,849	11,172	4,747	7,154	10,568	84,923	48,357	54,794
Total business-type activities program revenues	**212,161**	**272,120**	**198,801**	**206,050**	**161,009**	**241,899**	**376,753**	**268,812**	**252,095**	**359,278**
Total primary government program revenues	**$ 343,545**	**$ 384,042**	**$ 307,099**	**$ 311,325**	**$ 279,702**	**$ 384,445**	**$ 509,147**	**$ 380,701**	**$ 359,207**	**$ 818,434**

(Continued)

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 2

Changes in Net Position, Last Ten Fiscal Years, *continued*

(accrual basis of accounting - in thousands)

	For the Year Ended June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Indirect expenses allocation:										
Governmental activities	$ (37,748)	$ (41,045)	$ (43,163)	$ (44,411)	$ (46,890)	$ (48,485)	$ (52,347)	$ (55,455)	$ (61,325)	$ (65,651)
Business-type activities	37,748	41,045	43,163	44,411	46,890	48,485	52,347	55,455	61,325	65,651
Net revenues (expenses)										
Governmental activities	(239,009)	(267,678)	(374,834)	(335,437)	(386,428)	(438,038)	(457,652)	(428,442)	(324,763)	3,330
Business-type activities	(123,196)	(77,467)	(146,469)	(166,566)	(205,192)	(86,709)	26,185	(112,489)	(164,137)	(124,114)
Total primary government net expenses	**(362,205)**	**(345,145)**	**(521,303)**	**(502,003)**	**(591,620)**	**(524,747)**	**(431,467)**	**(540,931)**	**(488,900)**	**(120,784)**
General Revenues and Transfers										
Governmental activities:										
Sales tax revenues	476,368	475,863	515,475	546,912	518,933	554,785	679,399	718,022	700,434	694,186
Investment earnings	19,447	9,807	12,609	48,527	55,593	21,334	(27,383)	38,383	81,699	97,463
Other miscellaneous revenues	918	99	133	233	159	2,028	1,360	826	1,064	8,206
Transfers	(152,899)	(162,292)	(191,734)	(149,206)	(196,930)	(117,292)	104,009	(221,821)	(367,030)	(140,857)
Total governmental activities	**343,834**	**323,477**	**336,483**	**446,466**	**377,755**	**460,855**	**757,385**	**535,410**	**416,167**	**658,583**
Business-type activities:										
Property taxes	14,098	14,943	15,995	16,971	17,829	18,648	19,646	21,155	22,281	23,585
Investment earnings	7,672	2,332	2,892	24,654	29,285	4,859	(32,167)	14,586	53,490	70,872
Other miscellaneous revenues	791	5,071	5,604	5,393	11,104	7,685	6,574	8,292	9,790	9,819
Transfers	152,899	162,292	191,734	149,206	196,930	117,292	(104,009)	221,821	367,030	140,857
Total business-type activities	**175,460**	**184,638**	**216,225**	**196,224**	**255,148**	**148,484**	**(109,956)**	**265,854**	**452,591**	**244,989**
Total primary government	**519,294**	**508,115**	**552,708**	**642,690**	**632,903**	**609,339**	**647,429**	**801,264**	**868,758**	**903,572**
Changes in net position										
Governmental activities	104,825	55,799	(38,351)	111,029	(8,673)	22,817	299,733	106,968	91,404	661,913
Business-type activities	52,264	107,171	69,756	29,658	49,956	61,775	(83,771)	153,365	288,454	120,875
Total primary government	**$ 157,089**	**$ 162,970**	**$ 31,405**	**$ 140,687**	**$ 41,283**	**$ 84,592**	**$ 215,962**	**$ 260,333**	**$ 379,858**	**$ 782,788**

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 3

Fund Balances, Governmental Funds, Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting - in thousands)

	As of June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General Fund										
Nonspendable	$ 11,862	$ 20,672	$ 11,699	$ 13,717	$ 12,746	$ 13,763	$ 13,282	$ 12,802	$ 14,334	$ 15,046
Restricted	23,548	22,992	23,189	23,101	23,517	44,642	40,881	41,994	44,060	64,685
Assigned	14,453	—	2,413	8,740	11,562	14,735	25,759	28,218	—	—
Unassigned	—	(17,135)	—	(2,217)	—	—	(2)	—	7,169	6,374
Total general fund	**49,863**	**26,529**	**37,301**	**43,341**	**47,825**	**73,140**	**79,920**	**83,014**	**65,563**	**86,105**
All Other Governmental Funds										
Nonspendable	12,519	7,177	12,144	15,772	12,230	17,507	39,222	25,887	21,843	11,654
Restricted	862,565	953,569	892,703	1,337,025	1,252,083	1,155,000	1,314,797	1,343,802	1,300,225	1,684,768
Assigned:										
Transportation capital projects	8,682	1,158	—	2,521	—	—	—	—	—	—
Unassigned	—	—	(6,917)	(883)	(2,024)	(3,562)	(7,658)	(10,171)	(10,552)	(5,561)
Total all other governmental funds	**$ 883,766**	**$ 961,904**	**$ 897,930**	**$1,354,435**	**$1,262,289**	**$1,168,945**	**$1,346,361**	**$1,359,518**	**$1,311,516**	**$1,690,861**

Source: Accounting and Financial Reporting Department

Notes:
In fiscal year 2018-19, the increase in restricted fund balance of All Other Governmental Funds was due to the issuance of sales tax revenue bonds for the Measure M2 program.
In fiscal year 2019-23, the changes in restricted fund balance of All Other Governmental Funds was due to the fluctuations of sales tax revenue for Measure M2 program.
In fiscal year 2023-24, the decrease in assigned fund balance of General Fund was due to interfund transfer of CURE fund from General Fund to LTA Fund.
In fiscal year 2024-25, the increase in restricted fund balance of General Fund was due to interfund transfer to ARBA reserve fund from Workers' Compensation (Internal Service Fund)

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 4

Changes in Fund Balances, Governmental Funds, Last Ten Fiscal Years (Unaudited)

(modified accrual basis of accounting - in thousands)	For the Year Ended June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
Revenues										
Sales tax revenues	465,830	486,401	507,584	554,804	518,933	554,785	679,399	718,022	700,433	694,187
Transportation improvement fee	—	—	5,673	5,603	5,823	6,230	7,581	6,619	7,115	7,446
Vehicle registration fees	3,401	2,960	2,941	2,978	2,773	3,099	2,896	2,952	3,013	3,003
Fines	220	205	201	200	245	125	182	163	145	124
Contributions from other agencies	103,532	87,870	92,239	67,550	96,817	84,483	51,603	77,858	40,691	257,431
Interest and investment income	18,917	11,894	12,253	48,528	53,209	23,840	(29,596)	41,529	83,578	98,718
Capital assistance grants	3,220	14,552	7,541	14,171	29,102	45,999	46,975	42,384	31,948	167,051
Miscellaneous	5,090	8,060	6,361	3,649	1,425	3,250	2,365	2,555	2,074	9,686
Total revenues	**600,210**	**611,942**	**634,793**	**697,483**	**708,327**	**721,811**	**761,405**	**892,082**	**868,997**	**1,237,646**
Expenditures										
Current:										
General government	126,370	116,183	110,973	110,537	106,911	114,120	101,883	122,642	144,832	169,781
Transportation:										
Contributions to other local agencies	124,230	146,199	109,767	114,543	97,116	103,286	104,090	105,526	105,389	123,778
Capital outlay	103,441	106,921	250,292	235,559	354,492	430,188	435,542	372,308	262,322	190,505
Debt service:										
Principal	7,210	7,475	7,775	8,165	8,530	8,065	8,455	19,935	20,920	21,950
Interest	21,614	21,343	21,059	20,677	35,615	35,777	35,808	34,949	33,956	32,906
Bond issuance costs	—	—	—	826	—	—	—	—	—	816
Total expenditures	**382,865**	**398,121**	**499,866**	**490,307**	**602,664**	**691,436**	**685,778**	**655,360**	**567,419**	**539,736**
Excess of revenues over expenditures	**217,345**	**213,821**	**134,927**	**207,176**	**105,663**	**30,375**	**75,627**	**236,722**	**301,578**	**697,910**
Other financing sources (uses):										
Transfers in	56,722	74,074	46,148	155,033	137,216	99,830	217,996	122,116	189,244	359,961
Transfers out	(209,621)	(236,366)	(237,882)	(304,239)	(334,146)	(217,122)	(113,987)	(343,936)	(556,275)	(500,597)
Proceeds from sale of capital assets	3,010	3,275	3,605	3,605	3,605	3,866	4,560	1,349	—	4,169
Bond issuance	—	—	—	376,690	—	—	—	—	—	227,565
Bond premium	—	—	—	69,342	—	—	—	—	—	36,413
Payment to refunded bond escrow agent	—	—	—	(45,062)	—	—	—	—	—	(267,767)
Total other financing sources (uses)	**(149,889)**	**(159,017)**	**(188,129)**	**255,369**	**(193,325)**	**(113,426)**	**108,569**	**(220,471)**	**(367,031)**	**(140,256)**
Net changes in fund balances	**67,456**	**54,804**	**(53,202)**	**462,545**	**(87,662)**	**(83,051)**	**184,196**	**16,251**	**(65,453)**	**557,654**
Debt service as a percentage of noncapital expenditures	7.7 %	7.6 %	5.9 %	6.6 %	8.4 %	7.3 %	6.8 %	9.6 %	11.8 %	11.3 %

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 5

Program Revenues by Function/Program, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - in thousands)

Program Revenues	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Function/Program										
Governmental activities:										
General government	$ 8,963	$ 22,323	$ 18,830	$ 27,932	$ 46,179	$ 76,165	$ 77,831	$ 54,580	$ 49,165	$ 183,348
Measure M program	111,050	76,881	81,902	67,979	63,996	59,115	48,550	48,894	51,512	267,734
Motorist services	5,648	5,575	5,492	8,755	8,516	7,251	5,968	8,222	6,435	8,074
Commuter rail	5,723	7,143	2,074	609	2	15	45	194	—	—
Total governmental activities	**131,384**	**111,922**	**108,298**	**105,275**	**118,693**	**142,546**	**132,394**	**111,890**	**107,112**	**459,156**
Business-type activities:										
Fixed route	123,504	173,107	105,539	108,244	107,503	193,353	306,103	200,782	149,316	195,775
Paratransit	28,080	40,777	33,882	38,859	7,496	2,192	4,824	6,183	7,527	8,356
Tollroad	60,059	57,816	59,069	58,576	45,835	46,342	65,826	61,847	95,252	136,392
Taxicab administration	518	420	311	371	175	12	—	—	—	—
Local rail	—	—	—	—	—	—	—	—	—	18,755
Total business-type activities	**212,161**	**272,120**	**198,801**	**206,050**	**161,009**	**241,899**	**376,753**	**268,812**	**252,095**	**359,278**
Total primary government	**$ 343,545**	**$ 384,042**	**$ 307,099**	**$ 311,325**	**$ 279,702**	**$ 384,445**	**$ 509,147**	**$ 380,702**	**$ 359,207**	**$ 818,434**

Source: Accounting and Financial Reporting Department

Notes:
In fiscal year 2016-17, the decrease in Measure M program was primarily due to decreased funding of RSTP and Prop 1B as well as closing phase of the grade separation projects.
In fiscal year 2017-18, the decrease in Fixed route was primarily due to capital grants received in the prior year related to the CNG bus purchase project.
In fiscal year 2019-20, the decrease in General government, fixed route, paratransit, and tollroad revenues was primarily due to the COVID-19 pandemic.
In fiscal year 2020-22, the increase in Fixed route was primarily due to increased operating grants and contributions.
In fiscal year 2022-23, the decrease in Fixed route was primarily due to decreased operating grants and contributions relating to transit operations.
In fiscal year 2023-24, the decrease in Fixed route was primarily due to decreased operating grants and contributions relating to transit operations. The increase in Tollroad wa due to increase in 91 EL user revenues and opening of 405 EL for public use.
In fiscal year 2024-25, the increase in governmental and business-type activities was due to TIRCP grant funding and SB 125 grant appropriations.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 6

Tax Revenues by Source, Governmental Activities, Last Ten Fiscal Years (Unaudited)

(accrual basis of accounting - thousands)

For the Year Ended June 30,		Sales and Use Tax Revenues
2016	$	476,368
2017		475,863
2018		515,475
2019		546,912
2020		518,933
2021		554,785
2022		679,399
2023		718,022
2024		700,434
2025		694,186
Change		
2016 - 2025		45.7 %

Source: Accounting and Financial Reporting Department

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 7

Taxable Sales by Category, Last Ten Calendar Years (Unaudited)

	Calendar Year										
(amounts expressed in thousands)	**2016**	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**	(a)
Clothing and Clothing Accessories Stores	$4,173,147	$4,179,348	$4,420,905	$4,501,642	$3,445,233	$5,265,145	$5,645,156	$5,510,685	$5,480,352	$5,071,076	
General Merchandise Stores	5,266,498	5,314,636	5,424,321	5,561,761	5,214,858	6,114,659	6,661,626	6,433,829	6,411,992	5,844,540	
Food and Beverage Stores	2,315,300	2,399,937	2,460,590	2,483,191	2,630,703	2,705,682	2,843,138	2,851,552	2,882,548	2,413,398	
Food Services and Drink Places	7,561,709	7,953,351	8,195,164	8,559,216	6,232,835	8,795,493	10,252,167	10,807,335	11,173,431	11,099,434	
Home Furnishings and Appliance Stores	3,082,463	3,074,257	3,037,974	2,907,710	2,578,348	3,104,704	3,116,190	2,946,553	2,893,222	2,953,804	
Building Material & Garden Equipment & Supplies Dealers	2,961,129	3,106,396	3,184,381	3,174,208	3,539,541	3,817,836	4,006,427	3,930,919	3,886,178	3,827,530	
Motor Vehicle and Parts Dealers	8,648,763	8,927,827	9,408,045	9,646,527	9,482,960	11,324,257	11,775,654	11,056,748	10,817,359	11,157,918	
Gasoline Stations	3,489,276	3,745,819	4,203,824	4,142,023	2,670,300	4,110,466	5,137,709	4,536,118	4,259,440	3,974,956	
Other Retail Group	5,318,826	5,562,771	5,742,982	6,158,835	8,462,565	8,412,348	8,661,056	9,248,654	9,015,794	8,571,896	
All other outlets	20,241,650	20,883,715	21,390,429	22,553,862	19,576,172	24,603,345	29,927,949	29,976,022	29,517,095	28,433,942	
Total	**$63,058,761**	**$65,148,057**	**$67,468,615**	**$69,688,975**	**$63,833,515**	**$78,253,935**	**$88,027,072**	**$87,298,415**	**$86,337,411**	**$83,348,494**	
Measure M Ordinance direct sales tax rate	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	0.50 %	

Sources: California State Board of Equalization for data prior to 2015; California Department of Tax and Fee Administration for data starting 2015

Note:
(a) Taxable Sales reported for year 2025 includes actual data for the first and second quarters.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 8

Direct and Overlapping Sales Tax Rates, Last Ten Calendar Years (Unaudited)

Calendar Year	Measure M Direct rate	County of Orange	
2016	0.50%	7.50%	
2017	0.50%	7.25%	(a)
2018	0.50%	7.25%	
2019	0.50%	7.25%	
2020	0.50%	7.25%	
2021	0.50%	7.25%	
2022	0.50%	7.25%	
2023	0.50%	7.25%	
2024	0.50%	7.25%	
2025	0.50%	7.25%	

Sources: County of Orange information provided by the California Department of Tax and Fee Administration

Notes: Measure M information provided by the Measure M Ordinance
(a) Effective January 1, 2017 the state sales and use tax rate decreased by .25%.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 9
Principal Taxable Sales Generation by City, Current Year and Nine Years Ago
(Unaudited)
(amounts express in thousands)

City	Calendar Year 2024			Calendar Year 2015		
	Taxable Sales	Rank	Percentage of Total	Taxable Sales	Rank	Percentage of Total
Aliso Viejo	$ 799,471	22	1.11 %	$ 413,924	28	0.76 %
Anaheim	9,276,492	1	12.93 %	6,652,443	1	12.24 %
Brea	2,094,134	12	2.92 %	1,787,851	11	3.29 %
Buena Park	2,938,057	9	4.10 %	1,791,525	10	3.30 %
Costa Mesa	6,395,035	3	8.91 %	4,765,158	3	8.77 %
Cypress	1,138,168	18	1.59 %	1,081,002	16	1.99 %
Dana Point	572,671	26	0.80 %	476,437	26	0.88 %
Fountain Valley	1,328,517	16	1.85 %	1,018,126	18	1.87 %
Fullerton	2,455,842	11	3.42 %	1,779,283	12	3.27 %
Garden Grove	2,469,321	10	3.44 %	1,854,811	9	3.41 %
Huntington Beach	3,987,633	6	5.56 %	3,207,380	6	5.90 %
Irvine	7,892,635	2	11.00 %	5,382,441	2	9.90 %
La Habra	1,132,607	19	1.58 %	890,346	19	1.64 %
La Palma	222,878	32	0.31 %	232,481	32	0.43 %
Laguna Beach	562,412	27	0.78 %	449,732	27	0.83 %
Laguna Hills	521,597	28	0.73 %	493,928	25	0.91 %
Laguna Niguel	1,183,840	17	1.65 %	1,043,562	17	1.92 %
Laguna Woods	98,695	33	0.14 %	83,454	33	0.15 %
Lake Forest	1,482,559	15	2.07 %	1,252,190	15	2.30 %
Los Alamitos	304,762	31	0.42 %	262,993	31	0.48 %
Mission Viejo	1,813,197	13	2.53 %	1,541,617	13	2.84 %
Newport Beach	3,768,852	7	5.25 %	3,034,392	7	5.58 %
Orange	4,758,804	5	6.63 %	3,574,281	5	6.57 %
Placentia	663,537	25	0.92 %	563,396	23	1.04 %
Rancho Santa Margarita	708,013	23	0.99 %	562,087	24	1.03 %
San Clemente	1,020,544	21	1.42 %	711,739	20	1.31 %
San Juan Capistrano	1,036,398	20	1.44 %	704,052	21	1.30 %
Santa Ana	4,964,322	4	6.92 %	3,954,541	4	7.27 %
Seal Beach	418,223	30	0.58 %	355,989	29	0.65 %
Stanton	463,285	29	0.65 %	350,479	30	0.64 %
Tustin	3,032,799	8	4.23 %	2,034,806	8	3.74 %
Villa Park	25,013	34	0.03 %	20,067	34	0.04 %
Westminster	1,508,565	14	2.10 %	1,418,002	14	2.61 %
Yorba Linda	700,057	24	0.98 %	619,436	22	1.14 %
Total	**71,738,935**		**100 %**	**54,363,951**		**100 %**
Unincorporated Cities	14,598,478			7,552,268		
Total Orange County	**$ 86,337,413**			**$ 61,916,219**		

Source: California Department of Tax and Fee Administration, www.cdtfa.ca.gov
Note: The most current data available is for 2024.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 10

Ratios of Outstanding Debt by Type, Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands except per capita)

	Governmental Activities			Business-Type Activities							
As of June 30,	Sales Tax Revenue Bonds	Lease Liabilities	Subscription Liabilities	Toll Road Revenue Bonds	TIFIA Loan	Lease Liabilities	Subscription Liabilities	PPP Liabilities	Primary Government	Percentage of Personal Income	Per Capita
2016	$ 327,894	$ —	$ —	$ 123,725	$ —	$ —	$ —	$ —	$ 451,619	0.23 %	142.06
2017	319,817	—	—	117,796	—	—	—	—	437,613	0.22 %	136.72
2018	311,440	—	—	111,627	165,988	—	—	—	589,055	0.28 %	182.87
2019	704,094	—	—	105,173	294,762	—	—	—	1,104,029	0.50 %	342.60
2020	691,810	—	—	98,420	303,422	—	—	—	1,093,652	0.46 %	342.37
2021	680,592	—	—	91,356	312,329	—	—	—	1,084,277	0.42 %	343.80
2022	668,985	28,483		83,962	—	3,394		—	784,824	0.30 %	248.19
2023	645,899	24,634	623	76,223	620,189	8,914	276	—	1,376,758	0.49 %	438.31
2024	621,827	20,872	357	51,555	632,355	8,491	253	108,391	1,444,101	n/a	458.32
2025	614,624	16,632	2,617	45,116	644,732	8,046	241	110,815	1,442,823	n/a	454.37

Source: Accounting and Financial Reporting Department

Notes:
In fiscal year 2013-14, OCTA issued Senior Lien Toll Road Revenue Refunding Bonds (Series 2013) to refund the outstanding Series 2003 Bonds.
In fiscal year 2017-18, OCTA and DOT Bureau executed the TIFIA loan.
In fiscal year 2018-19, the increase in sales tax revenue bonds of governmental activities is due to issuance of sales tax revenue bonds.
In fiscal year 2021-22, OCTA prepaid the TIFIA loan and secured bridge loan (BAN 2021).
In fiscal year 2022-23, OCTA and DOT Bureau executed the TIFIA loan, and paid off the BAN 2021.
In fiscal year 2023-24, OCTA issued 2023 Toll Road Revenue Bonds and refunded 2013 Toll Road Revenue Bonds for 91 Express Lanes.
In fiscal year 2024-25, OCTA issued Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds.

See schedule 13 for personal income and population data.
n/a - data not available

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 11

Legal Debt Margin Information, Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands)

Measure M Ordinance No. 3 (Measure M2) LTA Fund		Toll Road Revenue Bonds 91 EL Fund		TIFIA Loan 405 EL Fund	
Legal Debt Margin Calculation for Fiscal Year 2025		**Legal Debt Margin Calculation for Fiscal Year 2025**		**Legal Debt Margin Calculation for Fiscal Year 2025**	
Debt service	$ 54,856	Debt service	$ 8,052	Debt service	$ —
Debt coverage (130 % of debt service)	71,313	Debt coverage (130 % of debt service)	10,467	Debt coverage (135 % of debt service)	—
Sales tax revenues	428,184	Toll revenues	95,325	Toll revenues	64,228
Less: local fair share & other expenses	(92,422)	Less: operating expenses	(18,055)	Less: operating expenses	(22,537)
Net sales tax revenues	335,762	Net toll revenues	77,270	Net toll revenues	41,691
Legal debt margin	**$ 264,449**	**Legal debt margin**	**$ 66,802**	**Legal debt margin**	**$ 41,691**

	Measure M Ordinance No. 3 (Measure M2) LTA Fund				Toll Road Revenue Bonds 91 EL Fund				TIFIA Loan 405 EL Fund			
For Year Ended June 30,	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit	Debt limit	Total net debt applicable to limit	Legal debt margin	Total net debt applicable to limit as a percentage of debt limit
2016	$ 237,151	$ 29,021	$ 208,130	12.2 %	$ 35,576	$ 14,035	$ 21,541	39.5 %	$ —	$ —	$ —	n/a
2017	239,727	29,244	210,483	12.2 %	25,002	14,039	10,963	56.2 %	—	—	—	n/a
2018	249,427	29,080	220,347	11.7 %	42,211	14,034	28,177	33.2 %	—	—	—	n/a
2019	258,085	37,434	220,651	14.5 %	49,624	14,035	35,589	28.3 %	—	—	—	n/a
2020	252,570	57,360	195,210	22.7 %	37,268	14,037	23,231	37.7 %	—	—	—	n/a
2021	262,280	56,992	205,288	21.7 %	31,735	14,034	17,701	44.2 %	—	—	—	n/a
2022	330,050	56,974	273,076	17.3 %	37,145	14,122	23,023	38.0 %	—	—	—	n/a
2023	349,480	71,349	278,131	20.4 %	51,439	14,034	37,406	27.3 %	—	—	—	n/a
2024	340,336	71,334	269,002	21.0 %	73,485	13,354	60,131	18.2 %	4,577	—	4,577	— %
2025	335,762	71,313	264,449	21.2 %	77,270	10,467	66,802	13.5 %	41,691	—	41,691	— %

Source: Treasury and Accounting and Financial Reporting Departments

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 12

Pledged Revenue Coverage, Last Ten Fiscal Years (Unaudited)

(amounts expressed in thousands)

	Measure M2 Sales Tax Revenue Bonds LTA Fund					Toll Road Revenue Bonds 91 EL Fund					TIFIA Loan 405 EL Fund				
For the Year Ended June 30,	Sales Tax Revenues	Less: Fair Share & Other Expenses	Debt Service Principal	Debt Service Interest	Coverage	Toll Road Revenue	Less: Operating Expenses	Debt Service Principal	Debt Service Interest	Coverage	Toll Road Revenue	Less: Operating Expenses	Debt Service Principal	Debt Service Interest	Coverage
2016	$ 300,602	$ (63,451)	$ 7,210	$ 15,114	10.62	$ 54,267	$ (18,691)	$ 5,075	$ 5,721	3.30	—	—	—	—	n/a
2017	305,057	(65,330)	7,475	15,020	10.66	56,835	(31,833)	5,285	5,514	2.32	—	—	—	—	n/a
2018	316,093	(66,666)	7,775	14,594	11.15	58,613	(16,403)	5,525	5,270	3.91	—	—	—	—	n/a
2019	328,892	(70,807)	8,165	20,629	8.96	64,932	(15,308)	5,810	4,986	4.60	—	—	—	—	n/a
2020	322,448	(69,878)	8,530	35,592	5.72	52,313	(15,045)	6,110	4,688	3.45	—	—	—	—	n/a
2021	332,888	(70,608)	8,065	35,774	5.98	46,463	(14,729)	6,420	4,375	2.94	—	—	—	—	n/a
2022	419,531	(89,481)	8,455	35,371	7.53	57,626	(20,481)	6,750	4,046	3.44	—	—	—	—	n/a
2023	442,081	(92,601)	19,935	34,949	6.37	64,827	(13,388)	7,095	3,700	4.77	—	—	—	—	n/a
2024	433,919	(93,583)	20,920	33,952	6.20	88,794	(15,309)	7,460	2,812	7.15	22,651	(18,074)	—	—	n/a
2025	428,184	(92,422)	21,950	32,906	6.12	95,325	(18,055)	5,820	2,232	9.60	64,228	(22,537)	—	—	n/a

Source: Accounting and Financial Reporting Department

Notes:
In fiscal year 2018-19, Measure M2 sales tax revenue bonds were issued.
In fiscal year 2019-20, Measure M2 sales tax revenue decreased due to COVID-19 pandemic and state order to refrain from non-essential travel.
In fiscal year 2019-20, decrease in toll road revenue is primarily due to a decrease in trips due to COVID-19 pandemic and state orders to refrain from non-essential travel.
In fiscal year 2022-23, increase in toll road revenue and sales tax revenues were primarily due to in increase in average trips cost and economic recovery from COVID-19 pandemic.
In fiscal year 2023-24, the TIFIA loan is secured by toll revenues of the 405 Express Lanes which is opened to public in December 2023.
In fiscal year 2024-25, toll road revenue for both the 91 and 405 Express Lanes increased primarily due to higher average gross revenue per trips. Additionally, reported revenues for the 405 Express Lanes reflected only seven months of operations, whereas fiscal year 2024-25 included a full year of operations.

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 13

Demographic and Economic Statistics, Last Ten Calendar Years (Unaudited)

Calendar Year	Population (a)	Personal Income (millions) (b)	Per Capita Personal Income (c)	Median Age (d)	School Enrollment (e)	Unemployment Rate (f)
2016	3,179,122	$ 194,224	$ 61,184	37.30	493,030	4.4 %
2017	3,200,748	202,337	63,510	37.50	490,430	3.8 %
2018	3,221,103	210,649	66,056	37.80	485,835	3.2 %
2019	3,222,498	221,785	69,616	38.10	478,823	3.0 %
2020	3,194,332	239,165	75,074	38.30	473,612	13.6 %
2021	3,153,764	257,606	81,505	38.50	456,572	6.5 %
2022	3,162,245	264,973	84,109	38.70	448,729	2.9 %
2023	3,141,065	278,761	88,897	39.70	441,249	3.7 %
2024	3,150,835	n/a	n/a	n/a	437,276	4.0 %
2025	3,175,427	n/a	n/a	n/a	429,869	4.5 %

Notes:

n/a - data not available

Estimates for personal income and per capita personal income for 2016-2023 were revised for new estimates.

Sources:

(a) July 1 estimates for 2016-2017 and January 1 estimate for 2018-2025 from California Department of Finance, http://www.dof.ca.gov/

(b) U.S. Department of Commerce, Bureau of Economic Analysis, http://www.bea.gov/

(c) U.S. Department of Commerce, Bureau of Economic Analysis, http://www.bea.gov/

(d) U.S. Census Bureau, https://data.census.gov/table

(e) California Department of Education, http://www.cde.ca.gov/

(f) CA Employment Development Department, http://www.labormarketinfo.edd.ca.gov/

ORANGE COUNTY TRANSPORTATION AUTHORITY

Schedule 14

Principal Employers, Current Year and Nine Years Ago (Unaudited)

	Calendar Year 2025				Calendar Year 2015			
Employer	Employees	(a)	Rank	Percentage of Total County Employment (b)	Employees	(a)	Rank	Percentage of Total County Employment (b)
Walt Disney Co.	36,000		1	2.30 %	27,000		1	1.76 %
University of California, Irvine	34,085		2	2.18 %	22,385		2	1.46 %
Providence	25,155		3	1.61 %	n/a		n/a	n/a
County of Orange	18,000		4	1.15 %	18,135		3	1.18 %
Kaiser Permanente	10,293		5	0.66 %	7,000		5	0.46 %
Hoag Memorial Hospital Presbyterian	8,081		6	0.52 %	n/a		n/a	n/a
Allied Universal	7,214		7	0.46 %	n/a		n/a	n/a
Albertsons Southern CA Division	7,152		8	0.46 %	n/a		n/a	n/a
Memorial Care Health System	6,326		9	0.40 %	5,650		8	0.37 %
CHOC Hospital	5,555		10	0.36 %	n/a		n/a	n/a
Boeing Co.					12,227		4	0.80 %
St. Joseph Health System					6,890		6	0.45 %
Bank of America Corp.					5,500		9	0.36 %
Walmart Inc.					6,000		7	0.39 %
Target Corp.					5,400		10	0.35 %
Total County Employment	1,564,300				1,530,800			

Sources: (a) Orange County Business Journal Book of Lists - County of Orange
(b) Total County Employment information obtained from California Employment Development Department
http://www.labormarketinfo.edd.ca.gov

Note: Due to unavailability of 2016 data, 2015 is reported

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 15

Full-Time Equivalent Government Employees by Function/Program for Ten Years (Unaudited)

	Full-Time Equivalent Employees as of June 30,									
	2016	**2017**	**2018**	**2019**	**2020**	**2021**	**2022**	**2023**	**2024**	**2025**
General government	238.0	239.0	240.5	247.5	243.0	246.0	250.5	260.5	264.0	271.5
Measure M program	39.5	39.0	39.0	40.5	41.5	39.5	38.0	38.0	38.0	34.0
Motorist services	4.0	4.0	5.0	5.0	5.0	5.0	3.0	3.0	2.0	3.0
Commuter rail	10.5	11.0	8.0	7.0	6.0	7.0	6.0	6.0	6.0	6.0
Fixed route	1,020.0	981.0	906.5	964.0	990.5	972.5	886.0	888.0	887.0	958.5
Paratransit	5.0	7.5	7.5	6.5	8.5	7.5	7.5	8.0	9.0	7.0
Tollroad	3.0	3.0	3.5	3.5	3.5	3.5	3.5	6.0	6.5	6.5
Taxicab administration	4.0	3.0	2.0	2.0	1.0	—	—	—	—	—
LOSSAN	6.0	7.0	8.0	11.0	14.0	14.0	15.0	15.0	16.0	15.0
Total	**1,330.0**	**1,294.5**	**1,220.0**	**1,287.0**	**1,313.0**	**1,295.0**	**1,209.5**	**1,224.5**	**1,228.5**	**1,301.5**

Source: Financial Planning & Analysis Department

Notes:
In fiscal year 2016-17, the decrease of full-time equivalent positions in Fixed Route was due to service reductions.
In fiscal year 2018-19, the increase of full-time equivalent positions was primarily due to new hires in Fixed Route.
In fiscal year 2020-22, the decrease of full-time equivalent positions in Fixed Route was due to service reductions.
In fiscal year 2022-23, the increase of full-time equivalent positions in Tollroad was due to hiring 405 Express Lanes staff and the increase in General government is due to new hires.
In fiscal year 2023-24, no significant changes noted.
In fiscal year 2024-25, the increase of full-time equivalent positions in Fixed Route was due to the availability and increased hiring of qualified Coach Operators.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 16
Operating Indicators by Function/Program (Unaudited)

	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Measure M2 program (in thousands)										
Freeways	$ 68,486	$ 100,729	$ 251,130	$ 204,726	$ 295,020	$ 355,936	$ 399,043	$ 310,105	$ 327,460	$ 174,924
Streets and roads	163,699	138,273	106,691	110,412	105,555	92,472	60,180	94,112	97,981	119,911
Transit	22,464	16,516	20,419	173,782	74,815	68,617	143,009	68,792	124,541	110,857
Environmental cleanup	9,578	10,189	6,409	7,117	2,656	1,499	1,938	1,347	2,763	3,440
Total program expenses	**$ 264,227**	**$ 265,707**	**$ 384,649**	**$ 496,037**	**$ 478,046**	**$ 518,524**	**$ 604,170**	**$ 474,356**	**$ 552,745**	**$ 409,132**
Motorist services										
Calls made from call boxes*	1,717	1,363	1,246	1,049	250	345	392	332	268	223
Vehicles assisted by FSP	68,678	62,527	54,136	52,673	56,374	60,062	67,224	59,129	55,375	64,535
511 Motorist Assistance Calls*	4,023	4,120	3,888	4,298	3,531	2,898	3,528	4,441	3,974	3,508
Commuter rail										
Weekday trips	54	54	54	54	54	41	45	45	45	58
Annual boardings	4,198,189	4,477,735	5,069,929	5,073,474	3,874,618	797,715	1,592,803	1,983,306	2,407,622	2,988,147
Fixed route										
Annual boardings	43,202,265	39,903,682	39,272,747	37,846,066	30,800,075	19,880,122	26,680,576	31,191,444	34,978,231	36,939,206
Vehicle revenue hours	1,618,070	1,629,802	1,602,192	1,626,394	1,443,821	1,210,496	1,378,707	1,534,698	1,450,826	1,625,032
Miles of fixed route	2,045	1,820	1,801	1,762	1,792	1,562	1,587	1,546	1,544	1,523
Paratransit										
Annual boardings	1,779,530	1,864,312	1,647,378	1,667,292	1,268,429	485,746	837,644	1,031,899	1,137,743	1,223,120
Vehicle revenue hours	754,004	780,798	744,746	756,391	603,477	312,776	461,261	559,776	631,095	663,785
Eligible riders	32,173	32,871	32,735	32,744	31,812	28,851	28,248	27,710	27,512	28,121
Tollroad										
Annual drivers trips	13,772,971	14,384,133	16,719,371	17,546,304	14,990,602	15,359,785	19,810,256	19,736,624	29,823,225	39,375,444
Taxicab administration										
Permits Issued	1,855	1,521	1,214	971	437	—	—	—	—	—

*Starting in FY2019-20, the reported call count includes only valid calls and excludes test calls.

ORANGE COUNTY TRANSPORTATION AUTHORITY
Schedule 17

Capital Asset Statistics by Function/Program (Unaudited)

	For the Year Ended June 30,									
	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Fixed route										
Bus bases	5	5	5	5	5	5	5	5	5	5
Large revenue vehicles	537	517	492	498	505	495	508	416	428	449
Small revenue vehicles	18	11	35	43	24	38	36	19	14	14
Paratransit										
Paratransit vehicles	248	248	248	248	248	245	245	254	247	244
Tollroad										
Transponders in use	182,522	196,997	213,993	225,621	208,656	163,235	145,393	128,715	127,904	104,311

Source: Various departments within the Orange County Transportation Authority

Note:
In fiscal year 2017-18, the decreases in Fixed Route large vehicles was due to the change in service levels, while the increase in Fixed Route small vehicles resulted from operations of Irvine I-Shuttle.
In fiscal year 2018-19, the increase in Fixed Route small vehicles was a result of increase in I-Shuttle service.
In fiscal year 2019-20, the decrease in Fixed Route small revenue vehicles was related to a decrease in service levels due to COVID-19 pandemic. Additionally, the balance was adjusted to reflect only transponders that were considered capital asset, the newly assigned 6C transponders are considered to be inventory.
In fiscal year 2020-22, the decrease in Tollroad transponders was due to the newly assigned 6C transponders.
In fiscal year 2022-23, the decrease in Fixed Route large and small revenue vehicles was related to a decrease in service levels due to COVID-19 pandemic impact.
In fiscal year 2023-24, the decrease in Fixed Route small revenue vehicles was resulted from a decline in I-Shuttle service.
In fiscal year 2024-25, the increase in Fixed Route large revenue vehicles was resulted from acquisitions of zero-emission buses,

2025 Annual Comprehensive Financial Report

For fiscal year ended June 30, 2025

OCTA

www.octa.net

Orange County Transportation Authority
550 S. Main Street • P.O. Box 14184
Orange, CA 92863-1584

ATTACHMENT B

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY

(A Component Unit of the Orange County Transportation Authority)

ANNUAL FINANCIAL
AND
COMPLIANCE REPORT

Year Ended June 30, 2025

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)

Audited Financial Statements
Year Ended June 30, 2025

Table of Contents

Independent Auditor's Report . . . 1

Management's Discussion and Analysis (Unaudited) . . . 4

Basic Financial Statements:
- Government-wide Financial Statements:
  - Statement of Net Position . . . 10
  - Statement of Activities . . . 11
- Governmental Funds Financial Statements:
  - Balance Sheet . . . 12
  - Reconciliation of the Balance Sheet of Governmental Funds to the Statement of Net Position . . . 13
  - Statement of Revenues, Expenditures and Changes in Fund Balances . . . 14
  - Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities . . . 15
- Notes to the Financial Statements . . . 16

Required Supplementary Information (Other than Management's Discussion and Analysis):
- Local Transportation Authority Special Revenue Fund
  - Budgetary Comparison Schedule (Budgetary Basis) . . . 31
- Notes to Required Supplementary Information . . . 32

Other Supplementary Information:
- Local Transportation Authority Debt Service Fund
  - Budgetary Comparison Schedule (Budgetary Basis) . . . 33

Other Reports:
- Independent Auditor's Report on Internal Control Over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* . . . 34

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Local Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities and each major fund of the Orange County Local Transportation Authority (OCLTA), a component unit of the Orange County Transportation Authority (OCTA), as of and for the fiscal year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCLTA's basic financial statements as listed in the table of contents.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities and each major fund of OCLTA as of June 30, 2025, and the respective changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCLTA, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about OCLTA's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCLTA's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about OCLTA's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the management's discussion and analysis and budgetary comparison information for the Local Transportation Authority Special Revenue Fund, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise OCLTA's basic financial statements. The budgetary comparison schedule for the Local Transportation Authority Debt Service Fund is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the budgetary comparison schedule for the Local Transportation Authority Debt Service Fund is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated October 31, 2025 on our consideration of the OCLTA's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the OCLTA's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the OCLTA's internal control over financial reporting and compliance.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

As management of the Orange County Local Transportation Authority (OCLTA), we offer readers of the OCLTA's financial statements this narrative overview and analysis of the OCLTA's Measure M financial activities for the fiscal year (FY) ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 10. All amounts, unless otherwise indicated, are expressed in thousands of dollars.

Financial Highlights

- As of June 30, 2025, the total net position of the OCLTA was $1,006,551. This amount includes $175,370 in net investment in capital assets and $831,181 in restricted net position designated for Measure M projects, the Environmental Mitigation Program, debt service, and Senate Bill (SB) 125 restricted state grant. The net position increased by $526,871 during fiscal year 2024-25, primarily due to an increase of $428,083 in grants and contributions to support transportation projects, including the OC Streetcar and I-405 Improvement Project.

- In fiscal year 2024-25, Measure M program expenses decreased by $147,819 primarily because an interfund transfer to the 405 Express Lanes Fund occurred in fiscal year 2023–24 for the allocation of TIFIA loan proceeds associated with the construction of the express lanes for the I-405 Improvement Project. The decrease also reflected reduced capital spending on the OC Streetcar project, which is nearing completion, as well as lower expenditures for the I-405 Improvement Project.

- The sales tax revenues for fiscal year 2024-25 remained relatively consistent with the prior year, reflecting steady economic activity within Orange County. The investment earnings increased by $15,482 or 31.1% due to higher average cash balances and stronger investment performance during the fiscal year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the OCLTA's basic financial statements, which are comprised of three components including government-wide financial statements, fund financial statements, and notes to the financial statements. This report also contains required supplementary information in addition to the basic financial statements. Because the OCLTA is a governmental activity of the Orange County Transportation Authority (OCTA), governmental funds are used to account for its Measure M program activities. The basic financial statements include only the activities of the OCLTA.

- **Government-wide Financial Statements**

  The government-wide financial statements are designed to provide readers with a broad overview of the OCLTA's finances using the accrual basis of accounting, in a manner similar to a private-sector business. The statement of net position presents information on all of the OCLTA's assets, deferred outflows, liabilities, and deferred inflows, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the OCLTA is improving or deteriorating.

  The statement of activities presents information showing how the OCLTA's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

  The government-wide financial statements can be found on pages 10-11 of this report.

- **Fund Financial Statements**

  A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate compliance with Measure M finance-related legal requirements. The OCLTA uses governmental funds.

  Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements; however, governmental funds financial statements focus on near-term inflows and outflows of spendable resources and on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating the OCLTA's near-term financing requirements.

  Since the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. As a result, readers may better understand the long-term impact of the OCLTA's near-term financing decisions. Both the governmental funds balance sheet and related statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities.

  The OCLTA maintains two individual governmental funds which are considered to be major funds. Information is presented separately in the governmental funds balance sheet and in the related statement of revenues, expenditures and changes in fund balances for the OCLTA's major governmental funds.

  The governmental funds financial statements and related reconciliations to governmental activities can be found on pages 12-15 of this report.

  Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 16-30 of this report.

  The OCLTA adopts an annual budget for its two funds. A budgetary comparison schedule has been provided for the LTA Special Revenue fund as required supplementary information on page 31 and the LTA Debt Service fund as other supplementary information on page 33 to demonstrate compliance with the annual appropriated budget.

Government-wide Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the OCLTA's financial position. At June 30, 2025, the OCLTA's assets and deferred outflows of resources exceeded liabilities and deferred inflows of resources by $1,006,551, a $526,871 increase from June 30, 2024. Our analysis below focuses on the net position (Table 1) and changes in net position (Table 2) of the OCLTA's governmental activities.

Table 1
Orange County Local Transportation Authority
Net Position

	Governmental Activities	
	2025	**2024**
Assets		
Current and other assets	$ 1,542,970	$ 1,046,520
Assets held for resale	15,965	20,615
Capital assets, net	175,427	175,213
Total assets	**1,734,362**	**1,242,348**
Deferred outflows of resources		
Deferred outflows - refunding	23,004	1,153
Liabilities		
Current liabilities	133,507	138,718
Long-term liabilities	614,680	621,827
Total liabilities	**748,187**	**760,545**
Deferred inflows of resources		
Deferred inflows - leases	2,628	3,276
Net position		
Net investment in capital assets	175,370	175,213
Restricted	831,181	304,467
Total net position	**$ 1,006,551**	**$ 479,680**

Total assets increased by $492,014, or 39.6 percent, from June 30, 2024. The increase was primarily attributable to increase in cash and investments, driven by the Transit and Intercity Rail Capital Program (TIRCP) funding of $149,841 for OC Streetcar project reimbursement, the allocation of TIFIA loan proceeds of $72,172 for the I-405 Improvement Project, and Senate Bill (SB) 125 one-time grant funding of $208,765 which provides additional appropriations to support transit infrastructure, operations, and capital improvements.

Total liabilities decreased by $12,358, or 1.6 percent, from June 30, 2024. This decrease was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025.

Total net position from governmental activities increased by $526,871 or 109.8 percent. This increase was primarily the result of program and general revenues exceeding program expenses during the fiscal year.

Table 2
Orange County Local Transportation Authority
Changes in Net Position

	Governmental Activities	
	2025	**2024**
Revenues		
Program revenues:		
Charges for services	$ 1,455	$ 1,046
Operating grants and contributions	498,196	70,113
General revenues:		
Sales tax revenues	431,843	431,412
Investment earnings	65,340	49,858
Other miscellaneous expenses	(347)	—
Transfers:	—	192,911
Total revenues and transfers	**996,487**	**745,340**
Expenses		
Measure M program expenses	469,616	617,435
Changes in net position	**526,871**	**127,905**
Net position – beginning	479,680	351,775
Net position – end of year	**$ 1,006,551**	**$ 479,680**

OCLTA expenses shown on the statement of activities consist of:

	Governmental Activities	
	2025	**2024**
Supplies and services	$ 143,308	$ 114,749
Contributions to other local agencies	119,733	100,935
Contributions to other OCTA funds	46,338	215,166
Capital outlay	134,440	156,102
Interest expense	25,797	30,483
Total expenses	**$ 469,616**	**$ 617,435**

Total revenues increased by $251,147 or 33.7 percent, compared to fiscal year 2023-24. The primary driver of this growth was a significant rise in grants and contributions, which provide essential funding for several key transportation projects, including the OC Streetcar and I-405 Improvement Project. Additionally, investment earnings increased by $15,482 or 31.1 percent reflecting higher average cash balances and favorable investment market conditions during the fiscal year.

Program expenses decreased by $147,819 primarily due to the interfund transfer to the 405 Express Lanes Fund in prior year for the allocation of TIFIA loan proceeds for the I-405 Improvement Project. The

decrease also reflected lower capital expenditures for the OC Streetcar project during fiscal year 2024–25 as the project nears completion.

Financial Analysis of the OCLTA's Funds

As of June 30, 2025, the OCLTA's governmental funds reported combined ending fund balances of $1,348,776, an increase of $479,145 compared to FY 2023-24. The majority of fund balances, 83.9 percent, are restricted for transportation projects funded by the Measure M Program. The remaining fund balances are restricted for the Environmental Mitigation Program, debt service on M2 sales tax revenue bonds issued to accelerate funding for transportation projects, and SB 125 state grant.

OCLTA's major governmental funds include the following significant changes:

- The LTA fund balance increased by $484,339 primarily attributable to increase in cash and investments, driven by the TIRCP funding of $149,841 for OC Streetcar project reimbursement, the allocation of TIFIA loan proceeds of $72,172 for general purpose lane construction expenses, and SB 125 grant funding of $208,765 which provides additional appropriations to support transit infrastructure, operations, and capital improvements. In addition, investment earnings increased by $15,482 or 31.1 percent reflecting favorable investment performance during the year.

- The LTA Debt Service fund balance decreased by $5,194, primarily due to the transfer out of excess fund to the LTA fund.

Capital Assets

As of June 30, 2025, the OCLTA has $175,427 net of accumulated depreciation invested in capital assets, including land, right-of-way improvements, building and improvements, and intangible right-to-use subscription assets. A summary of the OCLTA's capital assets, net of depreciation is as follows:

Table 3
Orange County Local Transportation Authority
Capital Assets, net of Depreciation and Amortization

	2025	2024
Land	$ 167,913	$ 167,913
Right-of-way improvements	7,300	7,300
Buildings and improvements	155	—
Subscription assets - SBITA	59	—
Total capital assets, net	**$ 175,427**	**$ 175,213**

More detailed information about the OCLTA's capital assets is presented in note 5 to the financial statements.

OCLTA has outstanding capital expenditure commitments; the most significant of which are $218,584 for the I-5 Freeway Widening Construction Project, $102,840 for the Regional Capacity Program, and $107,650 for the Regional Traffic Signal Synchronization Project.

Debt Administration

As of June 30, 2025, the OCLTA has $529,450 in sales tax revenue bonds compared to $569,315 as of the prior year. The decrease was primarily the result of refunding all outstanding 2010 Series A bonds through the issuance of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025. Additional information on the OCLTA's long-term debt can be found in note 8 to the financial statements.

Economic and Other Factors

The OCLTA is responsible for administering Measure M, the half-cent transportation sales tax, which originally passed in 1990 and was delivered as promised to the residents of Orange County, with over $4 billion invested in improvements to freeways, streets and roads and transit services. Measure M1 (M1) ended in March 2011, and collection of sales tax under Measure M2 (M2) began in April 2011. M2 was overwhelmingly approved by the voters of Orange County in 2006 because of the tangible results that were realized through M1. The passage of M2 has allowed for the continuation of transportation improvements through March 31, 2041. Allocation of M2 funds remains the same as the original M1 with 43 percent slated for freeway improvements, 32 percent for streets and roads, and 25 percent for transit projects and programs.

Although revenue collection for M2 projects did not begin until April 2011, OCTA began delivering projects early based on the five-year M2 Early Action Plan (EAP) adopted in 2007 and subsequent M2020 Plan adopted in 2012. Both delivery plans were developed to accelerate M2 freeway, streets and roads, transit, and environmental projects. In response to lower actual sales tax revenue, a new forecasting methodology was adopted in March 2016. This prompted the need to revisit the assumptions built into the M2020 plan. A new program/project delivery framework covering FY 2016-17 through FY 2025-26, called the Next 10 Plan, was adopted by the Board of Directors on November 14, 2016. The updated version of the Next 10 Plan was adopted by the Board of Directors in November 2024 and covers FY 2025 - FY 2034.

The OCLTA adopted its FY 2025-26 annual budget on June 9, 2025. Looking specifically at our Measure M2 (M2) Program half-cent Local Transportation Authority (LTA) sales tax revenue, the FY 2025-26 projections are cautiously optimistic. The growth rate for the M2 half-cent LTA sales tax revenue is forecasted to be flat over FY 2024-25 estimates. Similarly, the growth rate for the quarter-cent Local Transportation Fund sales tax revenue, primarily supporting the bus program, is anticipated to be flat over FY 2024-25 estimates.

The M2 Program delineates a clear roadmap for the enhancement of transportation infrastructure across our cities and County. The M2 Program will persist in advancing enhancements across freeways, transit, streets, roads, and environmental initiatives. The FY 2025-26 budget for the M2 Program includes $464 million for freeway improvement projects and $166 million for the enhancement of streets and roads. Moreover, the budget earmarks $100 million for M2 Transit Programs, which comprises $37 million to support OC Streetcar Project and $38 million to support regional rail services.

Contacting the OCLTA's Management

This financial report is designed to provide a general overview of the OCLTA's finances for all those with an interest in the OCLTA's finances and to demonstrate OCLTA accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division of the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

(amounts expressed in thousands)		Governmental Activities
Assets		
Cash and investments	$	681,655
Receivables:		
Interest		6,866
Operating grants		57,202
Other		1,047
Due from other OCTA funds		8,848
Due from other governments		84,489
Condemnation deposits		7,883
Lease receivable		2,778
Notes receivable		1,147
Restricted cash and investments		690,261
Other assets		794
Assets held for resale		15,965
Capital assets, net:		
Nondepreciable		175,213
Depreciable		214
Total assets		**1,734,362**
Deferred outflows of resources		
Deferred outflows - refunding		23,004
Total deferred outflows of resources		**23,004**
Liabilities		
Accounts payable		71,622
Accrued interest payable		8,477
Due to other OCTA funds		8,712
Due to other governments		44,355
Unearned revenue		270
Other liabilities		71
Noncurrent liabilities:		
Due within one year		20,413
Due in more than one year		594,267
Total liabilities		**748,187**
Deferred inflows of resources		
Deferred inflows - leases		2,628
Total deferred inflows of resources		**2,628**
Net position		
Net investment in capital assets		175,370
Restricted for:		
Measure M projects		622,614
Measure M Environmental Mitigation Program		34,085
Debt service		18,306
SB 125 grant		156,176
Total net position	**$**	**1,006,551**

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Statement of Activities
Year Ended June 30, 2025

(amounts expressed in thousands)	Program Revenues			Net Revenues (Expenses) and Changes in Net Position
Functions/Programs	**Expenses**	**Charges for Services**	**Operating Grants and Contributions**	**Governmental Activities**
Governmental activities:				
Measure M program	$ 469,616	$ 1,455	$ 498,196	$ 30,035
	General revenues			
	Sales tax revenues			$ 431,843
	Investment earnings			65,340
	Loss on sale of capital assets			(485)
	Other miscellaneous revenues			138
	Total general revenues and transfers			**496,836**
	Change in net position			**526,871**
	Net position - beginning			479,680
	Net position - ending			**$ 1,006,551**

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Balance Sheet - Governmental Funds
June 30, 2025

(amounts expressed in thousands)	LTA	LTA Debt Service	Total OCLTA
Assets			
Cash and investments	$ 663,401	$ 18,254	$ 681,655
Receivables:			
Interest	6,814	52	6,866
Operating grants	57,202	—	57,202
Other	1,047	—	1,047
Due from other OCTA funds	8,848	—	8,848
Due from other governments	84,489	—	84,489
Condemnation deposits	7,883	—	7,883
Lease receivable	2,778	—	2,778
Notes receivable	1,147	—	1,147
Restricted investments	690,261	—	690,261
Other assets	794	—	794
Total assets	**1,524,664**	**18,306**	**1,542,970**
Liabilities			
Accounts payable	71,622	—	71,622
Due to other OCTA funds	8,712	—	8,712
Due to other governments	44,355	—	44,355
Unearned revenue	270	—	270
Other liabilities	71	—	71
Total liabilities	**125,030**	**—**	**125,030**
Deferred inflows of resources			
Deferred inflows - leases	2,628	—	2,628
Unavailable revenue - grant reimbursements	61,403	—	61,403
Unavailable revenue - reimbursements from others	5,133	—	5,133
Total deferred inflows of resources	**69,164**	**—**	**69,164**
Fund balances			
Nonspendable:			
Condemnation deposits	7,883	—	7,883
Other prepaid items	794	—	794
Restricted for:			
Measure M projects	1,131,532	—	1,131,532
Measure M Environmental Mitigation Program	34,085	—	34,085
Debt service	—	18,306	18,306
SB 125 grant	156,176	—	156,176
Total fund balances	**1,330,470**	**18,306**	**1,348,776**
Total liabilities, deferred inflows of resources and fund balances	**$ 1,524,664**	**$ 18,306**	**$ 1,542,970**

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Reconciliation of the Balance Sheet of Governmental Funds
to the Statement of Net Position
June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Net Position (page 10) are different because:

Total fund balances (page 12)	**$**	**1,348,776**
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the governmental funds.		175,427
Assets held for resale are not financial resources and, therefore, are not reported in the governmental funds.		15,965
Long-term debt related liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Deferred outflows - refunding		23,004
Long-term debt and premium		(614,624)
Accrued interest payable		(8,477)
Long-term liabilities, are not due and payable in the current period and, therefore, are not reported in the governmental funds.		
Subscription liabilities		(57)
Receivables that are measurable, but not available within the availability period, are reported as deferred inflows of resources in the governmental funds.		66,537
Net position of governmental activities (page 10)	**$**	**1,006,551**

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Statement of Revenues, Expenditures and Changes in Fund Balances
Governmental Funds
Year Ended June 30, 2025

(amounts expressed in thousands)	LTA	LTA Debt Service	Total OCLTA
Revenues			
Sales tax revenues	$ 431,843	$ —	$ 431,843
Contributions from other agencies	245,622	—	245,622
Contributions from other OCTA funds	231,917	—	231,917
Investment earnings	61,875	4,721	66,596
Miscellaneous	1,621	—	1,621
Total revenues	**972,878**	**4,721**	**977,599**
Expenditures			
Current:			
General government: supplies and services	142,492	—	142,492
Transportation:			
Contributions to other local agencies	119,733	—	119,733
Contributions to other OCTA funds	46,339	—	46,339
Capital outlay	134,598	—	134,598
Debt service:			
Principal payments on long-term debt	—	21,950	21,950
Interest	—	32,906	32,906
Bond issuance costs	816	—	816
Total expenditures	**443,978**	**54,856**	**498,834**
Excess (deficiency) of revenues over (under) expenditures	**528,900**	**(50,135)**	**478,765**
Other financing sources (uses)			
Transfers in	14,025	58,966	72,991
Transfers out	(58,966)	(14,025)	(72,991)
Proceeds from sale of capital assets	4,169	—	4,169
Bond issuance	227,565	—	227,565
Bond premium	36,413	—	36,413
Payment to refunded bond escrow agent	(267,767)	—	(267,767)
Total other financing sources (uses)	**(44,561)**	**44,941**	**380**
Net change in fund balances	**484,339**	**(5,194)**	**479,145**
Fund balances - beginning	846,131	23,500	869,631
Fund balances - ending	**$ 1,330,470**	**$ 18,306**	**$ 1,348,776**

See accompanying notes to the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
Year Ended June 30, 2025

(amounts expressed in thousands)

Amounts reported for governmental activities in the Statement of Activities (page 11) are different because:

Net change in fund balances - total governmental funds (page 14)	**$**	**479,145**
Capital assets related expenses or revenues are not included as financial resources or uses in the governmental funds.		
Proceeds sale of fixed assets		(4,650)
Depreciation and amortization expense		(20)
Long-term debt related expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported in the governmental funds.		
Issuance of new debt		(263,978)
Principal and interest payments		21,950
Premium and deferred loss of refunding amortization		7,109
Revenues that are earned but not collected within the availability period have not been recognized in the governmental funds.		19,368
Expenses reported in the Statement of Activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds.		267,947
Change in net position of governmental activities (page 11)	**$**	**526,871**

See accompanying notes to the financial statements.

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Reporting Entity

In November 1990, Orange County voters approved the Revised Traffic Improvement and Growth Management Ordinance, known as Measure M. This implemented a one-half of one percent retail transaction and use tax to fund a specific program of transportation improvements in Orange County. The Orange County Local Transportation Authority (OCLTA) is responsible for administering the proceeds of the Measure M sales tax program. The original Measure M Program (M1) commenced on April 1, 1991 for a period of 20 years.

On November 7, 2006, Orange County voters approved the renewal of Measure M for a period of 30 more years from April 1, 2011 to March 31, 2041. Renewed Measure M (M2) allocates funds to freeway, street and road, transit, and environmental improvements.

On June 20, 1991, under the authority of Senate Bill 838, the Orange County Transportation Authority (OCTA) was formed as a special district by merging several agencies and funds, including the OCLTA, a component unit of the OCTA. Accordingly, the OCLTA's financial activities are included with the financial activities of the OCTA for financial reporting purposes.

The OCTA governing board (Board) consists of 17 voting members and one non-voting member and also serves as the OCLTA governing board. Measure M requires that an 11-member Taxpayer's Oversight Committee (TOC) monitor the use of Measure M funds and ensure that all revenues collected from Measure M are spent on voter-approved transportation projects.

These financial statements include only the activities of the OCLTA, a component unit of the OCTA. These financial statements are not intended to present the activities of the OCTA.

Basis of Presentation

The OCLTA's basic financial statements consist of government-wide statements, including a statement of net position and a statement of activities, and fund financial statements that provide a more detailed level of financial information.

Government-wide Statements: The statement of net position and the statement of activities report information of the OCLTA. The effect of significant interfund activity has been removed from these statements. The OCLTA provides only governmental activities which are supported principally by sales tax.

The statement of activities demonstrates the degree to which the OCLTA Measure M program expenses are offset by program revenues. Program expenses include direct and indirect expenses, which are identifiable with Measure M. Interest expense related to the sales tax revenue bonds is reported as a direct expense of the Measure M program. The borrowings are considered essential to the creation or continuing existence of the Measure M program. For the fiscal year ended June 30, 2025, interest expense of $25,797 was included in Measure M program costs. Program revenues include: 1) charges to customers or applicants who purchase, use, or directly benefit from services or privileges provided by Measure M; and 2) grants and contributions that are restricted to meeting the operational or capital requirements of the Measure M program. Taxes, investment earnings, and other items are not reported as program revenues and instead are reported as general revenues.

Fund Financial Statements: The fund financial statements provide information about the OCLTA's governmental funds. The OCLTA considers all of its Measure M funds as major governmental funds, comprised of the following:

- *Local Transportation Authority (LTA) Fund* - This special revenue fund accounts for revenues received and expenditures made for the implementation of the Orange County Traffic Improvement and Growth Management Plan. Financing is provided by a one-half percent sales and use tax assessed for 20 years pursuant to Measure M, which became effective April 1, 1991, and was renewed for an additional 30 years from April 1, 2011 to March 31, 2041. The Measure M ordinance requires that sales tax revenues only be expended on projects included in the ordinance. A decision to use the revenues for any other purpose must be put to the voters in another election. In addition to sales tax proceeds, the LTA fund is supported by other funding sources, including investment income, state and federal grants, other contributions, and miscellaneous revenues.

- *LTA Debt Service Fund* - This fund accounts for the resources accumulated and payments made for principal and interest on long-term debt of the OCLTA.

Measurement Focus and Basis of Accounting

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. For this purpose, the OCLTA considers revenues to be available if they are collected within 90 days of the end of the fiscal period. Expenditures generally are recorded when a liability is incurred; however, principal and interest expenditures on long-term debt of governmental funds are recorded only when payment is due.

Those revenues susceptible to accrual are sales tax collected and held by the state at year-end on behalf of the OCLTA, intergovernmental revenues and interest revenue. In applying the susceptible-to-accrual concept to intergovernmental revenues, there are essentially two types of revenues. In one, monies must be expended on the specific purpose or project before any amounts will be paid to the OCLTA; therefore, revenues are recognized based upon the expenditures incurred and availability criteria met. In the other, monies are virtually unrestricted and are usually revocable only for failure to comply with prescribed requirements. These resources are reflected as revenues at the time of receipt, or earlier if the susceptible-to-accrual criteria are met.

Cash and Investments

The OCLTA maintains cash and investments in a pool with other OCTA cash and investments and in accordance with the Investment Policy (Policy) originally adopted by the Board on May 8, 1995, and most recently amended July 1, 2022. The Policy complies with, or is more restrictive than, the California Government Code (Code). Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Pooled cash and investment earnings are allocated based on average daily dollar account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by generally accepted accounting principles. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs - other than quoted prices included in Level 1 - that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs.

OCLTA participates in the OCTA commingled investment pool which invests in U.S. government and U.S. agency securities, medium term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities, and corporate notes which are carried at fair value based on quoted prices of similar assets. In addition, OCLTA invests in money market and mutual funds and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives.

Investment of debt proceeds held by trustees are governed by provisions of the indentures for each obligation, rather than the general provisions of the California Government Code or OCTA's investment policy. The investment of these debt proceeds is in accordance with the Permitted Investments section and applicable account restrictions outlined in the indenture of each debt obligation. Under certain indentures, guaranteed investment contracts are allowed.

In addition, OCTA has restricted investments held by the California Community foundation (CCF). The amount invested in the CCF investment pool is a restricted asset as approved for funding by the OCTA Board of Directors in October of 2014. The CCF is headquartered in Los Angeles, California. CCF is a community foundation and holds a 501(c) 3 status, which meets California State Government Code requirements for community foundations. Legislation providing for OCTA to use a qualified organization to hold and manage the endowment is provided in Government Code §§65965-65968. An investment committee is responsible for oversight of the foundation's investment pools. The Endowment Pool is a diversified pool invested for long- term growth and appreciation while providing a relatively predictable stream of distributions that keeps the pace with inflation over time. The pool includes a mix of asset classes including equities, fixed income, hedge funds and real assets. The target asset allocation is approximately 50% equities, 22% fixed income, 14% hedge funds and 14% real assets.

The purpose of the agreement between CCF and OCTA is to provide for the establishment of a fund within the CCF to receive and hold M2 Environmental Mitigation Program contributions made by OCTA during the endowment funding period for use in establishing the permanent endowment pursuant to the conservation plan. OCTA is the beneficiary of the fund and, therefore, has reported a restricted asset in the financial statements. The CCF shall hold, administer, invest, and reinvest the fund in accordance with the CCF's proposal and the objectives set forth in the Scope of Work of the Request for Proposal, each of which is incorporated into the agreement by reference, and in compliance with all applicable state and federal laws, including, but not limited to, Sections 65965, 65966, 69667, and 65968 of the California Government Code and the Uniform Prudent Management of Institutional Funds Act, California Probate Code Section 18501 et seq. The agreement shall remain in place in full force and effect through December 31, 2029.

The fair value of OCTA's investment in this pool is reported in the accompanying financial statements at amounts based upon OCTA's pro-rata share of the fair value provided by the CCF for the entire CCF portfolio (in relation to the amortized cost of that portfolio).

Due To/From Other OCTA Funds

During the course of operations, numerous transactions occur between individual funds involving goods provided or services rendered and transfers of revenues from funds authorized to receive the revenue to funds authorized to expend it. Outstanding interfund balances are reported as due to/from other funds. Any residual balances outstanding between the Measure M Program governmental activities and other OCTA funds are reported in the government-wide financial statements as due to/from other OCTA funds.

Contributions To/From Other OCTA Funds

Transfers between OCLTA and other OCTA funds are reported as program expenses and revenues in the statement of activities and as revenues and expenditures in the statement of revenues, expenditures and changes in fund balances.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, administrative services of $31,022 were charged to the OCLTA and are reported as general government expenditures in the statement of revenues, expenditures and changes in fund balances and as program expenses in the statement of activities.

Leases

OCLTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The primary objective of this statement is to enhance the relevance and consistency of information about governments' leasing activities. This statement establishes a single model for lease accounting based on the principle that leases are financings of the right to use an underlying asset. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. OCLTA is a lessor for a noncancellable lease of land. OCLTA recognizes a lease receivable and a deferred inflow of resources in the government-wide and governmental fund financial statements.

At the commencement of a lease, OCLTA initially measures the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term.

Key estimates and judgments include how OCLTA determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term, and (3) lease receipts. OCLTA uses its estimated incremental borrowing rate as the discount rate for leases. The lease term includes the noncancellable period of the lease. Lease receipts included in the measurement of the leases receivable is composed of fixed payments from the lessee.

OCLTA monitors changes in circumstances that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflows of resources if certain changes occur that are expected to significantly affect the amount of the lease receivable.

Subscription-Based Information Technology Arrangements (SBITAs)

OCLTA recognizes subscription assets (intangible right-to-use asset) and a corresponding subscription liability. A subscription liability is recognized at the commencement of the subscription term, which is when the subscription asset is placed into service. The subscription liability is initially measured at the present value of subscription payments expected to be made during the subscription term. Future subscription payments are discounted using the interest rate the SBITA vendor charges OCLTA, when available, or estimated incremental borrowing rate as the discount rate for SBITAs. OCLTA recognizes amortization of the discount on the subscription liability as an outflow of resources in subsequent financial reporting periods.

The subscription asset is initially measured as the sum of (1) the initial subscription liability amount, (2) payments made to the SBITA vendor before commencement of the subscription term, and (3) capitalizable implementation costs, less any incentives received from the SBITA vendor at or before the commencement of the subscription term. OCTA recognizes amortization of the subscription asset as an outflow of resources over the subscription term.

Assets Held for Resale

OCLTA holds title to property in connection with the purchase of rights-of-way for infrastructure not held by OCLTA. These assets are reported as assets held for resale in the governmental activities column in the government-wide financial statements except in cases in which OCLTA has entered into a sales contract prior to the issuance of the financial statements. In these cases, the assets held for resale are reported in the governmental funds financial statements. Proceeds received will be reimbursed to the fund in which the initial expenditure was recorded.

Capital Assets

Capital assets including land, right-of-way improvements, buildings and improvements, and machinery and equipment, are reported in the government-wide financial statements. Capital assets are defined by the OCLTA as assets with an initial, individual cost of more than $5 and a useful life exceeding one year. OCLTA also capitalize assets whose individual acquisition costs are less than the threshold for an individual asset, but are significant in aggregate. Assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at acquisition value at the acquisition date. The costs of normal maintenance and repairs that do not add to the value of an asset or materially extend an asset’s life are not capitalized.

Freeway construction and certain purchases of right-of-way property, for which title vests with the California Department of Transportation (Caltrans), are included in capital outlay. Infrastructure consisting primarily of freeway construction and right-of-way acquisition is not recorded as a capital asset in those instances where the OCLTA does not intend to maintain or operate the property when complete. Right-of-way improvements, which consists of a parcel where the OCLTA is the ground lease holder, is not being depreciated.

Capital assets are depreciated using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Buildings and improvements	10-30 years
Machinery and equipment	3-10 years

Deferred Outflows/Inflows of Resources

In addition to assets, the financial statements will sometimes report a separate section for deferred outflows of resources. This separate financial statement element; deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

OCLTA has one item reported as deferred outflow of resources. This item is a deferred outflow related to loss on refunding, which results from the difference in the carrying value of refunded debt and its reacquisition price. This item is reported in the government-wide statement of net position. This amount is deferred and amortized over the shorter of the life of the refunded or refunding debt.

In addition to liabilities, the financial statements will sometimes report a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period and will not be recognized as an inflow of resources (revenue) until that time. OCLTA has two types of deferred inflows, unavailable revenue which occurs only under a modified accrual basis of accounting. Accordingly, the item is reported only in the governmental funds balance sheet. The governmental funds report unavailable revenues for grant reimbursements and reimbursements from others. The amounts are deferred and recognized as an inflow of resources in the period that the amounts become available. OCLTA also has deferred inflows related to leases, which represent value of the leases receivable plus any payments received at or before the commencement of the lease term that relate to future periods.

Long-Term Debt

In the government-wide financial statements, long-term debt is reported as a liability in the statement of net position. Bond premiums and discounts are amortized over the life of the bonds using the straight-line method, which approximates the effective interest method. Bonds payable are reported net of the applicable bond premium or discount.

In the fund financial statements, governmental funds recognize bond premiums and discounts in the current period. The face amount of debt is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

Contributions to Other Local Agencies

Contributions to other local agencies primarily represent sales tax revenues received by the OCLTA and disbursed to cities for competitive projects, the local fair share program, and the senior mobility program, and to other agencies for projects which are in accordance with the Measure M ordinance.

Net Position

In the government-wide financial statements, net position represents the difference between assets plus deferred outflow of resources and liabilities plus deferred inflow of resources and is classified into three categories:

- *Net investment in capital assets* - This balance reflects the net position of the OCLTA that is invested in capital assets, net of related debt. This net position is generally not accessible for other purposes.

- *Restricted net position* - This balance represents net position that is not accessible for general use because use is subject to restrictions enforceable by third parties. The OCLTA government-wide statement of net position reports net position restricted for Measure M projects, Measure M Environmental Mitigation Program, debt service, and SB 125 state grant.

- *Unrestricted net position* – This balance represents the net position that is available for general use.

Fund Balances

The governmental fund financial statements present fund balances based on classifications that comprise a hierarchy that is based primarily on the extent to which the OCLTA is bound to honor constraints on the specific purposes for which amounts can be spent.

The classifications used in the governmental fund financial statements are as follows:

- *Nonspendable* – amounts that cannot be spent either because they are not in spendable form or because they are legally or contractually required to be maintained intact. As of June 30, 2025, OCLTA reported nonspendable balance for condemnation deposits and other prepaid assets.

- *Restricted* – amounts that can be spent only for specific purposes because of constitutional provisions or enabling legislation or because of constraints that are externally imposed by creditors, grantors, contributors, or the laws or regulations of other governments. As of June 30, 2025, OCLTA reported restricted fund balance for Measure M projects, Measure M Environmental Mitigation Program, debt service, and SB 125 state grant.

- *Committed* – amounts that can be spent only for specific purposes determined by a formal action of the government's highest level of decision-making authority. The Board, as the highest level of decision-making authority, has the ability to commit fund balances through the adoption of a resolution. These committed amounts cannot be used for any other purpose unless the Board removes or modifies the use through the adoption of a subsequent resolution.

- *Assigned* – amounts that do not meet the criteria to be classified as restricted or committed but that are intended to be used for specific purposes. This classification also includes residual amounts assigned for specific projects. The Board establishes and modifies assignments of fund balance through the adoption of the budget and subsequent budget amendments. The Board retains the authority to assign fund balance.

When both restricted and unrestricted resources are available for use, it is the OCLTA's policy to use restricted resources first and then unrestricted resources as they are needed. When using unrestricted fund balance amounts, the OCLTA applies the default established by GASB Statement No. 54, Fund Balance Reporting and Governmental Fund Type Definitions, whereby the committed amounts would be reduced first followed by the assigned amounts.

Use of Estimates

The preparation of financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

2. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash	$	24
Investments		
With OCTA Commingled Investment Pool		772,447
With Trustee		565,360
With CA Community Foundation		34,085
Total investments		**1,371,892**
Total cash and investments	**$**	**1,371,916**

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	$	681,655
Restricted cash and investments		690,261
Total cash and investments	**$**	**1,371,916**

As of June 30, 2025, OCLTA had the following investments:

Investments	Fair Value	Interest Rate	Maturity Range	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	$ 772,447	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.		
Money Market Funds*	513,140	4.07% - 4.25%	07/01/2025	0.003
Commercial Paper	52,220	4.33% - 4.39%	07/07/25 - 8/22/25	0.081
CA Community Foundation Investment Fund	34,085	N/A	N/A	N/A
Total investments	**$ 1,371,892**			

The Portfolio Weighted Average Maturity is 2.023 years.

* Money market funds and commercial paper are measured at amortized cost which approximates fair value.

As of June 30, 2025, OCLTA had $772,447 invested in the OCTA's Commingled Investment Pool (CIP). Refer to the OCTA's Annual Comprehensive Financial Report for details on valuation techniques and fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk. Deposits and withdrawals in OCTA's CIP are made on the basis of $1.00 (absolute dollars) and not fair value. Accordingly, the OCLTA's investment in OCTA's CIP at June 30, 2025 is uncategorized, not defined as Level 1, Level 2, or Level 3 input.

As of June 30, 2025, OCLTA had $34,085 invested in the CA Community Foundation (CCF) investment fund. The amount invested is valued using significant unobservable inputs and, therefore, classified as Level 3. Unobservable inputs used by CCF include the foundations own assumptions, market comparable rates, capitalization and occupancy rates.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three NRSROs: Standard & Poor's (S&P), Moody's Investor Service (Moody's), and Fitch Rating's (Fitch).

For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt shall be rated no less than an "A" by an NSRSO.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of each pool's fair value at June 30, 2025 (NR means Not Rated, US means obligation of the United States (U.S.) government or obligations explicitly guaranteed by the U. S. government):

Investments	S&P	Moody's	% of OCLTA's Portfolio
OCTA Commingled Investment Pool	NR	NR	56.31 %
Money Market Funds	AAA	Aaa	37.40 %
Commercial Paper	A-1	P-1	3.81 %
CA Community Foundation Investment Fund	NR	NR	2.48 %
Total			**100.00 %**

3. DUE FROM/TO OTHER GOVERNMENTS

Amounts due from other governments as of June 30, 2025 in the fund financial statements are $84,489 which comprised of sales tax and project reimbursements.

Amounts due to other governments as of June 30, 2025 are $44,355 for transportation projects.

4. RELATED PARTY AND INTERFUND TRANSFERS

Related Party Transactions

As of June 30, 2025, OCLTA has $8,848 receivable from other OCTA funds which is related to SR-91 Improvement Project.

As of June 30, 2025, OCLTA owes $8,712 to other OCTA funds as follows:

	Amount	Description
General Capital Project	$ 5,946	OC Streetcar project
OCUTT	88	Placentia loan
OCTD	2,678	Irvine Connect and iShuttle service
Total due to other funds	**$ 8,712**	

Contributions from Other OCTA Funds

During fiscal year 2024-25, OCLTA received contributions from the following funds:

	Amount	Description
OCTD	$ 1,788	State of Good Repair program
General Capital Project	149,841	OC Streetcar project
91 EL	8,116	Freeway Project I and J
405 EL	72,172	TIFIA loan allocation for general purpose lanes construction expenses
Total contributions from other funds	**$ 231,917**	

Contributions to Other OCTA Funds

During fiscal year 2024-25, OCLTA made contributions to the following funds:

	Amount	Description
General Capital Project	$ 27,548	OC Streetcar project
SAFE	4,910	Freeway service patrol and emergency roadside program
OCTD	12,583	Irvine Connect, iShuttle service, M2 Fare Stabilization, and M2 Senior Mobility Program
OC Streetcar	1,298	OC Streetcar project
Total contributions to other funds	**$ 46,339**	

Interfund Transfers

During fiscal year 2024-25, the LTA fund transferred $58,966 to the LTA Debt Service fund for debt service payments. Additionally, the LTA Debt Service fund transferred $14,025 in excess interest earnings to the LTA fund.

5. CAPITAL ASSETS

Capital assets activity for the OCLTA governmental activities for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land	$ 167,913	$ —	$ —	$ 167,913
Right-of-way improvements	7,300	—	—	7,300
Total capital assets, not being depreciated	**175,213**	**—**	**—**	**175,213**
Capital assets, being depreciated:				
Buildings and improvements	—	158	—	158
Machinery and equipment	15	—	(15)	—
Subscription assets - SBITA	—	76	—	76
Total capital assets, being depreciated	**15**	**234**	**(15)**	**234**
Less accumulated depreciation for:				
Buildings and improvements	—	(3)	—	(3)
Machinery and equipment	(15)	—	15	—
Subscription assets - SBITA	—	(17)	—	(17)
Total accumulated depreciation	**(15)**	**(20)**	**15**	**(20)**
Total capital assets, being depreciated, net	**—**	**214**	**—**	**214**
Total capital assets, net	**$ 175,213**	**$ 214**	**$ —**	**$ 175,427**

6. LEASES

OCLTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, OCTA, as a lessee, is required to recognize a lease liability and an intangible right-to-use lease asset, and as a lessor, OCTA is required to recognize a lease receivable and a deferred inflow of resources.

OCLTA is a lessor in several lease agreements for the use of land. For the year ended June 30, 2025, the lease receivable and deferred inflow of resources associated with these leases were $2,778 and $2,628, respectively. OCLTA recognized lease revenues of $534 during the fiscal year.

Remaining receivables associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 433	$ 74	$ 507
2027	462	62	524
2028	492	49	541
2029	331	35	366
2030	351	25	376
2031-2035	704	19	723
2036-2040	5	—	5
Total lease receivable	**$ 2,778**	**$ 264**	**$ 3,042**

7. SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENTS (SBITAs)

OCLTA adopted GASB Statement No. 96, SBITAs, effective fiscal year2022-23. The primary objective of this statement is to enhance the relevance and consistency of information about governments' subscription activities. This statement establishes a single model for subscription accounting based on the principle that subscriptions are financings of the right to use an underlying asset. Under this Statement, an organization is required to recognize a subscription liability and an intangible right-to-use subscription asset.

In fiscal year 2024-25, OCLTA recorded subscription payable comprised of one agreement, which OCLTA is a lessee for the use of IT arrangements. As of June 30, 2025, OCTA has a subscription liability in the amount of $56. The value of the right-to-use subscription assets as of the end of the current fiscal year is $76 with accumulated amortization of $17.

The following is a schedule of future minimum subscription liabilities as of June 30, 2025:

Year ending June 30,	Principal	Interest	Total
2026	$ 18	$ 2	$ 20
2027	19	1	20
2028	19	1	20
Total subscription liabilities	**$ 56**	**$ 4**	**$ 60**

8. LONG-TERM DEBT

Sales Tax Revenue Bonds

On December 23, 2010, OCLTA issued $293,540 of Measure M2 Sales Tax Revenue Bonds, 2010 Series A (Taxable Build America Bonds) and $59,030 of 2010 Series B (Tax-Exempt Bonds), to finance transportation projects, restructure the Tax-Exempt Commercial Paper Program, and fund capitalized interest and issuance costs. A total of $75,000 was used to retire outstanding commercial paper.

On February 26, 2019, OCLTA issued $376,690 of Measure M2 Sales Tax Revenue Bonds, Series 2019, to finance the I-405 Improvement Project, refund $43,540 of the 2010 Series A Bonds, and pay issuance costs. The refunding generated net present value savings of $2,584.

On March 26, 2025, OCLTA issued $227,565 of Measure M2 Sales Tax Revenue Refunding Bonds, Series 2025, to refund all outstanding 2010 Series A Bonds under the extraordinary optional redemption provision. The refunding generated gross cumulative cash flow savings of $13,002 and net present value savings of $10,505.

The OCLTA's outstanding sales tax revenue bonds are limited obligations of the Authority, payable solely from pledged Measure M2 sales tax revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel the OCLTA to cure the default, which could have finance-related consequences. The sales tax revenue bonds are rated AA+ by Fitch and AAA by Standard & Poor's.

A summary of the bonds outstanding is as follows:

	2019 Series B (Tax-Exempt Bonds)	2025 Series (Limited Tax Bonds)	Total
Issuance date	2/12/2019	3/4/2025	
Original issue amount	$ 376,690	$ 227,565	$ 604,255
Original issue premium	69,342	36,413	105,755
Net bond proceeds	**$ 446,032**	**$ 263,978**	**$ 710,010**
Issuance costs	$ 970	$ 490	$ 1,460
Interest rates	3.00%-5.00%	6.908%	
Maturity range	2021-2041	2026-2041	
Final maturity	2041	2041	
Bonds outstanding	$ 301,885	$ 227,565	$ 529,450
Plus unamortized premium	49,360	35,814	85,174
Total long-term debt	**$ 351,245**	**$ 331,962**	**$ 614,624**

Annual debt service requirements on the sales tax revenue bonds as of June 30, 2025, are as follows:

Year Ending June 30,	Principal	Interest
2026	$ 20,395	$ 24,847
2027	23,650	25,123
2028	24,835	23,940
2029	26,075	22,699
2030	27,380	21,395
2031-2035	158,800	85,074
2036-2041	248,315	44,333
Total	**$ 529,450**	**$ 247,411**

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within one year
Sales tax revenue bonds	$ 569,315	$ 227,565	$ (267,430)	$ 529,450	$ 20,395
Unamortized premium	52,512	36,412	(3,750)	85,174	—
Total long-term debt	**$ 621,827**	**$ 263,977**	**$ (271,180)**	**$ 614,624**	**$ 20,395**

Pledged Revenue

OCLTA has debt issuances outstanding that are repaid and secured by the pledging of certain revenues. For the year ended June 30, 2025, debt service payments in relation to the pledged gross revenue net of the local fair share program and other expenses as required by the debt agreement, are indicated in the following table:

	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage
Measure M2 net sales tax revenues	$ 335,762	$ 54,856	6.12

9. COMMITMENTS AND CONTINGENCIES

Purchase Commitments

The OCLTA has various long-term outstanding contracts that extend over several years and rely on future years' revenues. Total commitments at June 30, 2025 were $1,119,434, the majority of which relate to the expansion of Orange County's freeways and street and road projects.

Federal Grants

The OCLTA receives federal grants for transportation projects and other reimbursable activities which are subject to audit by the grantor agency. Although the outcome of any such audits cannot be predicted, it is management's opinion that these audits would not have a material effect on the OCLTA's financial position or changes in financial position.

10. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Required Supplementary Information
Budgetary Comparison Schedule - LTA Fund (Budgetary Basis)
Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Sales tax revenues	$ 441,875	$ 441,875	$ 431,843	$ (10,032)
Contributions from other agencies	152,502	152,502	254,830	102,328
Contributions from other OCTA funds	55,040	55,040	231,917	176,877
Investment earnings	41,376	41,376	61,875	20,499
Miscellaneous	1,444	1,444	1,621	177
Total revenues	**692,237**	**692,237**	**982,086**	**289,849**
Expenditures				
Current:				
General government: supplies and services	218,115	218,861	176,592	42,269
Transportation:				
Contributions to other local agencies	214,082	213,006	119,742	93,264
Contributions to other OCTA funds	125,000	125,000	46,339	78,661
Capital outlay	431,484	540,180	217,662	322,518
Debt service:				
Bond issuance costs	—	—	816	(816)
Total expenditures	**988,681**	**1,097,047**	**561,151**	**535,896**
Excess (deficiency) of revenues over (under) expenditures	**(296,444)**	**(404,810)**	**420,935**	**825,745**
Other financing sources (uses)				
Transfers in	52,505	52,505	14,025	(38,480)
Transfers out	(54,874)	(54,874)	(58,966)	(4,092)
Proceeds from sale of capital assets	1,883	1,883	4,169	2,286
Bond issuance	—	—	227,565	227,565
Bond premium	—	—	36,413	36,413
Payment to refunded bond escrow agent	—	—	(267,767)	(267,767)
Total other financing uses	**(486)**	**(486)**	**(44,561)**	**(44,075)**
Net change in fund balances	**$ (296,930)**	**$ (405,296)**	**$ 376,374**	**$ 781,670**

Reconciliation to GAAP:	
Net change in fund balance (budgetary basis)	**$ 376,374**
Less: Estimated revenues for encumbrances outstanding at June 30	9,208
Add: Current year encumbrances outstanding at June 30	117,173
Net change in fund balance (GAAP basis)	**$ 484,339**

See accompanying notes to the required supplementary information.

Budgetary Data

The OCLTA establishes accounting control through formal adoption of an annual operating budget for the LTA and the debt service governmental funds. The budget is prepared in conformity with accounting principles generally accepted in the United States (GAAP) except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget can be amended by the Board to increase both appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations adjusted for supplemental appropriations during the year. Division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as Salaries and Benefits, Supplies and Services and Capital Outlay. Supplies and Services includes Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, for budgeted funds, is at the major object level for the budgeted governmental funds. A Fourth Quarter Budget Status Report, June 2025 is available from the OCTA Finance and Administration Division. With the exception of accounts which have been encumbered, appropriations lapse at year end.

ORANGE COUNTY LOCAL TRANSPORTATION AUTHORITY
(A Component Unit of the Orange County Transportation Authority)
Other Supplementary Information
Budgetary Comparison Schedule - LTA Debt Service Fund (Budgetary Basis)
Year Ended June 30, 2025

(amounts expressed in thousands)	Budgeted Amounts Original	Budgeted Amounts Final	Actual Amounts	Variance with Final Budget
Revenues				
Investment earnings	$ 6,658	$ 6,658	$ 4,721	$ (1,937)
Total revenues	**6,658**	**6,658**	**4,721**	**(1,937)**
Expenditures				
Debt service:				
Principal payments on long-term debt	21,950	21,950	21,950	—
Interest on long-term debt	32,924	32,924	32,906	18
Total expenditures	**54,874**	**54,874**	**54,856**	**18**
Deficiency of revenues under expenditures	**(48,216)**	**(48,216)**	**(50,135)**	**(1,919)**
Other financing sources (uses)				
Transfers in	54,874	54,874	58,966	4,092
Transfers out	(6,658)	(6,658)	(14,025)	(7,367)
Total other financing sources	**48,216**	**48,216**	**44,941**	**(3,275)**
Net change in fund balances	**$ —**	**$ —**	**$ (5,194)**	**$ (5,194)**

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Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Local Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities and each major fund of the Orange County Local Transportation Authority (OCLTA), a component unit of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCLTA's basic financial statements, and have issued our report thereon dated October 31, 2025.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCLTA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCLTA's internal control. Accordingly, we do not express an opinion on the effectiveness of OCLTA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether OCLTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

ATTACHMENT C

91 EXPRESS LANES FUND

(An Enterprise Fund of the Orange County Transportation Authority)

FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)

Financial Statements
For the Year Ended June 30, 2025

Table of Contents

Independent Auditor's Report 1

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* 4

Management's Discussion and Analysis (Unaudited) 6

Financial Statements:

- Statement of Net Position 11
- Statement of Revenues, Expenses and Changes in Net Position 12
- Statement of Cash Flows 13
- Notes to the Financial Statements 15

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INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the 91 Express Lanes Fund (91 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 91 EL's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the 91 EL, a major enterprise fund of OCTA, as of June 30, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the 91 EL and do not purport to, and do not, present fairly the financial position of OCTA as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the 91 EL. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the 91 EL's financial statements. The management's discussion and analysis, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to the 91 EL, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance, as it relates to the 91 EL. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to the 91 EL.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 91 Express Lanes Fund (91 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 91 EL's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the 91 EL and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting and compliance (internal control), as it relates to the 91 EL, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the 91 EL. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to the 91 EL.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 91 EL's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

91 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

As management of the 91 Express Lanes Fund (91 EL), an enterprise fund of the Orange County Transportation Authority (OCTA), we offer readers of the 91 EL financial statements this narrative overview and analysis of the 91 EL's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 11.

Financial Highlights

- At the end of fiscal year 2024-25, the total net position of the 91 EL was $435,116,715, comprising net investment in capital assets of $66,837,135; restricted net position of $12,576,331; and unrestricted net position of $355,703,249. Net position increased $64,087,339 during fiscal year 2024-25, which represents an increase of 17.3% from the fiscal year 2023-24 ending net position. The increase was primarily driven by operating revenues exceeding expenses, favorable investment earnings, and reduced transfers to the Orange County Local Transportation Authority (OCLTA) for the SR-91 Improvement Project.

- In fiscal year 2024-25, total operating revenues increased by $2,292,276, which represents a 3.1% increase from the fiscal year 2023-24. The increase in operating revenue was primarily driven by higher traffic volumes on the 91 Express Lanes, combined with increase in the average gross revenue per trip.

- Total operating expenses increased by $2,696,083, which represents a 13.5% increase from fiscal year 2023-24, primarily attributable to higher costs for management and operational services and professional services.

- At the end of fiscal year 2024-25, investment earnings increased by $4,744,849, which represents a 32.1% increase compared to fiscal year 2023-24. The increase was primarily attributable to higher available cash balances and favorable investment performance during the year.

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the 91 EL's financial statements. The financial statements are comprised of the fund financial statements and notes to the financial statements.

The statement of net position presents information on all of the 91 EL's assets, deferred outflows of resources, deferred inflows of resources, and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 91 EL is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the 91 EL's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The 91 EL fund financial statements can be found on pages 11-14 of this report.

Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 15-26 of this report.

91 Express Lanes Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the 91 EL's financial position. At June 30, 2025, the 91 EL's net position was $435,116,715, an increase of $64,087,339 or 17.3% from June 30, 2024. Our analysis below focuses on net position (Table 1) and changes in net position (Table 2) of the 91 EL's financial activities.

Table 1
91 Express Lanes Fund
Net Position

	2025	2024
Assets		
Current and other assets	$ 375,234,018	$ 314,557,508
Restricted assets	13,403,496	13,452,646
Noncurrent receivables, net	7,886,019	4,737,647
Capital assets, net	116,462,706	119,552,293
Total assets	**512,986,239**	**452,300,094**
Total deferred outflows of resources	**3,654,691**	**4,324,253**
Liabilities		
Current liabilities	37,134,906	33,417,356
Long-term liabilities	40,874,485	48,018,854
Total liabilities	**78,009,391**	**81,436,210**
Total deferred inflows of resources	**3,514,824**	**4,158,761**
Net position		
Net investment in capital assets	66,837,135	70,703,790
Restricted	12,576,331	8,000,000
Unrestricted	355,703,249	292,325,586
Total net position	**$ 435,116,715**	**$ 371,029,376**

In fiscal year 2024-25, total assets increased by $60,686,145 which represents an increase of 13.4% from fiscal year 2023-24, primarily due to an increase of $61,123,179 in cash and investments, which resulted from higher operating cash flows, an increase of $2,780,319 in violations account receivables, and partially offset by a decrease of $3,089,587 in capital assets. Total liabilities decreased by $3,426,819 or 4.2% primarily due to principal payment of the Toll Road Revenue Bonds, Series 2023.

The 91 EL's net investment in capital assets was $66,837,135 in fiscal year 2024-25 compared to $70,703,790 in fiscal year 2023-24. The 91 EL's net position reflects its investment in capital assets (i.e. improvements; equipment; computer hardware and software; furniture and fixtures; transponders; intangible right-to-use lease assets; and toll facility franchise), less any related outstanding debt used to acquire these assets. The 91 EL uses these capital assets to provide improved mobility for 91 EL customers and commuters along the SR-91 corridor. The $3,866,655 decrease in net investment in capital assets was primarily driven by depreciation of computer hardware and software, as well as the

amortization of toll facility franchise. The decline also reflected the reallocation of previously unspent capital borrowing proceeds, which are now reserved for debt service.

Restricted net position, representing resources subject to external restrictions on how they may be used, accounted for 2.9% of total net position as of June 30, 2025. The $4,576,331 increase in restricted net position was primarily attributable to the reallocation of Senior Lien (Debt Service) Reserves, which have been designated for future debt service payments.

Unrestricted net position represents the portion of net position that can be used to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position increased from $292,325,586 as of June 30, 2024 to $355,703,249 as of June 30, 2025. This increase of $63,377,663 was primarily attributable to operating revenues exceeding operating expenses, favorable investment earnings, and a reduction in transfers to the OCLTA for the SR-91 Improvement Project.

Table 2
91 Express Lanes Fund
Changes in Net Position

	2025	2024
Operating revenues		
Tolls, fees, and fines	$ 75,960,347	$ 73,668,071
Operating expenses		
Management and operational services	6,878,431	5,875,462
Administrative overhead	4,069,510	3,685,194
Other operating expenses	149,195	18,652
Insurance claims and premiums	253,030	597,820
Professional services	5,996,616	4,374,822
General and administrative	330,711	332,599
Depreciation and amortization	4,981,318	5,078,179
Total operating expenses	**22,658,811**	**19,962,728**
Operating income	**53,301,536**	**53,705,343**
Nonoperating revenues (expenses)		
Investment earnings	19,515,231	14,770,382
Interest expense	(1,581,381)	(1,875,126)
Other	968,060	424,819
Total nonoperating revenues	**18,901,910**	**13,320,075**
Income before transfers	**72,203,446**	**67,025,418**
Transfers to other OCTA funds	(8,116,107)	(15,244,810)
Changes in net position	**64,087,339**	**51,780,608**
Total net position—beginning	371,029,376	319,248,768
Total net position—ending	**$ 435,116,715**	**$ 371,029,376**

The 91 EL's total operating revenues increased by 3.1%, while total operating expenses increased by 13.5%. The increase in operating revenues was primarily driven by higher traffic volumes, increase in the average gross revenue per trip, and higher collections from toll violators. The increase in operating expenses was mainly attributable to higher management and operational service costs related to toll road operations, as well as professional services for toll account servicing.

Total traffic volume on the 91 EL during fiscal year 2024-25 was 21,992,452 trips reflecting an increase of 3.9% in comparison to fiscal year 2023-24. Investment earnings increased by $4,744,849 which represents a 32.1% increase compared to fiscal year 2023-24, primarily reflecting higher cash balances and favorable investment performance.

Capital Assets

As of June 30, 2025, the 91 EL had $116,462,706 net of accumulated depreciation and amortization, invested in a broad range of capital assets including: the toll facility franchise, construction in progress, improvements, communication equipment, computer hardware and software, transponders, intangible right-to-use asset, and equipment, furniture and fixtures (Table 3). The total decrease in the 91 EL's capital assets for fiscal year 2024-25 was $3,089,587 primarily due to depreciation and amortization.

Table 3
91 Express Lanes Fund
Capital Assets, net of Depreciation and Amortization

	2025	2024
Construction in progress	$ 5,624,528	$ 4,327,477
Buildings and improvements	13,239	16,170
Leasehold improvements	371,015	485,884
Communications equipment	131,675	200,375
Computer hardware and software	3,400,600	4,473,892
Transponders	82,477	205,237
Equipment, furniture and fixtures	4,319	6,909
Lease assets - building	2,073,799	2,488,602
Toll facility franchise	104,761,054	107,347,747
Total capital assets, net	**$ 116,462,706**	**$ 119,552,293**

The 91 EL had outstanding capital expense commitments, the most significant of which were $7,437,045 for the electronic toll and traffic management (ETTM) and $2,268,407 for the back-office system. Major capital asset additions during fiscal year 2024-25 included $476,201 for the ETTM system, $594,678 for the back-office system, and $820,851 for the Advanced Traffic Management Software (ATMS). The ETTM system and ATMS remain in construction in progress and are projected for completion in fiscal year 2025-26. Capital assets, net decreased by $3,089,587, primarily due to amortization of the toll facility franchise and depreciation of the back-office system. Total construction in progress increased by $1,297,051 as a result of payments for the ETTM system and the acquisition of ATMS. Additional detail regarding the 91 EL's capital assets is provided in Note 5 to the financial statements.

Debt Administration

As of June 30, 2025, the 91 EL had $41,725,000 in tax-exempt bonds outstanding compared to $47,545,000 at June 30, 2024. The reduction was due to principal payment of 2023 series Toll Revenue Bonds in fiscal year 2024-25. Additional information on long-term debt can be found in note 7 to the financial statements.

Economic and Other Factors

The 91 EL makes up $76,926,340 or 4.4% of OCTA's fiscal year 2025-26 adopted revenue budget. For fiscal year 2025-26, budgeted toll revenue is forecasted to increase by 16.0% from the fiscal year 2024-25 budgeted value. This increase is due to a forecasted increase in revenue and traffic volumes. In addition, collection receipts from violators have risen since the 91 EL implemented the practice of placing unpaid tolls and fees on vehicle registration holds. This increase in collections has been incorporated into the revenue projection to better align the budget with actuals. The budgeted average long term rate of growth for toll road revenue beyond fiscal year 2025-26 is 4.4%.

The majority of expenses related to the 91 EL within the fiscal year 2025-26 budget are on-going general costs related to day to day operations of the toll facility. Since the 91 EL is a fully electronic toll facility, motorists pay tolls through the convenient use of windshield mounted FasTrak® transponders that automatically deduct toll charges from a prepaid account. At the end of fiscal year 2024-25, there were 186,084 active customer accounts, with 739,969 transponders assigned to those accounts, which represents an increase of 7,204 and 22,372, respectively from fiscal year 2023-24.

OCTA, in concert with Caltrans and RCTC, issued an annual SR-91 Implementation Plan to establish a program of projects eligible for funding by potential excess 91 EL toll revenue and other funds. The projects are presented in the following groups: Orange County Projects, Riverside County Projects, and Bi-County Projects. The Orange County Projects have a total cost of approximately $814 million. The projects include improvements to the SR-91 between SR-57 and SR-55, Placentia Metrolink Rail Station, and Metrolink Improvements. The Riverside County projects have a total cost of approximately $393.5 million. The improvements include the I-15/91 Express Lanes Connector, Green River Road Bike Lane Gap Closure, Santa Ana River Trail, the SR-71/SR-91 Interchange Improvements, and the SR-91 Improvements East of I-15. The Bi-County projects benefit both Orange and Riverside Counties, with total projects exceeding $674 million. These projects include the SR-241/SR-91 Tolled Express Connector, 91 Eastbound Corridor Operations Project, and 91 Westbound Improvements.

Contacting 91 EL's Management

This financial report is designed to provide a general overview of the 91 EL's finances for all those with an interest in the government's finances and to demonstrate the 91 EL's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

Assets		
Current assets:		
Cash and investments	$	365,037,360
Receivables:		
Interest		2,670,418
Violations, net		5,653,317
Other, net		1,795,789
Due from other governments		77,134
Total current assets		**375,234,018**
Noncurrent assets:		
Restricted cash and investments		13,403,496
Receivable violations, net		7,886,019
Capital assets, net:		
Nondepreciable		5,624,528
Depreciable and amortizable		110,838,178
Total noncurrent assets		**137,752,221**
Total assets		**512,986,239**
Deferred outflows of resources		
Deferred outflows - refunding		3,654,691
Total deferred outflows of resources		**3,654,691**
Liabilities		
Current liabilities:		
Accounts payable		8,240,095
Accrued interest payable		786,919
Due to other funds		8,847,738
Due to other governments		2,367,376
Unearned revenue		10,075,480
Other liabilities		291,284
Lease liabilities, current		411,014
Long-term debt, current		6,115,000
Total current liabilities		**37,134,906**
Noncurrent liabilities:		
Lease liabilities		1,873,841
Long-term debt		39,000,644
Total noncurrent liabilities		**40,874,485**
Total liabilities		**78,009,391**
Deferred inflows of resources		
Deferred inflows - refunding		3,514,824
Total deferred inflows of resources		**3,514,824**
Net position		
Net investment in capital assets		66,837,135
Restricted for:		
Debt service		4,576,331
Capital reserves		5,000,000
Operating reserves		3,000,000
Unrestricted		355,703,249
Total net position	**$**	**435,116,715**

See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

Operating revenues		
Tolls, fees, and fines	$	75,960,347
Operating expenses		
Management and operational services		6,878,431
Administrative overhead		4,069,510
Other operating expenses		149,195
Insurance claims and premiums		253,030
Professional services		5,996,616
General and administrative		330,711
Depreciation and amortization		4,981,318
Total operating expenses		**22,658,811**
Operating income		**53,301,536**
Nonoperating revenues (expenses)		
Investment earnings		19,515,231
Interest expense		(1,581,381)
Other		968,060
Total nonoperating revenues		**18,901,910**
Income before transfers		**72,203,446**
Transfers to other OCTA funds		(8,116,107)
Change in net position		**64,087,339**
Total net position - beginning		371,029,376
Total net position - ending	**$**	**435,116,715**

See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash flows from operating activities		
Receipts from customers and users	$	73,072,514
Payments to suppliers		(11,075,789)
Payments for OCTA interfund services used		(4,069,510)
Other revenues received		968,060
Net cash provided by operating activities		**58,895,275**
Cash flows from noncapital financing activities		
Reimbursement from other governments		6,314
Transfers to other OCTA funds		(8,448,897)
Net cash used for noncapital financing activities		**(8,442,583)**
Cash flows from capital and related financing activities		
Principal payment on long-term debt		(5,820,000)
Interest paid on long-term debt		(2,231,750)
Acquisition and construction of capital assets		(963,775)
Net cash used for capital and related financing activities		**(9,015,525)**
Cash flows from investing activities		
Investment earnings		19,686,012
Net cash provided by investing activities		**19,686,012**
Net increase in cash and cash equivalents		**61,123,179**
Cash and cash equivalents at beginning of year		317,317,677
Cash and cash equivalents at end of year	**$**	**378,440,856**
Reconciliation of cash and cash equivalents to statement of net position		
Cash and investments	$	365,037,360
Restricted cash and investments		13,403,496
Total cash and cash equivalents	**$**	**378,440,856**

See accompanying notes to the financial statements.

91 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Reconciliation of operating income to net cash provided by operating activities		
Operating income	$	53,301,536
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense		2,394,624
Amortization of toll road franchise agreement		2,586,694
Other nonoperating revenues		968,060
Change in assets and liabilities:		
Violations receivables, net		(2,780,319)
Other receivables, net		(59,211)
Other assets		(243,148)
Amortization of prepaid insurance		253,030
Accounts payable		1,775,920
Due to other governments		746,392
Unearned revenue		(220,045)
Other liabilities		171,742
Total adjustments		**5,593,739**
Net cash provided by operating activities	**$**	**58,895,275**

Noncash capital, financing and investing activities:		
Amortization of bond premium	$	618,355
Amortization of deferred loss on refunding 2003 series		669,562
Amortization of deferred gain on refunding 2013 series		643,937
Capital assets accrued in payables		2,364,940
Change in fair value of investments		159,922

See accompanying notes to the financial statements.

1. REPORTING ENTITY

On January 3, 2003, the OCTA purchased from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the 91 Express Lanes. See note 5 for further information.

These financial statements include only the activities of the 91 Express Lanes (91 EL) Fund, an enterprise fund of OCTA. These financial statements are not intended to present the activities of OCTA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the 91 Express Lanes Fund are in conformity with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

Basis of Accounting

The financial statements of the 91 Express Lanes Fund are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, consisting substantially of tolls and fees, are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Toll amounts are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenue is recognized when the customers utilize the toll road facility.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the 91 Express Lanes Fund are charges to customers for use of the toll facility and are presented net of discounts and allowances. Operating expenses for the 91 Express Lanes Fund include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the 91 Express Lanes Fund's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash and Investments

The 91 Express Lanes Fund participates in OCTA's Commingled Investment Pool. OCTA maintains cash and investments in accordance with an Investment Policy (Policy) adopted initially by OCTA's Board of Directors (Board) on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). At June 30, 2025 the investment portfolios were maintained at U.S. Bank, N.A. as custodial bank. OCTA's Commingled Investment Pool is managed by four private sector investment managers. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes in the OCTA Commingled Investment Pool, with investment earnings allocated to the different accounts based on average daily account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value:

Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs-other than quoted prices included in Level 1-that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs. Refer to the OCTA Annual Comprehensive Financial Report (ACFR) for details on valuation techniques and fair value hierarchy.

Investments in U.S. government and U.S. agency securities, medium-term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives.

All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board and as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, commercial paper, money market funds, certificates of deposit, and the 91 Express Lanes Fund's share of the OCTA Commingled Investment Pool represent cash and cash equivalents for cash flow purposes.

Restricted Cash and Investments

Investments set aside in the Senior Lien Reserve Fund, Major Maintenance Reserve Fund, and Operating Reserve Fund are pursuant to the terms of the 2023 Indenture for the $47,545,000 Toll Road Revenue Refunding Bonds and their use is limited by applicable debt covenants.

Permitted investments per the debt covenants include: government obligations, State of California and local agency obligations, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, money market funds, other mutual funds, investment agreements, and variable and floating rate securities.

Receivables

Violations receivables include an estimate for outstanding unpaid violations that the 91 Express Lanes Fund anticipates to collect. For violations less than or equal to 90 days old, the receivable is based on a 12-month average of violations collected, and is recorded net of an allowance for uncollectible accounts of $3,287,559 at June 30, 2025. For unpaid violations in excess of 90 days, the receivable is estimated using a three-year average of violations collected and is recorded net of uncollectible accounts as the majority is not considered probable of collection.

Other receivables include amounts due from other California toll road agencies related to their customers' use of the 91 Express Lanes, as well as amounts owed from customers, net of an allowance for uncollectible accounts of $309,477 at June 30, 2025.

An estimated $7,886,019 of violation and customer receivables are not expected to be collected within one year. The 91 Express Lanes utilizes an outside collection agency to assist in the recovery of unpaid customer balances and violations exceeding 90 days.

Due from other Governments

Due from other governments include receivables due from other government agencies.

Capital Assets

Capital assets are tangible and intangible assets, which include toll facility franchise, construction in progress, leasehold improvements, equipment, computer hardware, software, furniture and fixtures, lease assets (intangible right-to-use), and transponders. Capital assets are defined by the 91 Express Lanes Fund as assets with an initial, individual cost of more than $5,000 and a useful life in excess of one year. It is also the 91 Express Lanes Fund's policy to capitalize non-sticker transponder purchases, as they are considered a significant class of assets even though individually under $5,000. Such assets are recorded at historical cost. The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. The 91 Express Lanes also records the value of intangible right-to-use assets based on the underlying lease asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year for the shorter of lease term or useful life of of asset.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Leasehold improvements	10-30 years
Equipment, furniture and fixtures	3-10 years
Computer hardware and software	3-5 years
Transponders	5-7 years
Lease assets - building	7-10 years
Toll franchise facility	63 years

OCTA purchased the interest in the Franchise Agreement for the toll facility from CPTC on January 3, 2003. The toll facility franchise is amortized over the remaining life of the Franchise Agreement through December 2065. GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, is not applicable to 91 Express Lanes Fund, as there are no exchange or exchange-like transactions between OCTA and Caltrans, and there are no franchise fees or installment payments payable to Caltrans.

Leases

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The 91 Express Lanes Fund recorded lease liabilities and lease assets at the commencement of the lease term. The lease liabilities are measured at the present value of payments expected to be made during the lease term less any lease incentives. The lease assets are measured at the amount of the initial measurement of the

lease liabilities, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position may include a separate section for deferred outflows of resources. This financial statement element represents the consumption of net assets that relates to future periods and, accordingly, will not be recognized as an expense until that time. Similarly, in addition to liabilities, the Statement of Net Position may report deferred inflows of resources. This element represents the acquisition of net assets applicable to future periods and will not be recognized as revenue until then.

As of June 30, 2025, the 91 Express Lanes Fund reported both a deferred outflow of resources (loss on refunding) and a deferred inflow of resources (gain on refunding) related to the 2003 and 2013 series, respectively, in the Statement of Net Position.

A loss on refunding arises when the reacquisition price of refunded debt exceeds its carrying amount. This amount is recorded as a deferred outflow and amortized over the shorter of the remaining life of the refunded debt or the life of the refunding debt. Conversely, a gain on refunding occurs when the carrying amount of the refunded debt exceeds the reacquisition price. This amount is recorded as a deferred inflow of resources and, similarly, is amortized over the shorter of the remaining life of the refunded debt or the life of the refunding debt.

Due to other Governments

Due to other governments include payables due to other government agencies.

Risk Management

The 91 Express Lanes Fund purchases commercial property insurance including fire, flood and earthquake coverage, which also covers business interruption related to the operation of the toll facility. Additionally, the 91 Express Lanes Fund participates in OCTA's self-insurance general liability program. Liability claims are resolved by OCTA and are an expense of the 91 Express Lanes Fund.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is classified into three categories:

- *Net investment in capital assets* - Reflects net position of the 91 Express Lanes Fund invested in capital assets and the intangible asset net of related debt. This net position is not accessible for other purposes.

- *Restricted net position* - Represents net position not accessible for general use, with the use subject to restrictions enforceable by third parties. The net position has been restricted by the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust for debt service, capital, and operating reserves.

- *Unrestricted net position* - Represents net position available for general use.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, $4,069,510 of administrative services were charged to the 91 EL and are reported as operating expenses in the statement of revenues, expenditures and changes in net position.

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash		
Petty cash	$	550
Deposits		1,360,275
Total cash		**1,360,825**
Investments		
With OCTA Commingled Investment Pool		353,130,541
With trustee		23,949,490
Total investments		**377,080,031**
Total cash and investments	**$**	**378,440,856**

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	$	365,037,360
Restricted cash and investments		13,403,496
Total cash and investments	**$**	**378,440,856**

As of June 30, 2025, the 91 Express Lanes Fund had the following investments:

Investments	Fair Value	Yield	Interest Rate	Maturity	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	$ 353,130,541	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.*			
Held by trustee:					
*Money Market Funds	15,949,490	3.96% - 4.15%	3.96% - 4.15%	07/01/2025	0.003
*Negotiable CDs	8,000,000	4.25% - 4.45%	4.25% - 4.45%	7/07/2025	0.019
Total investments	**$ 377,080,031**				
Portfolio Weighted Average					2.508

*Money market funds and commercial paper are measured at amortized cost which approximates fair value.

As of June 30, 2025, the 91 Express Lanes Fund had $353,130,541 invested in the OCTA's Commingled Investment Pool (CIP). OCTA's CIP investments are carried at fair value except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date carried at amortized cost which approximates fair value.

Deposits and withdrawals in the OCTA's CIP are made on the basis of $1.00 (cost basis) and not fair value. Accordingly, the 91 Express Lanes Fund's investment in the OCTA's CIP at June 30, 2025 is uncategorized, not defined as a Level 1, Level 2, or Level 3 input.

Refer to the OCTA Annual Comprehensive Financial Report for fiscal year 2024-25 for details on valuation techniques, fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk related to the OCTA's CIP underlying investments.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three nationally recognized rating services: Standard & Poor's Corporation (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt must be rated no less than an "A" by two of the three rating services. OCTA's CIP is not rated.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of fair value of the 91 Express Lanes Fund's portfolio at June 30, 2025 (NR means Not Rated):

Investments	S&P	Moody's	% of 91 Express Lanes Fund
OCTA Commingled Investment Pool	N/A	N/A	93.66 %
Held by trustee:			
Money Market Funds	AAA	Aaa	4.22 %
Negotiable CDs	A-1	P-1	2.12 %
Total investments			**100.00 %**

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the Orange County Transportation Authority's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the 91 Express Lanes Fund's portfolio at June 30, 2025.

4. INTERFUND ACTIVITIES

Due To Other Funds

As of June 30, 2025, the 91 EL reported a balance of $8,847,738 due to the OCLTA in connection with the SR-91 Improvement Project.

Interfund Transfers

During fiscal year 2024-25, the 91 EL transferred $8,116,107 to the OCLTA for SR-91 Improvement Project.

5. CAPITAL ASSETS

Capital asset activity for the 91 Express Lanes Fund for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Construction in progress	$ 4,327,477	$ 1,297,051	$ —	$ 5,624,528
Capital assets, being depreciated:				
Buildings and improvements	119,773	—	—	119,773
Leasehold improvements	2,349,447	—	—	2,349,447
Communications equipment	2,861,175	—	(769,262)	2,091,913
Computer hardware and software	8,664,151	594,678	—	9,258,829
Transponders	3,677,041	—	(2,245,599)	1,431,442
Equipment, furniture and fixtures	46,890	—	—	46,890
Lease assets - building	3,733,010	—	—	3,733,010
Toll facility franchise	205,263,668	—	—	205,263,668
Total capital assets, being depreciated and amortized	**226,715,155**	**594,678**	**(3,014,861)**	**224,294,972**
Less accumulated depreciation and amortization for:				
Buildings and improvements	(103,603)	(2,931)	—	(106,534)
Leasehold improvements	(1,863,563)	(114,869)	—	(1,978,432)
Communications equipment	(2,660,800)	(68,700)	769,262	(1,960,238)
Computer hardware and software	(4,190,259)	(1,667,970)	—	(5,858,229)
Transponders	(3,471,804)	(122,760)	2,245,599	(1,348,965)
Equipment, furniture and fixtures	(39,981)	(2,590)	—	(42,571)
Lease assets - building	(1,244,408)	(414,803)	—	(1,659,211)
Toll facility franchise	(97,915,921)	(2,586,693)	—	(100,502,614)
Total accumulated depreciation and amortization	**(111,490,339)**	**(4,981,316)**	**3,014,861**	**(113,456,794)**
Total capital assets, being depreciated and amortized, net	**115,224,816**	**(4,386,638)**	**—**	**110,838,178**
Total capital assets, net	**$ 119,552,293**	**$ (3,089,587)**	**$ —**	**$ 116,462,706**

On January 3, 2003, OCTA acquired from the California Private Transportation Company (CPTC) its interest in a Franchise Agreement for the operation of a 10-mile toll facility on State Route (SR) 91 between the Orange/Riverside County line and SR-55. This acquisition was authorized by Assembly Bill (AB) 1010 (Correa), enacted in September 2002, which granted OCTA the authority to collect tolls and finance related costs through 2030, while eliminating non-compete provisions that restricted improvements along SR-91. The Franchise Agreement, originally between CPTC and the California Department of Transportation (Caltrans), provided CPTC with the right to develop, construct, and operate the toll facility under a 35-year lease; Caltrans retains legal title to the real property, and no franchise fees or installment payments are owed to Caltrans.

In September 2008, Senate Bill (SB) 1316 (Correa) updated AB 1010, authorizing OCTA to assign its franchise rights and obligations in the Riverside County portion of SR-91 to the Riverside County Transportation Commission (RCTC). This legislation permitted RCTC to expand the corridor by adding toll and general-purpose lanes and extended the maximum franchise term to December 31, 2065. SB 1316 also required OCTA and RCTC to coordinate tolling operations in the event of such an assignment. In December 2011, OCTA Board approved the assignment of franchise rights, interests, and obligations in the Riverside County portion to RCTC, along with the extension of the expiration date to 2065. The Board also approved a cooperative agreement with RCTC governing the joint operation of the 91 Express Lanes extension.

In fiscal year 2022-23, OCTA assessed GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, and determined that 91 Express Lanes agreement was not applicable to this standard, wherein exchange or exchange-like transactions does not exist between OCTA and Caltrans.

6. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. Under this Statement, a lessee is required to recognize a lease liability and an intangible right-to-use lease asset, and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The 91 Express Lanes has two leasing arrangements, summarized below:

The 91 Express Lanes entered into a 180-month lease agreement for its Anaheim office space beginning in September 2015, with the lease expiring in August 2030. At June 30, 2025, the balance of intangible right to use lease asset and lease liability were $1,890,236 and $2,087,732, respectively. During fiscal year 2025, the 91 Express Lanes recorded $365,853 in amortization expense and $48,216 in interest expense for the right to use the office space. The 91 Express Lanes used an incremental discount rate of 2.12%, based on an estimated incremental borrowing rate.

The 91 Express Lanes entered into a 120-month lease agreement for RCTC office space beginning in April 2019, with the lease expiring in March 2029. At June 30, 2025, the balance of intangible right to use lease asset and lease liability were $183,563 and $197,123, respectively. During fiscal year 2025, the 91 Express Lanes recorded $48,950 in amortization expense and $4,090 in interest expense for the intangible right-to-use the office space. The 91 Express Lanes used an incremental discount rate of 1.80%, based on an estimated increment borrowing rate.

Remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 411,014	$ 43,997	$ 455,011
2027	432,876	35,237	468,113
2028	455,267	26,016	481,283
2029	464,676	16,314	480,990
2030	445,481	6,753	452,234
2031	75,541	200	75,741
Total	**$ 2,284,855**	**$ 128,517**	**$ 2,413,372**

The amortized lease asset activities, net of accumulated depreciation and amortization for the year ended June 30, 2025, are as follows:

Lease Assets	Beginning Balance	Additions	Reductions	Ending Balance
91 EL Anaheim Office	$ 2,256,089	$ —	$ (365,853)	$ 1,890,236
91 EL RCTC Office	232,513	—	(48,950)	183,563
Total lease assets	**$ 2,488,602**	**$ —**	**$ (414,803)**	**$ 2,073,799**

Lease liability activities associated with these leases are as follows:

Lease Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
91 EL Anaheim Office	$ 2,429,628	$ —	$ (341,896)	$ 2,087,732	$ 361,033
91 EL RCTC Office	245,026	—	(47,903)	197,123	49,981
Total lease liabilities	**$ 2,674,654**	**$ —**	**$ (389,799)**	**$ 2,284,855**	**$ 411,014**

7. LONG TERM DEBT

Toll Road Revenue Refunding Bonds

On August 8, 2013, OCTA issued $124,415,000 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2013, to refund the outstanding Series 2003-A, 2003-B-1, and 2003-B-2 Bonds. The refunding reduced total debt service payments and addressed the mandatory tender of the Series 2003-B Bonds.

On July 6, 2023, OCTA issued $47,545,000 of Senior Lien Toll Road Revenue Refunding Bonds, Series 2023, to refund the outstanding Series 2013 Bonds. The refunding lowered total debt service payments and generated net present value savings of $5,521,000.

OCTA's outstanding Toll Road Revenue Refunding Bonds are limited obligations of the Authority, payable solely from pledged toll revenues, and contain a provision that, in the event of default, bondholders may seek legal remedies to compel OCTA to cure the default, which could have finance-related consequences.

The Toll Road Revenue Refunding Bonds are rated Aa3 by Moody's, AA- by Fitch, and AA- by Standard & Poor's.

A summary of the terms of the Toll Road Revenue Refunding Bonds is as follows:

	2023 Series (Toll Road Revenue Bonds)
Issuance date	7/6/2023
Closing date	7/6/2023
Original issue amount	$ 47,545,000
Cash reserve requirements	$ 12,576,331
Cash reserve balance*	$ 13,403,496
Interest rate	5%
Maturity	August 2030
Principal payment date	August 15
Balance as of June 30, 2025	$ 41,725,000
Unamortized premium	$ 3,390,644
Gain on refunding (2013 Series)	$ 3,514,824
Loss on refunding (2003 Series)	$ (3,654,691)

* Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the following three reserve funds are required to be maintained: Senior Lien Reserve Fund $4,576,331, Major Maintenance Reserve Fund $5,000,000 and Operating Reserve Fund $3,000,000. At June 30, 2025, all reserve requirements have been satisfied.

Annual debt service requirements on the tax-exempt bonds to maturity are as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 6,115,000	$ 1,933,375	$ 8,048,375
2027	6,430,000	1,619,750	8,049,750
2028	6,760,000	1,290,000	8,050,000
2029	7,105,000	943,375	8,048,375
2030	7,465,000	579,125	8,044,125
2031	7,850,000	196,250	8,046,250
Total	**$ 41,725,000**	**$ 6,561,875**	**$ 48,286,875**

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
Toll road revenue bonds	$ 47,545,000	$ —	$ (5,820,000)	$ 41,725,000	$ 6,115,000
Unamortized premium	4,008,999	—	(618,355)	3,390,644	—
Total long-term debt	**$ 51,553,999**	**$ —**	**$ (6,438,355)**	**$ 45,115,644**	**$ 6,115,000**

Pledged Revenue

The 91 Express Lanes debt issuance outstanding is repaid and secured by the pledging of certain revenues, as defined in the debt agreement. The amount and term of the remainder of this commitment is indicated in the debt service to maturity table. The purpose for which the proceeds of the debt issuance were utilized is disclosed in the debt description. Pursuant to the 2023 Toll Road Revenue Refunding Bonds Master Indenture of Trust and Supplemental Indentures, the 91 Express Lanes Fund will covenant to fix and prescribe toll rates for each type of vehicle and each time of day sufficient to produce adjusted net toll revenues for each fiscal year at least equal to 1.3 times annual debt service on Senior Lien Bonds and Parity Obligations. Adjusted net toll revenues includes tolls and investment earnings on specified reserve accounts minus operating expenses, excluding interest expense, depreciation, and amortization of the toll facility franchise.

Pledged revenue for the year ended June 30, 2025, is as follows:

Pledged Revenue	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage	Required Debt Coverage
91 EL net toll road revenues	$ 77,269,629	$ 8,051,750	9.60	1.30

8. COMMITMENTS AND CONTINGENCIES

Operator Agreement

In connection with the purchase of the toll facility interest, OCTA entered into an operating agreement with Cofiroute Global Mobility, subsequently Cofiroute USA, LLC (Cofiroute), to provide operating services in the annual amount of $4,994,000 plus inflation for three initial years with two one-year extension options, subject to Board of Directors approval. The agreement was in effect from January 3, 2003 through January 2, 2006. On January 6, 2006, OCTA entered into a second operating agreement with Cofiroute, effective January 3, 2006 through January 2, 2011. The annual amount of the base contract is $5,448,768 plus inflation adjustments after the first year. The agreement carried two two-year extension options through January 2, 2015. On June 27, 2011, the OCTA Board of Directors approved a subsequent amendment to the operating agreement with Cofiroute, which authorized the addition of two five-year extension options beginning July 1, 2011 through June 30, 2016 for the first extension term and beginning July 1, 2016 through June 30, 2021 as the second extension term. The second extension term was approved on May 9, 2016. Cofiroute is responsible for the day-to-day operations of the toll facility.

On May 24, 2013 OCTA completed a three-party agreement expiring on June 30, 2021, with Riverside County Transportation Commission (RCTC) and Cofiroute for operations of the 91 Express Lanes. This helps in ensuring a streamlined consistent inter-county travel for motorists on the original 10-mile span of the 91 Express Lanes and the eight miles extension into Riverside County.

In fiscal year 2018-19, OCTA and RCTC began procurement for a new operating agreement, which includes the development of a new back-office system for both segments of the 91 Express Lanes. The OCTA Board of Directors and RCTC Commission subsequently approved the re-selection of Cofiroute as the operator, with the agreement executed in January 2020. The new agreement expires on January 31, 2027, and carries two three-year extension options.

Purchase Commitments

The 91 Express Lanes has various outstanding contracts. Total purchase commitments as of June 30, 2025 were $62,974,548, the most significant are with Cofiroute and RCTC for the operations of the 91 Express Lanes, Kapsch TrafficCom for toll lanes integrator services, and California Highway Patrol (CHP) for patrol services.

9. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

ATTACHMENT D

405 EXPRESS LANES FUND

(An Enterprise Fund of the Orange County Transportation Authority)

FINANCIAL STATEMENTS

For the Year Ended June 30, 2025

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)

Financial Statements
For the Year Ended June 30, 2025

Table of Contents

Independent Auditor's Report . . . 1

Independent Auditor's Report on Internal Control over Financial Reporting and on Compliance and Other Matters Based on an Audit of Financial Statements Performed in Accordance with *Government Auditing Standards* . . . 4

Management's Discussion and Analysis (Unaudited) . . . 6

Financial Statements:

- Statement of Net Position . . . 11
- Statement of Revenues, Expenses and Changes in Net Position . . . 12
- Statement of Cash Flows . . . 13
- Notes to the Financial Statements . . . 15

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of the 405 Express Lanes Fund (405 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 405 EL's financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the 405 EL, a major enterprise fund of OCTA, as of June 30, 2025, and the changes in its financial position and its cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matters

As discussed in Note 1, the financial statements present only the 405 EL and do not purport to, and do not, present fairly the financial position of OCTA as of June 30, 2025, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the 405 EL. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the 405 EL's financial statements. The management's discussion and analysis, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements. The information has not been subjected to the auditing procedures applied in the audit of the financial statements, and, accordingly, we do not express an opinion or provide any assurance on it.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to the 405 EL, and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of OCTA's internal control over financial reporting or on compliance, as it relates to the 405 EL. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to the 405 EL.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the 405 Express Lanes Fund (405 EL), a major enterprise fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the 405 EL's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the 405 EL and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting and compliance (internal control), as it relates to the 405 EL, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the 405 EL. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to the 405 EL.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether the 405 EL's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with Government Auditing Standards in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

405 Express Lanes Fund
Management's Discussion and Analysis (unaudited)
For the Year Ended June 30, 2025

As management of the 405 Express Lanes Fund (405 EL), an enterprise fund of the Orange County Transportation Authority, we offer readers of the 405 EL financial statements this narrative overview and analysis of the 405 EL's financial activities for the fiscal year ended June 30, 2025. We encourage readers to consider the information on financial performance presented in conjunction with the financial statements that begin on page 11.

Financial Highlights

- At the end of fiscal year 2024-25, the total net position of the 405 EL was $(148,958,725), comprising net investment in capital assets of $(17,420,331); restricted net position of $40,318,050; and unrestricted net position of $(171,856,444). Net position decreased by $51,489,964, or 52.8%, from the fiscal year 2023-24 ending net position. The decrease was primarily attributable to an interfund transfer to the Orange County Local Transportation Authority (OCLTA) for the allocation of Transportation Infrastructure Finance and Innovation Act (TIFIA) loan proceeds associated with the construction of the general purpose lane for the I-405 Improvement Project.

- In fiscal year 2024-25, total operating revenues of the 405 EL increased by $40,642,611, representing a 236.6% increase from fiscal year 2023-24. Since tolling on the 405 Express Lanes began on December 1, 2023, the increase in operating revenues was primarily due to a full year of operations in fiscal year 2024–25 compared to seven months in fiscal year 2023–24, along with higher average gross revenue per trip, and an increase in estimated violation receivables.

- Total operating expenses increased by $12,239,163, which represents a 50.3% increase from fiscal year 2023-24, primarily attributable to higher operating costs, including management and operational services, professional services, and depreciation and amortization expenses associated with the commencement of operations.

- In fiscal year 2024-25, investment earnings increased by $2,083,757, or 61.1%, compared to fiscal year 2023-24, as a result of higher available cash balances and favorable investment performance during the year. Interest expense increased by $17,927,030, mainly due to accreted TIFIA loan interest and the completion of deferred gain amortization on defeased Bond Anticipation Notes (BANs).

Overview of the Financial Statements

This discussion and analysis is intended to serve as an introduction to the 405 EL's financial statements. The financial statements are comprised of the fund financial statements and notes to the financial statements.

The statement of net position presents information on all of the 405 EL's assets, deferred outflows of resources, deferred inflows of resources and liabilities, with the difference reported as net position. Over time, increases or decreases in net position may serve as a useful indicator of whether the financial position of the 405 EL is improving or deteriorating.

The statement of revenues, expenses and changes in net position presents information showing how the 405 EL's net position changed during the fiscal year. All changes in net position are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows.

The 405 EL fund financial statements can be found on pages 11-14 of this report. Notes to the financial statements provide additional information that is essential to a full understanding of the data provided in the financial statements. The notes to the financial statements can be found on pages 15-25 of this report.

405 Express Lanes Financial Analysis

As noted previously, net position may serve over time as a useful indicator of the 405 EL's financial position. At June 30, 2025, the 405 EL's net position was $(148,958,725), a decrease of $51,489,964 or 52.8% from June 30, 2024. Our analysis below focuses on net position (Table 1) and changes in net position (Table 2) of the 405 EL's financial activities.

Table 1
405 Express Lanes Fund
Net Position

	2025	2024
Assets		
Current and other assets	$ 26,968,412	$ 102,554,296
Restricted assets	38,355,181	—
Noncurrent receivables, net	4,280,232	44,892
Capital assets, net	452,773,034	462,486,871
Total assets	**522,376,859**	**565,086,059**
Total deferred outflows of resources	**106,434,601**	**106,810,152**
Liabilities		
Current liabilities	16,575,775	15,747,967
Long-term liabilities	761,194,410	746,506,787
Total liabilities	**777,770,185**	**762,254,754**
Total deferred inflows of resources	**—**	**7,110,218**
Net position		
Net investment in capital assets	(17,420,331)	(12,071,482)
Restricted	40,318,050	—
Unrestricted	(171,856,444)	(85,397,279)
Total net position	**$ (148,958,725)**	**$ (97,468,761)**

In fiscal year 2024-25, total assets decreased by $42,709,200, or 7.6%, compared to fiscal year 2023-24. The decrease was primarily attributable to a $30,387,615 reduction in cash and investments resulting from an interfund transfer to the OCLTA for the I-405 Improvement Project, and a decrease of $9,713,837 in capital assets driven by depreciation of infrastructure assets and computer hardware. Total liabilities increased by $15,515,431, or 2.0% primarily due to TIFIA accreted interest being added to the loan principal balance.

The 405 EL's net investment in capital assets was $(17,420,331) in fiscal year 2024-25 compared to $(12,071,482) in fiscal year 2023-24. The 405 EL's net position reflects its investment in capital assets (i.e., land; improvements; infrastructure; computer hardware and software; equipment, furniture and fixtures; and intangible right-to-use assets), less any related outstanding debt used to acquire these assets. The 405 EL uses these capital assets to provide improved mobility for 405 EL customers and commuters along the I-405 corridor. The decrease of $5,348,849 in net investment in capital assets

primarily reflects a reduction in the carrying value of capital assets as a result of monthly depreciation, which decreases the net book value of these assets over time.

Restricted net position, which reflects resources subject to external restrictions on their use, represented (27.1)% of the total net position at June 30, 2025. The $40,318,050 increase in restricted net position was primarily due to transfers made to designated reserve funds and accounts as required under the TIFIA loan indenture.

Unrestricted net position represents the portion of net position available to finance day-to-day operations without constraints established by debt covenants, enabling legislation, or other legal requirements. Unrestricted net position decreased from $(85,397,279) to $(171,856,444) at June 30, 2025. The decrease of $86,459,165 was primarily attributable to the allocation of TIFIA loan proceeds to the OCLTA for the construction of the general purpose lane for the I-405 Improvement Project.

Table 2
405 Express Lanes Fund
Changes in Net Position

	2025	2024
Operating revenues		
Tolls, fees, and fines	$ 57,822,765	$ 17,180,154
Operating expenses		
Management and operational services	6,698,662	4,051,845
Administrative overhead	3,208,889	3,353,436
Other operating expenses	16,267	234,335
Insurance claims and premiums	48,196	62,613
Professional services	10,146,353	7,978,487
General and administrative	1,158,854	330,901
Depreciation and amortization	15,287,771	8,314,212
Total operating expenses	**36,564,992**	**24,325,829**
Operating income (loss)	**21,257,773**	**(7,145,675)**
Nonoperating revenues (expenses)		
Investment earnings	5,494,263	3,410,506
Interest income (expense)	(6,078,613)	11,848,417
Other	9,085	1,492,264
Total nonoperating revenues (expenses)	**(575,265)**	**16,751,187**
Income before transfers	**20,682,508**	**9,605,512**
Transfers from other OCTA funds	—	125,222,349
Transfers to other OCTA funds	(72,172,472)	—
Changes in net position	**(51,489,964)**	**134,827,861**
Total net position—beginning	(97,468,761)	(232,296,622)
Total net position—ending	**$ (148,958,725)**	**$ (97,468,761)**

The 405 EL's total operating revenues increased by 236.6%, while total operating expenses increased by 50.3%. The significant increase in operating revenues was primarily attributable to a full year of operations in fiscal year 2024–25 compared to seven months in fiscal year 2023–24, higher average gross revenue per trip, and an increase in estimated violation receivables. The increase in operating expenses was largely driven by higher operating costs, including management and operational services, professional services, and depreciation and amortization expenses associated with the commencement of operations. Total traffic volume on the 405 EL in fiscal year 2024-25 was 17,382,992 trips.

Investment earnings increased by $2,083,757, or 61.1%, compared to fiscal year 2023-24, primarily due to higher available cash balances and favorable investment performance. Interest expense increased by $17,927,030, primarily due to accreted interest on the TIFIA loan and the completion of deferred gain amortization associated with the defeasance of Bond Anticipation Notes (BANs). This deferred inflow of resources had been amortized as a reduction of interest expense over the remaining life of the BANs, which concluded in October 2024.

Capital Assets

As of June 30, 2025, the 405 EL had $452,773,034 net of accumulated depreciation and amortization, invested in a broad range of capital assets including: land, improvements, infrastructure, computer hardware and software, equipment, furniture and fixtures, and intangible right-to-use lease asset (Table 3). The total decrease in the 405 EL's capital assets for fiscal year 2024-25 was $9,713,837.

Table 3
405 Express Lanes Fund
Capital Assets, net of Depreciation and Amortization

	2025	2024
Land - PPP assets	$ 29,764,763	$ 27,438,468
Construction in progress	—	160,020
Leasehold improvements	1,028,466	1,085,916
Infrastructure - PPP assets	392,395,670	401,682,063
Computer hardware and software	23,883,169	26,199,110
Equipment, furniture, and fixtures	492,718	419,623
Lease assets - building	5,208,248	5,501,671
Total capital assets, net	**$ 452,773,034**	**$ 462,486,871**

The 405 EL has outstanding capital expense commitments, the most significant of which were $1,760,933 for the electronic toll and traffic management (ETTM) and $104,734,283 for the back-office system. Major capital asset additions during fiscal year 2024-25 included $1,317,220 for the ETTM system. Net capital assets decreased by $9,713,837 primarily due to depreciation of infrastructure assets and computer hardware and software. Construction in progress decreased by $160,020 following the placement of equipment into service at the beginning of fiscal year 2024-25. More detailed information about the 405 EL's capital assets is presented in note 5 to the financial statements.

Debt Administration

As of June 30, 2025, the 405 EL had $644,732,106 in long-term debt outstanding of TIFIA loan compared to $632,355,394 at June 30, 2024. The increase is due to current year's accreted interest being added to principal in the amount of $12,376,712. Additional information on long-term debt can be found in note 8 to the financial statements.

Economic and Other Factors

The 405 EL makes up $53,524,809 or 3.1% of OCTA's fiscal year 2025-26 adopted revenue budget. For fiscal year 2025-26, budgeted toll revenue is forecasted to increase by 9.2% from the fiscal year 2024-25 budgeted value. This increase reflects anticipated toll rate adjustment and increased traffic volumes along the corridor. The budgeted average long term rate of growth for toll road revenue beyond fiscal year 2025-26 is 3.1%.

The majority of expenses related to the 405 EL within the fiscal year 2025-26 budget are on-going general costs related to day to day operations of the toll facility. Since the 405 Express Lanes is a fully electronic toll facility, motorists pay tolls through the convenient use of windshield mounted FasTrak® transponders that automatically deduct toll charges from a prepaid account. At the end of fiscal year 2024-25, there were 22,143 active customer accounts with 45,712 transponders assigned to those accounts, which represents an increase of 13,077 accounts and 29,441 transponders, respectively from fiscal year 2023-24.

The 405 EL Fund will be responsible for managing the operational and capital expenses associated with the 405 Express Lanes.

Contacting 405 EL's Management

This financial report is designed to provide a general overview of the 405 EL's finances for all those with an interest in the government's finances and to demonstrate the 405 EL's accountability for the money it receives. Questions related to any of the information provided in this report or requests for additional information should be addressed to the Finance and Administration Division at the Orange County Transportation Authority, 550 South Main Street, P.O. Box 14184, Orange, California 92863-1584.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Net Position
June 30, 2025

Assets		
Current assets:		
Cash and investments	$	20,963,905
Receivables:		
Interest		723,413
Violations, net		3,605,514
Other, net		1,487,722
Condemnation deposits		136,000
Other assets		51,858
Total current assets		**26,968,412**
Noncurrent assets:		
Restricted cash and investments		38,355,181
Violations receivable, net		4,280,232
Capital assets, net:		
Nondepreciable		29,764,763
Depreciable and amortizable		423,008,271
Total noncurrent assets		**495,408,447**
Total assets		**522,376,859**
Deferred outflows of resources		
Deferred outflows - PPP		106,434,601
Total deferred outflows of resources		**106,434,601**
Liabilities		
Current liabilities:		
Accounts payable		14,075,374
Accrued interest payable		30,147
Due to other governments		1,068,116
Unearned revenue		1,272,286
Other liabilities		45,782
Lease liabilities, current		84,070
Total current liabilities		**16,575,775**
Noncurrent liabilities:		
Lease liabilities		5,676,471
Long-term debt - TIFIA loan		644,732,106
Other long-term liabilities - PPP		110,785,833
Total noncurrent liabilities		**761,194,410**
Total liabilities		**777,770,185**
Net position		
Net investment in capital assets		(17,420,331)
Restricted for:		
Debt service		32,601,920
Operating reserves		7,716,130
Unrestricted		(171,856,444)
Total net position	**$**	**(148,958,725)**

See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Revenues, Expenses and Changes in Net Position
For the Year Ended June 30, 2025

Operating revenues		
Tolls, fees, and fines	$	57,822,765
Operating expenses		
Management and operational services		6,698,662
Administrative overhead		3,208,889
Other operating expenses		16,267
Insurance claims and premiums		48,196
Professional services		10,146,353
General and administrative		1,158,854
Depreciation and amortization		15,287,771
Total operating expenses		**36,564,992**
Operating income		**21,257,773**
Nonoperating revenues (expenses)		
Investment earnings		5,494,263
Interest expense		(6,078,613)
Other		9,085
Total nonoperating expenses		**(575,265)**
Income before transfers		**20,682,508**
Transfers to other OCTA funds		(72,172,472)
Change in net position		**(51,489,964)**
Total net position - beginning		(97,468,761)
Total net position - ending	**$**	**(148,958,725)**

See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Cash flows from operating activities		
Receipts from customers and users	$	61,103,191
Payments to suppliers		(20,324,666)
Payments for OCTA interfund services used		(3,208,889)
Other revenues received		9,085
Net cash provided by operating activities		**37,578,721**
Cash flows from noncapital financing activities		
Transfers to other funds		(72,172,472)
Net cash used for noncapital financing activities		**(72,172,472)**
Cash flows from capital and related financing activities		
Arbitrage rebate payment		(448,718)
Interest paid on long-term debt		(56,009)
Acquisition and construction of capital assets		(908,778)
Net cash used for capital and related financing activities		**(1,413,505)**
Cash flows from investing activities		
Investment earnings		5,619,641
Net cash provided by investing activities		**5,619,641**
Net decrease in cash and cash equivalents		**(30,387,615)**
Cash and cash equivalents at beginning of year		89,706,701
Cash and cash equivalents at end of year	**$**	**59,319,086**
Reconciliation of cash and cash equivalents to statement of net position		
Cash and investments	$	20,963,905
Restricted cash and investments		38,355,181
Total cash and cash equivalents	**$**	**59,319,086**

See accompanying notes to the financial statements.

405 Express Lanes Fund
(An Enterprise Fund of the Orange County Transportation Authority)
Statement of Cash Flows
For the Year Ended June 30, 2025

Reconciliation of operating income to net cash provided by operating activities		
Operating income	$	21,257,773
Adjustments to reconcile operating income to net cash provided by operating activities:		
Depreciation and amortization expense		15,287,771
Other nonoperating revenues		9,085
Change in assets and liabilities:		
Violations receivables, net		(7,288,410)
Other receivables, net		9,721,788
Other assets		(66,404)
Amortization of prepaid insurance		48,196
Accounts payable		(2,819,385)
Due to other governments		581,259
Unearned revenue		820,005
Other liabilities		27,043
Total adjustments		**16,320,948**
Net cash provided by operating activities	**$**	**37,578,721**
Noncash capital, financing and investing activities:		
Addition in other long-term liabilities related to PPP	$	2,394,981
Amortization of deferred outflows related to PPP		2,770,532
Amortization of deferred inflows on refunding		7,110,218
Capital assets accrued in payables		2,191,414
Change in fair value of investments		125,478
Interest accretion on TIFIA loan		12,376,712

See accompanying notes to the financial statements.

1. REPORTING ENTITY

Officially inaugurated on December 1, 2023, the 405 Express Lanes (405 EL) span a four-lane, High-Occupancy Toll corridor along I-405, extending from SR-55 to I-605. The 405 Express Lanes being under the jurisdiction of Caltrans, OCTA has entered into a cooperative agreement with Caltrans to delineate the roles and responsibilities of each agency. The 405 Express Lanes are owned by Caltrans but transferred to OCTA for a 40-year term, commencing on December 1, 2023, which was the first day of public use and toll operations. See note 6 for further information regarding Public-Public Partnerships (PPP).

These financial statements include only the activities of the 405 Express Lanes Fund, an enterprise fund of OCTA. These financial statements are not intended to present the activities of OCTA.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the 405 Express Lanes Fund are in conformity with generally accepted accounting principles (GAAP) applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles.

Basis of Accounting

The financial statements of the 405 Express Lanes Fund are reported using the economic resources measurement focus and the accrual basis of accounting. Revenues, consisting substantially of tolls and fees, are recorded when earned, and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Toll amounts are collected from customers on a prepaid basis, and unearned tolls are reported as unearned revenue. Toll revenue is recognized when the customers utilize the toll road facility.

Enterprise funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services in connection with an enterprise fund's principal ongoing operations. The principal operating revenues of the 405 Express Lanes Fund are charges to customers for use of the toll facility and are presented net of discounts and allowances. Operating expenses for the 405 Express Lanes Fund include the cost of services, administrative expenses, and depreciation and amortization on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

When both restricted and unrestricted resources are available for use, it is the 405 Express Lanes Fund's policy to use restricted resources first and then unrestricted resources as they are needed.

Cash and Investments

The 405 Express Lanes Fund participates in OCTA's Commingled Investment Pool. OCTA maintains cash and investments in accordance with an Investment Policy (Policy) adopted initially by OCTA's Board of Directors (Board) on May 8, 1995, and most recently amended on July 1, 2024. The Policy complies with, or is more restrictive than, the California Government Code (Code). At June 30, 2025 the investment portfolios were maintained at U.S. Bank, N.A. as custodial bank. OCTA's Commingled Investment Pool is managed by four private sector investment managers. Separate investment manager accounts are maintained for the proceeds of bond issues, with the earnings for each bond issue accounted for separately. Cash from other OCTA revenue sources is commingled for investment purposes in the OCTA Commingled Investment Pool, with investment earnings allocated to the different accounts based on average daily account balances.

OCTA holds investments that are measured at fair value on a recurring basis. OCTA categorizes the fair value measurements of its investments based on the hierarchy established by GAAP. The fair value hierarchy, which has three levels, is based on the valuation inputs used to measure an asset's fair value: Level 1 inputs are quoted prices in active markets for identical assets; Level 2 inputs are inputs-other than quoted prices included in Level 1-that are observable including quoted prices for similar assets in active markets and quoted prices for identical or similar assets in markets that are not active; Level 3 inputs are unobservable inputs. Refer to the OCTA Annual Comprehensive Financial Report (ACFR) for details on valuation techniques and fair value hierarchy.

Investments in U.S. government and U.S. agency securities, medium-term notes, repurchase agreements, variable and floating rate securities, mortgage and asset-backed securities and corporate notes are carried at fair value based on quoted prices of similar assets, except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date, which are carried at amortized cost which approximates fair value.

The Policy requires that assets in the portfolio consist of the following investments, with maximum permissible concentrations based on book value, and may be more restrictive than applicable state statutes for the following investment types: OCTA notes and bonds, U.S. treasuries, federal agencies, municipal debt, banker's acceptances, commercial paper, negotiable certificates of deposit, repurchase agreements, medium-term notes, money market and mutual funds, mortgage or asset-backed securities, supranationals, Local Agency Investment Fund (LAIF), Orange County Investment Pool (OCIP), investment pools, variable and floating rate securities, bank deposits and derivatives. All investments are subject to a maximum maturity of five years, unless specific direction to exceed the limit is given by the Board and as permitted by the Code. OCTA policy is to invest only in high quality instruments as permitted by the Code, subject to the limitations of the Policy.

Cash and Cash Equivalents

For the purpose of the statement of cash flows, OCTA considers all short-term investments with an initial maturity of three months or less to be cash equivalents. All deposits, commercial paper, money market funds, certificates of deposit, and the 405 Express Lanes Fund's share of the OCTA Commingled Investment Pool represent cash and cash equivalents for cash flow purposes.

Restricted Cash and Investments

The 405 Express Lanes will have up to two internal reserve accounts as well as three reserve accounts required due to outstanding debt to be held by the trustee. The type and amount of the internal reserve accounts will be determined at a future date as OCTA evaluates the available revenue to fund the accounts based on first satisfying the TIFIA loan requirements. The three reserve accounts required by the TIFIA loan are debt service, major maintenance (capital), and operations and maintenance (operating) reserve funds. Each reserve fund has a formula defined within the loan agreement for the amount required.

Permitted investments per the debt covenants include: government obligations, certificates of deposit that are collaterally secured by government obligations, repurchase agreements, investment agreements, and money market funds that invest solely in obligations of the United States of America.

Receivables

Violations receivables include an estimate for outstanding unpaid violations that the 405 Express Lanes anticipates to collect. Since the 405 Express Lanes has only been in operation for less than two years, there is no sufficient collection history to determine the collection percentage. Due to the similarities

between the 91 and 405 Express Lanes, OCTA used the collection percentage from the 91 Express Lanes to estimate the outstanding unpaid violations for the 405 Express Lanes for fiscal year 2024-25. For violations less than or equal to 90 days old, the receivable is estimated based on a 12-month average of violations collection rate from the 91 Express Lanes, and is recorded net of an allowance for uncollectible accounts of $3,315,226 at June 30, 2025. For unpaid violations in excess of 90 days, the receivable is estimated using a three-year average of violations collection rate from the 91 Express Lanes and is recorded net of uncollectible accounts as the majority is not considered probable of collection. Violation receivable estimation will utilize collection data of the 405 Express Lanes as historical data becomes available.

Other receivables include amounts due from other California toll road agencies related to their customers' use of the 405 Express Lanes, as well as amounts owed from customers, net of an allowance for uncollectible accounts of $7,361 at June 30, 2025. An estimated $4,280,232 of violation and customer receivables are not expected to be collected within one year. The 405 Express Lanes utilizes an outside collection agency to assist in the recovery of unpaid customer balances and violations exceeding 90 days.

Due from other Governments

Due from other governments include receivables due from other government agencies.

Condemnation Deposits

Condemnation deposits are required by the law for eminent domain acquisition of real property proceedings. Payments are issued to the State Treasury and the amount is determined by the court. Deposits are retained in the State Condemnation Deposits fund until the court orders payment to the grantor (property owner).

Other Assets

Other assets include prepaid expenses.

Capital Assets

Capital assets are tangible and intangible assets, which include land, construction in progress, leasehold improvements, infrastructure, computer and software, equipment, furniture and fixtures, and intangible right-to-use lease asset. Capital assets are defined by the 405 Express Lanes Fund as assets with an initial, individual cost of more than $5,000 and a useful life in excess of one year. The costs of normal maintenance and repairs that do not add value to the asset or materially extend asset lives are not capitalized. The 405 Express Lanes also records the value of intangible right-to-use asset based on the underlying lease asset in accordance with GASB Statement No. 87, Leases. The lease asset is amortized each year for the shorter of lease term or useful life of of asset.

Capital assets are depreciated/amortized using the straight-line method over the following estimated useful lives:

Capital Asset Type	Useful Life
Leasehold improvements	20 years
Infrastructure - PPP	40-50 years
Computer hardware and software	3 years
Equipment, furniture and fixtures	3-10 years
Lease assets - building	20 years

Leases

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year 2021-22. The 405 Express Lanes Fund recorded lease liabilities and lease assets at the commencement of the lease term. The lease liabilities are measured at the present value of payments expected to be made during the lease term less any lease incentives. The lease assets are measured at the amount of the initial measurement of the lease liabilities, plus any payments made to the lessor at or before the commencement of the lease term and certain direct costs.

Deferred Outflows

In addition to assets, the statement of net position will sometimes report a separate section for deferred outflows of resources. This separate financial statement element, deferred outflows of resources, represents a consumption of net assets that applies to a future period and so will not be recognized as an outflow of resources (expense) until then.

As of June 30, 2025, the 405 Express Lanes Fund reported a deferred outflow related to PPP between OCTA and the State of California, Department of Transportation (Caltrans). Under the agreement, OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 toll facility for 40 years commencing as of the first day on which the toll facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the 40 years term, all property owned by OCTA and which is related to the toll facility, shall automatically become the property of Caltrans. The estimated carrying value of the I-405 toll facility is recognized as deferred outflows of the PPP arrangement.

Due to other Governments

Due to other governments include payables due to other government agencies.

Risk Management

The 405 Express Lanes Fund purchases commercial property insurance including fire, flood and earthquake coverage, which also covers business interruption related to the operation of the toll facility. Additionally, the 405 Express Lanes Fund participates in OCTA's self-insurance general liability program. Liability claims are resolved by OCTA and are an expense of the 405 Express Lanes Fund.

Net Position

Net position represents the difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources and is classified into three categories:

- *Net investment in capital assets* - Reflects net position of the 405 Express Lanes Fund invested in capital assets and the intangible asset net of related debt. This net position is not accessible for other purposes.

- *Restricted net position* - Represents net position not accessible for general use, with the use subject to restrictions enforceable by third parties. The net position for the 405 Express Lanes is restricted by the TIFIA Loan Master Indenture for debt service, major maintenance (capital), and operations and maintenance (operating) reserves.

- *Unrestricted net position* - Represents net position available for general use.

Use of Estimates

The preparation of the financial statements in conformity with accounting principles generally accepted in the United States requires management to make estimates and assumptions that affect certain reported amounts and disclosures during the reporting period. As such, actual results could differ from those estimates.

Administrative Services Costs

OCTA allocates indirect costs related to administrative services from certain funds to benefiting funds. For fiscal year 2024-25, $3,208,889 of administrative services were charged to the 405 Express Lanes Fund and are reported as operating expenses in the statement of revenues, expenditures and changes in net position.

3. CASH AND INVESTMENTS

Cash and investments are comprised of the following at June 30, 2025:

Cash		
Petty cash	$	550
Deposits		417,040
Total cash		**417,590**
Investments		
With OCTA Commingled Investment Pool		16,074,961
With trustee		42,826,535
Total investments		**58,901,496**
Total cash and investments	**$**	**59,319,086**

Total cash and investments are reported in the financial statements as:

Unrestricted cash and investments	$	20,963,905
Restricted cash and investments		38,355,181
Total cash and investments	**$**	**59,319,086**

As of June 30, 2025, the 405 Express Lanes Fund had the following investments:

Investments	Fair Value	Yield	Interest Rate	Maturity	Weighted Average Maturity (Years)
OCTA Commingled Investment Pool	$ 16,074,961	Refer to the OCTA Annual Comprehensive Financial Report for information related to the OCTA Commingled Investment Pool.*			
Held by trustee:					
*Money Market Funds	42,826,535	3.96% - 4.15%	3.96% - 4.15%	07/01/2025	0.003
Total investments	**$ 58,901,496**				
Portfolio Weighted Average					2.488

*Money market funds and commercial paper are measured at amortized cost which approximates fair value.

As of June 30, 2025, the 405 Express Lanes Fund had $16,074,961 invested in the OCTA's Commingled Investment Pool (CIP). OCTA's CIP investments are carried at fair value except for money market investments and participating interest-earning investment contracts with a remaining maturity of one year or less at purchase date carried at amortized cost which approximates fair value.

Deposits and withdrawals in the OCTA's CIP are made on the basis of $1.00 (cost basis) and not fair value. Accordingly, the 405 Express Lanes Fund's investment in the OCTA's CIP at June 30, 2025 is uncategorized, not defined as a Level 1, Level 2, or Level 3 input.

Refer to the OCTA Annual Comprehensive Financial Report for fiscal year 2024-25 for details on valuation techniques, fair value hierarchy, interest rate risk, variable rate notes and custodial credit risk related to the OCTA's CIP underlying investments.

Credit Risk

The Policy sets minimum acceptable credit ratings for investments from any of the three nationally recognized rating services: Standard & Poor's Corporation (S&P), Moody's Investors Service (Moody's), and Fitch Ratings (Fitch). For an issuer of short-term debt, the rating must be no less than A-1 (S&P), P-1 (Moody's), or F1 (Fitch), while an issuer of long-term debt must be rated no less than an "A" by two of the three rating services. OCTA's CIP is not rated.

The following is a summary of the credit quality distribution and concentration of credit risk by investment type as a percentage of fair value of the 405 Express Lanes Fund's portfolio at June 30, 2025 (NR means Not Rated):

Investments	S&P	Moody's	% of 405 EL Fund
OCTA Commingled Investment Pool	N/A	N/A	27.29 %
Held by trustee:			
Money Market Funds	AAA	Aaa	72.71 %
Total investments			**100.00 %**

Concentration of Credit Risk

At June 30, 2025, OCTA did not exceed the Policy maximum concentrations. Issuer/Counter-Party Diversification Guidelines for All Securities Except U.S. Treasuries and U.S. Government Agency Securities:

- Any one corporation, bank, local agency, special purpose vehicle or other corporate issuer name for one or more series of securities shall not exceed 5% of the portfolio.

Issuer/Counter-Party Diversification Guidelines for OCTA's Debt:

- OCTA can purchase all or a portion of the Orange County Transportation Authority's debt, including notes and bonds payable solely out of the revenues from a revenue-producing property owned, controlled or operated by OCTA or by a department, board, agency or authority of OCTA which may bear interest at a fixed or floating rate, providing the purchase does not exceed 25% of the Maximum Portfolio and when authorized by the Internal Revenue Service.

There is no issuer exceeding 5% of the fair value of the 405 Express Lanes Fund's portfolio at June 30, 2025.

4. INTERFUND ACTIVITIES

During fiscal year 2024-25, the 405 Express Lanes Fund transferred $72,172,472 to the OCLTA. The transfer represents the allocation of TIFIA loan proceeds associated with the construction of general purpose lane for the I-405 Improvement Project.

5. CAPITAL ASSETS

Capital asset activity for the 405 Express Lanes Fund for the year ended June 30, 2025 is as follows:

	Beginning Balance	Increases	Decreases	Ending Balance
Capital assets, not being depreciated:				
Land - PPP assets	$ 27,438,468	$ 2,326,295	$ —	$ 29,764,763
Construction in progress	160,020	—	(160,020)	—
Total capital assets, not being depreciated and amortized	**27,598,488**	**2,326,295**	**(160,020)**	**29,764,763**
Capital assets, being depreciated:				
Leasehold improvements	1,183,645	1,867	—	1,185,512
Infrastructure - PPP assets	406,287,092	285,174	(1,470,924)	405,101,342
Computer hardware and software	27,910,896	3,833,673	(2,172,681)	29,571,888
Equipment, furniture and fixtures	521,294	160,019	—	681,313
Lease assets - building	5,868,449	—	—	5,868,449
Total capital assets, being depreciated and amortized	**441,771,376**	**4,280,733**	**(3,643,605)**	**442,408,504**
Less accumulated depreciation and amortization for:				
Leasehold improvements	(97,729)	(59,317)	—	(157,046)
Infrastructure - PPP assets	(4,605,029)	(8,100,643)	—	(12,705,672)
Computer hardware and software	(1,711,786)	(3,976,933)	—	(5,688,719)
Equipment, furniture and fixtures	(101,671)	(86,924)	—	(188,595)
Lease assets - building	(366,778)	(293,423)	—	(660,201)
Total accumulated depreciation and amortization	**(6,882,993)**	**(12,517,240)**	**—**	**(19,400,233)**
Total capital assets, being depreciated and amortized, net	**434,888,383**	**(8,236,507)**	**(3,643,605)**	**423,008,271**
Total capital assets, net	**$ 462,486,871**	**$ (5,910,212)**	**$ (3,803,625)**	**$ 452,773,034**

6. PUBLIC-PUBLIC PARTNERSHIPS (PPP)

In March 2017, OCTA entered into an agreement with the State of California, Department of Transportation (Caltrans), under which OCTA will design and build the I-405 Improvement Project, and be responsible for the operation of I-405 toll facility for 40 years commencing as of the first day on which the toll facility opens for public use and toll operations. OCTA will set, collect, and retain tolls during this period. At the end of the term of this agreement, all property owned by OCTA and which is related to the toll facility, shall automatically become the property of Caltrans. With the implementation of GASB Statement No. 94, Public-Private and Public-Public Partnerships and Availability Payment Arrangements, OCTA has identified this arrangement as a PPP.

The I-405 Improvement Project achieved substantial completion on December 1, 2023, marking the opening of the 405 Express Lanes for public use. As of June 30, 2025, OCTA has recognized a liability of $110,785,833 measured based on the estimated carrying value of the toll facility at the end of the 40-year term, and a deferred outflows of resources of $106,434,601 related to the I-405 Improvement Project. Expense is also recognized by OCTA in a systematic and rational manner over the PPP term.

7. LEASES

OCTA adopted GASB Statement No. 87, Leases, effective fiscal year ended June 30, 2022. Under this Statement, a lessee is required to recognize a lease liability and a lease asset (intangible right-to-use), and a lessor is required to recognize a lease receivable and a deferred inflow of resources. The 405 Express Lanes has one leasing arrangement, summarized below:

The 405 Express Lanes entered into a 240-month lease agreement for office space in Costa Mesa to house the 405 Express Lanes Customer Service Center, effective April 1, 2023, and ending on March 31, 2043. At June 30, 2025, the balance of intangible right to use asset and lease liabilities were $5,208,248 and $5,760,541, respectively. During fiscal year 2024-25, the 405 Express Lanes recorded $293,423 in amortization expense and $363,696 in interest expense for the right to use the office space. The 405 Express Lanes used an incremental discount rate of 6.28%, based on an estimated incremental borrowing rate.

Remaining obligations associated with these leases are as follows:

Year ending June 30,	Principal	Interest	Total
2026	$ 84,070	$ 359,555	$ 443,625
2027	97,801	353,699	451,500
2028	112,633	347,333	459,966
2029	146,258	339,105	485,363
2030	155,712	329,651	485,363
2031-2035	1,238,361	1,449,410	2,687,771
2036-2040	2,182,074	923,982	3,106,056
2041-2043	1,743,632	160,415	1,904,047
Total	**$ 5,760,541**	**$ 4,263,150**	**$ 10,023,691**

The amortized lease asset activities, net of accumulated depreciation and amortization for the year ended June 30, 2025, are as follows:

Lease Assets	Beginning Balance	Additions	Reductions	Ending Balance
405 EL Customer Service Center	$ 5,501,671	$ —	$ (293,423)	$ 5,208,248
Total lease assets	**$ 5,501,671**	**$ —**	**$ (293,423)**	**$ 5,208,248**

Lease liability activities associated with the lease are as follows:

Lease Liabilities	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
405 EL Customer Service Center	$ 5,816,845	$ —	$ (56,304)	$ 5,760,541	$ 84,070
Total lease liabilities	**$ 5,816,845**	**$ —**	**$ (56,304)**	**$ 5,760,541**	**$ 84,070**

8. LONG-TERM DEBT

TIFIA Loan

On September 9, 2021, OCTA and the Department of Transportation Build America Bureau Credit Programs Office (Bureau) executed a TIFIA loan for $628,930,000 as a direct borrowing with an interest rate of 1.95%. The proceeds financed a portion of the costs for the I-405 Improvement Project.

During the construction of the I-405 Improvement Project, and for a period of up to five years following the substantial completion, interest on the TIFIA loan is accreted and added to the initial TIFIA loan. The loan requires mandatory debt service payments at a minimum and scheduled debt service payments to the extent that additional funds are available. Annual debt service payment will commence on June 1, 2028 through June 1, 2058.

The TIFIA loan is secured solely by toll revenues of the I-405 Express Lanes, which commenced operations in December 2023. The loan is non-recourse debt and is issued on a senior lien basis. The credit rating on the TIFIA loan is Baa2 (Moody’s). The legal documents for the TIFIA loan contain provisions with finance-related consequences, that if an event of default occurs and continues, the trust estate shall be under the control of the trustee. Also, under the TIFIA Loan Agreement interest increases to the Default Rate, and the US Department of Transportation has the option of holding up loan disbursements. The OCTA's legal documents also contain acceleration clauses, whereas the OCTA's obligations shall automatically become due and payable.

In accordance with the projected TIFIA loan maturity schedule, the annual debt service requirements to maturity for the TIFIA loan payable throughout the term of the loan are as follows:

Year ending June 30,	Principal*	Interest	Total
2026	$ —	$ —	$ —
2027	—	—	—
2028	—	6,588,588	6,588,588
2029	—	13,159,126	13,159,126
2030	—	13,177,177	13,177,177
2031-2035	23,603,317	65,434,560	89,037,877
2036-2040	75,105,681	60,130,130	135,235,811
2041-2045	101,790,668	51,514,281	153,304,949
2046-2050	133,742,863	40,092,613	173,835,476
2051-2055	171,839,042	25,248,173	197,087,215
2056-2058	169,671,074	6,366,870	176,037,944
Total	**$ 675,752,645**	**$ 281,711,518**	**$ 957,464,163**

*Total reflects future accreted interest capitalized to the principal balance.

Changes in Long-Term Debt

Long-term debt activity for the year ended June 30, 2025, is as follows:

	Beginning Balance	Additions	Reductions	Ending Balance	Due within One Year
TIFIA loan principal	$ 613,711,295	$ —	$ —	$ 613,711,295	$ —
TIFIA loan accreted interest	18,644,099	12,376,712	—	31,020,811	—
Total long-term debt	**$ 632,355,394**	**$ 12,376,712**	**$ —**	**$ 644,732,106**	**$ —**

Pledged Revenue

The 405 Express Lanes debt issuance outstanding is secured solely by the pledging of toll revenues. The amount and term of the remainder of this commitment are presented in the debt service to maturity table. The purpose for which the proceeds of the debt issuance were utilized is disclosed in the debt description.

In accordance with the TIFIA loan agreement, OCTA has covenanted that, beginning with the first full fiscal year following substantial completion of the I-405 Improvement Project, it will adopt a toll policy sufficient to generate net revenues in each fiscal year of at least 1.35 times the annual debt service requirements on all outstanding Senior Lien Bonds. Annual debt service payments on the TIFIA loan are scheduled to commence on June 1, 2028.

Pledged revenue for the year ended June 30, 2025, is as follows:

Pledged Revenue	Annual Amount of Net Pledged Revenue	Annual Debt Service Payments	Pledged Revenue Coverage	Required Debt Coverage*
405 EL net toll road revenues	$ 41,691,517	$ —	0.00	1.35

*TIFIA loan debt service payments begin on June 1, 2028; therefore, the debt coverage ratio does not apply for fiscal year 2025.

9. COMMITMENTS AND CONTINGENCIES

Operator Agreement

OCTA entered into an agreement with WSP USA Services on January 14, 2022 to provide operating services and back-office system implementation services for the 405 Express Lanes. The initial term of the agreement is for eight years and six months through July 14, 2030 with a maximum obligation of $106,069,864. The agreement carried two extension options with option term 1 for up to three years and option term 2 for up to two years.

Purchase Commitments

The 405 Express Lanes has various outstanding contracts. Total purchase commitments at June 30, 2025 were $260,328,455, the most significant are with WSP USA Services for the operations of the 405 Express Lanes and implementation of back-office system, with Kapsch TrafficCom for toll lanes integrator services, with C.J. Segerstrom & Sons for the 405 Express Lanes customer service center building lease, and with California Highway Patrol (CHP) for patrol services.

10. EFFECT OF NEW PRONOUNCEMENTS

GASB Statement No. 101 – Compensated Absences

In June 2022, GASB issued Statement No. 101, Compensated Absences. The primary objective of this Statement is to better align the recognition and measurement of compensated absences with the definitions of liabilities and accounting principles established in the GASB Conceptual Framework. The Statement requires governments to recognize a liability for compensated absences when the leave is attributable to services already rendered, accumulates, and is more likely than not to be used for time off or otherwise paid to employees. The requirements of this Statement are effective for fiscal years beginning after December 15, 2023, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

GASB Statement No. 102 – Certain Risk Disclosures

In April 2023, GASB issued Statement No. 102, Certain Risk Disclosures. The objective of this Statement is to provide financial statement users with essential information about risks that could affect a government's ability to meet its obligations. Specifically, it requires disclosures related to certain concentrations and constraints that limit a government's ability to raise resources or reduce spending, if those risks are known to the government prior to the issuance of the financial statements, are currently vulnerable to the risk, and it is at least reasonably possible that an event associated with the risk could occur in the near term. The requirements of this Statement are effective for fiscal years beginning after June 15, 2024, and all reporting periods thereafter. The implementation of this Statement did not have a material effect on the financial statements.

ATTACHMENT E

ORANGE COUNTY
TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND

FINANCIAL STATEMENTS
Year ended June 30, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND

FINANCIAL STATEMENTS
JUNE 30, 2025

CONTENTS

INDEPENDENT AUDITOR'S REPORT 1

FINANCIAL STATEMENTS

BALANCE SHEET 4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE 5

NOTES TO FINANCIAL STATEMENTS 6

REQUIRED SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL 9

NOTES TO REQUIRED SUPPLEMENTARY INFORMATION 10

SUPPLEMENTARY INFORMATION

SCHEDULE OF ALLOCATIONS FOR DISBURSEMENT 11

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 12

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the Local Transportation Fund (LTF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the LTF, of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the LTF and do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the OCTA's internal control, as it relates to the LTF. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the LTF's basic financial statements. The Schedule of Allocations for Disbursement is presented for purposes of additional analysis and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the Schedule of Allocations for Disbursement is fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to LTF and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the LTF's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to LTF.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
BALANCE SHEET
June 30, 2025

ASSETS	
Cash and investments	$ 438,110,059
Interest receivable	3,385,972
Due from other governments (Note 3)	37,086,739
Total assets	$ 478,582,770
LIABILITIES	
Accounts payable	$ 67,362
Due to other governments (Note 4)	243,747
Due to other OCTA funds (Note 5)	389,153
Total liabilities	700,262
FUND BALANCE	
Restricted for transportation programs	477,882,508
Total liabilities and fund balance	$ 478,582,770

See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the year ended June 30, 2025

REVENUES	
Local transportation sales tax allocations	$ 218,644,702
Investment income	22,395,591
Total revenues	241,040,293
EXPENDITURES	
Current:	
Supplies and services	2,033,453
Contributions to other agencies	3,072,184
Total expenditures	5,105,637
Excess of revenues over expenditures	235,934,656
OTHER FINANCING USES	
Transfers to other OCTA funds (Note 6)	(136,886,960)
Net change in fund balance	99,047,696
Fund balance, beginning of year	378,834,812
Fund balance, end of year	$ 477,882,508

See accompanying notes to financial statements.

NOTE 1 – REPORTING ENTITY

The Local Transportation Fund (LTF) is a special revenue fund of the Orange County Transportation Authority (OCTA). The LTF financial statements do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. This fund is used to account for revenues received and expenditures made for certain transit projects within Orange County.

The LTF was created by the Transportation Development Act (TDA) for specific transportation purposes. Revenues to the LTF are derived from a ¼ cent state sales and use tax. The ¼ cent is returned by the California Department of Tax and Fee Administration (CDTFA) to each county according to the amount of tax collected in that county.

The Orange County Transit District (OCTD) of OCTA is a transit operator and OCTA is the regional Transportation Planning Agency (TPA) for the County of Orange, California (County). Annually, the TPA determines each area's apportionment of LTF revenues. Generally, County LTF revenues are apportioned by population. Where there is a transit operator, separate apportionments are made to areas within and outside the district. Once funds are apportioned, they are only available for allocation to claimants in that area. Payments from the LTF are made by the County Auditor-Controller in accordance with allocation instructions issued by OCTA.

Article 3 of the TDA stipulates that, based on the County's population of more than 500,000, OCTA is eligible to receive LTF revenues solely for claims for the following, which are allocated in specific priority order: administration, planning and programming; Section 99234 of Article 3, which are claims for pedestrian and bicycle facilities; Article 4, which are for general transit operations and services; and Article 4.5, which are claims for community transit services.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the LTF are in conformity with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for governmental units.

Fund Accounting: The LTF activities and transactions are recorded and accounted for in a special revenue fund of OCTA. Special revenue funds are used to account for the proceeds of specific revenue sources that are usually required by law or administrative regulation to be accounted for in separate funds. The LTF accounts for revenues received and expenditures made for certain transit projects within Orange County. Financing is generated from a ¼ cent state sales and use tax pursuant to the TDA. Expenditures of these monies must be made in accordance with TDA provisions. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: The LTF financial statements have been prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when they become both measurable and available. Measurable means that amounts can be estimated or otherwise determined. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Revenues are considered available if they are collected within 90 days of year end. Amounts not collected within the availability period are classified as deferred inflows of resources – unavailable revenue. Expenditures are recorded when the liability is incurred. Liabilities are considered current when they are expected to be liquidated with available financial resources.

Cash and Investments: The LTF maintains its deposits in the Orange County Investment Pool (OCIP), as required by State statute. Oversight of the OCIP is performed by the Orange County Treasury Oversight Committee. The fair value of the LTF's investment in this pool is reported in the accompanying financial statements at amounts based upon the LTF's pro-rata share of the fair value provided by OCIP for the entire OCIP portfolio (in relation to the amortized cost of that portfolio). Deposits and withdrawals are made on the basis of $1.00 (absolute dollars) and not fair value. Investment income earned by the pooled cash and investments in the OCIP is allocated based on average cash and investment balance. The OCIP is not rated.

For information on cash and investment disclosures relating to LTF's deposits in the OCIP, please see OCTA's Annual Comprehensive Financial Report.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fund Balance: The LTF classifies fund balance based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Fund balance for the year ended June 30, 2025 consists of the following:

> *Restricted* – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation. For the LTF, amounts are restricted pursuant to the TDA.

When funds of different classifications are available for the same purpose, the spending priority is to spend restricted resources before unrestricted resources, and within the unrestricted category, committed followed by assigned fund balance.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Due from other governments of $37,086,739 represents a TDA receivable due from the State of California.

NOTE 4 – DUE TO OTHER GOVERNMENTS

Due to other governments of $243,747 represents amounts due to other agencies for use in transit projects.

(Continued)

NOTE 5 – DUE TO OTHER OCTA FUNDS

Due to other OCTA funds as of June 30, 2025 consisted of the following:

OCTA for planning and administration	$ 389,153

NOTE 6 – TRANSFERS

Transfers to other OCTA funds during the fiscal year ended June 30, 2025 consisted of the following:

OCTA for planning and administration	$ 136,886,960

REQUIRED SUPPLEMENTARY INFORMATION

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS)
For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
Local transportation sales tax allocations	$ 222,153,368	$ 222,153,368	$ 218,644,702	$ (3,508,666)
Investment income	1,889,929	1,889,929	22,395,591	20,505,662
Total revenues	224,043,297	224,043,297	241,040,293	16,996,996
EXPENDITURES				
Current:				
Supplies and services	2,544,538	2,544,538	2,033,453	511,085
Contributions to other local agencies	3,104,821	3,104,821	3,072,184	32,637
Total expenditures	5,649,359	5,649,359	5,105,637	543,722
Excess of revenues over expenditures	218,393,938	218,393,938	235,934,656	17,540,718
OTHER FINANCING USES				
Transfers to other OCTA funds	(218,393,938)	(218,393,938)	(136,886,960)	81,506,978
Net change in fund balance	-	-	99,047,696	99,047,696
Fund balance, beginning of year	378,834,812	378,834,812	378,834,812	-
Fund balance, end of year	$ 378,834,812	$ 378,834,812	$ 477,882,508	$ 99,047,696

NOTE 1 – BUDGETARY DATA

The LTF maintains accounting control through formal adoption of an annual operating budget. The operating budget is prepared in conformity with accounting principles generally accepted in the United States, except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget may be amended by the OCTA Board of Directors (Board) to increase appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations, adjusted for supplemental appropriations, during the year. OCTA division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as: Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services include Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, is at the major object level. With the exception of amounts that have been encumbered, appropriations lapse at year end.

ORANGE COUNTY TRANSPORTATION AUTHORITY
LOCAL TRANSPORTATION FUND
SCHEDULE OF ALLOCATIONS FOR DISBURSEMENT
For the year ended June 30, 2025

Claimant	Article 3 Administration	Article 3 Planning	Article 4 Operating and Capital	Article 4.5 Paratransit Operating and Capital	Total Allocations	Total Disbursements
City of Laguna Beach	$ -	$ -	$ 1,433,700	$ -	$ 1,433,700	$ 1,433,700
County of Orange	6,199	-	-	-	6,199	6,199
Orange County Transit District	-	-	199,512,445	10,546,837	210,059,282	131,824,189
Orange County Transportation Authority	165,916	4,896,855	-	-	5,062,771	5,062,771
Southern California Association of Governments	-	1,632,285	-	-	1,632,285	1,632,285
Total disbursements	$ 172,115	$ 6,529,140	$ 200,946,145	$ 10,546,837	$ 218,194,237	$ 139,959,144

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the Local Transportation Fund (LTF), a special revenue fund of the Orange County Transportation Authority (OCTA), as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the LTF's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the LTF and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control), as it relates to the LTF, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to LTF. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to LTF.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether LTFs financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

ATTACHMENT F

ORANGE COUNTY
TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND

FINANCIAL STATEMENTS
Year ended June 30, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND

FINANCIAL STATEMENTS
JUNE 30, 2025

CONTENTS

INDEPENDENT AUDITOR'S REPORT 1

FINANCIAL STATEMENTS

BALANCE SHEET 4

STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE 5

NOTES TO FINANCIAL STATEMENTS 6

SUPPLEMENTARY INFORMATION

SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE – BUDGET AND ACTUAL 9

NOTES TO SUPPLEMENTARY INFORMATION 10

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS* 11

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

Board of Directors
Orange County Transportation Authority
Orange, California

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of the State Transit Assistance Fund (STAF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the financial position of the STAF, of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinion

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards (Government Auditing Standards)*, issued by the Comptroller General of the United States. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of OCTA and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the STAF and do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America, and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to the STAF. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that budgetary comparison information, as listed in the table of contents, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards,* we have also issued our report dated October 31, 2025 on our consideration of OCTA's internal control over financial reporting, as it relates to STAF and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the STAF's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering OCTA's internal control over financial reporting and compliance, as it relates to STAF.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
BALANCE SHEET
June 30, 2025

ASSETS	
Cash and investments	$ 1,470,071
Interest receivable	33,476
Due from other governments (Note 3)	12,257,971
Total assets	$ 13,761,518
LIABILITIES	
Accounts payable	$ 21
Due to other OCTA funds (Note 4)	12,257,971
Total liabilities	12,257,992
FUND BALANCE	
Restricted for transportation programs	1,503,526
Total liabilities and fund balance	$ 13,761,518

See accompanying notes to financial statements.

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
STATEMENT OF REVENUES, EXPENDITURES AND CHANGE IN FUND BALANCE
For the year ended June 30, 2025

REVENUES	
State transit assistance sales tax allocations	$ 43,698,767
Transportation improvement fee - State of Good Repair Program	7,445,713
Interest and investment income	377,444
Total revenues	51,521,924
EXPENDITURES	
Supplies and services	6,661
Excess of revenues over expenditures	51,515,263
OTHER FINANCING USES	
Transfers to other OCTA funds (Note 5)	(94,538,801)
Net change in fund balance	(43,023,538)
Fund balance, beginning of year	44,527,064
Fund balance, end of year	$ 1,503,526

See accompanying notes to financial statements.

NOTE 1 – REPORTING ENTITY

The State Transit Assistance Fund (STAF) is a special revenue fund of the Orange County Transportation Authority (OCTA). The STAF financial statlements do not purport to, and do not, present fairly the financial position of OCTA, as of June 30, 2025, and the changes in financial position for the year then ended in conformity with accounting principles generally accepted in the United States of America. This fund is used to account for State Transit Assistance (STA) funds transferred to the Orange County Transit District (OCTD) for operations and fare assistance for seniors and disabled persons.

The STA funds provide a second source of Transportation Development Act (TDA) funding for transportation planning and mass transportation purposes as specified by the State of California Legislature. Funds for the program are derived from sales taxes on gasoline and use taxes on diesel fuel. The Road Repair and Accountability Act of 2017 (Senate Bill 1) signed into law April 2017, provided additional funding, including the State of Good Repair Program, to existing programs as well as created new programs. STA revenues are then distributed based on several demographic factors.

The STA funds are allocated through an appropriation to the State Controller by the Legislature for allocation by formula to each Transportation Planning Agency (TPA). OCTA serves as the regional TPA for the County of Orange, California (County). The formula allocates 50 percent of the funds according to population and the remaining 50 percent according to operator revenues from the prior fiscal year. The allocations are based on the operator's share of revenues compared to all of the other operators in the State. The STA allocations are deposited in the OCTA's STAF, which is maintained by the Auditor-Controller of the County. The allocation to OCTA's STA funds must be made in a resolution adopted by OCTA's governing board. Payments from the STAF are made by the County Auditor-Controller in accordance with the allocation instructions in the allocation resolution.

The STA funds may not be allocated to fund administration or streets and roads projects. Operators receiving the STA funds must meet qualifying criteria based on the subsidy per revenue vehicle hour received in the previous year, taking into consideration the change in the Consumer Price Index within the operator's region.

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The accounting policies of the STAF are in conformity with generally accepted accounting principles applicable to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing accounting and financial reporting principles for governmental units.

Fund Accounting: The STAF activities and transactions are recorded and accounted for in a special revenue fund of the OCTA. This fund is used to account for funds transferred to OCTD transit for operations and fare assistance for senior and disabled persons. Funding is provided by sales taxes on gasoline and use taxes on diesel fuel. Expenditure of these funds is governed by the provisions of the TDA. A fund is defined as an independent fiscal and accounting entity wherein operations of each fund are accounted for in a separate set of self-balancing accounts that record resources, related liabilities, and equity segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

(Continued)

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued)

Basis of Accounting: The STAF financial statements have been prepared using the current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are accrued when they become both measurable and available. Measurable means that amounts can be estimated or otherwise determined. Available means collectible within the current period, or soon enough thereafter, to be used to pay liabilities of the current period. Revenues are considered available if they are collected by the County Auditor-Controller within 90 days of year end. Amounts not collected within the availability period are classified as deferred inflows of resources – unavailable revenue. Expenditures are recorded when the liability is incurred. Liabilities are considered current when they are expected to be liquidated with available financial resources.

Cash and Investments: The STAF maintains its deposits in the Orange County Investment Pool (OCIP), as required by State statute. Oversight of the OCIP is performed by the Orange County Treasury Oversight Committee. The fair value of the STAF's investment in this pool is reported in the accompanying financial statements at amounts based upon the STAF's pro-rata share of the fair value provided by OCIP for the entire OCIP portfolio (in relation to the amortized cost of that portfolio). Deposits and withdrawals are made on the basis of $1.00 (absolute dollars) and not fair value. Investment income earned by the pooled cash and investments in the OCIP is allocated based on average cash and investment balance. The OCIP is not rated.

For information on cash and investment disclosures relating to STAF's deposits in the OCIP, please see OCTA's Annual Comprehensive Financial Report.

Use of Estimates: The preparation of the financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results may differ from those estimates.

Fund Balance: The STAF classifies fund balance based primarily on the extent to which a government is bound to observe constraints imposed upon the use of the resources reported in governmental funds.

Fund balance for the year ended June 30, 2025 consists of the following:

> *Restricted* – Resources that are constrained to specific purposes by an external provider (e.g. grantors, contributors, governmental laws and regulations) or by constitutional provisions or enabling legislation. For the STAF, amounts are restricted pursuant to the TDA.

When funds of different classifications are available for the same purpose, the spending priority is to spend restricted resources before unrestricted resources, and within the unrestricted category, committed followed by assigned fund balance.

NOTE 3 – DUE FROM OTHER GOVERNMENTS

Due from other governments of $12,257,971 represents a TDA receivable due from the State of California.

NOTE 4 – DUE TO OTHER OCTA FUNDS

Due to other OCTA funds of $12,257,971 represents a TDA payable due to OCTD.

(Continued)

NOTE 5 – TRANSFERS TO OTHER OCTA FUNDS

Transfers to OCTD of $94,538,801 for the year ended June 30, 2025 were for the purpose of funding transit operations.

SUPPLEMENTARY INFORMATION

ORANGE COUNTY TRANSPORTATION AUTHORITY
STATE TRANSIT ASSISTANCE FUND
SCHEDULE OF REVENUES, EXPENDITURES AND CHANGE IN
FUND BALANCE – BUDGET AND ACTUAL (BUDGETARY BASIS)
For the year ended June 30, 2025

	Budgeted Amounts		Actual	Variance With
	Original	Final	Amounts	Final Budget
REVENUES				
State transit assistance sales tax allocations	$ 50,985,529	$ 50,985,529	$ 43,698,767	$ (7,286,762)
Transportation improvement fee	7,083,519	7,083,519	7,445,713	362,194
Interest and investment income	629,292	629,292	377,444	(251,848)
Total revenues	58,698,340	58,698,340	51,521,924	(7,176,416)
EXPENDITURES				
Supplies and services	24,000	24,000	6,661	17,339
Excess of revenues over expenditu	58,674,340	58,674,340	51,515,263	(7,159,077)
OTHER FINANCING USES				
Transfers to other OCTA funds	(58,674,340)	(58,674,340)	(94,538,801)	(35,864,461)
Net change in fund balance	-	-	(43,023,538)	(43,023,538)
Fund balance, beginning of year	44,527,064	44,527,064	44,527,064	-
Fund balance, end of year	$ 44,527,064	$ 44,527,064	$ 1,503,526	$ (43,023,538)

NOTE 1 – BUDGETARY DATA

The STAF maintains accounting control through formal adoption of an annual operating budget. The operating budget is prepared in conformity with accounting principles generally accepted in the United States, except for multi-year contracts, for which the entire amount of the contract is budgeted and encumbered in the year of execution. The adopted budget may be amended by the OCTA Board of Directors (Board) to increase appropriations and estimated revenues as unforeseen circumstances come to management's attention. Budgeted expenditure amounts represent original appropriations, adjusted for supplemental appropriations, during the year. OCTA division heads are authorized to approve appropriation transfers within major objects subject to approval by the Finance and Administration Division. Major objects are defined as: Salaries and Benefits, Supplies and Services, and Capital Outlay. Supplies and Services include Contributions to Other Local Agencies, Debt Service and Transfers. Appropriation transfers between major objects require approval of the Board. Accordingly, the legal level of budgetary control, that is the level that expenditures cannot exceed appropriations, is at the major object level. With the exception of amounts that have been encumbered, appropriations lapse at year end.

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the State Transit Assistance Fund (STAF), a special revenue fund of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise the STAF's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 1, the financial statements present only the STAF and do not purport to, and do not, present fairly the financial position of OCTA, the changes in its financial position, or where applicable, its cash flows in conformity with accounting principles generally accepted in the United States of America.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control), as it relates to the STAF, as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control, as it relates to STAF. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control, as it relates to STAF.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether STAFs financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
Orange County Transportation Authority
Orange, California

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the Orange County Transportation Authority (OCTA) as of and for the year ended June 30, 2025, and the related notes to the financial statements, which collectively comprise OCTA's basic financial statements, and have issued our report thereon dated October 31, 2025. As discussed in Note 21 to the financial statements, during the year ended June 30, 2025, OCTA adopted new accounting guidance, GASB Statement No. 101, Compensated Absences, which resulted in a restatement of the July 1, 2024 net position for the following opinion units and related amounts: governmental activities $5,450,000, business-type activities $3,875,000, General Fund $1,591,000, and Orange County Transportation District (OCTD) $3,875,000. Our opinions are not modified with respect to the above matter.

Report on Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered OCTA's internal control over financial reporting (internal control) as a basis for designing audit procedures that are appropriate in the circumstances for the purpose of expressing our opinions on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of OCTA's internal control. Accordingly, we do not express an opinion on the effectiveness of OCTA's internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses or significant deficiencies may exist that have not been identified.

(Continued)

Report on Compliance and Other Matters

As part of obtaining reasonable assurance about whether OCTA's financial statements are free from material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, including the applicable provisions of the State of California Transportation Development Act (TDA), Title 21 of the California Code of Regulations, Public Utilities Code Section 99245, and California Government Code §8879.50 (collectively "Transportation Development Act"), noncompliance with which could have a direct and material effect on the financial statements. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards,* including the Transportation Development Act.

Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the entity's internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Crowe LLP

Crowe LLP

Costa Mesa, California
October 31, 2025

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Orange County Transportation Authority's 2025-26 State and Federal Legislative Platforms

Legislative and Communications Committee Meeting of November 20, 2025

Present: Directors Jung, Foley, Janet Nguyen, Tavoularis, Tettemer, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Adopt the revised final draft of the 2025-26 State and Federal Legislative Platforms**.**

B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

NOTE

On Page two, Paragraph one, the staff report was updated to clarify the recommended revisions in Attachments A and B are designated by bold text.

OCTA

November 20, 2025

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Orange County Transportation Authority's 2025-26 State and Federal Legislative Platforms

Overview

Halfway through each legislative session, staff conducts a refresh of the Orange County Transportation Authority's State and Federal Legislative Platforms to ensure updates are incorporated on relevant issues that are anticipated to be of discussion for the upcoming year. The final drafts of the revised 2025-26 Orange County Transportation Authority State and Federal Legislative Platforms are submitted for consideration and adoption by the Orange County Transportation Authority Board of Directors.

Recommendations

A. Adopt the revised final draft of the 2025-26 State and Federal Legislative Platforms.

B. Direct staff to distribute the adopted platforms to elected officials, advisory committees, local governments, affected agencies, the business community, and other interested parties.

Background

At the beginning of each legislative session, the Orange County Transportation Authority (OCTA) adopts updated legislative platforms to guide OCTA's state and federal advocacy activities for the duration of the upcoming session. With each session covering a two-year period, revisions to the legislative platforms are presented to the Board of Directors (Board) midway through the sessions to reflect any significant changes since adoption by the Board. Official OCTA legislative positions not directly addressed by the legislative platforms will be brought to the Board for separate action during the legislative sessions.

The initial drafts of the 2025-26 State and Federal Legislative Platforms were reviewed and approved for further circulation by the Legislative and

Communications Committee on October 16, 2025, and by the Board on October 27, 2025. After receiving additional feedback, the State and Federal Legislative Platforms have been refined further and are included as Attachments A and B. The recommended revisions are designated by text in bold.

When developing the 2027-28 State and Federal Legislative Platforms next year, a more widespread input solicitation process will occur, with outreach to interested groups, stakeholders, and individuals to allow for a more comprehensive update for the next legislative session.

2025-26 OCTA State Legislative Platform

The final proposed revisions to the 2025-26 OCTA State Legislative Platform are summarized below. Language was edited, amended, or removed as necessary to ensure grammatical and stylistic integrity.

Staff proposes two principles related to anticipated recommendations from the California State Transportation Agency's Transit Transformation Task Force final report, established under SB 125 (Chapter 54, Statutes of 2023). The task force was charged with evaluating and recommending strategies to improve the efficiency, effectiveness, and financial stability of California's transit network.

New platform language was added to monitor potential legislative proposals to modify the Transportation Development Act and ensure that any efforts to establish a replacement framework are both effective and appropriate. Any opportunities to modernize performance metrics or streamline administrative processes should be pursued in a manner that does not negatively affect existing funding structures, local discretion, or agency responsibilities. Similarly, proposed language emphasizes the importance of maintaining local flexibility in service planning and fare coordination to minimize unnecessary state involvement.

Another proposed revision expresses support for extending the Federal State Transportation Improvement Program (FSTIP) approval period to help prevent delays in project delivery arising from federal transportation conformity requirements and the timing of emissions modeling updates. In 2024, the U.S. Environmental Protection Agency determined that the South Coast Air Quality Management District had outstanding contingency obligations under the Clean Air Act, prompting coordination among the district, the California Air Resources Board, and federal partners to maintain progress while technical issues were addressed. Because the Emission Factors model, known as EMFAC, must receive federal approval for use in conformity analyses, any delay in that process can affect the ability to finalize regional determinations and advance new transportation projects.

The current FSTIP is effective through 2028, but state law requires a new update in 2027 that depends on timely federal conformity approval. Many emissions reductions within state and local control are already reflected in existing plans, meaning future conformity findings may rely more heavily on federal measures, creating potential scheduling risk for project authorization. To maintain continuity if approval timelines are extended, the platform supports legislative authority for the California Department of Transportation and the California Transportation Commission to extend the existing program document, similar to the temporary extension authorized under SB 1291 (Chapter 715, Statutes of 2020). This approach would help preserve funding eligibility and delivery schedules for major highway and transit improvements while conformity work is completed.

Finally, new principle is recommended related to the implementation of SB 79 (Chapter 512, Statutes of 2025), which authorizes housing density in areas served by certain levels of transit service. The platform directs staff to support legislation to amend SB 79 by updating definitions and making other changes as needed to ensure continued community support for transit projects. This will be done in close alignment with OCTA's partner agencies. OCTA will remain engaged with local jurisdictions and the State throughout implementation to ensure that these new policies complement regional mobility and operational goals.

Sponsored Legislation

The 2025-26 State Legislative Platform identifies one area in which OCTA intends to pursue sponsor legislation. Specifically, OCTA plans to sponsor legislation to revise its governing statute to allow the operation of a charter bus service to support major regional events, including the 2026 Fédération Internationale de Football Association (FIFA) World Cup and the 2028 Olympic and Paralympic Games in Los Angeles. Under existing law, OCTA's enabling legislation limits the agency's authority to provide fixed-route transit services within Orange County and expressly excludes charter bus operations. As a result, OCTA does not currently have the authority to operate charter service, even in situations where doing so would relieve congestion and support regional mobility. To provide this service, OCTA would require statutory authorization similar to what was recently granted to the Los Angeles County Metropolitan Transportation Authority (LA Metro) for the same purpose. In addition to state statutory authorization, OCTA would also need to obtain federal approval from the Federal Transit Administration in the form of a charter bus service waiver.

The need for this legislation is time-sensitive, as the FIFA World Cup begins next year. OCTA is working with regional partners to plan a service between the Anaheim Regional Transportation Intermodal Center and SoFi Stadium to help manage transportation demand during tournament events. Providing this flexibility would allow OCTA to assist in safely and efficiently moving passengers

to and from event venues while maximizing the use of its existing fleet and workforce. This legislative effort would ensure that OCTA has the same level of authority as other large California transit agencies, such as LA Metro and the Santa Clara Valley Transportation Authority, which have received statutory approval to provide charter bus services for the FIFA World Cup. Staff anticipates working with the Legislature to advance this proposal early in the 2026 legislative session to ensure the authorization is in place ahead of the FIFA World Cup.

2025-26 OCTA Federal Legislative Platform

The final proposed revisions to the 2025-26 OCTA Federal Legislative Platform are summarized below. Language was edited, amended, or removed as necessary to ensure grammatical and stylistic integrity. Overall, only one change was necessary to update the Federal Legislative Platform.

Specially, staff recommends adding language pertaining to supporting efforts to streamline U.S. Army Corps of Engineers (USACE) regulatory and permitting processes to accelerate the delivery of critical transportation projects, particularly those that involve coastal or environmental work. OCTA has worked closely with the USACE on emergency stabilization and protection efforts along the Los Angeles – San Diego – San Luis Obispo Rail Corridor. These emergency actions highlighted challenges with existing USACE procedures that can delay urgent work needed to protect vital infrastructure. Additionally, OCTA has encountered complications related to the determination of the mean high tide line when placing protective sand or other materials along the coastline. These jurisdictional uncertainties can significantly slow project implementation, even when the work is necessary to maintain safe and reliable transportation services.

By improving coordination and expediting review and permitting timelines, the USACE can better support local and regional agencies in delivering timely resilience and safety projects that protect public assets and ensure the continuity of critical rail operations.

Summary

The 2025-26 OCTA State and Federal Legislative Platforms are presented for consideration and adoption.

Attachments

A. Orange County Transportation Authority 2025-26 State Legislative Platform
B. Orange County Transportation Authority 2025-26 Federal Legislative Platform

Prepared by:
Alexis Carter
Senior Government Relations Representative,
Government Relations
(714) 560-5475

Approved by:
Kristin Jacinto
Executive Director,
Government Relations
(714) 560-5754

Orange County Transportation Authority 2025-26
State Legislative Platform

With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. The Orange County Transportation Authority (OCTA) serves as the primary agency responsible for transportation planning in Orange County. OCTA manages a multimodal transportation system, overseeing a range of services including buses, Metrolink commuter rail, paratransit, and freeway improvements, as well as bicycle and pedestrian infrastructure, ensuring diverse mobility options for residents and visitors.

The 2025-26 State Legislative Platform serves as a framework document to guide OCTA's legislative, regulatory, and administrative activities in the coming legislative session. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the upcoming legislative session. The later sections present guiding policy statements for other major issue areas that may arise during the session. Positions on individual items not directly in this document will be brought to the OCTA Board of Directors for formal action.

Key Policy Issues in 2025-26

A number of significant transportation issues are expected to be discussed in the 2025-26 legislative session. OCTA will focus its advocacy efforts on the following principles.

a) Support transportation funding investments and policy flexibilities that allow OCTA to provide essential, multimodal mobility improvements and services in order to meet the mobility needs of Orange County;

b) Seek support for adaptation and resiliency efforts related to the environment for critical transportation infrastructure;

c) Encourage State leadership, in conjunction with local collaboration, in developing long-term studies related to potential track relocation in the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor;

d) Support efforts to maximize OCTA's share of transportation and transit funding, especially through distribution formulas and more equitable competitive funding processes;

e) Support workforce development and training policies that allow OCTA to hire and retain personnel ready to implement the next generation of mobility, including training the workforce for zero-emission vehicles, without creating unfunded mandates;

f) Oppose policies that would circumvent existing transit operator funding eligibility requirements;

g) Support efforts to ensure local control is maintained in policy decisions made by local transportation agency boards in delivering, funding, and operating transportation programs and projects;

h) Inform the State's Transit Transformation Task Force, created pursuant to SB 125 (Chapter 54, Statutes of 2023), in order to seek improvements to the Transportation Development Act and make recommendations related to transit funding, cost drivers, strategies for workforce retention, and ridership;

i) Seek to ensure OCTA's projects and programs related to the 2028 Olympic and Paralympic Games are eligible for any related funding assistance, incentives, project delivery tools, and/or regulatory relief;

j) Support efforts to mitigate costs associated with the development, testing, purchase, and operation of zero-emission transit buses, including an alternative electricity rate structure, tax incentives, and other forms of financial assistance;

k) Monitor progress of the Sustainable Communities Task Force and potential reforms to implementation of SB 375 (Chapter 728, Statutes of 2008)~~.~~**;**

l) Monitor potential legislative proposals to modify Transportation Development Act performance metrics and assess options for replacement frameworks to ensure effective and appropriate performance evaluation and funding eligibility;

m) Oppose efforts that would reduce local flexibility, or impose top-down transit service or fare coordination models without full consultation and agreement of affected local agencies;

n) Support legislation to amend the implementation of SB 79 (Chapter 512, Statutes of 2025) by updating definitions and making other changes as needed to ensure continued community support for transit projects;

o) Support efforts to extend the Federal Transportation Improvement Program approval period to prevent project delivery delays resulting from federal air quality conformity requirements.

SPONSORED LEGISLATION

Each year, OCTA may concern sponsoring legislation to clarify or address various transportation policy topics that require additional attention. This year, the following policy will require sponsoring legislation:

Sponsor legislation to revise OCTA governing statute to allow operation of a charter bus service to support the 2026 Fédération Internationale de Football Association World Cup and the 2028 Olympics and Paralympic Games.

I. CAP-AND-INVEST

Previously known as Cap-and-Trade, Cap-and-Invest has been reauthorized through 2045. The Cap-and-Invest agreement includes a tiered structure to facilitate revenue distribution depending on auction proceeds. The California High-Speed Rail Project would receive $1 billion off the top and then another funding set aside of $1 billion has been provided for "Legislature Discretionary." Following those funding commitments, funding is then allocated to traditional ongoing appropriations, which includes important transit programs, such as the Transit Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operations Program (LCTOP). Because these programs are to be allocated set amounts each year rather than a percentage of the proceeds, these programs will no longer grow if revenues are higher than anticipated and will be the first to be reduced if revenues do not meet expectations. Over the next year, it is anticipated that there will be further negotiations to refine the revenue distribution structure. To that end, OCTA will advocate for the following:

a) Protect transit funding provided under Cap-and-Invest to ensure TIRCP and LCTOP are maintained and funded at levels consistent with prior budget allocations to ensure continued certainty for programs and projects;

b) Ensure that funding for transit, originally provided through SB 125 and later backfilled through the Greenhouse Gas Reduction Fund in future budget cycles, is fully preserved and allocated in accordance with previous budget appropriations;

c) Monitor Cap-and-Invest funding for the California High-Speed Rail Project and promote prioritization of bookend projects within allocation decisions;

d) Encourage regional parity in distribution of any discretionary funding in Cap-and-Invest.

II. IMPLEMENTATION OF ENVIRONMENTAL POLICIES

In order to ensure that the State's environmental regulations are implemented in an equitable manner, which will both help to reduce emissions and encourage the development of necessary infrastructure to serve California's growing population, OCTA will:

a) Support efforts to ensure local flexibility in meeting the State's greenhouse gas emission reduction goals, including project mitigation requirements;

b) Support streamlined environmental review and permitting processes for transportation projects and programs to avoid potentially duplicative and unnecessary analysis, while still maintaining traditional environmental protections;

c) Work with air agencies and other stakeholders to ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements;

d) Monitor the State's transition to zero-emission vehicle technology to ensure that any corresponding policies adequately address the impact to long-term transportation funding stability;

e) Oppose lengthening the California Environmental Quality Act process in a manner that would delay mobility improvements;

f) Oppose efforts to restrict road and highway construction by superseding existing broad-based environmental review and mitigation processes;

g) Oppose policies that would limit lead agency discretion in the management and oversight of lands set aside for environmental mitigation purposes while promoting advance mitigation planning programs;

h) Monitor efforts to create a statewide model related to vehicle miles traveled in order to ensure that local modeling is taken into account;

i) Support efforts related to separate and distinct sand nourishment permits.

III. TRANSPORTATION FUNDING

OCTA will monitor the status of transportation funding in California, promoting the continued stability of existing programs and efforts to address future funding deficiencies to meet transportation infrastructure needs. Given that the State is anticipated to experience a continued deficit, OCTA will work to protect funding dedicated for transportation purposes, including appropriations made in the fiscal year 2025-26 Budget Act for transit operations and capital projects. Key actions include:

a) Oppose unfunded mandates for transportation agencies, transit providers, and local governments in providing transportation improvements and services;

b) Oppose cost shifts or changes in responsibility for projects funded by the State to local transportation entities;

c) Support efforts to treat the property tax of single-county transit districts the same as multi-county districts and correct other Educational Revenue Augmentation Fund inequities between like agencies;

d) Support the constitutional protection of all transportation funding resources;

e) Support protecting or expanding local decision-making in programming transportation funds;

f) Oppose efforts to reduce local prerogative over regional program funds;

g) Support efforts to involve county transportation commissions in the development and prioritization of State Highway Operation and Protection Program projects;

h) Oppose redirecting or reclassifying transportation revenue sources, including earned interest, for anything other than their intended purposes;

i) Support the implementation of federal transportation programs in an equitable manner that promotes traditional funding levels, programming roles, and local discretion in allocation decisions;

j) Oppose policies that significantly increase costs, threatening OCTA's ability to deliver projects and provide transit service;

k) Support removing the barriers for funding transportation projects, including allowing local agencies to advance projects with local funds when state funds are unavailable due to budgetary reasons, and allowing regions to pool federal, state, and local funds in order to limit lengthy amendment processes and streamline project delivery time;

l) Support flexibility in the application of "disadvantaged" and "low-income" communities to ensure that transportation funding flows to each region's most impacted areas, allowing OCTA to best meet the needs of its local communities;

m) Support dedicated funding for transit operations, preferably through an ongoing formulaic approach;

n) Support efforts to reform SB 375 (Chapter 728, Statutes of 2008) to improve the technical processes underpinning target setting and plan development, while also ensuring the reforms do not impact existing transportation funding distribution or eligibilities, or restrict the ability for transportation agencies to implement their projects or programs;

o) Protect existing transit operations and capital funding while monitoring the implementation of the accountability provisions associated with the funding and inform clarifying legislation as needed;

p) Oppose linking, reprioritizing, or aligning local and state transportation funding with policies that could significantly hinder a local agency's ability to deliver transportation programs and projects;

q) Support efforts to maintain the promises self-help counties have made to taxpayers in the implementation of local sales tax measures and oppose mandating specific uses of future sales tax revenues;

r) Oppose policies that change existing formula funding structures to redistribute funds in a way that would inhibit a local agency from delivering critical transportation projects and programs.

IV. FISCAL REFORMS & ISSUES

In recent years, the Legislature and Governor have worked collaboratively during the budget process to pass funding bills in a timely manner. Given that the State continues to report lower revenues than projected, uncertainties over future funding levels remain. Therefore, OCTA will:

a) Monitor the study and development of alternative transportation funding proposals, including the State's road charge pilot program and ensure that efforts are made to address concerns related to equity, privacy, and public support of such proposals;

b) Oppose levying new and/or increase in gasoline taxes or user fees, including revenue increases on fuel consumption categorized as charges, fees, revenue enhancements, or similar classifications. Consideration of such efforts shall occur when a direct nexus is determined to exist between revenues and transportation projects, and additional revenues are to be controlled by the county transportation commission;

c) Oppose efforts to decrease the voter threshold requirement for local tax measures for transportation purposes;

d) Oppose increases to administrative fees charged by the California Department of Tax and Fee Administration on the collection of local sales tax measures;

e) Support policies that ensure all users of the State's transportation system pay their "fair share" to maintain and improve the system;

f) Support efforts to restore equitable generation and disbursement of sales tax revenues that support the Local Transportation Fund;

g) Support the retention of existing and future local revenue sources;

h) Support reinstating the state sales tax exemption for the purchase of zero-emission buses.

V. STATE TRANSPORTATION IMPROVEMENT PROGRAM

The State Transportation Improvement Program (STIP), substantially amended by SB 45 (Chapter 622, Statutes of 1997), is a programming document that establishes the funding priorities and project commitments for transportation capital improvements in California. SB 45 placed decision-making authority with the regions by providing project selection for 75 percent of the funding in the Regional Transportation Improvement Program (RTIP). This funding is distributed to counties based on an allocation formula. The remaining 25 percent of the funds are programmed by the California Department of Transportation (Caltrans) in the Interregional Transportation Improvement Program (ITIP). OCTA will seek to ensure that the regional focus of the program is preserved. Key provisions to be sought by OCTA include:

a) Support maintaining the current STIP formula, which provides 75 percent of STIP funding to the locally-nominated RTIP and 25 percent to the ITIP;

b) Support equitable allocations of transportation funding, such as the north/south formula distribution of county shares and ITIP allocations;

c) Support efforts to allow a mode-neutral STIP;

d) Support increased flexibility for the use of STIP funds to support alternative projects, including, but not limited to, transit and goods movement improvement projects.

VI. TRANSIT PROGRAMS

OCTA will continue with its focus on providing safe, reliable, and efficient transit services in Orange County. Although transit has received significant funding infusions over the past decade, uncertainty remains regarding the long-term sustainability of funding availability and eligibility. OCTA will make every effort to minimize additional state obligations to transit operations which lack a sufficient and secure revenue source. To that end, OCTA will focus on the following:

a) Advocate for a continued strong state role in providing funding for transit operations rather than shifting responsibility to local transportation entities. No additional requirements should be created for operation levels beyond existing capacity, unless agreed to by that entity or otherwise appropriately funded;

b) Seek additional funding for paratransit operations and transit accessibility capital improvements that support persons with disabilities and senior citizens;

c) Support efforts to encourage and incentivize the interoperability of transit and rail systems within California;

d) Support limiting the liability of transit districts for the location of bus stops *(Bonanno v. Central Contra Costa Transit Authority)*;

e) Support incentives for transit-oriented development projects (i.e., authorize extra credit toward housing element requirements for these developments), including incentives for development;

f) Support funding and incentives to develop free- or reduced-fare transit programs without impacting existing programs or creating unfunded mandates;

g) Encourage policies and guidance that incentivize public transit ridership.

VII. RAIL PROGRAMS

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Orange County is served by three Metrolink lines: the Orange County Line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. In support of these routes, OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA serves as the primary construction lead for major capital improvements on this right-of-way, supported by OCTA's rail capital budget.

In addition, the state-supported Pacific Surfliner intercity passenger rail service**,** operated by Amtrak and managed by the LOSSAN Agency, provides passenger rail service between San Luis Obispo and San Diego. OCTA has served as the managing agency for the LOSSAN Agency since 2013, providing administrative and management support.

OCTA is also advancing the OC Streetcar Project, the county's first modern streetcar line. Running between the cities of Santa Ana and Garden Grove, it will serve as a vital new connection to regional rail and bus services and is scheduled to begin revenue service in 2026.

While the status and future of these programs is uncertain, OCTA will be watchful to ensure that funding for these rail systems does not impact other transportation funding sources. Key advocacy efforts will emphasize the following:

a) Support policies that encourage commercial, commuter-based development around passenger rail corridors that includes permanent job creation;

b) Monitor and evaluate plans and progress of high-speed rail;

c) Support efforts to provide resources for safety improvements on the rail network in Southern California, including for the implementation, operation, and maintenance of Positive Train Control safety technology;

d) Support studying the policies, funding options, and need for rail/highway grade separations, including any impact on existing state highway and transit funding sources;

e) Support policies that facilitate the development and construction of needed infrastructure projects that support modernization, connectivity, and general system-wide improvements to California's rail network;

f) Monitor and inform efforts seeking to make reforms to rail planning, governance structure, or operations;

g) Seek funding and other administrative solutions, such as permit streamlining, to support adaptation and resiliency efforts throughout the rail corridor;

h) Seek support, funding, and streamlining to manage and address sea level rise, beach erosion, landslides, and other environmental impacts along the rail corridor.

VIII. ROADS & HIGHWAYS

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors as the ownership of the 91 Express Lanes and the use of design-build authority on the State Route 22 project and Interstate 405 Improvement Project. OCTA will continue to seek new and innovative ways to deliver road and highway projects to the residents of Orange County and, to that end, OCTA will focus on the following:

a) Support new and existing alternative project delivery methods, such as design-build, public-private partnership authority, construction manager/general contractor authority, and progressive design build, through expanding mode and funding eligibility while also allowing the appropriate balance of partnership between the State and local agencies;

b) Support authorizing local agencies to advertise, award, and administer contracts for state highway projects;

c) Oppose duplicative reporting mandates and efforts to impose additional requirements, beyond what is required in statute, on lead agencies awarding contracts using alternative project delivery mechanisms;

d) Support streamlining of the Caltrans review process for projects without compromising environmental safeguards;

e) Support policies that improve signal synchronization programs in order to facilitate street signal coordination, prioritization, and preemption, as well as encouraging the use of intelligent transportation system measures;

f) Support management and integration of express lanes to promote consistent and seamless user experience;

g) Support studying the development and safe operation of autonomous vehicles and related technologies;

h) Support preserving local discretion and flexibility in the development of the congestion management program.

IX. TOLLED & MANAGED LANES

OCTA's commitment to continuously improve mobility in Orange County is reflected through a dynamic involvement in such innovative highway endeavors, including both the ownership of the 91 Express Lanes, a ten-mile toll facility on State Route 91, extending from State Route 55 to the Orange/Riverside County Line, and the 405 Express Lanes, which operates two lanes in each direction from State Route 73 to the Interstate 605.

Because many agencies are discussing the increased use of managed lane facilities, there remains a need to advocate for local flexibility and input. To ensure the continued success of the 91 Express Lanes, the 405 Express lanes, and for toll policy moving forward, OCTA will:

a) Oppose efforts to divert revenues from toll facilities for purposes not directed by the responsible governing board;

b) Support policies that allow OCTA, and its partners, to efficiently operate and maintain the 91 Express Lanes and the 405 Express Lanes;

c) Support efforts to preserve local flexibility in the administration of toll lanes and encourage the State to work with OCTA on operating policies to ensure seamless system operation;

d) Oppose the construction or operation of toll facilities that are inconsistent with local long range transportation plans;

e) Oppose the construction or operation of toll facilities that fail to respect existing local transportation projects and funding programs;

f) Support customer privacy rights while maintaining OCTA's ability to effectively communicate with customers and operate the 91 and 405 Express Lanes;

g) Support the use of innovative means to enhance toll agency enforcement efforts;

h) Support collaborative solutions to high-occupancy vehicle lane degradation that protect local funding, have regional transportation agency support, and avoid transportation funding diversion;

i) Support efforts to improve the interoperability of the different toll systems across the State in order to ensure fair and efficient toll operations while affirming user privacy protections;

j) Inform discussions related to revising toll evasion penalties, toll exemptions, and other changes to enforcement strategies and mechanisms in order to maintain local control, opposing efforts that will hinder the ability to meet congestion management and financing requirements;

k) Support policies that protect the process prescribed in AB 194 (Chapter 687, Statutes of 2015), which authorizes regional transportation agencies to develop and operate toll facilities, and ensure it is maintained in its application on future toll facilities.

X. GOODS MOVEMENT

The twin Ports of Los Angeles and Long Beach are considered two of the nation's busiest ports, vital to California's economy and the surrounding region because goods are shipped to and through the surrounding counties. While the State's goods movement system is the most robust in the nation, it is continually challenged by competing goods movement systems in other states. In order to continue to compete and engage in the global marketplace, California must continue to enhance its goods movement system, while at the same time be cognizant of taking the necessary actions to mitigate any negative impacts to local communities. Key positions include:

a) Support improvements to facilitate the movement of intrastate, interstate, and international trade beneficial to the State and Orange County's economy;

b) Support policies that will aid in the development, approval, and construction of projects to expand goods movement capacity and reduce congestion;

c) Ensure that control of goods movement infrastructure projects and funding is retained at the local level;

d) Seek mitigation for the impacts of goods movement on local communities;

e) Pursue ongoing, stable sources of funding for goods movement infrastructure;

f) Support additional funding and policy reforms to aid in expediting transportation projects to address supply chain concerns;

g) Ensure any effort to establish a container fee program dedicates funding to projects that mitigate the impact port activity may have on local communities, informed by input from local and regional agencies.

XI. ACTIVE TRANSPORTATION

Active transportation projects and programs, which encourage greater mobility through walking and bicycling, have grown in popularity due to the environmental, health, and cost savings benefits. OCTA continues to study, plan, and fund active transportation projects and programs as part of its mission to provide Orange County with an efficient and multi-modal transportation system. Key positions include:

a) Support policies to increase the visibility and safety of users engaged in active transportation;

b) Support creative use of paths, roads, flood channels, and abandoned rail lines using existing established rights-of-way to promote bicycles trails and pedestrian paths, in coordination with any local agency with jurisdiction over those properties;

c) Support funding and programs or policies that encourage the safe operation of an integrated multimodal system, which includes the interaction between roadways, rail lines, bikeways, and pedestrian ways, and the users of those facilities;

d) Support streamlined active transportation funding programs;

e) Seek funding and support policies and projects to increase safety requirements related to the utilization of electric bicycles.

XII. ROLES & RESPONSIBILITIES

In recent years, there have been many efforts to reorganize or restructure transportation programs and local agency responsibilities. OCTA will continue to monitor policies that would significantly affect the way in which it operates, with a focus on maintaining local control and continued partnerships in order to advocate for the following principles:

a) Support preserving the role of county transportation commissions, as consistent with existing law, in the administration of transportation programs;

b) Oppose proposals that reduce the rights and responsibilities of county transportation commissions in planning, funding, and delivering transportation programs;

c) Oppose policies that unnecessarily subject projects to additional reviews and project selection approvals that could adversely affect delivery timelines and processes;

d) Support partnerships with alternative mobility providers that allow for adequate information sharing while also respecting the planning efforts of local agencies;

e) Support efforts to increase the flexibility of funds used for motorist service programs.

XIII. EMPLOYMENT ISSUES

As a public agency and one of the largest employers in Orange County, OCTA balances its responsibility to the community and the taxpayers to provide safe, reliable, cost-effective service with its responsibility of being a reasonable, responsive employer. Key advocacy positions include:

a) Oppose efforts to impose state labor laws on currently exempt public agencies;

b) Oppose policies that circumvent the collective bargaining process;

c) Oppose policies adversely affecting OCTA's ability to efficiently and effectively deal with labor relations, employee rights, benefits, including pension benefits, the California Family Rights Act, and working conditions, including health, safety, and ergonomic standards for the workplace;

d) Support efforts to reform and resolve inconsistencies in the workers' compensation and unemployment insurance systems, and labor law requirements that maintain protection for employees and allow businesses to operate efficiently;

e) Support workforce development policies that facilitate a more efficient talent acquisition process;

f) Support policies that encourage ridesharing, teleworking, vanpool, and related congestion relief programs for Orange County commuters.

XIV. TRANSPORTATION SECURITY & EMERGENCY PREPAREDNESS

As natural and man-made disasters continue to threaten transportation systems around the world, significant improvements have been, and continue to be, carried out to enhance the safety, security, and resilience of transportation infrastructure in the United States. As Orange County's bus provider and a Metrolink partner, OCTA understands the importance of ensuring the safety and security of our transportation network and protecting our customers. OCTA maintains a partnership with the Orange County Sheriff's Department to provide OCTA Transit Police Services for the bus and train systems in Orange County and continues to be actively involved in a variety of state and regional preparedness exercises in support of first responders. The development of a new Transit Security and Operations Center is also underway to enhance security efforts and further the resiliency of the Orange County transit system.

Additional safety and security measures require additional financial resources. Consequently, OCTA's advocacy positions will highlight:

a) Support state homeland security and emergency preparedness funding and grant programs to local transportation agencies to alleviate financial burden placed on local entities;

b) Support policies that balance retention mandates of video surveillance records to reflect current reasonable technological and fiscal capabilities;

c) Support technological advances in order to increase the safety of public transportation passengers and operators;

d) Support policies that aim to enhance transit services and the overall safety and security of transit riders, public transit employees, and on-road vehicles while avoiding undue burden on transportation agencies to implement unfunded safety measures.

XV. ADMINISTRATION/GENERAL

General administrative issues arise every session that could impact OCTA's ability to operate efficiently. Key positions include:

a) Oppose policies adversely affecting OCTA's ability to efficiently and effectively contract for goods and services, conduct business of the agency, and limit or transfer the risk of liability;

b) Support efforts to provide greater protection of OCTA's computer and information security systems;

c) Support establishing reasonable liability for non-economic damages in any action for personal injury, property damage, or wrongful death brought against a public entity based on principles of comparative fault;

d) Support consistent campaign contribution limits as applied to both elected and appointed bodies;

e) Monitor proposed changes related to the Ralph M. Brown Act, and other statutes governing public meetings, including the expanded use of technology;

f) Support equitable policies to ensure that the inclusive public engagement, planning, and delivery of mobility improvements best serve all residents of Orange County;

g) Oppose policies that create undue burden on transportation procurement practices or restrict ability to maintain local governing board award authority;

h) Oppose efforts that create duplicative reporting requirements.

Orange County Transportation Authority 2025-26
Federal Legislative Platform

With over three million residents, Orange County is the third most populous county in California and the sixth most populous county in the nation. Orange County is one of the most densely populated areas in the country and is served by one of the nation's busiest transit systems. The Orange County Transportation Authority (OCTA) serves as the primary agency responsible for transportation planning in Orange County. OCTA manages a multimodal transportation system, overseeing a range of services including buses, Metrolink commuter rail, paratransit, and freeway improvements, as well as bicycle and pedestrian infrastructure, ensuring diverse mobility options for residents and visitors.

The 2025-26 Federal Legislative Platform serves as a framework document to guide OCTA's statutory, regulatory, and administrative goals and objectives in Washington, D.C. The Key Policy Issues section offers guidance on the policy issues that will likely be the focus of the 119th Congress, and the later sections present guiding policy statements for the other major issues that may arise. Positions on individual items not directly addressed in this document will be brought to the OCTA Board of Directors for formal action.

Key Policy Issues in the 119th Congress

A number of significant transportation issues will be discussed in the 119th Congress. OCTA will focus its advocacy efforts on the following principles:

a) Support transportation funding investments and policy flexibilities that allow OCTA to provide essential, multimodal mobility improvements, and services in order to meet the mobility needs of Orange County;

b) Request annual appropriations at least consistent with authorized funding levels and advanced appropriations provided in the Infrastructure Investment and Jobs Act (IIJA) are maintained in order to meet our county's critical infrastructure needs;

c) Oppose efforts to redirect, reduce, or eliminate existing transportation funding programs, ensuring funding OCTA receives from IIJA is maintained;

d) Oppose rescissions or other arbitrary funding cuts to transportation programs;

e) Ensure that Highway Trust Fund (HTF) revenues continue to be used for transit expenditures for capital and operations, including any new revenue;

f) Ensure that air quality determinations and policies do not constrain funding availability or otherwise undermine OCTA's ability to deliver transportation improvements;

g) Ensure that Orange County is eligible for funding provided to meet air quality standards for the South Coast Air Basin and oppose efforts that would impact the use of transportation funding;

h) Seek support for adaptation and resiliency efforts related to the environment for critical transportation infrastructure;

i) Encourage federal leadership, in conjunction with state and local collaboration, in developing long-term studies related to potential track relocation in the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor;

j) Support the authority to secure direct funding for Orange County projects;

k) Support efforts to preserve local flexibility in the administration of toll lanes and use of toll revenues;

l) Support efforts to ensure local control is maintained in policy decisions made by local transportation agency boards in delivering, funding, and operating transportation programs and projects;

m) Seek to ensure OCTA's projects and programs related to the 2028 Olympic and Paralympic Games in Los Angeles are eligible for any related funding assistance or incentives, project delivery tools, and/or regulatory relief.

I. TRANSPORTATION FUNDING

Current federal law does not require the appropriation of authorized HTF dollars. Therefore, the annual appropriations process will continue to play an important role in funding OCTA's programs and projects. OCTA will continue to advocate for the largest possible amount and share of appropriations funding to ensure adequate resources to meet the infrastructure needs of Orange County.

OCTA will continue to aggressively pursue discretionary funding for transportation projects within the statutory and regulatory requirements of funding programs and the current funding status of OCTA's capital program. Other funding priorities for OCTA include:

a) Support sustainable transportation funding levels that allow OCTA to continue to improve mobility in and around Orange County;

b) Support funding for the Capital Investment Grants program to allow for an expansion of bus and rail transit projects;

c) Ensure that federal funding is available for capital purposes to the extent not needed for direct operating costs;

d) Support funding, with increased flexibility, for safety and security grant programs in order to protect Orange County's transportation system, including highways, transit operations and facilities, rail lines, and related software systems;

e) Support funding for commuter and intercity passenger rail corridors in Orange County;

f) Support funding to develop training information programs to instruct on the use of new technology and address workforce needs at transit and transportation agencies;

g) Advocate for Inflation Reduction Act funding to support transit and transportation programs;

h) Seek responsible revenue solutions to fund future transportation projects without adversely affecting an agency's ability to provide services;

i) Advocate for full funding of transportation programs without placing new limitations or conditions on the distribution of funds that would impede the delivery of infrastructure projects.

II. SURFACE TRANSPORTATION REAUTHORIZATION

The IIJA (Pub. L. No. 1147-58) authorized over $567 billion over five years for programs. With the IIJA as law, OCTA has focused much of its advocacy efforts on implementation efforts that allow state and local government agencies to move forward with a federal partner on critical transportation projects. Now with the IIJA set to expire on September 30, 2026, OCTA will dually prioritize implementation while also advocating for its priorities related to enacting long-term reauthorization legislation. In 2025, the OCTA Board approved a set of guiding principles to inform reauthorization discussions, which are included in the appendix. Those notwithstanding**,** OCTA will advocate for the following policies:

a) Support the greatest possible share of funding for California and OCTA, focusing on increasing formula funds;

b) Support increased flexibility in transportation funding programs to promote greater local decision-making in the planning process;

c) Ensure a long-term partnership with the federal government that helps OCTA address transit capital and operating revenue needs;

d) Oppose unfunded federal mandates that further reduce the resources of state and local transportation agencies;

e) Oppose policies that undermine or limit local control over land use decisions;

f) Ensure fair suballocations of funding to account for additional costs, increased administrative responsibilities, and the potential for increased liabilities to which the agency may be subject;

g) Oppose limitations or other arbitrary conditions on discretionary transportation grant programs that prevent an equitable distribution of transportation resources;

h) Support policies that encourage ridesharing, teleworking, vanpool and related congestion relief programs for Orange County commuters;

i) Oppose any effort to further reduce transportation funding for OCTA or California, advocating for a fair and equitable share;

k) Support efforts to reinstate the state suballocation process regarding the distribution of federal formula funding;

l) Support funding to address the current vulnerabilities on the LOSSAN Rail Corridor to prevent future service disruptions;

III. TRANSPORTATION PLANNING & PROGRAMMING

In the 119th Congress, OCTA will continue to support the implementation of the IIJA while finding ways to complement the programs and provisions authorized under federal law. During this time, OCTA will advocate for the following issues:

a) Pursue continued eligibility of Congestion Mitigation Air Quality program funding for operating expenses associated with any fixed-guideway or eligible bus projects;

b) Support expanded use of alternative delivery methods for federally-funded transportation projects;

c) Support expedited review and payments to local agencies and their contractors for project development, right-of-way acquisition, and construction activities;

d) Support efforts to authorize, fund, and streamline the delivery of bicycle and pedestrian projects in Orange County;

e) Advocate for policies to encourage, when possible, a complete streets approach to multimodal project planning in order to expedite project delivery;

f) Support flexibility and increased local decision-making authority regarding the operation of high-occupancy vehicle (HOV) lanes in order to reduce or eliminate the unintended consequences resulting from Section 166 of the Federal Highway Act or any similar policy regulating degradation of HOV lanes;

g) Encourage cooperation between local, state, and federal partners to mitigate or eliminate any policy that places burdensome requirements on operators related to degradation of facilities and performance;

h) Support streamlining and greater flexibility of Federal Buy America requirements including increased clarification on market availability and technical feasibility of the Build America, Buy America Act requirements created in the IIJA to prevent any unintended disruption to projects and programs;

i) Support efforts to clarify roles and responsibilities related to toll enforcement policies to allow for interoperability between toll facilities while affirming user privacy;

j) Encourage policies on the planning, delivery, and operation of tolling projects that are aligned with the flexibility provided in California State law;

k) Support inclusive public engagement, planning, and delivery of mobility improvements that best serve all the residents of Orange County;

l) Support a collaborative approach to understanding the capital infrastructure and operational needs of local and state transportation agencies, as well as private sector partners, in the testing, development, demonstration, deployment, and operation of autonomous and connected vehicle technologies, while encouraging policies that ensure their safe implementation.

IV. FISCAL REFORMS & ISSUES

Transportation infrastructure projects are critical drivers in job creation and business development. Legislative and regulatory proposals can impact the ability of transportation agencies to deliver these infrastructure projects. Expediting project delivery serves as a key tool for driving economic growth and stimulating activity. Regarding these developments, OCTA will:

a) Oppose policies that would divert revenues generated by locally-approved sales taxes to programs and projects that are not included in the sales tax ordinance;

b) Support removing barriers to the release of transportation funding, including allowing local agencies to advance projects with local funds in order to limit lengthy processes that delay project delivery;

c) Support expansion, streamlining, and further development of innovative project finance methods, including the Transportation Infrastructure Finance and Innovation Act loan program;

d) Support fiscally-sound proposals to adequately address the HTF's structural deficit, including initiatives to address the impact of low- and zero-emission vehicles on transportation funding;

e) Support tax policies that reduce costs or provide additional flexibility in OCTA's financial and operational activities;

f) Support a stable source of proposed future revenues that provides adequate resources for future transportation needs;

g) Oppose subjecting public transportation providers to gas tax liability or other fees that increase operating costs;

h) Support efforts to ensure that all users of the national transportation system pay their "fair share" to maintain and improve the system;

i) Support additional funding and regulatory flexibility to facilitate the use of alternative mobility providers;

j) Support regulatory efforts that would allow for joint procurement processes.

V. RAIL PROGRAMS

Metrolink is Southern California's commuter rail system that links residential communities to employment and activity centers. Orange County is served by three Metrolink lines: the Orange County Line, the Inland Empire-Orange County Line, and the 91/Perris Valley Line. In support of these routes, OCTA owns 48 miles of rail right-of-way in Orange County on which Metrolink operates. OCTA serves as the primary construction lead for major capital improvements on this right-of-way, supported by OCTA's rail capital budget.

In addition, the state-supported Pacific Surfliner intercity passenger rail service**,** operated by Amtrak and managed by the LOSSAN Agency, provides passenger rail service between San Luis Obispo and San Diego. OCTA has served as the managing agency for the LOSSAN Agency since 2013, providing administrative and management support.

OCTA is also advancing the OC Streetcar Project, the county's first modern streetcar line. Running between the cities of Santa Ana and Garden Grove, it will serve as a vital new connection to regional rail and bus services and is scheduled to begin revenue service in 2026.

While the status and future of these programs is uncertain, OCTA will be watchful to ensure that funding for these rail systems does not impact other transportation funding sources. Key advocacy efforts will emphasize the following:

a) Support funding for rail safety programs, including funding for operation and maintenance of Positive Train Control (PTC) safety technology and other safety enhancements;

b) Support efforts to ensure that any alternative safety technology is interoperable with, and contains the same safety benefits as, the PTC system implemented on passenger rail corridors in Southern California;

c) Support the availability of technical resources, such as wireless spectrum, to fully implement rail safety technology;

d) Oppose increasing the current rail passenger liability cap and work with regional partners to ensure that any changes to the cap take into account the limited resources of passenger rail providers;

e) Seek funding and other solutions, such as permit streamlining, to support adaptation and resiliency efforts throughout the rail corridor;

f) Seek support, funding, and project streamlining to manage and address sea level rise, beach erosion, landslides, and other environmental impacts along the rail corridor.

VI. TRANSIT PROGRAMS

OCTA will continue with its focus on providing safe, reliable, and efficient transit services in Orange County. Federal transit funding is provided on both a formula and competitive basis. Discretionary funding under the IIJA has been highly competitive for transit programs. As future demand for transit funding increases due to environmental regulations and increased capital and operations costs put further strain on existing resources, creating more opportunities for predictable transit funding will continue to be a priority for OCTA. Specifically, OCTA will focus on the following:

a) Encourage policies and guidance that incentivize public transit ridership;

b) Support funding and incentives to develop free- or reduced-fare transit programs without impacting existing programs or creating unfunded mandates;

c) Monitor policies regarding zero-emission transit fuels to ensure they remain technology neutral;

d) Support reinstating and expanding of tax incentives for using compressed natural gas, hydrogen, and other zero-emission transit fuels;

e) Support efforts to create a more competitive marketplace for transit buses to help drive down costs and strengthen the supply chain.

VII. GOODS MOVEMENT

The twin Ports of Los Angeles and Long Beach are considered two of the nation’s busiest ports. The maintenance, improvement, and modernization of our region’s

goods movement infrastructure must continue to be a national priority if our region is to remain competitive with the rest of the world and responsive to the consumer needs of Southern California. Even though the IIJA continued to provide funding for goods movement projects and programs, revenue streams remain insufficient to fund the projects needed to offset the costs of moving these goods considering the many years of underinvestment. OCTA's advocacy efforts regarding goods movement will continue to emphasize the following:

a) Pursue new, stable, dedicated, and secure sources of funding for goods movement infrastructure;

b) Ensure that the benefits of newly-funded projects also take into account mitigation factors to impacted communities;

c) Support a collaborative approach, including engaging with private sector partners, in developing and implementing the needed sustainable goods movement infrastructure programs and projects;

d) Support regionally significant grade separation projects that improve the flow of goods and people throughout Southern California;

e) Support local control of goods movement infrastructure and freight mobility projects;

f) Support additional funding and policy reforms to aid in expediting transportation projects to address supply chain concerns;

g) Ensure eligibility for funding and programs is available to all transportation modes that benefit regional goods movement.

VIII. TRANSPORTATION SECURITY & EMERGENCY PREPAREDNESS

OCTA continues cooperative efforts with neighboring transit agencies, Urban Area Security Initiative partners, state and federal homeland security and emergency preparedness grant partners, and local jurisdictions to enhance the security and resiliency of Orange County's transportation system. OCTA will pursue the following priorities to ensure that the agency's safety, security, and emergency preparedness needs are met:

a) Support increased funding for training, increased security, and emergency preparedness improvements with adequate flexibility to ensure that local agencies can effectively use the resources to also support all modes of transportation;

b) Support a funding distribution that considers all risk threats, including natural disasters, acts of terrorism, and other man-made disasters, as estimated by the Department of Homeland Security, in cooperation with state and local officials;

c) Support programs that facilitate cooperation with security and emergency preparedness officials to refine and improve information exchange protocols, emergency preparedness systems, and regional data coordination;

d) Support efforts to provide funding incentives and policy flexibility to facilitate programs to provide safe working conditions for coach operators and transit personnel;

e) Support efforts to provide sufficient funding for transit agencies to implement physical security, mandated employee screenings, and cybersecurity directives while also incorporating transit agency technical expertise in developing regulatory guidelines and procedures.

IX. ENVIRONMENTAL & ENERGY ISSUES

Federal environmental policies affecting OCTA include the National Environmental Protection Act, the Clean Air Act, the Clean Water Act, and the Endangered Species Act. Therefore, policies to further develop environmental and energy-efficient goals will likely have an impact on OCTA's operations. With such proposals in mind, OCTA will:

a) Seek funding to comply with state and local environmental standards;

b) Support expedited review for project development, right-of-way acquisition, and construction activities without impairing substantive environmental requirements;

c) Ensure adequate funding and flexibility in the application of resiliency, natural infrastructure, or other climate-related policies to the delivery of mobility improvements, as opposed to mandates that would constrain transportation resources;

d) Support efforts related to separate and distinct sand nourishment permits**;** ~~.~~

e) Support streamlining U.S. Army Corps of Engineers processes to expedite transportation projects.

X. REGULATORY REQUIREMENTS

OCTA must also monitor several other administrative requirements, including new and expanded regulatory definitions that may affect the agency's operations. As such, OCTA will:

a) Support expedited and improved federal reporting and monitoring requirements to ensure efficiency and usefulness of data while also eliminating redundant state and federal requirements;

b) Oppose regulatory proposals that unreasonably subject OCTA to burdensome bureaucratic requirements or increased operational costs, making it harder to deliver projects and improve mobility in Orange County;

c) Oppose policies adversely affecting the agency's ability to effectively address labor relations, employee rights, benefits, and working conditions, such as health, safety, and ergonomic standards;

d) Oppose policies that limit state or local pension benefit reforms.

APPENDIX

Principles for Surface Transportation Reauthorization Legislation

1. Develop a fiscally sound, innovative solution to the Highway Trust Fund's structural revenue deficit that ensures long-term sustainability for both highway and transit funding. The solution should be based on a fair-share, user-pays approach that ensures all users contribute to the maintenance and improvement of transportation infrastructure. It should also maintain the historical commitment to transit funding from the Highway Trust Fund, reduce volatility in transportation resources, and support forward-looking strategies.

2. Protect and preserve the LOSSAN Rail Corridor as a critical, interregional transportation asset vital to national defense, goods movement, economic vitality, and regional mobility. Secure dedicated funding and permit streamlining to quickly address infrastructure vulnerabilities, ensuring the corridor remains resilient against disruptions that could impact military readiness, supply chain efficiency, and passenger rail connectivity along one of the nation's most strategically significant rail corridors.

3. Prioritize the use of formula funding with sufficient flexibility to respect the unique nature of regional transportation agencies in the Southern California Association of Governments region.

4. Support reinstating the suballocation process to county transportation commissions to ensure federal formula funds are proportionally distributed. Restoring this process will empower local and regional agencies to direct investments where they are most needed, ultimately leading to more efficient use of funds, project delivery, and greater overall impact on transportation infrastructure and mobility.

5. Ensure that funding new infrastructure programs do not replace or adversely affect the delivery of transportation funding that has been traditionally used by the Orange County Transportation Authority.

6. Support maintaining dedicated federal transit funding, including the historic 80-20 highway-transit funding split, and ensuring transit agencies have the flexibility needed to effectively operate, maintain, and improve services.

7. Prevent impediments to infrastructure investments and funding because of issues beyond an agency's control, such as air quality attainment.

8. Expedite and improve the efficiency of environmental reviews for infrastructure projects by streamlining requirements, reducing redundancies, and supporting reciprocity between the California Environmental Quality Act and the National Environmental Policy Act, while providing additional funding to accelerate state and federal review processes. Additionally, support adjusting federalization thresholds to prevent unnecessary oversight of smaller projects and improve efficiency, expanded use of exemptions for various classes of projects, and use of programmatic reviews.

9. Improve the federal grant process by streamlining Notices of Funding Opportunity (NOFOs), standardizing application requirements, and enhancing predictability to reduce administrative burdens and accelerate funding delivery. Establish merit-based criteria, prioritize efficiency and economic development, introduce structured annual grant cycles, and implement a fast-track approval process for critical project components. Additionally, allow abridged resubmissions for previously unsuccessful applications and ensure NOFOs are concise and accessible to agencies with limited resources. Avoid imposing overly complex reporting requirements that create unnecessary compliance burdens.

10. Promote a transparent and fair discretionary grant process that ensures local control and balanced regional distribution, free from arbitrary limits, unreasonable matching requirements, or other policies that would discourage federal funding from flowing to Orange County.

11. Provide stable, long-term funding and policy support for passenger and freight rail to enhance federal investment in key rail corridors, streamline project delivery, improve safety, and strengthen rail's role in goods movement and national defense.

12. Advocate for strategic federal investment in transportation infrastructure and streamlined project delivery to support Orange County's role in the successful execution of the 2028 Olympic and Paralympic Games in Los Angeles. Ensure that federal policies facilitate permitting efficiency, workforce readiness, and partnerships that enhance Orange County's transportation network and global competitiveness while minimizing disruptions to daily operations

13. Support fair and flexible tolling policies based on user-pay principles. Any federal oversight should respect regional decision-making, and the unique transportation needs of differing regions. Toll revenues should continue to be prioritized for debt service, a reasonable return on private investment, and the costs related to operation and maintenance of the facility, while also authorizing

excess revenues to be used for transportation investments, consistent with state laws.

14. Support the preservation of tax-exempt financing for surface transportation projects, ensuring public agencies retain the ability to issue and refinance tax-exempt debt.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Status Report of State Legislation Enacted in 2025

Legislative and Communications Committee Meeting of November 20, 2025

Present: Directors Jung, Foley, Janet Nguyen, Tavoularis, Tettemer, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Director Foley was not present to vote on this item.

Committee Recommendation(s)

Receive and file as an information item.

OCTA

November 20, 2025

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Status Report of State Legislation Enacted in 2025

Overview

At the conclusion of the 2025 state legislative session, 794 bills were signed into law by Governor Newsom and chaptered by the Secretary of State, while 123 bills were vetoed. A report containing an analysis of legislation relevant to the Orange County Transportation Authority is provided.

Recommendation

Receive and file as an information item.

Discussion

2025 Legislative Session Adjourns

Following the State Legislature's adjournment, the Governor had until October 13, 2025, to either sign or veto all legislation submitted to his office. Of the 917 bills sent to the Governor this year, 123 bills were vetoed, or 13.4 percent of the total number of bills passed by the Legislature. The Governor acted on 289 fewer bills this year than last year.

The Orange County Transportation Authority (OCTA) Board of Directors, legislative staff, and advocates were successful in advancing many of OCTA's interests in 2025. A detailed summary of legislation relevant to OCTA is included as Attachment A. Among the bills considered this session were the following proposals:

Status of Legislation Considered in 2025 – Notable Bills Signed

AB 394 (Chapter 147, Statutes of 2025): Public transportation providers.
Position: Support

Sponsored by the California Transit Association (CTA), AB 394 enhances safety protections for public transportation employees, contractors, and riders by expanding enforcement tools available to transit agencies. The bill extends existing battery protections to include all public transportation employees, not just operators or drivers, ensuring that all workers involved in providing transit service receive equal protection under the law. It also authorizes transit agencies and their legal representatives to seek temporary restraining orders in cases of workplace violence, harassment, or threats, and allows state, local, and transit law enforcement to enforce those orders. By recognizing battery and stalking offenses against transit employees and strengthening agencies' ability to act against repeat offenders, AB 394 provides a clearer legal framework to safeguard transit workers and the public.

AB 1085 (Chapter 179, Statutes of 2025): License plates: obstruction or alteration.
Position: Support

AB 1085 expands existing law to explicitly prohibit the manufacture and use of tints, shades, and other materials designed to prevent visual or electronic recognition of vehicle license plates. The legislation establishes a fine of $1,000 per item manufactured or sold in violation of the law, with the goal of curbing the use of license plate-obscuring materials that allow drivers to evade toll collection and other automated enforcement systems, such as those used for express lanes and red-light cameras. OCTA supported AB 1085 because it directly addresses a persistent challenge affecting toll operations on the 91 Express Lanes and the 405 Express Lanes. Obstructed or unreadable license plates have resulted in toll revenue losses estimated at more than $200,000 annually on the 91 Express Lanes alone and have hindered enforcement efforts. By prohibiting the production and sale of license plate-blocking devices, AB 1085 provides OCTA and other toll agencies with a clear legal basis to deter violations and recover lost revenue.

AB 1207 (Chapter 117, Statutes of 2025) and SB 840 (Chapter 121, Statutes of 2025): Cap-and-Invest Reauthorization and Revenue Distribution.
Position: Monitor

AB 1207 renamed the Cap-and-Trade Program to Cap-and-Invest and also reauthorized the program through 2045. AB 1207 also updates emissions

reduction and cap-and-invest rules to meet future climate targets and adjusts how industry and utility allowances are managed.

Beginning July 1, 2026, SB 840 establishes a new tiered framework for distributing Greenhouse Gas Reduction Fund (GGRF) revenues based on cap-and-invest auction proceeds. The California High-Speed Rail Project will receive $1 billion off the top, followed by a $1 billion allocation for "Legislature Discretionary" purposes. Included in fiscal year 2026-27 is $125 million for transit passes through the Legislature Discretionary pot. At this time, details regarding eligible uses, accountability, and distribution among transit agencies remain unclear.

Remaining revenues will be directed to ongoing programs, including the Transit and Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operations Program (LCTOP). Under this new structure, transit programs will receive fixed annual allocations rather than a percentage of total revenues, meaning funding will not increase if auction proceeds exceed projections and will be the first to be reduced during years of lower revenues. Under this structure, TIRCP will receive $400 million annually and LCTOP will receive $200 million annually. Additional discussions are anticipated over the next year to refine this distribution framework. It is important to note that OCTA uses TIRCP and LCTOP funding for important projects and programs, such as the OC Streetcar, the Coastal Rail Resiliency Project, and the Youth Ride Free Program. Left also unclear is how the funding provided through SB 125 (Chapter 54, Statutes of 2023), which was to be used for transit operations and capital and backfilled by the GGRF, will be provided under this framework.

<u>AB 1250 (Chapter 725, Statutes of 2025): Transit operators: paratransit: recertification of eligibility.</u>
Position: Monitor

AB 1250 requires transit operators to implement a simplified recertification process for Americans with Disabilities Act (ADA) paratransit riders whose disability and level of access to fixed-route transit are not expected to improve. Beginning January 1, 2027, agencies like OCTA must allow recertification through accessible remote methods such as telephone, mail, teleconference, or online forms, and conduct recertification only once every five years for eligible riders. This change is intended to reduce administrative burdens and make the process easier for riders with permanent disabilities. For OCTA, this could mean revising eligibility procedures, updating forms and systems, modifying contracts with third-party eligibility assessors, and ensuring compliance with accessibility and privacy requirements.

SB 71 (Chapter 742, Statutes of 2025): California Environmental Quality Act: exemptions: transit projects.
Position: Support

Sponsored by CTA, SB 71 extends and refines existing California Environmental Quality Act (CEQA) exemptions for certain public transit, active transportation, and passenger rail projects. Current law provides these exemptions until January 1, 2030; SB 71 would extend them until January 1, 2040, with a sunset date of January 1, 2032, for projects serving low-emission rather than fully zero-emission vehicles. The bill broadens eligibility to include maintenance activities for passenger rail service improvements and prohibits the use of Tier 4 locomotives in projects that seek to use this exemption when located in air basins classified as serious, severe, or extreme nonattainment areas. To qualify for an exemption, projects must be located within existing public rights-of-way, avoid adding automobile capacity, and comply with requirements related to project cost thresholds, public meetings, labor standards, and housing protections.

SB 71 clarifies that project cost thresholds are based on the engineer's estimate at the time of approval, not the total project cost, and authorizes the Office of Land Use and Climate Innovation to adjust these thresholds according to inflation. It also requires that the governing body approve the use of the exemption in a public meeting, ensuring greater transparency, while preserving the option for agencies to pursue the standard CEQA process if desired. Under existing law, ambiguity around cost thresholds and inflation adjustments has created uncertainty for agencies seeking to use CEQA exemptions. The bill also expands CEQA streamlining authority to include smaller infrastructure improvements, such as bus shelters and lighting, that enhance safety, accessibility, and transit connectivity.

SB 79 (Chapter 512, Statutes of 2025): Housing development: transit-oriented development.
Position: Monitor

SB 79 establishes statewide standards to promote housing development near major transit stops by authorizing increased building height and density minimums, and by streamlining local approval processes for qualifying transit-oriented developments (TOD).

Under SB 79, "urban transit counties," defined as counties with at least 15 passenger rail stations, must apply the new TOD streamlining provisions to designated "transit-oriented development stops." These include major transit stations and stops served by heavy rail, light rail, bus rapid transit, or high-frequency commuter rail. While Orange County does not currently qualify as an urban transit county, the launch of OC Streetcar service will likely meet

this threshold, as the law classifies streetcar service as "light rail." Once that occurs, Orange County will become subject to SB 79's TOD requirements.

The bill defines two tiers of TOD stops with varying development standards:

- Tier 1 TOD stops include those served by heavy rail or very high-frequency commuter rail (72 or more trains per day).
- Tier 2 TOD stops encompass light rail, streetcar, or high-frequency commuter rail (48 or more trains per day) services.

Metrolink service in Orange County may meet Tier 1 thresholds depending on how frequency is measured statewide. However, SB 79 leaves ambiguity in how to count trains by stop or line, and further guidance is expected. OC Streetcar stops will clearly fall under Tier 2 TOD definitions.

The California Department of Housing and Community Development (HCD) will play a central role in implementation by issuing statewide technical guidance, reviewing local compliance plans, and working with the Southern California Association of Governments (SCAG) to map TOD zones and their proximity tiers. These maps will determine which parcels qualify for streamlined housing development under the new law. Beginning in 2027, cities that deny eligible projects in high-resource areas could face penalties under the Housing Accountability Act.

SB 79 also authorizes transit agencies to adopt "agency transit-oriented development zoning standards" for land they own near stations, allowing them to set minimum densities and land uses consistent with state policy. OCTA currently does not plan to exercise this authority but will continue monitoring state and regional guidance. Once the OC Streetcar begins operation, OCTA may need to coordinate with HCD, SCAG, and local jurisdictions to ensure compliance with SB 79's implementation framework. This includes identifying affected station areas, evaluating local zoning consistency, and assessing potential impacts to agency-owned parcels.

SB 364 (Chapter 313, Statutes of 2025): Outdoor advertising displays: permits: new alignments.
Position: Support

SB 364 provides a targeted clarification to the Outdoor Advertising Act to ensure a more efficient permitting process for outdoor advertising displays along newly aligned interstate and primary highways. The bill prohibits the California Department of Transportation (Caltrans) from denying or delaying the acceptance of a permit application for a new advertising display solely because a highway project has not yet been formally accepted as complete, provided that

the section of highway is already open to public vehicular travel within 1,000 feet of the proposed display location.

Under existing Caltrans regulations, permit applications for new advertising displays could not be processed until a highway alignment project was fully accepted as complete. This requirement often created unnecessary delays in cases where new highway segments were already open and operational but had not yet received final administrative acceptance. SB 364 closes this procedural gap by allowing advertising permit applications to move forward as soon as a new alignment is open to the public, ensuring that infrastructure already in service is not hindered by bureaucratic timing. The bill maintains all existing safety, environmental, and regulatory oversight requirements under the Outdoor Advertising Act while aligning permit timelines more closely with real-world project delivery. By clarifying when Caltrans must accept and process permit applications, SB 364 promotes timely coordination between public infrastructure completion and private sector investment along new highway corridors.

SB 707 (Chapter 327, Statutes of 2025): Open meetings: meeting and teleconference requirements.
Position: Monitor

SB 707 updates the Ralph M. Brown Act by introducing new teleconferencing requirements, enhanced accessibility for members of the public, and detailing eligibility rules for members of legislative bodies to participate remotely. The bill expands teleconferencing options, allowing Board Members with disabilities to participate remotely as a reasonable accommodation without posting an agenda or providing public access to their location, consistent with recent Attorney General guidance. It preserves the traditional teleconferencing allowances that requires public access at each remote site but also extends the “alternative teleconferencing” framework introduced during the pandemic. Under this system, members may participate remotely for “just cause” or emergency circumstances, such as illness, medical needs, family care, or official travel, with limits on how many times this option may be used each year.

The bill also allows certain advisory and multijurisdictional bodies to meet remotely if doing so promotes access, diversity, or participation across large service areas. In addition, SB 707 strengthens public accessibility requirements by requiring agencies to offer remote public comment via phone or video, provide closed captioning where available, maintain accessible meeting webpages, and translate agendas into languages spoken by at least 20 percent of the jurisdiction’s limited English proficient population. It further clarifies compensation and conduct rules and mandates that all members receive copies of the Brown Act.

SB 707 takes effect July 1, 2026, and will directly affect OCTA as its Board qualifies as an eligible legislative body.

Additional Bills of Interest – Vetoed

AB 986 (Muratsuchi, D-Torrance): State of emergency and local emergency: landslides and climate change.
Position: Support

AB 986 sought to expand the definition of events qualifying for a state or local emergency under the California Emergency Services Act to include landslides. The bill was introduced in response to recurring landslides in the City of Rancho Palos Verdes, which sponsored the measure to ensure that local governments could more clearly declare and respond to geologic hazards under the state's emergency framework.

AB 986 aimed to provide clarity that landslides, often triggered by sea-level rise, heavy rainfall, or coastal erosion, qualified as emergency conditions, enabling faster access to state and federal resources. Although prompted by issues in Los Angeles County, AB 986 also aligned with challenges faced in Orange County, particularly along the Los Angeles – San Diego – San Luis Obispo Rail Corridor in the City of San Clemente, where repeated slide activity has disrupted passenger and freight rail operations. The bill would have strengthened the legal basis for emergency declarations, helping transportation agencies expedite permits, secure funding, and mobilize stabilization efforts to protect vital infrastructure. Governor Newsom vetoed AB 986, explaining that the bill was unnecessary because existing law already grants the Governor broad authority to declare emergencies in response to "conditions of disaster or extreme peril," which includes landslides and similar hazards. The Governor cautioned that specifically adding "landslide" as a separate category could unintentionally narrow this authority by implying that unlisted events are ineligible for emergency declarations.

SB 512 (Perez, D): District elections: initiatives.
Position: Monitor

Sponsored by the Self-Help Counties Coalition, SB 512 sought to clarify that any tax approved by initiative adhere to the same spending limitations, accountability standards, and transportation expenditure plan process that apply when enacted through traditional authority. The Governor vetoed SB 512, explaining that courts have already affirmed jurisdictions' existing authority to use the initiative process for imposing transportation-related sales taxes, making the bill unnecessary.

Summary

A report containing an analysis of legislation enacted in 2025 affecting OCTA is provided.

Attachment

A. Orange County Transportation Authority 2025 End of Year Legislative Report

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ORANGE COUNTY TRANSPORTATION AUTHORITY
2025 END OF YEAR LEGISLATIVE REPORT

LEGISLATION ENACTED

I. Active Transportation

AB 544 (Davies, R-Oceanside): Electric bicycles: required equipment.
(Chapter 36, Statues of 2025)
AB 544 requires any electric bicycle to be equipped with a red reflector or a solid/flashing red light with a built-in reflector on the rear that is visible from 500 feet to the rear when directly in front of lawful upper beams of headlamps on a motor vehicle. AB 544 also expands citation requirements. Specifically, it states that if the violation involves an electric bicycle, and the citation was due to lacking the required equipment, the individual must complete an electric bicycle safety course to further avoid penalties.

Orange County Transportation Authority (OCTA) Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 544 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 545 (Davies, R-Oceanside): Vehicles: electric bicycles.
(Chapter 37, Statues of 2025)
AB 545 prohibits a person from selling an application that can modify the speed capability of an electric bicycle.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 545 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 965 (Dixon, R-Newport Beach): Vehicles: electric bicycles.
(Chapter 65, Statues of 2025)
AB 965 prohibits the sale of a class 3 electric bicycle to a person under 16 years of age and makes a violation of that prohibition an infraction punishable by a fine of up to $250.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 965 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

II. Artificial Intelligence

AB 853 (Wicks, D-Oakland): California AI Transparency Act.
(Chapter 674, Statutes of 2025)
AB 853 delays the implementation of the California AI Transparency Act from January 1, 2026 to August 2, 2026, and expands the law to strengthen content authenticity and disclosure requirements for artificial intelligence (AI) and digital media. Beginning January 1, 2027, large online platforms such as social media or file-sharing services must detect and display provenance data that identifies whether content was created or altered using generative AI or a digital capture device. These platforms must also preserve embedded authenticity data and provide users with clear information about a piece of content's origin and modification history. Starting January 1, 2028, manufacturers of cameras, smartphones, and other devices capable of capturing photos, video, or audio must embed latent disclosures in captured content that include the manufacturer name, device model, and creation date and time. Additionally, platforms hosting generative AI models will be prohibited from knowingly offering systems that fail to include required disclosures.

OCTA Position – Monitor

Impact on OCTA: *While AB 853 primarily applies to AI developers, online platforms, and device manufacturers, its transparency and disclosure standards may affect how public agencies use or distribute AI-generated content. OCTA may need to ensure compliance if using AI-generated or modified images, videos, or audio are used in public communications, advertising, or digital media.*

AB 979 (Irwin, D-Thousand Oaks): California Cybersecurity Integration Center: artificial intelligence.
(Chapter 285, Statutes of 2025)
AB 979 directs the California Cybersecurity Integration Center within the Office of Emergency Services to develop a California AI Cybersecurity Collaboration Playbook by January 1, 2027. The playbook will guide state agencies and partners in managing cybersecurity risks associated with AI and promote stronger collaboration between the cybersecurity and AI sectors. The playbook must be created in consultation with the Office of Information Security and the Government Operations Agency and will draw upon federal requirements, industry standards, and best practices, including those developed by the Joint Cyber Defense Collaborative. It will include mandatory and voluntary mechanisms for information sharing about AI-related cyber threats and vulnerabilities and establish confidentiality protections for shared information.

OCTA Position – Monitor

Impact on OCTA: *While AB 979 primarily applies to state-level cybersecurity entities, it may influence future cybersecurity and AI information-sharing frameworks that include local and regional agencies.*

SB 53 (Wiener, D-San Francisco): Artificial intelligence models: large developers.
(Chapter 138, Statutes of 2025)
SB 53 establishes statewide requirements for developers of large-scale AI models, known as "frontier models." The law requires these developers to disclose safety and security measures, risk mitigation strategies, and testing outcomes for systems that could pose significant societal or infrastructure risks. It also includes whistleblower protections for employees reporting safety concerns and preempts local governments from adopting separate AI regulations to maintain a consistent statewide framework. SB 53 further creates CalCompute, a new state entity that will provide public-sector access to advanced computing resources and support state oversight of AI systems.

OCTA Position – Monitor

Impact on OCTA**:** *While SB 53 primarily regulates AI developers, it is relevant to OCTA as the agency increasingly integrates AI-based tools, such as ChatGPT and similar systems into its work processes.*

SB 243 (Padilla, D-El Centro): Companion chatbots.
(Chapter 677, Statutes of 2025)
SB 243 establishes new safety and transparency requirements for operators of companion chatbot platforms, AI systems that simulate human-like, emotionally responsive interactions. The bill requires operators to clearly disclose to users that they are interacting with an AI system rather than a human. For users known to be minors, operators must display reminders at least every three hours that the chatbot is not human and encourage breaks in use. The bill also requires operators to maintain and publicly disclose protocols to prevent chatbots from generating suicidal ideation, self-harm, or sexually explicit content involving minors. Beginning July 1, 2027, operators must report annually to the Office of Suicide Prevention on their safety protocols and response systems. Individuals harmed by violations of these requirements may bring civil actions for damages or injunctive relief.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While SB 243 primarily applies to AI-driven companion chatbot platforms used for social or emotional engagement, OCTA should be mindful of its provisions when deploying AI-based tools for customer service or communications.*

III. Audits, Records, Reports, and Litigation

AB 538 (Berman, D-Palo Alto): Public works: payroll records.
(Chapter 616, Statutes of 2025)
AB 538 requires awarding agencies of public work projects to obtain certified payroll records from contractors upon a public request if those records are not already in the agency's possession. Contractors must provide the requested records within ten days of

receiving written notice, or they may face penalties enforced by the Division of Labor Standards Enforcement.

OCTA Position – Monitor

Impact on OCTA: *The bill increases administrative responsibilities for awarding agencies like OCTA when responding to public payroll record requests. OCTA may need to coordinate more closely with contractors to ensure timely submission of certified payroll records to maintain compliance and avoid project delays.*

SB 580 (Durazo, D-Los Angeles): Attorney General: immigration enforcement policies.
(Chapter 580, Statutes of 2025)
SB 580 requires the Attorney General to develop and publish new statewide model policies governing interactions between state and local agencies and federal immigration authorities. The policies, due by July 1, 2026, must be consistent with federal and state law and are intended to limit cooperation with immigration enforcement to the fullest extent possible. By January 1, 2027, all state and local agencies must implement these model policies or adopt equivalent policies. The bill also requires the Attorney General to issue guidance, audit criteria, and training recommendations for databases operated or managed by state and local agencies to ensure that information within those systems is not used for immigration enforcement purposes, except as required by law.

OCTA Position – Monitor

Impact on OCTA: *OCTA may need to review and update its internal policies and staff procedures to align with the Attorney General's forthcoming model standards by the January 1, 2027, implementation deadline.*

SB 827 (Gonzalez, D-Long Beach): Local agency officials: training.
(Chapter 661, Statutes of 2025)
SB 827 expands mandatory ethics training requirements for local agency officials to include department heads and similar administrative officers. The bill shortens the deadline for newly appointed officials, starting January 1, 2026, to complete their first ethics training from one year to six months. It also requires agencies to post online information on how to request training records. In addition, the bill establishes a new requirement that all local agency officials receive at least two hours of fiscal and financial training every two years. This training must cover topics such as budgeting, auditing, debt management, and safeguarding public funds. Agencies may partner with professional providers or associations to deliver training and must maintain participation records for at least five years.

OCTA Position – Monitor

Impact on OCTA: *OCTA will need to ensure that all Board Members, executives, and designated staff complete both ethics and fiscal training within the specified timelines and*

that training records are maintained and accessible online. These changes align with OCTA's existing governance and transparency practices, requiring only minor administrative adjustments.

IV. Employment Terms and Workforce Development

AB 406 (Schiavo, D-Santa Clarita): Employment: unlawful discrimination: victims of violence.
(Chapter 148, Statutes of 2025)
AB 406 provides technical clean-up to California's leave and anti-discrimination protections for employees who are victims of violence or who have family members who are victims. Specifically, the measure restores previous Labor Code provisions for alleged violations occurring on or before December 31, 2024, confirming those are to be processed under the Labor Commissioner, while confirming that, going forward, enforcement will be handled by the Civil Rights Department under the Government Code.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Overall, the impact is technical in nature, primarily involving policy alignment.*

AB 889 (Hadwick, R-Jackson): Prevailing wage: per diem wages.
(Chapter 626, Statutes of 2025)
AB 889 makes changes to the calculation of prevailing wage requirements by eliminating the ability of the Director of Industrial Relations to grant exemptions from the annualization rule, which requires employer benefit contributions to be calculated across all hours worked on both public and private projects. It revokes all prior exemptions issued before January 1, 2026, and allows employers to take full credit for contributions to defined contribution pension plans with immediate participation and vesting. Employers must provide records verifying proper calculation of benefit credits or risk denial of credit by the Labor Commissioner.

OCTA Position – Monitor

Impact on OCTA: *For information purposes only.*

AB 1286 (Boerner, D-Solana Beach): Political Reform Act of 1974: prospective employment.
(Chapter 186, Statues of 2025)
Under the Political Reform Act of 1974, elected public officials are required to file statements disclosing their investments in property on the date they assume office, income received during the 12 months before assuming office, and they must file subsequent statements at intervals specified by regulations of the Fair Political Practices Commission and upon leaving office. AB 1286 would additionally require elected public

officials to disclose arrangements for prospective employment. This is defined as a prospective employer's offer of employment being accepted by the prospective employee via verbal or written acceptance. AB 1286 clarifies that these requirements also pertain to public officials who are appointed or nominated.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1398 (Valencia, D-Anaheim): Workers' compensation.
(Chapter 640, Statutes of 2025)
AB 1398 amends disclosure requirements within the workers' compensation system. The bill requires all interested parties, including physicians, attorneys, employers, claims administrators, and service providers, to provide written disclosure of any financial interest when submitting a claim for payment for referred services. The disclosure must be made to the third-party payer or entity receiving the claim. Violations are subject to misdemeanor penalties, civil fines, and potential professional disciplinary action.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1510 (Committee on Public Employment and Retirement): Santa Clara Valley Transportation Authority: employee relations.
(Chapter 454, Statutes of 2025)
AB 1510 clarifies the legal process for appealing or enforcing decisions made by the Public Employment Relations Board (PERB) in labor disputes involving the Santa Clara Valley Transportation Authority (VTA). Under prior law, PERB had jurisdiction to resolve unfair labor practice cases involving VTA employees, but procedures for seeking judicial review or enforcement of those decisions were not explicitly defined. This bill closes that gap by allowing any party to a PERB case, such as VTA, a union, or an employee, to file a petition for judicial review (a writ of extraordinary relief) in the district court of appeal within 30 days of PERB's final decision.

The bill also allows PERB itself to seek enforcement of its orders in a superior or appellate court if a party fails to comply and no timely appeal is filed. In such cases, courts are limited to confirming procedural compliance rather than reconsidering the merits of PERB's ruling. The measure is narrowly tailored to apply only to VTA, recognizing the agency's unique governance structure and workforce size.

OCTA Position – Monitor

Impact on OCTA: *While AB 1510 applies only to VTA, it could serve as a procedural precedent for other large transit agencies if similar legislation is proposed in the future.*

SB 294 (Reyes, D-San Bernardino): The Workplace Know Your Rights Act.
(Chapter 667, Statutes of 2025)
SB 294 establishes the *Workplace Know Your Rights Act*, requiring employers to provide employees with annual written notice of their rights under state and federal labor and constitutional laws. Beginning February 1, 2026, and annually thereafter, employers must distribute a stand-alone notice outlining key worker protections, including rights related to workers' compensation, immigration enforcement notifications, union organizing, and interactions with law enforcement. Employers must also provide this notice to new hires upon employment and to any authorized union representatives each year.

The Labor Commissioner is directed to create a model template notice by January 1, 2026, and to update it annually. By July 1, 2026, the Labor Commissioner must also produce two educational videos, one for employees explaining their rights and one for employers explaining compliance obligations. These materials must be available in multiple languages.

Additionally, the law requires employers to offer employees an opportunity to designate an emergency contact to be notified in the event of an arrest or detention at the worksite, with compliance required by March 30, 2026. Employers who fail to comply may face civil penalties of up to $500 per employee per violation, with higher penalties for violations related to emergency contact notifications. Retaliation against employees for exercising their rights under this law is expressly prohibited.

OCTA Position – Monitor

Impact on OCTA: *OCTA will need to ensure compliance with these provisions.*

SB 301 (Grayson, D-Walnut Creek): County Employees Retirement Law of 1937: employees.
(Chapter 749, Statutes of 2025)
SB 301 clarifies that counties and districts participating in the County Employees Retirement Law of 1937 (CERL) may not exclude any employee, group, or classification from membership in their retirement system, except for those already defined as "excludable officers and employees" under existing law. Excludable positions include those deemed temporary, seasonal, intermittent, or part-time only, as determined by the retirement board, or those otherwise excluded under specified provisions of CERL.

The bill declares that this clarification is declaratory of existing law, meaning it does not create new requirements but reaffirms current obligations to ensure consistency in public employee retirement coverage across counties and districts.

OCTA Position – Monitor

Impact on OCTA: *OCTA employees are members of the Orange County Employees Retirement System (OCERS), which operates under CERL. No operational or financial*

impacts are anticipated, but OCTA should remain aware of this clarification to ensure continued compliance and consistency with state retirement law.

SB 513 (Durazo, D-Los Angeles): Personnel records.
(Chapter 654, Statutes of 2025)
SB 513 expands existing labor law to clarify that personnel records related to employee performance include education and training records. Employers who maintain such records must ensure they include the following information:

- Employee name
- Training provider name
- Duration and date of training
- Core competencies taught, including equipment or software skills
- Resulting certification or qualification

The bill maintains the existing employee right to inspect and copy personnel records within 30 days of a written request (extendable to 35 days by agreement). It also establishes that failure to provide access may result in a $750 penalty, injunctive relief, and attorney's fees. Violations are classified as an infraction under the Labor Code.

OCTA Position – Monitor

Impact on OCTA: *SB 513 will require OCTA to update its internal personnel recordkeeping procedures*

SB 521 (Gonzalez, D-Long Beach): Public employment: disqualification.
(Chapter 92, Statues of 2025)
Under current law, a person can be disqualified from public employment for five years if the employee is convicted of any felony involving bribes, embezzlement of public money, theft of public money, or conspiracies to commit any of the previously mentioned crimes arising directly out of their official duties. Public employment is defined in this bill as any person employed at will for the purpose of providing services to an elected public officer who takes public office or is reelected to public office. SB 521 expands existing law to include felonies involving a conflict of interest. In addition, the disqualification expands to a city manager or city attorney position if they are convicted of any of the above-described felonies.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 590 (Durazo, D-Los Angeles): Paid family leave: eligibility: care for designated persons.
(Chapter 772, Statutes of 2025)
SB 590 expands California's Paid Family Leave (PFL) program to cover time off to care for a "designated person", someone related by blood or whose association is the

equivalent of a family relationship, beginning July 1, 2028. When a worker first claims PFL to care for a designated person, they must identify that person and attest under penalty of perjury to the nature of the relationship. The bill does not change the existing PFL benefit structure.

OCTA Position – Monitor

Impact on OCTA: *OCTA may need to update internal leave coordination and HR policies to ensure consistency between the state's PFL program and job-protected leave under the CFRA, which already includes "designated person" coverage.*

SB 853 (Committee on Labor, Public Employment and Retirement): Public employees' retirement.
(Chapter 239, Statutes of 2025)
SB 853 makes technical and administrative updates to California's public retirement laws governing the Public Employees' Retirement System (PERS) and CERL, which includes OCERS. The bill aligns provisions with the Public Employees' Pension Reform Act of 2013 (PEPRA) by clarifying how final compensation is determined for members with service in multiple systems, specifying how absences are treated for calculating pensionable earnings, and limiting certain post-2013 benefit enhancements. It also strengthens employer reporting requirements for retired annuitants by authorizing monthly penalties for agencies that fail to report reemployed retirees or pay data in a timely manner.

OCTA Position – Monitor

Impact on OCTA: *OCTA participates in OCERS and is therefore subject to CERL. SB 853 does not change benefit formulas or contribution rates but reinforces employer reporting responsibilities and clarifies how final compensation is determined for employees covered under PEPRA.*

V. Environment, Resiliency, and Adaptation

AB 571 (Quirk-Silva, D-La Palma): California Environmental Quality Act: exemption: Gypsum Canyon Veterans Cemetery
(Chapter 158, Statutes of 2025)
AB 571 provides an exemption under the California Environmental Quality Act (CEQA) for any activity or approval necessary to complete the Gypsum Canyon Veterans Cemetery in Orange County, provided specified conditions are met, including the project location that had been analyzed as part of a 2005 environmental document. This authority remains in effect until January 1, 2030.

Urgency Bill – Effective immediately

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

AB 697 (Wilson, D-Suisun City): Protected species: authorized take: State Route 37 project.
(Chapter 438, Statutes of 2025)
AB 697 provides limited authorization for the California Department of Fish and Wildlife (CDFW) to permit the incidental take of certain fully protected species connected to improvements along State Route 37 between Sonoma County and Solano County. The project corridor crosses environmentally sensitive marshland home to several fully protected species, including the salt-marsh harvest mouse, California Ridgway's rail, California black rail, and white-tailed kite. CDFW may issue an incidental take permit for these species only if the project meets all California Endangered Species Act (CESA) requirements, avoids take to the maximum extent possible, and includes a comprehensive monitoring and adaptive management plan that satisfies state conservation standards. The authorization also applies to incidental take that may occur during implementation of approved mitigation or conservation activities.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. Although specific to State Route 37, AB 697 signals how future transportation and flood resilience projects in ecologically sensitive areas may balance construction needs with species protections, an approach potentially relevant to long-term regional transportation planning and mitigation strategies in Orange County.*

AB 996 (Pellerin, D-San Jose): Public Resources: sea level rise plans.
(Chapter 286, Statutes of 2025)
AB 996 refines implementation of California's sea level rise planning requirements for local governments within the coastal zone or under the jurisdiction of the San Francisco Bay Conservation and Development Commission (BCDC). The bill allows the California Coastal Commission (CCC) or BCDC to accept existing sea level rise information or plans previously prepared by local governments to meet all or part of the required content for a sea level rise plan, avoiding duplication of effort. It also encourages local governments to engage in voluntary early consultation with the CCC by January 1, 2029, to ensure local coastal programs or amendments are complete and ready for review before the 2034 compliance deadline.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1207 (Irwin, D-Thousand Oaks): Climate change: market-based compliance mechanism: extension.
(Chapter 117, Statutes of 2025)
AB 1207 extends California's cap-and-trade system, formally rebranded as the cap-and-invest program, through 2045. The bill creates the California Climate Mitigation Fund,

which will receive proceeds from the sale of additional allowances offered at the program's "price ceiling." These funds will be used for household rebates and investments aimed at reducing energy costs. It also strengthens California Air Resources Board's (CARB) oversight by requiring regular legislative reporting, scoping plan updates, and progress assessments on emissions targets.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Extending cap-and-invest through 2045 seeks to provide stability to funding generated from the system, such as for the Transit and Intercity Rail Capital Program (TIRCP) and the Low Carbon Transit Operations Program (LCTOP), which directly benefit transit agencies.*

AB 1319 (Schultz, D-Burbank): Protected species: California Endangered Species Act.
(Chapter 638, Statutes of 2025)
AB 1319 strengthens state protections for endangered species and wildlife. It makes it unlawful in California to import, export, transport, sell, or purchase any fish, wildlife, or plant taken or sold in violation of federal or other state laws, with penalties of up to $50,000 and forfeiture of seized materials. The bill also directs the CDFW to automatically add species to a list of "provisional candidate species" if the federal government decreases protections under CESA, ensuring California maintains comparable safeguards. These provisions remain in effect until January 1, 2032.

OCTA Position – Monitor

Impact on OCTA: *AB 1319 could affect OCTA projects that intersect with habitat areas or species protected under state or federal law. By requiring automatic state-level protections when federal standards are reduced, AB 1319 may influence permitting timelines, mitigation planning, and biological assessments for future transportation and infrastructure projects. OCTA should continue to coordinate closely with the Department of Fish and Wildlife to ensure compliance with evolving species protection requirements.*

SB 71 (Wiener, D-San Francisco): California Environmental Quality Act: exemptions: transit projects.
(Chapter 742, Statutes of 2025)
SB 71 extends and refines existing CEQA exemptions for certain public transit, active transportation, and passenger rail projects. Current law provides these exemptions until January 1, 2030; SB 71 would extend them until January 1, 2040, with a sunset date of January 1, 2032, for projects serving low-emission rather than fully zero-emission vehicles. The bill broadens eligibility to include maintenance activities for passenger rail service improvements and prohibits the use of Tier 4 locomotives in projects located in air basins classified as serious, severe, or extreme nonattainment areas. To qualify for an exemption, projects must be located within existing public rights-of-way, avoid adding

automobile capacity, and comply with requirements related to project cost thresholds, public meetings, labor standards, and housing protections. SB 71 clarifies that project cost thresholds are based on the engineer's estimate at the time of approval, not the total project cost, and authorizes the Office of Land Use and Climate Innovation to adjust these thresholds according to inflation. It also requires that the governing body approve the use of the exemption in a public meeting, ensuring greater transparency, while preserving the option for agencies to pursue the standard CEQA process if desired.

OCTA Position – Support

Impact on OCTA: *SB 71 provides greater clarity and flexibility for projects like the OC Connect active transportation project, which is a four-mile trail linking Downtown Garden Grove, Downtown Santa Ana, the Santa Ana River Trail, and the countywide 66-mile OC Loop bikeway. Under existing law, ambiguity around cost thresholds and inflation adjustments has created uncertainty for agencies seeking to use CEQA exemptions. SB 71 resolves these issues by defining cost thresholds at the time of project approval and indexing them for inflation, helping OCTA and other agencies plan projects with confidence. Additionally, the bill broadens CEQA streamlining authority to include other infrastructure improvements, such as bus shelters and lighting, that enhance safety, accessibility, and transit connectivity.*

SB 695 (Cortese, D-San Jose): Transportation: climate resiliency: projects of statewide and regional significance.
(Chapter 781, Statutes of 2025)
SB 695 requires the California Department of Transportation (Caltrans) in consultation with the California Transportation Commission and the California State Transportation Agency (CalSTA), to identify and prioritize projects of statewide and regional significance that improve the state's resilience to climate-related and natural disasters. Beginning July 1, 2026, and every year thereafter, Caltrans must develop a prioritized list of highway projects that enhance safety, strengthen climate adaptation, and support the economy.

Projects will receive higher priority if they provide multiple benefits, such as improving goods movement, enhancing public safety, increasing climate resilience (e.g., flood or wildfire mitigation), or supporting electrical grid reliability. Caltrans must submit an annual report to the Legislature by January 1, 2027, detailing the prioritized project list.

OCTA Position – Monitor

Impact on OCTA: *This bill may indirectly impact OCTA through Caltrans' statewide project prioritization process, as the annual list could influence future funding opportunities, programming decisions, or statewide investment strategies related to climate-resilient transportation infrastructure.*

SB 840 (Limon, D-Santa Barbara): Greenhouse gases: Greenhouse Gas Reduction Fund: studies.
(Chapter 121, Statutes of 2025)
As part of reauthorizing the state's cap-and-invest program, effective January 1, 2026, SB 840 replaces percentage-based distributions from the Greenhouse Gas Reduction Fund (GGRF) with set annual Budget Act appropriations guided by a tiered priority structure. To implement this shift, SB 840 establishes an annual expenditure plan that will be appropriated in three tiers:

- Tier 1 ($233 million) is funded first and includes one-time appropriations for the following:
  - To replace funding State Responsibility Area fire prevention fee – $90 million
  - For the Green Manufacturing Program – $140 million
  - To establish a Legislative Counsel Climate Bureau – $3 million
- Tier 2 ($2.0 billion) includes:
  - High-Speed Rail – $1 billion to support the Initial Operating Segment and Phase I Blended System identified in the 2012 Business Plan. Funding may be used for property acquisition and construction, environmental review and design, other capital costs such as track, stations, and systems, and repayment of prior project loans.
  - Legislature Discretionary – $1 billion, which for FY 2026-27 includes:
    - Transit passes – $125 million
    - Seed funding for a University of California Climate Research Center – $25 million
    - Rebuilding of Topanga Park – $15 million
    - For an entity chosen by the Legislature to support climate technology innovation and research – $85 million
- Tier 3 ($1.98 billion) includes annual appropriations as follows, if sufficient funding is available. If GGRF revenues are not available, these amounts may be reduced:
  - Affordable Housing and Sustainable Communities – $800 million
  - TIRCP – $400 million
  - AB 617 (Chapter 136, Statutes of 2017) Community Air Protection – $250 million
  - LCTOP – $200 million
  - CAL FIRE – $200 million
  - Safe Drinking Water – $130 million

SB 840 also requires CARB to study carbon offsets by December 31, 2026, update all compliance offset protocols by January 1, 2029, and conduct five-year reviews thereafter to evaluate the effectiveness of carbon offset programs, including environmental integrity, verification standards, and their role in achieving statewide greenhouse gas emission reduction targets.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *Starting July 1, 2026, TIRCP ($400 million) and LCTOP ($200 million) shift from percentage-based continuous appropriations to fixed funding targets. In down-revenue years, Tier 3 amounts, including the TIRCP and LCTOP, may be reduced if GGRF revenues generated cannot cover all commitments. While these new funding targets are intended to provide greater funding stability, previous funding cycles have not consistently reached the $400 million and $200 million levels for TIRCP and LCTOP, respectively, adding uncertainty about the state's ability to sustain these targets over time. Funding guidelines for the transit pass program ($125 million) under the Legislature Discretionary line are still unknown. At the proposed funding level, $125 million statewide is expected to have limited impact on substantially increasing transit ridership, and uncertainty remains regarding accountability measures, eligible uses, and how funds will be distributed amongst transit agencies. The California Transit Association (CTA) is expected to assist the Legislature and Administration in shaping the program's structure and distribution framework.*

In recent budgets, the State has also used GGRF dollars to backfill SB 125 (Chapter 54, Statutes of 2023) transit commitments, ensuring funds were available for the TIRCP Cycle 6 and SB 125 formula allocations despite General Fund constraints. These were one-time budget actions to maintain previously approved transit investments. SB 840 does not account for or extend such backfills or repayment. OCTA should continue to advocate for the full funding of SB 125 transit commitments to ensure stability for ongoing and future capital and operating projects.

VI. Funding

AB 417 (Carrillo, D-Palmdale): Local finance: enhanced infrastructure financing districts: community revitalization and investment authorities.
(Chapter 260, Statutes of 2025)
AB 417 updates and simplifies what the local governments, including cities, counties and special districts, must follow when creating or managing Enhanced Infrastructure Financing Districts and Community Revitalization and Investment Authorities, which are two tools local governments use to fund community improvements like infrastructure, parks, affordable housing, and small business recovery. The bill streamlines the process for these districts to update their plans, add new partners, and file required reports by reducing procedural steps and shortening timelines. It broadens eligibility so more communities can qualify, allows other local agencies to join later if they wish, and expands the types of projects that can be supported, including those focused on general economic recovery rather than just coronavirus (COVID-19)-related needs. AB 417 also reduces the number of required public hearings from three to two and ensures that public notices are accessible by requiring translations into other commonly spoken languages.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 761 (Addis, D-San Luis Obispo): Monterey-Salinas Transit District: sales and special taxes.
(Chapter 706, Statutes of 2025)
AB 761 updates the authority by which the Monterey-Salinas Transit District may seek a local sales tax measure. Starting January 1, 2026, it may ask voters to approve a local sales tax, if two-thirds of its board supports putting the measure forward, rather than receiving the concurrence of a majority of its member jurisdictions. The bill also allows the district, with voter approval before January 1, 2035, to raise up to a quarter of a percent local sales tax even if that increase would push the county above the current two percent limit on local measures. This extra quarter of a percent would not count toward the cap. If voters do not approve such a measure by 2035, the additional taxing authority will expire.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1223 (Nguyen, D-Elk Grove): Local Transportation Authority and Improvement Act: Sacramento Transportation Authority.
(Chapter 724, Statutes of 2025)
AB 1223 expands the Sacramento Transportation Authority's (STA) powers under the Local Transportation Authority and Improvement Act. The bill allows STA to use local transportation sales tax revenues for projects that support infill or transit-oriented development, including improvements to water, stormwater, and utility infrastructure in areas identified by local governments and included in regional plans that advance greenhouse gas reduction goals. The bill also permits STA to propose a transportation sales tax that applies to only part of Sacramento County, rather than requiring countywide voter approval. Any such partial-area measure must receive at least a two-thirds vote of STA's governing board and majority approval from voters within the proposed area.

Additionally, AB 1223 authorizes STA to issue bonds to finance high-occupancy toll (HOT) lanes or other toll facilities within Sacramento County. These bonds may be repaid using toll revenues or other available funding sources, such as sales tax or grant funds. Before issuing bonds tied to toll revenues from facilities operated by the Capital Area Regional Tolling Authority (CARTA), STA must enter into an agreement with CARTA and obtain approval of a toll facility expenditure plan.

OCTA Position – Monitor

Impact on OCTA: *While AB 1223 applies specifically to Sacramento County, it introduces several policy concepts that could influence future regional transportation funding models statewide. The bill's authorization for sub-county sales tax measures and coordination between sales tax authorities and tolling entities could serve as a precedent for other*

transportation agencies seeking flexible revenue options. OCTA may monitor these developments to assess potential implications for local sales tax renewal strategies and regional toll revenue coordination in Orange County.

SB 42 (Umberg, D-Santa Ana): Political Reform Act of 1974: public campaign financing: California Fair Elections Act of 2026
(Chapter 245, Statutes of 2025)
Under current law, the Political Reform Act of 1974 prohibits public officers or candidates from using or accepting public funds for campaigns. SB 42 would remove that prohibition except when the funds are earmarked for education, transportation, or public safety. Specifically, this legislation will allow local and state governments to establish voluntary public financing systems, subject to criteria and spending limits. This will require voter approval, appearing on the ballot on November 3, 2026.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. If approved by voters, local agencies could be asked to consider participation or funding mechanisms for public campaign financing programs established under this authority. Given the exemption pertaining to funds earmarked for transportation, it is expected to have limited impact on OCTA.*

SB 63 (Wiener, D-San Francisco): San Francisco Bay area: local revenue measure: public transit funding.
(Chapter 740, Statutes of 2025)
SB 63 creates a new public transit revenue measure district across Alameda, Contra Costa, Santa Clara, San Francisco, and San Mateo counties, governed by the Metropolitan Transportation Commission Board of Directors. It authorizes a single regional sales tax measure for the November 3, 2026, ballot: one-half percent in Alameda, Contra Costa, Santa Clara, and San Mateo, and one percent in San Francisco, for 14 years.

Revenues would be dedicated largely to transit operations at Bay Area Rapid Transit (BART), San Francisco Municipal Transportation Agency (Muni), Alameda-Contra Costa Transit District (AC Transit), Caltrain, ferry services, and small bus operators, with set shares for fare programs, accessibility, and wayfinding/priority projects. The measure also directs funds to county transportation entities for transit and roadway repaving on transit corridors. The measure also allocates a portion of funds directly to county transportation agencies, the Alameda County Transportation Commission, Contra Costa Transportation Authority, San Mateo County Transit District, and VTA, to finance public transit improvements and roadway repaving projects on corridors served by fixed-route transit.

The bill requires a two-phase “financial efficiency review” of BART, Muni, AC Transit, and Caltrain; the first phase identifies cost-saving measures already implemented since 2020 and early strategies to improve service and customer experience using existing resources. The second phase expands the analysis to propose long-term cost-reduction strategies and a regional development and financing plan for agency-owned property.

The second phase and agency implementation plans proceed only if voters approve the tax. It establishes maintenance-of-effort rules, an oversight committee, and a limited adjudication process that can temporarily withhold a portion of funds if an operator fails to meet adopted standards.

OCTA Position – Monitor

Impact on OCTA: *This bill is notable as a regional model for transit operating support tied to efficiency reviews, uniform ballot timing, preset revenue splits, and accountability tools. Outcomes from the Bay Area's 2026 measure, including fare integration efforts, operator implementation plans, and the use of adjudication to enforce standards, should be monitored. Monitoring will help OCTA assess potential precedents that might influence state policy discussions or revenue frameworks.*

SB 333 (Laird, D-San Luis Obispo): Transactions and use taxes: San Luis Obispo Council of Governments.
(Chapter 750, Statutes of 2025)
SB 333 authorizes the San Luis Obispo Council of Governments (SLOCOG) to levy a transactions and use tax, commonly known as a local sales tax, of up to one percent for general or specific transportation purposes, if approved by voters between January 1, 2026, and January 1, 2032. The bill allows SLOCOG to exceed the existing two percent cap on combined local sales tax rates established under state law.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

VII. Planning

AB 1007 (Rubio, D-West Covina): Land use: development project review.
(Chapter 502, Statutes of 2025.)
Under existing law, the Permit Streamlining Act establishes time limits for state and local agencies to act on development projects. Typically, a lead agency must approve or disapprove a project within 180 days after certifying an environmental impact report or 60 days if the project is exempt from CEQA. Existing law also provides a shorter timeframe for certain housing development projects, requiring a responsible agency to approve or disapprove the project within 90 days after the lead agency's approval or receipt of a complete application, whichever is later. AB 1007 builds on this exception by further shortening the timeframe from 90 days to 45 days. However, the State Water Resources Control Board, regional water quality control boards, and the CCC remain subject to the 90-day timeline due to their specialized permitting authority.

OCTA Position – Monitor

Impact on OCTA: *AB 1007 primarily affects local land use review timelines but may indirectly influence OCTA's coordination with cities on transit-supportive housing and*

mixed-use developments that progress more quickly under the expedited approval process.

AB 1275 (Elhawary, D-Los Angeles): Regional housing needs: regional transportation plan.
(Chapter 593, Statutes of 2025.)
AB 1275 modifies the process and timing for determining each region's existing and projected housing needs. Existing law requires the Department of Housing and Community Development (HCD), in consultation with councils of governments (COG), to determine regional housing needs at least two years before a scheduled housing element revision. This bill extends that timeline to three years to provide COGs and local jurisdictions with more time for data collection, modeling, and coordination with regional transportation and land use planning. For the upcoming housing element cycle, HCD must begin consultation at least 38 months prior to the scheduled revision, except for specified smaller COGs. For upcoming cycles, regions with revisions due in 2027 keep the two-year rule, while those due in 2028 or early 2029 follow a 32-month lead time. The intent is to better ensure consistency between housing projections with the Sustainable Communities Strategy (SCS) within the Regional Transportation Plan (RTP).

OCTA Position – Monitor

Impact on OCTA: For informational purposes. AB 1275 primarily affects regional housing planning timelines but may indirectly support improved coordination between housing, transportation, and sustainability planning through the Southern California Association of Governments' long-range regional efforts.

SB 78 (Seyarto, R-Murrieta): Automated traffic enforcement system programs.
(Chapter 782, Chapters of 2025)
SB 78 requires Caltrans to prepare a report to the Legislature that evaluates current efforts and potential opportunities to streamline the processes and procedures for the delivery of safety enhancement projects on the state highways system. Specifically, this report must include a review of factors that affect the timing of safety enhancement projects, evaluations of project delivery methods, recommendations for enhancing interagency coordination and procurement strategies to streamline delivery of projects, and a summary of existing and planned Caltrans initiatives to streamline safety projects delivery. The report must be submitted on or before January 1, 2027.

OCTA Position – Monitor

Impact on OCTA: *OCTA should collaborate with Caltrans to inform recommendations to be included in the report, which could create opportunities for project streamlining.*

SB 79 (Wiener, D-San Francisco): Housing development: transit-oriented development.
(Chapter 512, Statutes of 2025)
Creates statewide by-right standards for multifamily housing within one-half mile of designated transit stops, setting minimum unit counts, density, height, and residential floor-area ratio by distance and transit tier. Requires on-site affordability, demolition and anti-displacement protections, and specified labor standards. Qualifying projects are eligible for ministerial streamlining and are deemed consistent under the Housing Accountability Act. Authorizes transit agencies to adopt Transit-Oriented Development (TOD) zoning standards for agency-owned parcels near their stations. Directs HCD and Metropolitan Planning Organizations (MPO) to implement mapping and compliance procedures. Most provisions apply July 1, 2026, with enhanced Housing Accountability Act penalties beginning January 1, 2027. Jurisdictions may adopt compliant local TOD alternative plans.

OCTA Position – Monitor

Impact on OCTA: *The bill may lead to denser development around OCTA stations and stops. Additionally, cities and counties may update zoning and development standards in response to HCD and MPO guidance, potentially altering land use and design conditions around OCTA facilities and/or creating added scrutiny on transit and rail service levels and station placement. OCTA may be consulted during local planning processes or in developing local TOD alternative plans. Monitoring implementation will be essential to ensure consistency between transit planning, access management, and development activity near OCTA's assets.*

SB 358 (Becker, D-Menlo Park): Mitigation Fee Act: mitigating vehicular traffic impacts.
(Chapter 515, Statutes of 2025.)
SB 358 updates the Mitigation Fee Act, which governs how local agencies impose fees on development projects to mitigate vehicular traffic impacts. Under prior law, housing developments could qualify for reduced traffic impact fees if they provided either the minimum parking required by local ordinance or limited on-site parking and were located within one-half mile of convenience retail or located within a transit priority area. SB 358 revises these criteria by removing convenience retail uses and instead requires the development to be located within one-half mile from three or more of the following: grocery store, public park, community center, pharmacy, medical clinic or hospital, public library, K–12 school, licensed childcare facility, or restaurant. It also updates parking limits of one space for units with up to two bedrooms and two spaces for units with three or more bedrooms. The bill also eliminates the option for agencies to impose proportionally reduced fees if only some criteria are met. Additionally, any agency findings disputing reduced trip generation must now be supported by substantial evidence in the project record before or during project approval.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 415 (Reyes, D-San Bernardino): Planning and zoning: logistics use developments: truck routes.
(Chapter 316, Statutes of 2025)
SB 415 is clean-up legislation related to AB 98 (Chapter 723, Statutes of 2024), which established statewide standards for warehouse and logistics developments to address traffic, air quality, and community health impacts from heavy-duty truck activity. SB 415 resolves ambiguities in AB 98 by refining key definitions, standardizing compliance timelines, and establishing clear enforcement procedures. Jurisdictions must establish designated truck routes by 2028, or by 2026 in areas with high warehouse concentrations, to reduce truck traffic in residential neighborhoods. Jurisdictions without existing or approved logistics uses by January 1, 2025, are exempt until they approve their first project, at which time routing rules must be adopted within two years.

The bill also requires local authorities (cities and counties) to post signage for truck routes, parking, and idling, and to make routing maps publicly available in geographic information systems format. Logistics operators must communicate their approved routing plans both internally and externally, though enforcement measures are no longer required as part of the plan. By January 1, 2027, the California Highway Patrol (CHP) must provide commercial vehicle enforcement training to local law enforcement, and jurisdictions adopting routing ordinances must designate at least one trained officer. Jurisdictions that fail to comply may be subject to court action by the Attorney General, with fines of up to $50,000 every six months.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The bill primarily affects local land use and goods movement planning but may intersect with OCTA's regional goods movement and air quality coordination efforts and provide insight on increased traffic levels on arterials and other infrastructure on designated truck routes.*

SB 486 (Cabaldon, D-Napa): Regional housing: public postsecondary education: changes in enrollment levels: California Environmental Quality Act.
(Chapter 517, Statutes of 2025)
SB 486 requires regional and local housing planning efforts to account for changes in enrollment at California's public universities. The bill directs metropolitan planning organizations to consider enrollment growth at University of California (UC) and California State University (CSU) campuses when identifying areas sufficient to house the region's population in their SCS. It also requires the Department of Finance, when developing population and household projections for housing needs assessments, to incorporate UC and CSU enrollment forecasts. The CSU must, and the UC is requested to, provide enrollment projections and travel data to regional councils of governments to support the development of housing allocation methodologies.

SB 486 further amends CEQA streamline certain campus development projects by exempting the UC and CSU from conducting a “no project” alternative analysis in environmental impact reports if specific conditions are met, namely, that the project supports state enrollment goals and aligns with local transportation and land use planning.

OCTA Position – Monitor

Impact on OCTA: *Increased university enrollment projections may influence long-range transportation demand and land use planning in future SCS and RTP updates. While SB 486 primarily affects regional planning processes, its integration of higher education data could indirectly inform OCTA’s long-term planning and transit service coordination near academic institutions.*

SB 586 (Jones, R-Escondido): Off-highway electric motorcycles.
(Chapter 588, Statutes of 2025)
SB 586 updates the Vehicle Code to recognize and regulate off-highway electric motorcycles. The bill defines these vehicles as off-highway motorcycles designed primarily for off-road use, powered exclusively by an electric motor that does not require a motor number, equipped with handlebars for steering control, a straddle seat provided by the manufacturer, and two wheels, but without pedals. By classifying off-highway electric motorcycles as off-highway motor vehicles, the bill subjects them to the same rules, identification requirements, and safety standards that apply to other off-highway vehicles, including registration through the Department of Motor Vehicles and compliance with existing operational laws.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 671 (Cervantes, D-Riverside): Pedestrian crossing signals.
(Chapter 326, Statues of 2025)
SB 671 requires newly installed or replaced traffic-actuated signals detect bicycles and motorcycles and include leading pedestrian intervals (LPIs) and accessible pedestrian signals (APS) where those local agencies are operating state-owned signals. SB 671 additionally requires APS pushbuttons or touch-free APS at new pedestrian crossings on state highway projects and mandates that existing state-owned signals be cataloged in the Caltrans management system for future reviews. LPIs must be implemented during scheduled operational reviews, and local agencies must report their implementation of LPIs at state-owned intersections they manage.

OCTA Position – Monitor

Impact on OCTA: *OCTA should coordinate with Caltrans in order to meet compliance of installing these devices where necessary.*

SB 720 (Ashby, D-Sacramento): Automated traffic enforcement system programs. (Chapter 782, Statues of 2025)
SB 720 creates an optional new framework, known as the Safer Streets Program, that any city or county may adopt to use automated systems for enforcing traffic signal violations through a civil rather than criminal process. Under this program, violations are considered civil offenses that do not add points to a driver's record. Fines begin at $100 and can increase for repeat offenses. Appeals are handled administratively with a $25 filing fee, and cities are allowed to have local agency staff, not necessarily law enforcement, review violations. All funds collected must be directed to local street safety improvements instead of general revenue. The program also includes strict requirements for equity, privacy, and transparency, such as publishing a community impact report, providing public notice, and prohibiting the use of facial recognition technology.

OCTA Position – Monitor

Impact on OCTA: *OCTA should monitor implementation of such programs and potential impact it could have on funding for local streets and roads.*

VIII. Public Meetings

SB 470 (Laird, D-Santa Cruz): Bagley-Keene Open Meeting Act: teleconferencing. (Chapter 222, Statues of 2025)
Under the Bagley-Keene Open Meeting Act, meetings of a state body can be held through a teleconference setting if certain requirements are met. Requirements include that the state body post agendas at all teleconference locations, teleconference locations to be identified in the agenda of the meeting or proceeding, and that each teleconference location be accessible to the public. The agenda must provide an opportunity for members of the public to address the state body directly at each teleconference location, and that at least one member of the state body be physically present at the location specified in the notice of the meeting. SB 470 will extend the authorization to teleconference alongside the previously mentioned provisions from January 1, 2026 until January 1, 2030.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 707 (Durazo, D-Los Angeles): Open meetings: meeting and teleconference requirements.
(Chapter 327, Statutes of 2025)
SB 707 updates the Ralph M. Brown Act by introducing new teleconferencing requirements, enhanced accessibility for members of the public, and expanded opportunities for members of legislative bodies to participate remotely under specific conditions. A key component of the bill allows members of a legislative body with a disability to participate remotely as a reasonable accommodation, without the traditional requirements to post an agenda or allow the public to access their remote location. This

codifies recent Attorney General guidance and recognizes that physical attendance can create barriers for some public officials. Importantly, SB 707 does not eliminate the traditional teleconferencing method that has long existed under the Brown Act. Agencies may still use this standard approach, which requires posting the meeting agenda at each teleconference location, allowing public access at each site, and enabling members of the public to comment in person at those locations.

The bill also recasts and extends the "alternative teleconferencing" framework that was first introduced during the COVID-19 pandemic, allowing remote participation under "just cause" and emergency circumstances. The definition of "just cause" now encompasses a contagious illness, medical or mental health needs, official travel for a state or local agency, family medical issues, military service, or caring for an immunocompromised family member. Members using this option must participate via audio and video, disclose who is present in their remote location, and notify the legislative body as early as possible. SB 707 limits how many times per year a member can use these provisions.

New rules are also created for "eligible subsidiary bodies," defined as purely advisory groups that cannot take final legislative or financial action. These bodies may hold remote meetings if doing so promotes access and diversity, but the parent agency must first adopt findings supporting that determination and renew them every six months. Likewise, "eligible multijurisdictional bodies," such as cross-county agencies or joint powers authorities, may use teleconferencing when members are located more than 20 miles from the meeting site, provided a quorum participates from a physical public location.

Beyond teleconferencing, SB 707 establishes extensive new public participation and accessibility requirements for "eligible legislative bodies," which include OCTA. These agencies must offer remote public comment via two-way phone or video platforms, provide closed captioning where available, and adopt formal procedures for restoring service after an outage. They must also translate meeting agendas into all languages spoken by at least 20 percent of the jurisdiction's population with limited English proficiency, and they must provide reasonable assistance to members of the public who wish to offer or receive translation. In addition, agencies must create an accessible public meetings webpage containing agendas, calendars, and instructions for participating in meetings. The legislation also makes several smaller changes, such as prohibiting legislative bodies from adjusting their compensation at special meetings, requiring local agencies to distribute the Brown Act to all members, and clarifying that rules on disruptive behavior extend to remote participants.

OCTA Position – Monitor

Impact on OCTA: *SB 707 will have a direct effect on OCTA, as its Board qualifies as an eligible legislative body. Starting on July 1, 2026, OCTA must offer the public remote access to all Board and committee meetings via phone or audiovisual platforms and adopt formal procedures for restoring service in case of outages. OCTA will also need to translate meeting agendas into qualifying languages within its jurisdiction and provide reasonable assistance for interpretation during meetings.*

For Board and committee members, the law maintains access to the traditional teleconferencing method but introduces new, more flexible options for remote attendance under defined "just cause" and emergency circumstances. OCTA will need to update its Board policies, technology systems, and public outreach procedures to ensure compliance.

IX. Public Works and Procurement

AB 289 (Haney, D-San Francisco): State highway work zone speed safety program. (Chapter 684, Statutes of 2025)
Authorizes Caltrans, through January 1, 2032, to operate up to 35 automated speed safety systems in state highway construction and maintenance zones. Violations are civil only, with tiered fines, mandatory public notice and a 60-day warning period at launch, strict privacy rules, and an administrative review and appeal process ($25 court filing fee). Citation revenue is continuously appropriated to Caltrans for program administration; remaining funds support CHP's Construction and Maintenance Zone Enhanced Enforcement. Caltrans must publish guidelines and report annually on safety outcomes and program metrics.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. Operational impacts to OCTA are limited to project-level coordination and communication.*

AB 390 (Wilson, D-Suisun City): Vehicles: highway safety.
(Chapter 58, Statutes of 2025)
AB 390 expands California's "Move Over or Slow Down" law. Current law requires drivers to change lanes or slow down when approaching a stationary Caltrans vehicle with flashing lights. This bill extends that requirement to all highway maintenance vehicles and to any stationary vehicle displaying flashing lights when stopped adjacent to the highway. The rule does not apply if the vehicle is protected by a barrier. A violation would be an infraction punishable by a fine of up to $50.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. This may have indirect benefits for OCTA's freeway service patrol program, bus operations, and contracted maintenance staff working along county roadways.*

AB 978 (Hoover, R-Folsom): Department of Transportation and local agencies: streets and highways: recycled materials.
(Chapter 443, Statutes of 2025)

AB 978 makes permanent the requirement that local agencies responsible for streets and highways allow the use of recycled materials, such as reclaimed asphalt pavement, recycled aggregate, fly ash, and returned plastic concrete, at levels no lower than those permitted by Caltrans in its standard specifications. Previously, this requirement was set to expire in 2027; the bill removes the sunset date, making it ongoing. Additionally, the bill allows contractors bidding on local public works projects to request written justification if a local agency determines that using recycled materials at Caltrans' levels is not feasible.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 1014 (Rogers, D-Ukiah): Traffic safety: speed limits.
(Chapter 287, Statues of 2025)
Existing law establishes various default speed limits for vehicles on highways and authorizes a local authority to lower the speed limit by five miles per hour (mph) from the nearest five mph increments of the 85th percentile speed so long as it meets certain circumstances such as a portion of a highway being designated as a safety corridor or a portion of a highway is adjacent to any land or facility that generates high concentrations of bicyclists/pedestrians. AB 1014 provides Caltrans the same authority, on a highway that is not a freeway, to respond to safety concerns.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 272 (Becker, D-Menlo Park): San Mateo County Transit District: job order contracting: pilot program.
(Chapter 310, Statutes of 2025)
SB 272 authorizes the San Mateo County Transit District to conduct a job order contracting pilot program to streamline procurement for repair, remodeling, and repetitive construction work. The program caps each individual job order at $1 million and total awards under a single contract at $5 million for the initial 12-month term, with the option for two annual extensions up to a combined $10 million. Contracts must be competitively bid, comply with applicable collective bargaining and project labor agreements, and pay prevailing wages. The district must prepare independent cost estimates before issuing job orders to ensure cost control and submit a report to the Legislature by January 1, 2030, evaluating the pilot's effectiveness. The authorization for the pilot program sunsets on January 1, 2032.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 364 (Strickland, R-Huntington Beach): Outdoor advertising displays: permits: new alignments.
(Chapter 313, Statutes of 2025)
SB 364 modifies the Outdoor Advertising Act to prevent delays in the permitting process for new outdoor advertising displays along newly realigned interstate or primary highways. The bill prohibits Caltrans from denying or delaying acceptance of a permit application solely because a highway project has not been formally accepted as complete, provided that the section of highway is already open to the public for vehicular travel within 1,000 feet of the proposed display location. This change allows permit processing to move forward once a new highway alignment is operational for public use, even if administrative acceptance by Caltrans is still pending.

OCTA Position – Support

Impact on OCTA: *Some cities in Orange County have encountered delays under current practice when seeking to place signage along newly opened highway segments, even when those segments were already serving the public. SB 364 helps address these concerns by allowing permit applications for displays and signage to move forward as soon as the roadway is open for public use. The bill improves coordination and efficiency between local jurisdictions and Caltrans, supporting the timely placement of signage along new or realigned highway corridors.*

SB 809 (Durazo, D-Los Angeles): Employees and independent contractors: construction trucking.
(Chapter 659, Statutes of 2025)
SB 809 establishes the Construction Trucking Employer Amnesty Program, allowing eligible construction contractors to reclassify misclassified construction drivers as employees. The bill clarifies that vehicle ownership alone does not determine independent contractor status and affirms that employees who use their own vehicles for work must be reimbursed for related expenses, including upkeep and depreciation.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. SB 809 primarily affects construction trucking firms that contract with public agencies.*

X. Rail

AB 377 (Tangipa, R-Fresno): High-Speed Rail Authority: business plan: Merced to Bakersfield segment.
(Chapter 81, Statutes of 2025)
AB 377 requires the California High-Speed Rail Authority (CHSRA), as part of its 2026 Business Plan, to include a detailed funding plan for the Merced to Bakersfield segment. The plan must provide an updated estimate of the segment's funding gap, a strategy for addressing that gap, and an assessment of potential delays and mitigation options should

any funding fail to materialize. The CHSRA must also evaluate options for initiating early service on the Merced to Bakersfield segment, including cost and schedule estimates, and assess the likelihood of each proposed funding source.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 30 (Cortese, D-San Jose): Diesel-powered on-track equipment: decommissioning: resale and transfer restrictions.
(Chapter 735, Statutes of 2025)
SB 30 prohibits public transit agencies and other public entities that own diesel-powered locomotives or other rail equipment from selling, donating, or transferring that equipment for continued use once it has been decommissioned and replaced with lower-emission alternatives. The intent is to prevent decommissioned diesel-powered rail equipment from being used elsewhere, where it could contribute to air pollution.

The bill provides exemptions for equipment that meets federal emissions standards (Tier 2, Tier 3, or Tier 4) or produces equivalent emission levels. It also allows transfers if the diesel engine is removed prior to the sale or donation. Any transfer meeting these exemptions must be approved by the public entity at a public hearing.

OCTA Position – Monitor

Impact on OCTA: *OCTA is a member agency of Metrolink and the managing agency of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency, both of which could be affected by SB 30's restrictions. The bill may influence how decommissioned diesel locomotives or other on-track equipment are handled when replaced with cleaner technologies such as hybrid or zero-emission alternatives. While SB 30 aligns with ongoing state and regional goals to reduce rail emissions, it may require coordination among Metrolink member agencies and LOSSAN partners to ensure compliance with decommissioning and resale restrictions when transitioning to lower-emission fleets.*

SB 544 (Laird, D-Monterey): Railroad crossings: permit applications: review.
(Chapter 224, Statutes of 2025)
SB 544 revises California's process for reviewing and approving railroad crossing projects under the California Public Utilities Commission (CPUC). It creates an "exempt railroad crossing application" option that allows projects with clear public benefits and no opposition to move through an expedited review, reducing delays for routine or low-risk improvements such as signal upgrades or warning device replacements. The bill also standardizes what must be included in applications, providing clearer expectations and reducing the likelihood of revisions. SB 544 requires that approvals for exempt projects be publicly noticed and open for comment, enhancing transparency and coordination with cities, rail operators, and the community.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The new "exempt railroad crossing application" process could help shorten CPUC review times for future grade separation or safety improvement projects. The bill's standardized application requirements will also make it easier for OCTA and its partner agencies to prepare consistent, complete submissions for crossing modifications connected to local rail or streetcar infrastructure.*

XI. Safety and Security

AB 370 (Carrillo, D-Palmdale): California Public Records Act: cyberattacks. (Chapter 34, Statutes of 2025)
Existing law requires public agencies to respond to Public Records Act requests within ten days, with an allowance for an additional 14-day extension in cases of "unusual circumstances." AB 370 expands what qualifies as unusual circumstances to include cyberattacks or other emergencies that directly impair an agency's access to its electronic records or systems. When such conditions occur, an agency may invoke the 14-day extension by providing written notice to the requester explaining the reason for the delay and the expected date for its determination.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. Provides limited schedule flexibility for CPRA responses when a cyber incident or qualifying emergency directly affects OCTA's ability to access electronic records.*

AB 382 (Berman, D-Palo Alto): Pedestrian safety: school zones: speed limits. (Chapter 555, Statues of 2025)
Under current law, a prima facie speed limit of 25 mph is enforced when in proximity to school buildings and/or grounds. AB 382 reduces the prima facie speed limit to 20 mph in a school zone, which is defined as an area of a highway within 500 feet of school grounds in any direction, beginning January 1, 2031. This will apply under any of the following conditions: when a school speed limit sign has flashing beacons, states children are present or is limited to specified hours. AB 382 also maintains local authorities' ability to set speed limits as low as 15 mph in residential districts near schools and 25 mph when approaching school zones from 500 to 1,000 feet away, without prior restrictions.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. OCTA bus drivers adhere to all posted speed limits regardless of location.*

AB 394 (Wilson, D-Suisun City): Public transportation providers.
(Chapter 147, Statutes of 2025)
AB 394 expands who is protected when assaults happen in and around public transit. Statute already includes provisions for battery against bus and rail operators and their passengers. This bill extends those protections to any employee or contractor of a public transportation provider (as well as the provider itself), so assaults on mechanics, cleaners, fare inspectors, station agents, contracted security, etc., can carry the same enhanced penalties, with offenses punishable by up to one year in county jail and a fine of up to $10,000. The bill also tightens the workplace-violence restraining order statute so transit agencies (including joint powers authorities) statewide and collective bargaining representatives can more clearly seek temporary restraining orders and longer injunctions on behalf of workers when there's harassment, threats, stalking, or battery tied to the workplace.

OCTA Position – Support

Impact on OCTA: *AB 394 gives OCTA stronger tools to protect its workforce and riders. First, more OCTA personnel and contractors are explicitly covered by the higher criminal penalties for battery on transit, which should improve deterrence and help law enforcement and prosecutors charge these cases appropriately. Second, it clarifies OCTA's standing, as an employer and as a transit operator, to seek workplace violence restraining orders when a repeat offender targets our system or staff, allowing OCTA and labor representatives to act faster and with clearer legal footing.*

AB 438 (Hadwick, R-Jackson): Authorized emergency vehicles.
(Chapter 152, Statutes of 2025)
AB 438 expands the authority of the CHP Commissioner to issue authorized emergency vehicle permits. Under prior law, permits could only be issued for certain vehicles used for emergency response, such as those owned by fire departments, public utilities, or police agencies. This bill adds vehicles owned by county, city, or city-and-county offices of emergency services to the list of eligible vehicles, allowing them to operate as authorized emergency vehicles when used by public employees responding to disasters.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

AB 440 (Ramos, D-San Bernardino): State bridges and overpasses: suicide prevention.
(Chapter 262, Statutes of 2025)
AB 440 requires Caltrans, by July 1, 2028, to identify best practices for suicide deterrent measures on state bridges and overpasses, considering input from local jurisdictions and to consult with the California Department of Public Health, behavioral health experts, and other stakeholders.

OCTA Position – Monitor

Impact on OCTA: *OCTA may be asked to provide input as part of Caltrans' consultation process and could incorporate identified best practices into future infrastructure projects where appropriate.*

SB 446 (Hurtado, D-Bakersfield): Data breaches: customer notification.
(Chapter 319, Statues of 2025)
Under current law, individuals and/or businesses that conduct business in California, of which owns or licenses computerized data that includes personal data, are to disclose breach of security systems following discovery or notification of the breach of the data to a resident of California whose unencrypted personal information was compromised without unreasonable delay. SB 446 requires such data breach disclosures to be made within 30 calendar days of a breach discovery or notification. However, SB 446 further authorizes individuals and/or businesses to delay disclosure to accommodate the needs of law enforcement if necessary.

OCTA Position – Monitor

Impact on OCTA: *OCTA should ensure in case of a data breach appropriate notice be provided within 30 days of discovery to all OCTA customers, as applicable.*

XII. State Budget

AB 104 (Gabriel, D-Encino): Budget Act of 2025.
(Chapter 77, Statutes of 2025)
AB 104 serves as a follow-up to the fiscal year 2025–26 budget bill, amending various provisions to appropriate additional funds and make technical adjustments.

A particularly notable provision of AB 104 authorizes up to $1.75 billion in state general fund loans to local entities, split as follows:

- Up to $1 billion for eligible local entities within Los Angeles County, including the County of Los Angeles, Los Angeles County Office of Education, cities, special districts, school districts, and community college districts, to support public recovery and rebuilding efforts related to the January 2025 wildfires.
- Up to $750 million for transit operators outside Los Angeles County, specifically including the BART, Muni, Peninsula Corridor Joint Powers Board, and AC Transit. These loans are intended to sustain transit operations during the state's fiscal realignment period and are contingent upon the enactment of future legislation establishing loan terms and repayment mechanisms.

Under AB 104, these loans must be fully repaid under clearly defined repayment schedules with guaranteed mechanisms to ensure repayment, such as future fare revenue or a regionally approved funding measure. The bill also specifies that the loan authority for Bay Area transit operators becomes operative only if future legislation enacts

a long-term regional funding measure to stabilize transit operations and improve financial sustainability.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *AB 104 provides insight into the State's broader strategy to address regional transportation and transit funding shortfalls through temporary state-backed loan programs and potential regional revenue measures. While OCTA is not directly included among the eligible entities, the precedent set by these emergency loans could shape future statewide transit stabilization efforts and funding models. OCTA will monitor subsequent budget trailer legislation for potential inclusion of Southern California transit entities or additional funding provisions that could influence regional transportation coordination, capital project financing, or emergency recovery resources.*

AB 149 (Committee on Budget): Public resources trailer bill.
(Chapter 106, Statutes of 2025)
AB 149 makes a broad set of public resources policy changes. For the 2028 Olympic and Paralympic Games (Games) delivery, AB 149 refines environmental streamlining. Activities tied to bidding, hosting/staging, and funding the Games remain exempt from CEQA. The bill adds a targeted CEQA exemption for temporary facilities that are fully removed and sites restored within six months after the Games. It requires public notice of confirmed competition venue location changes and clarifies that other applicable protections, such as sensitive habitat, still apply. Separately, temporary Games developments along the coast are deemed "temporary events" and exempt from local coastal development permits through December 31, 2028, with an expectation to avoid and minimize coastal resource impacts where feasible.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *The 2028 Games provisions could affect OCTA's special event planning and regional coordination. This is particularly important to monitor as Orange County has two Games venue locations, the Honda Center in the City of Anaheim and Trestles Beach in the City of San Clemente/San Onofre State Beach in San Diego County.*

SB 105 (Wiener, D-San Francisco): Budget Acts of 2021, 2023, 2024, and 2025.
(Chapter 104, Statutes of 2025)
SB 105 serves as the Budget Bill Jr. for the 2025-26 fiscal year, making adjustments and supplemental appropriations to the main Budget Act of 2025. The bill includes key provisions that directly impact transit funding and commitments made in previous budget negotiations.

SB 105 appropriates $368 million from the GGRF to CalSTA for the TIRCP. Of this amount, $180 million is dedicated to Cycle 6 of the competitive TIRCP, and $188 million is allocated to the Formula TIRCP established by SB 125.

SB 105 also extends until January 10, 2026, the timeframe for the State to consider a general fund loan or other financing options to provide short-term financial assistance to local transit agencies in the Bay Area, for possible inclusion in the fiscal year 2026–27 Governor's Budget. The bill clarifies that any such financial assistance must include full repayment of the principal, an applicable interest rate, a defined repayment schedule, and a guaranteed repayment mechanism to ensure fiscal accountability. This provision builds upon direction established in the 2025 Budget Act, which first authorized the state to explore temporary financial support for transit operators facing post-pandemic revenue challenges.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 105 reinforces the state's commitment to ongoing public transit investments through the continued allocation of TIRCP and Formula TIRCP funding, which remain key sources of capital support for major transit agencies across California. These funds will help maintain funding commitments OCTA has made for zero-emission bus infrastructure, rail modernization, and other emission-reduction initiatives. The extension of the Bay Area transit loan framework does not directly apply to OCTA but reflects the state's broader consideration of strategies to stabilize local transit systems. This policy direction may inform future discussions about financial assistance or recovery mechanisms for Southern California transit operators.*

SB 128 (Committee on Budget & Fiscal Review): Transportation.
(Chapter 16, Statutes of 2025)

SB 128 enacts technical and programmatic adjustments across transportation and driver licensing programs while also including key provisions related to planning for the Games. Specifically, for the Games, SB 128 temporarily authorizes Caltrans and local agencies to dedicate exclusive or preferential use of High-Occupancy Vehicle (HOV), HOT, and other lanes to vehicles displaying a distinctive decal or identifier issued by the Games' organizing committee. These decals will designate vehicles operating on the Games Route Network (GRN) to facilitate safe and efficient travel for athletes, officials, and support personnel. Caltrans and the CHP will jointly approve the design and issuance of the decals, which will be valid only during the designated Games period.

The bill appropriates $1,000 from the State Highway Account to Caltrans to fund projects in support of the GRN and authorizes the Department of Finance to increase this amount by up to $20 million upon legislative notification to fund Games-related transportation projects and lane-management activities.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 128 provides the State with enhanced administrative and operational flexibility ahead of the 2028 Games, which are expected to influence traffic operations across Southern California. OCTA will be directly affected by the creation of the GRN, particularly when managed-lane reassignments intersect with Orange County freeways, express lanes, or HOV lanes. OCTA will coordinate with Caltrans, LA28, and regional transportation partners on implementation.*

SB 153 (Committee on Budget & Fiscal Review): Transportation Budget Trailer Bill. (Chapter 109, Statutes of 2025)
SB 153 serves as the transportation budget trailer bill and makes a series of statutory and budget-related changes to transportation and regulatory programs. Among other provisions, this bill:

- Includes a technical clean-up amendment to clarify that the hold harmless provision, which uses pre-COVID-19 revenue numbers for calculation purposes, continues to apply to LCTOP, just as it does to the State Transit Assistance and State of Good Repair programs. Although Caltrans has been implementing the hold harmless provision for LCTOP as intended, this amendment formally codifies that intent and ensures no changes to current funding disbursement practices.
- Grants the Los Angeles County Metropolitan Transportation Authority (LA Metro) and other public operators under contract with LA Metro temporary authority to provide charter bus service for the 2026 Fédération Internationale de Football Association (FIFA) World Cup in Los Angeles County, under conditions ensuring fair competition and adherence to labor agreements.
- Grants similar temporary charter authority to Bay Area transit operators, including VTA and others providing service within the greater San Francisco Bay Area, for the same 2026 FIFA World Cup period.
- Appropriates $132.175 million from the Air Pollution Control Fund for CARB's Hybrid and Zero-Emission Truck and Bus Voucher Incentive Project, exempting program guidelines from the Administrative Procedure Act to expedite deployment.

Urgency Bill – Effective Immediately

OCTA Position – Monitor

Impact on OCTA: *SB 153 ensures administrative clarity and continuity for LCTOP, preserving the hold harmless provision that protects OCTA's LCTOP allocations from year-over-year volatility in statewide revenue collections. The bill results in no changes to OCTA's expected disbursements or reporting obligations. Other provisions, such as the temporary 2026 FIFA World Cup charter authorities, are localized and not directly*

applicable to Orange County, though OCTA should monitor statewide implementation for precedent or administrative changes relevant to regional transit coordination.

XIII. Tolling

AB 1085 (Stefani, D-San Francisco): License plates: obstruction or alteration. (Chapter 179, Statutes of 2025)
AB 1085 expands current law to explicitly prohibit the production and use of items such as tints, shades, and other materials designed to prevent visual or electronic recognition of license plates. The legislation establishes a fine of $1,000 per item manufactured or sold in violation of the law. Its purpose is to curb the use of license plate-obscuring materials that allow drivers to evade toll collection and other automated enforcement systems, such as those used for express lanes and red-light cameras.

OCTA Position – Support

Impact on OCTA: *AB 1085 directly addresses a persistent challenge affecting toll operations on the 91 Express Lanes and the 405 Express Lanes. Obstructed or unreadable license plates have caused toll revenue losses, estimated at more than $200,000 annually for the 91 Express Lanes alone, and hinder enforcement efforts. By prohibiting the production and sale of license plate–blocking devices, AB 1085 provides OCTA and other toll agencies with a clear legal basis to deter violations and recover lost revenue. It also assists law enforcement in investigations where vehicle identification is essential, such as hit-and-run incidents.*

AB 1114 (Avila Farias, D-Concord): Emergency vehicles: fee and toll exemptions. (Chapter 87, Statutes of 2025)
Under existing law, an emergency vehicle displaying public agency identification, such as fire department, sheriff, or police are exempt from paying tolls so long as they provide documentation to the toll facility that it was responding to an emergency or enter into agreements establishing procedures for exempt travel. AB 1114 extends this exemption to private ambulances when they are responding to or returning from emergency calls if proper procedures are followed as aforementioned. It specified that an ambulance corporation chief executive would be authorized to certify emergency use of such toll facilities.

OCTA Position – Monitor

Impact on OCTA: *OCTA should be aware that private ambulance companies may request to enter into agreements to operate in the 91 or 405 Express Lanes and be exempt from paying the toll.*

XIV. Transit

AB 1250 (Papan, D-San Mateo): Transit operators: paratransit: recertification of eligibility.
(Chapter 725, Statutes of 2025)
AB 1250 requires all public transit operators that provide paratransit services and receive Transportation Development Act funding, by January 1, 2027, to create a streamlined process for recertifying the eligibility of individuals with permanent disabilities. The streamlined process must allow recertification by telephone, mail, teleconference, or online submission and may only request basic verification information, such as contact details, mobility device updates, and any changes in disability status. Recertification for eligible riders will occur every five years.

OCTA Position – Monitor

Impact on OCTA: *This bill will require OCTA and other transit operators to adjust their paratransit eligibility recertification procedures to comply with new state standards. OCTA's OC ACCESS eligibility process may need to be modified to include a streamlined option for riders with permanent disabilities, potentially reducing administrative burdens and improving customer convenience. Implementation will likely require updates to eligibility forms, recordkeeping systems, and staff training prior to the 2027 compliance deadline.*

SB 359 (Niello, R-Rancho Cordova): Use fuel tax law: diesel fuel tax law: exempt bus operation.
(Chapter 217, Statutes of 2025)
Under current law, public transit operators like transit districts, authorities, or cities are exempt from diesel and use-fuel taxes for their bus operations. SB 359 expands that exemption to include counties that own and operate a local transit system.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes. The intent of this bill was to ensure this exemption could be used by Placer County.*

XV. Transportation Electrification/Energy

AB 1423 (Irwin, D-Thousand Oaks): Transportation electrification: electric vehicle charging stations: payment methods.
(Chapter 192, Statutes of 2025)
Under existing law, electric vehicle charging stations that charge a fee cannot require users to pay a subscription or hold a membership, though they may offer such programs if nonsubscribers can pay via contactless credit/debit card and either a toll-free number or short message system option. Previously, the California Energy Commission could not change these payment requirements until 2028. AB 1423 removes that requirement,

allowing the Commission to modify, add to, or remove accepted payment methods sooner, as needed to reflect new technologies or cost considerations.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes.*

SB 237 (Grayson, D-Walnut Creek): Oil spill prevention: gasoline specifications: suspension: California Environmental Quality Act: exemptions: County of Kern: transportation fuels assessment: coastal resources.
(Chapter 118, Statutes of 2025)
SB 237 makes several changes to oil spill prevention, pipeline safety, and environmental review, and includes provisions affecting California's transportation fuel supply. The bill authorizes the Governor, in consultation with CARB and the California Energy Commission (CEC), to temporarily suspend seasonal gasoline volatility limits when fuel prices spike, allowing higher-volatility gasoline to stabilize supply. It also directs the CEC to evaluate the cost, supply, and feasibility of alternative fuel specifications and explore a potential regional "westwide" fuel standard for western states.

OCTA Position – Monitor

Impact on OCTA: *The transportation fuel provisions in SB 237 could affect statewide fuel supply and pricing, which directly influence OCTA's fuel costs for operations. The CEC's forthcoming assessment of alternative fuel specifications and a potential regional fuel standard could also affect long-term pricing and availability of transportation fuels.*

XVI. Other Legislation

AB 875 (Muratsuchi, D-Torrance): Vehicle removal.
(Chapter 168, Statues of 2025)
AB 875 expands peace officers and/or traffic enforcement employee's authority in cases of removing a vehicle by authorizing officers to tow vehicles with fewer than four wheels if it can exceed over 20 mph with the assistance of an electric motor and is operated by an unlicensed driver. AB 875 also allows officers to remove a vehicle if it is a Class 3 electric bicycle that is ridden by someone under the age of 16. AB 875 also permits local governments to charge fees covering administrative and storage costs related to removing these vehicles. Vehicles must be returned to their owners after at least 48 hours if certain conditions, including payment of costs, are met. Further conditions include that, if a peace officer removes a vehicle, the agency can require proof that the violator completed an electric bicycle safety course before releasing it.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only. While AB 875 does not directly pertain to OCTA, understanding its impacts could facilitate clearer communication with local governments when electric bicycle inquiries arise.*

AB 1340 (Wicks, D-Oakland): Transportation network company drivers: labor relations.
(Chapter 335, Statutes of 2025)
AB 1340 establishes the Transportation Network Company Drivers Labor Relations Act, creating a new framework that allows application-based drivers for companies such as Uber and Lyft to organize and bargain collectively over pay, benefits, safety, and working conditions. The law gives drivers the right to select a representative to negotiate directly with companies through a formal, state-supervised process. PERB oversees this system, handling elections, bargaining procedures, unfair labor practices, and approval of industrywide "sectoral agreements" that set minimum standards across the transport network companies (TNC) industry. The law preserves drivers' status as independent contractors under Proposition 22 (2020) and prohibits any agreement from reducing the minimum pay or benefits already guaranteed by that measure.

OCTA Position – Monitor

Impact on OCTA: *OCTA may wish to monitor the implementation of this law and any early agreements for potential effects on first- and last-mile programs, Mobility-as-a-Service pilots, and partnerships.*

AB 1141 (Lee, D-Milpitas): Contra Costa Transit District: Board of Directors: election: compensation.
(Chapter 66, Statues of 2025)
AB 1141 reforms the election and compensation composition of the Contra Costa Transit District's Board of Directors. The current Board of Directors is comprised of seven directors, one from each ward, and two elected at large. AB 1141 eliminates the two existing directors elected at large. Additionally, the Board of Directors' compensation will be adjusted based upon the percentage increase in the California Consumer Price Index from the previous calendar year and will become effective until the new fiscal year following adoption of adjustment. The change will go into effect after the next regular election.

OCTA Position – Monitor

Impact on OCTA: *For informational purposes only.*

SB 371 (Cabaldon, D-Napa): Transportation network companies: insurance coverage.
(Chapter 314, Statutes of 2025)
SB 371 updates insurance requirements and reporting standards for TNCs such as Uber and Lyft. The bill lowers the minimum uninsured motorist and underinsured motorist coverage from $1 million to $60,000 per person and $300,000 per incident for the period when a passenger is in the vehicle and makes the TNC responsible for maintaining this coverage. It directs the CPUC and the Department of Insurance to jointly study whether these coverage levels are appropriate and report their findings to the Legislature by

December 31, 2030. The bill also requires the CPUC's annual reports to include new data beginning in 2026 on automobile accidents involving TNCs, related insurance claims, and the average fares paid by riders in specified six-month periods between 2025 and 2026.

OCTA Position – Monitor

Impact on OCTA: *The changes in insurance coverage and data reporting for TNCs may affect how these companies operate within Orange County and coordinate with OCTA's transit services. OCTA will monitor implementation for potential impacts on first- and last-mile connections, rider safety, and integration of TNCs into the regional transportation network.*

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC

Legislative and Communications Committee Meeting of November 20, 2025

Present: Directors Jung, Foley, Janet Nguyen, Tavoularis, Tettemer, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Director Foley was not present to vote on this item.

Committee Recommendation(s)

Receive and file the staff evaluation of the federal advocacy services of Potomac Partners, DC as an information item and provide any additional comments.

OCTA

November 20, 2025

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Performance Evaluation of Federal Legislative Advocate, Potomac Partners, DC

Overview

The firm Potomac Partners, DC provides federal legislative advocacy services for the Orange County Transportation Authority in Washington, D.C. A staff evaluation of the services provided this session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation of the federal advocacy services of Potomac Partners, DC as an information item and provide any additional comments.

Background

Since 2003, the Orange County Transportation Authority (OCTA) has contracted with Potomac Partners, DC (PPDC) for federal legislative advocacy services. On November 25, 2024, the OCTA Board of Directors (Board) approved a contract with PPDC to provide federal advocacy and consulting services for an initial term of two years through December 31, 2026, with two, two-year option terms. The federal legislative advocacy and consulting services provided by PPDC are led by Richard Alcalde, Daniel Feliz, and Adam Cross.

Discussion

The evaluation of federal legislative advocacy services covers major issues addressed and general services provided by PPDC, mirroring the process also used to evaluate the state legislative advocacy services. Staff's evaluation of the services provided by PPDC is included in Attachment A. The major issues and general services provided by PPDC have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated PPDC's efforts overall as "excellent" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative bipartisan relationships with members of Congress and the Administration. Staff has rated PPDC's outcomes overall as "very good" based on the outcomes of the issues discussed.

Next year, the expected focus of PPDC's advocacy for OCTA will include continued efforts related to surface transportation reauthorization, and advancing OCTA Board-adopted priorities. On the appropriations front, PPDC will continue efforts to seek appropriations for transportation programs consistent with authorized levels and maximize funding opportunities for OCTA projects and programs. Other issues will include permitting reform, addressing cost impacts to project delivery and capital purchases, and informing transportation policies proposed by the Administration. In addition, priorities for PPDC will include advancement of OCTA's positions on policy goals contained in the Board-adopted 2025-26 OCTA Federal Legislative Platform.

To assist the Board in fully evaluating PPDC, the federal legislative advocate's current scope of work is included as Attachment B.

Summary

An evaluation of federal legislative advocacy services performed by Potomac Partners, DC is presented to the Board of Directors for information and further comment.

Attachments

A. Staff Evaluation of Services Provided by Potomac Partners, DC for 2025
B. Scope of Work Federal Legislative Advocacy and Consulting Services

Prepared by:

Kristin Jacinto
Executive Director,
Government Relations
(714) 560-5754

ATTACHMENT A

Staff Evaluation of Services Provided by Potomac Partners, DC for 2025

The following narrative provides specific information with respect to major issues addressed by Potomac Partners, DC (PPDC) as the Orange County Transportation Authority's (OCTA) primary federal legislative advocate for 2025. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Appropriations and Grant Funding Opportunities

Effort: Excellent; Outcome: Very Good

This year, Congress was unable to reach agreement on a fiscal year (FY) 2025 appropriations bill, instead opting for a full-year continuing resolution. This effectively negated all pending community project funding (CPF) and congressionally directed spending (CDS) requests for that year. PPDC has been successful in having two projects submitted – the Interstate 5 Improvement Project by Representative Kim (R-CA) and the Katella Bridge by Representative Correa (D-CA). As Congress entered negotiations for the FY 2026 appropriations bill, both the House and Senate continued to entertain requests for CPF and CDS requests. As part of this process, PPDC ensured OCTA projects and programs were included that were pending as part of the FY 2025, to the extent funding need continued to exist. This included the resubmittal of the Interstate 5 Improvement Project by Representative Kim. PPDC also worked with Representative Kim to submit an additional project – the State Route 55 Improvement Project (Interstate 5 to State Route 91). In addition, Representative Min (D-CA) submitted a CPF on behalf of OCTA for the deployment of advanced transportation controllers, and Representative Levin (D-CA) submitted a request for the Interstate 5 Improvement Project between Avenida Pico and the San Diego County line. While an appropriations bill has yet to be passed, the fact that PPDC was able to get these projects included in the draft omnibus bill demonstrates a high potential for successful inclusion in the final FY 2025 appropriations bill.

Related to discretionary grants, PPDC again led efforts to secure support from delegation members for projects pursued by OCTA. This included obtaining support from Representative Levin in maintaining full funding of the Consolidated Rail Infrastructure and Safety Improvements grant for the emergency work along the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor. As a broader effort, PPDC also maintained continuous contact with key Department of Transportation staff to maintain funding commitments to OCTA.

OCTA Policy Engagement
Effort: Excellent; Outcome: Excellent

The focus of this year was largely on informing surface transportation reauthorization legislation, focusing on OCTA priorities adopted by the Board of Directors, including resetting the distribution of Surface Transportation Block Grant (STBG) and Congestion Mitigation and Air Quality (CMAQ) funds, permit streamlining, and increased formula funding. To advance these efforts, PPDC secured support via testimony or written materials from several delegation members as part of the House Transportation and Infrastructure Committee (T&I Committee) input process. This effort translated to language being submitted early for consideration and helped inform a delegation letter from Orange County members to Senator Padilla (D-CA) and Senator Schiff (D-CA) supporting similar action within the Senate. PPDC was able to have repeated, direct conversations with the T&I Committee staff drafting the bill, remaining nimble throughout the process as questions came up. This direct line of communication was invaluable to allow staff a greater understanding of the issue, while also informing broader conversations about increased formula funding. OCTA had a direct seat at the table through these conversations due to PPDC's relationships. Similarly, within the Department of Transportation, PPDC had opportunities to inform reauthorization priorities, highlighting this issue, in addition to other permitting challenges such as on the LOSSAN Rail Corridor.

To further education on this issue, PPDC secured a visit from Representative David Rouzer (R-NC), Chair of the House T&I Committee's Subcommittee on Highways and Transit, and member of the House T&I Committee's Subcommittee on Railroads, Pipelines and Hazardous Materials, to Orange County. Representative Rouzer and his staff were not only able to directly see OCTA projects of significance, including the Interstate 405 Improvement Project and work on the LOSSAN Rail Corridor, but were also able to hear directly about the STBG/CMAQ proposal while discussing the potential for additional formula transportation funding.

Beyond surface transportation reauthorization and the STBG and CMAQ issue, PPDC also led efforts to secure support on a variety of policy issues. This includes letters from delegation members, such as Representative Tran (D-CA) to seek a role for OCTA on the LA 2028 Olympics Games Mobility Executive group.

General Services
Effort: Excellent; Outcome: Very Good

In 2024, PPDC was again successful in securing necessary meetings requested by OCTA to advance policy priorities. This included meetings with Orange County delegation, congressional leadership, and committee staff to discuss surface transportation reauthorization, funding priorities, and permit challenges. These meetings occurred over four trips OCTA staff made to Washington, D.C. this year. In addition, PPDC arranged for the visit from Representative Rouzer.

As the new Administration began and released several policy directives within a truncated period of time, PPDC communicated regularly so OCTA understood background on rapidly changing policy priorities. This communication was critical to navigating OCTA responses.

PPDC continued work to keep relevant offices and staff in Washington, D.C. apprised of OCTA projects and priorities, including the Interstate 405 Improvement Project, OC Streetcar, and work along the LOSSAN Rail Corridor. Coordinated messaging with Metrolink was also made via PPDC to advance policies related to funding and surface transportation reauthorization.

PPDC also worked on several other issues on behalf of OCTA, including promptly responding to questions from federal delegation members and advising on new policy proposals. This included participating in meetings requested by Orange County delegation staff and in tracking policy proposals by committee staff.

Overall Rating
Effort: Excellent; Outcome: Very Good

PPDC's efforts overall are rated as excellent based on responsiveness, time dedicated to advocating for, and advancing of, OCTA's positions and policies, timeliness of information, assisting in building cooperative relationships with Congress and members of the Administration, and availability. PPDC's outcomes overall are rated as very good based on the outcomes of the issues discussed.

SCOPE OF WORK
FEDERAL LEGISLATIVE ADVOCACY AND CONSULTING SERVICES

I. General

The federal legislative advocate team will need to address a series of issues and be organized around the federal goals and objectives of the Orange County Transportation Authority's (OCTA) Legislative Platform (Attachment 1). The primary issues and objectives are summarized as follows:

1. Secure a stable and reliable long term surface transportation reauthorization bill, and annual appropriations bills in accordance with current Legislative Platform and Board of Directors (Board)-approved project and program requests.

2. Advocate at the Congressional and Executive Branch levels for federal funding for OCTA projects and programs, including Community Project Funding (CPF) and Congressionally Directed Spending (CDS).

3. Advocate on behalf of OCTA's position on Southern California regional issues in Washington DC, including the 2028 Olympics, air quality mandates, regional goods movement and rail.

4. Seek to maximize funding for all OCTA modal programs in the next surface transportation reauthorization bill, seeking to protect OCTA's discretion in the use and programming of federal funds and maximizing funding on a formula basis.

5. Seek to streamline and accelerate the delivery of federally funded projects, mitigating any impacts from federal regulatory requirements.

6. Advocate for funding of compliance costs for any new federally mandated requirements.

7. Advocate for federal intercity passenger rail funding and permit streamlining for the San Luis Obispo-Los Angeles-San Diego (LOSSAN) corridor, including recommendations for the future protection of the corridor.

II. Coalition Activities

OCTA expects the federal legislative advocate(s) to build and sustain a strong federal coalition in support of OCTA.

1. OCTA Legislative Platform

    1.1 Provide input to and implement OCTA-developed funding strategies for transportation projects including bus transit, rail transit, highway, intelligent transportation systems projects, and any other projects and programs

which may be appropriate to achieve OCTA mobility goals. This can include identifying funding options, informing funding guidance, obtaining support letters and submitting applications for CPF and CDS requests.

1.2 Recommend appropriate activities for OCTA Board members and OCTA staff at various stages of the legislative process.

1.3 Provide general political and advocacy advice to the OCTA.

2. Legislation, Regulations, and Policy

2.1 Notify OCTA of anticipated, newly introduced, or amended federal legislation, regulations, and administrative policy actions which could impact OCTA and provide a legislative analysis on how such action(s) may affect the interest of OCTA.

2.2 Working with OCTA, develop positions and tactics which implement OCTA's strategy objectives regarding the upcoming reauthorization of the surface transportation program.

2.3 Provide information and advice regarding upcoming congressional hearings which may impact policies and programs of OCTA.

2.4 Attend hearings and other public sessions of interest to OCTA.

2.5 Assist in the preparation of testimony before congressional committees, recommending opportunities to highlight OCTA programs and projects. Represent OCTA before committee members and staff, including but not limited to the House and Senate Committees on Appropriations, the House Committee on Transportation and Infrastructure, the Senate Committee on Banking and Urban Affairs, the Senate Commerce Committee and the Senate Committee on Environment and Public Works.

2.6 Assist in drafting legislative language, and other written materials deemed of interest to OCTA, to ensure that the goals and objectives of OCTA are fulfilled.

2.7 Assist in drafting responses to Federal Register notices and other federal public comment announcements.

2.8 Assist in preparation of appropriate written materials supporting OCTA legislative goals, including letters, talking points, bill summaries and position papers.

3. Liaison and Advocacy Activities

3.1 Orange County Congressional Delegation

3.1.1 Maintain frequent formal and informal contact with the Orange County delegation members and staff to represent and advocate OCTA policies and positions.

3.1.2 Recommend when OCTA Board Members and/or OCTA staff should be in direct contact with members of the Orange County delegation or their key legislative staff.

3.2 House and Senate

3.2.1 Maintain direct and frequent contact with key members and staff of appropriate Senate and House Committees to represent and advocate OCTA policies and positions.

3.2.2 Arrange meetings between key Members of Congress and OCTA personnel as appropriate in Washington, D.C. or Orange County. Provide logistical support for Washington, D.C. visits.

3.2.3 Recommend timing and nature of contacts with the Orange County delegation and other Members of Congress in Washington, D.C.

3.3 Executive Branch

3.3.1 Meet with and arrange meetings with appropriate White House officials and staff, as necessary, to represent and advocate OCTA policies and positions.

3.3.2 Meet with and arrange meetings with appropriate Department of Transportation officials and staff, and other federal agencies, as necessary, to represent and advocate OCTA policies and positions.

III. **Administrative Coordination**

OCTA expects the federal legislative advocates to continuously coordinate with OCTA Board, Chief Executive Officer and staff.

1. Administrative Coordination

1.1 Coordinate all activities with the OCTA State and Federal Relations Manager and Executive Director, Government Relations as appropriate.

1.2 Coordinate with members of the OCTA Board, as appropriate.

1.3 Coordinate with other OCTA consultants, as appropriate.

2. Administrative Reporting and Conferencing

2.1 Preparation of Materials, Conference Calls, Oral Reports, Written Reports, and Additional Assignments.

2.2 Participate via teleconferencing with the OCTA's Manager of State and Federal Relations, other OCTA staff, and other consultants as necessary.

2.3 Provide on-site and in-person oral reports to the Board and meet with appropriate OCTA staff at the OCTA headquarters in Orange, California, as needed. The number of on-site reports is not expected to exceed four (4) per year.

2.4 Submit a written monthly activity and status report, including key advocacy activities undertaken on behalf of OCTA during each month.

2.5 Undertake additional assignments that have been mutually agreed upon by both parties and are necessary to accomplish OCTA's objectives in Washington.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Performance Evaluation of State Legislative Advocate, Topp Strategies

Legislative and Communications Committee Meeting of November 20, 2025

Present: Directors Jung, Foley, Janet Nguyen, Tavoularis, Tettemer, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Director Foley was not present to vote on this item.

Committee Recommendation(s)

Receive and file the staff evaluation of the state advocacy services of Topp Strategies as an information item and provide any additional comments.

OCTA

November 20, 2025

To: Legislative and Communications Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Performance Evaluation of State Legislative Advocate, Topp Strategies

Overview

The firm Topp Strategies provides state legislative advocacy services for the Orange County Transportation Authority. A staff evaluation of the services provided during this legislative session is presented to the Board of Directors for consideration and further comment.

Recommendation

Receive and file the staff evaluation of the state advocacy services of Topp Strategies as an information item and provide any additional comments.

Background

Since 2007, Moira Topp has served as the Orange County Transportation Authority's (OCTA) primary state legislative advocate through her former employment with Sloat Higgins Jensen and Associates, and then as a subcontractor on OCTA's prior contract with Platinum Advisors, LLC (Platinum). On October 26, 2020, the OCTA Board of Directors (Board) awarded a new contract for state legislative advocacy services to Topp Strategies, with Platinum as a subcontractor. Under the new contract, Moira Topp continues in her role as lead state legislative advocate for OCTA. The new agreement took effect on January 1, 2021, for a two-year term, with two, two-year option terms. On July 25, 2022, the Board exercised the first two-year option term, and on June 24, 2024, exercised the final two-year option term. This most recent term will expire on December 31, 2026.

Discussion

Annually, OCTA staff evaluates the services provided by the state legislative advocate with respect to major issues addressed and general services

provided. Staff's evaluation of the services provided by Topp Strategies is included in Attachment A. The major issues and general services provided by Topp Strategies have been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

Staff has rated Topp Strategies' efforts overall as "excellent" based on responsiveness, advancing OCTA's positions and policies, and assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions. Staff has rated Topp Strategies' outcomes overall as "excellent" based on the outcomes of the issues discussed.

Next year, the expected focus of Topp Strategies' advocacy for OCTA will include continued efforts related to protect previously committed state funding for transit capital and operations purposes, seek passage of any OCTA sponsor bills, and engage in continued discussions about permit streamlining, SB 375 (Chapter 728, Statutes of 2008) reform, tolling and transit coordination, and performance standards. In addition, priorities for Topp Strategies will include advancement of OCTA's positions on legislation and policy goals contained in the Board-adopted 2025-26 OCTA State Legislative Platform.

To assist the Board in fully evaluating Topp Strategies, the legislative advocate's current scope of work is included as Attachment B.

Summary

An evaluation of state legislative advocacy services performed by Topp Strategies is presented to the Board of Directors for information and further comment.

Attachments

A. Staff Evaluation of Services Provided by Topp Strategies for 2025
B. Scope of Work State Legislative Advocacy and Consulting Services

Prepared by:

Kristin Jacinto
Executive Director,
Government Relations
(714) 560-5754

Staff Evaluation of Services Provided by Topp Strategies for 2025

The following narrative provides specific information with respect to major issues addressed by Topp Strategies, with Moira Topp as the Orange County Transportation Authority's (OCTA) primary state legislative advocate in 2025, and general services provided. Each issue has been evaluated based on effort and outcome using a rating of excellent, very good, good, fair, or poor.

State Budget Provisions for Transportation Purposes

Effort: Excellent; Outcome: Very Good

The focus of much of the Legislature's activities and policy actions in the transportation space was related to the budget. This required Topp Strategies to take both proactive and defensive measures to protect funding for OCTA, often in coordination with the larger transit agency network via the California Transit Association. In previous budget cycles, when the State was operating in a budget surplus, the Legislature approved $4 billion in formula funding for the Transit Intercity Rail Capital Program (TIRCP) to be used for transit operating and capital purposes. With the State facing both another funding shortfall this year, and negotiations occurring about the reauthorization of cap-and-trade, risk was present about not only these funds continuing to flow, but also funding commitments from previous cycles of discretionary TIRCP. For both the cap-and-trade discussions and budget negotiations, Topp Strategies continuously communicated with not only Orange County delegation offices, but also committee staff and leadership on impacts to OCTA if funding for transportation purposes was not continued, highlighting not only funding commitments OCTA has in the pipeline but also opportunities for future funding. This became paramount as discussions related to the newly rebranded cap-and-invest program turned to discuss the potential for earmarks. Topp Strategies ensured OCTA was at the table this year, but also laid groundwork for continued negotiations next year. Due to both individual agency advocacy and work in coordination with other agencies and partners, transit funding was maintained. However, a lot of work will be necessary next year to keep these commitments in place.

Bills of Interest

Effort: Excellent; Outcome: Good

SB 741 (Blakespear, D-Encinitas)/AB 986 (Muratsuchi, D-Torrance): This year, the OCTA Board of Directors directed efforts to sponsor legislation to streamline the permit process for work along the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor. Topp Strategies worked closely with Senator Blakespear's office to offer a variety of ideas on how this could be done, which led to the introduction of SB 741. While OCTA ultimately did not sponsor SB 741, Topp Strategies remained in constant contact with the Senator's office, remaining nimble as negotiations occurred. Due to opposition, the bill ultimately was amended to have provisions that could have negatively impacted the work on the LOSSAN Rail Corridor. Topp Strategies clearly communicated these concerns and worked with staff on alternative methods to address these concerns. Ultimately the bill became a two-year bill, with OCTA continuing to work with the Senator on these efforts moving forward.

Simultaneous to informing SB 741, the OCTA Board of Directors took a support position on AB 986 which would have streamlined the emergency declaration process for impacts from landslides. This bill was informed by the City of Rancho Palos Verdes, but would have provided benefits for the LOSSAN Rail Corridor. Ultimately, this bill was vetoed by the Governor. But the veto message provided a strategy for future incidents via the Governor's emergency declaration authority.

SB 364 (Chapter 313, Statutes of 2025): Authored by Senator Srickland (R-Huntington Beach), this bill was a repeated attempt from previous years to clarify the process by which the California Department of Transportation can approve outdoor advertising in periods of highway construction. OCTA supported this bill in conjunction with the League of Cities and several Orange County cities. Topp Strategies worked closely with the Senator's office as amendments were offered that would have jeopardized the viability of the bill. Ultimately these conversations proved successful, with the bill being signed into law.

Transit Bills: This year, OCTA supported several bills sponsored by the California Transit Association, including efforts to expand prohibition order authority on transit systems, to streamline the California Environmental Quality Act, and extend the sales tax exemption for zero-emission buses. While several of these were successful, the bill to extend the sales tax exemption for zero-emission buses became a two-year bill, essentially removing this exemption at the end of 2025. Topp Strategies worked closely with OCTA's delegation and partner agencies to get these bills passed. However, next year more work will be needed on the sales tax exemption front to prevent immediate impacts to planned OCTA bus procurements.

General Services
Effort: Excellent; Outcome: Excellent

Topp Strategies regularly scheduled meetings with legislators, committee consultants, Administration staff, and staff of various state departments, boards, and commissions to discuss issues of importance to OCTA. Topp Strategies has been responsive to requests by OCTA staff, provided timely information, advice and reports, and provided testimony in legislative committees that accurately reflected Board positions on legislation and policy issues. Topp Strategies also worked on a number of other issues on behalf of OCTA that were not necessarily contained in legislation.

Specifically, this year, Topp Strategies provided critical meetings with new and existing Orange County delegation members to discuss OCTA's top priorities including support for permitting reform, challenges related to the transition to zero-emission buses, and transportation funding. In addition, Topp Strategies secured meetings with several different administrative agencies, including the California State Transportation Agency, California Coastal Commission, California Department of Transportation, and the California Transportation Commission. These meetings proved critical to making

progress on permits for emergency work on the LOSSAN Rail Corridor and highlighting OCTA's leadership on managed lane facilities.

Further work will be needed next year to advance connections with other relevant state agencies, including the California Air Resources Board, as the next stage of the Innovative Clean Transit regulation takes place, and more in-depth conversations about roles and responsibilities in the transportation funding, planning and operating space.

Effort: Excellent; Outcome: Very Good
Topp Strategies efforts overall are rated as excellent based on responsiveness, time dedicated to advocating for and advancing of OCTA's positions and policies, timeliness of information, assisting in building cooperative relationships with legislators and members of various state departments, boards, and commissions, and availability. Topp Strategies outcomes overall are rated as excellent based on the outcomes of the issues discussed.

Scope of Work

State Legislative Advocacy and Consulting Services

Reporting Relationship

The Orange County Transportation Authority's (OCTA) Manager of State and Federal Relations and/or his/her designee will be the key contact and will coordinate the work of CONSULTANT. OCTA, at its sole discretion, may enter into more than one contract with additional firms with a Reporting Relationship of:

Role of the CONSULTANT

Under the coordination of the Manager of State and Federal Relations and/or his/her designee, CONSULTANT shall be responsible for implementing the objectives described below.

Objectives

Objective 1: Maintain regular contact with the Governor's office; members of the Legislature and committee staff; and state departments, agencies, boards, commissions, committees, and staff to determine impending changes in laws, regulations, and funding priorities that relate to OCTA.

- Meet with members of the Governor's office and Legislature to discuss policy issues affecting OCTA.
- Meet with members and staff of state agencies on issues that could impact the programming, delivery and funding of OCTA projects and services, including the California Transportation Commission; California State Transportation Agency; California Department of Transportation; California Air Resources Board.
- Track and attend meetings and actions by state agencies directly impacting transportation, including those associated with the Department of Finance; California Department of Tax and Fee Administration; Office of Planning and Research; California State Transportation Agency, Department of Transportation; California High-Speed Rail Authority; California Highway Patrol; California Department of Motor Vehicles; California Public Utilities Commission; California Environmental Protection Agency; and California Air Resources Board.

Objective 1 Deliverable:

- Electronic reports of issues that could affect OCTA projects or funding.

Objective 2: Notify OCTA of anticipated, newly introduced or amended state legislation and proposed regulations, which could impact OCTA.

- Provide bill number and brief summary of introduced or amended state legislation via e-mail.
- Provide information relative to legislative hearings.
- Provide information on bills' sponsors, supporters, and opponents.
- Advise OCTA of proposed transportation, environmental, employment, and safety related legislation and regulations which could impact OCTA and provide copies as requested.

Objective 2 Deliverables:

- Copies of legislation, committee analyses, and proposed regulations as requested.
- Electronic notification of introduced bills and amendments, with summaries.
- Notification of legislative hearings.

Objective 3: Advocate OCTA's legislative program and positions on legislation, proposed regulations, and funding and transportation programming priorities as adopted by the OCTA's Board.

- Participate in the preparation of OCTA's legislative program by informing staff of upcoming legislative proposals, budget forecasts, and potential policy issues.
- Assist in securing authors and drafting language for sponsor bills.
- Assist in drafting amendments to legislation and regulations.
- Build coalitions to support OCTA's positions on significant legislation.
- Testify on behalf of OCTA on Board-adopted positions on legislation at committee and floor hearings, as appropriate.
- Provide copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule meetings with legislators, Governor's office, and state departments for OCTA Board and staff to advocate legislative and funding priorities.
- Participate in transit and transportation lobbying coalitions.
- Analyze and prepare advice on the proposed state budget as it relates to transportation, including, but not limited to, identifying decreases/increases in existing programs, new funding sources, and strategies to enhance transportation funding for OCTA.

Objective 3 Deliverables:

- Copies of all written correspondence, testimony, and position papers given on behalf of OCTA.
- Schedule of meetings with legislators, Governor, and administration.
- Budget analyses.

Objective 4: Provide written and oral reports.

- While the Legislature is in session, highlight significant transportation and related issues in Sacramento of importance to OCTA as needed.
- Submit a monthly written report of advocacy activities and accomplishments.
- As needed, present an in-person report to the Board or the Legislative and Communications Committee during a regular meeting. At least one in-person meeting should occur to develop legislative strategy.
- Once per month, participate via telephone in the Legislative and Communications Committee meeting or other designated committee of the Board.
- Maintain close contact with the Manager of State and Federal Relations on issues of importance.
- Provide electronic updates via e-mail to designated recipients on meetings of the Legislature, transportation issues of importance, press releases, and other issues of importance to OCTA.

Objective 4 Deliverables:

- Written reports highlighting significant transportation and related developments in Sacramento, as needed.
- Monthly written report of advocacy activities and accomplishments.
- As needed, oral presentations to the Board or Legislative and Communications Committee.
- As needed, an in-person legislative strategy session with Members of the Board.
- Monthly conference calls with the Legislative and Communications Committee or other designated committee.
- Electronic updates on issues of importance.

Objective 5: Maintain Sacramento office.

- Maintain an office in Sacramento, convenient to the State Capitol.
- Provide briefings at office prior to meetings at the Capitol.
- Have available an office for use by Board Members and staff while performing OCTA business in Sacramento.

Objective 5 Deliverable:

- Office in Sacramento.

Objective 6: Provide monthly invoices of services.

- Provide a written summary of meetings attended on behalf of OCTA.
- Provide a list of issues advocated during the month and status.

Objective 6 Deliverable:

- Monthly invoice that includes a written summary of meetings attended on behalf of OCTA and a list and status of the issues advocated for OCTA during the month.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Regional Planning Update

Regional Transportation Planning Committee Meeting of November 3, 2025

Present: Directors Federico, Foley, Go, Harper, Klopfenstein, Stephens, and Tavoularis
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Receive and file as an information item.

OCTA

November 3, 2025

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Regional Planning Update

Overview

Regular updates on regional planning matters are provided to highlight current transportation planning issues impacting the Orange County Transportation Authority and the Southern California region. This update focuses on two issues that have emerged since the last report: federal transportation conformity challenges following revocation of California's vehicle emission waivers, and the ongoing effort to reform the state's regional planning framework for reducing greenhouse-gas emissions.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) regularly coordinates with other planning and regulatory agencies within the Southern California region. This coordination is conducted at many levels, involving the OCTA Board of Directors, executives, and staff. Attachment A provides an overview of planning activities that are currently being monitored.

Since the May 2025 update, there have been new developments in the following planning activities:

- Federal waivers and transportation conformity
- Ongoing efforts to reform SB 375 (Chapter 728, Statutes of 2008)

A discussion of each is provided below.

Discussion

Federal waivers and transportation conformity

In June 2025, Congress and the President revoked three longstanding Clean Air Act waivers that had allowed California to enforce its own vehicle emissions rules. These rules required all new cars to be zero-emission by 2035 and mandated increasing shares of zero-emission trucks. Supporters of the revocations argued that these rules were too stringent, exceeded federal authority, and placed a compliance burden on manufacturers and consumers nationwide. By rescinding the waivers, the federal government sought to reassert a single national standard for vehicle emissions.

The revocations had an immediate effect on California's federally approved emissions model (EMFAC2021), which incorporates the state's clean car and truck programs into its forecasts. With programs like those no longer federally recognized, EMFAC2021 can no longer be used for new conformity determinations. Under the Clean Air Act, regions in air quality nonattainment, such as the South Coast Air Basin (SCAB), must demonstrate conformity to move forward with federally supported projects. Without a valid model, transportation agencies statewide are unable to approve new non-exempt projects or amendments requiring updated emissions analysis.

Existing approvals for the current Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) and Federal Transportation Improvement Program (FTIP) remain valid, but no new determinations can be issued until the United States Environmental Protection Agency (EPA) approves adjustments to EMFAC2021. This has placed the region in a "transportation conformity lockdown," effectively freezing additions or major changes to the RTP/SCS and FTIP.

No OCTA projects are currently being impacted by the lockdown. However, if the lockdown persists into spring 2026, it could delay adoption of the 2027 FTIP by the Southern California Association of Governments (SCAG) and a related amendment to their 2024 RTP/SCS. Such a delay may impact project funding, approvals, and delivery schedules, particularly for projects that are not exempt from regional emissions analysis.

California and allied states have filed legal challenges to the revocations, but outcomes remain uncertain. The California Air Resources Board (CARB) is also continuing to evaluate adjustments to EMFAC2021 that may be amendable to the EPA. However, it should be noted that the SCAB, which includes Orange County, has relied on the types of emission reduction programs now not recognized by the federal government to demonstrate conformity. Therefore, depending on the extent of the adjustments to EMFAC2021 needed for EPA approval, demonstrating conformity within the SCAB may continue to prove

challenging even if approved by the EPA. OCTA's Planning and Government Relations divisions will continue coordinating with partner agencies to monitor this issue, potential impacts, and the status of any potential resolution.

Ongoing Efforts to Reform SB 375

SB 375 was enacted to incorporate strategies into the RTP development process that support statewide goals to reduce greenhouse gas (GHG) emissions. This is accomplished through the state-mandated SCS element that builds on the RTP-defined transportation network to also include land use and transportation demand management strategies. The combined set of strategies must meet the state-assigned regional per capita GHG emissions reduction target.

CARB has initiated its next round of regional GHG target updates. However, regional agencies are urging CARB not to raise targets further, citing that the policy landscape has shifted significantly since 2008. Vehicle miles traveled-based environmental review is now required under SB 743 (Chapter 386, Statutes of 2013), housing production mandates have accelerated through recent legislation, and electrification of the vehicle fleet has been slower than expected. These changes are making it harder for regions to demonstrate compliance and regions are being held accountable for outcomes that are largely outside their control, such as land-use development patterns. The increased difficulty in demonstrating compliance was exemplified by the long set of negotiations between SCAG and CARB that just recently resulted in SCAG's 2024 SCS receiving approval by CARB, approximately 400 days after submitting the SCS to CARB.

Currently, a group of Metropolitan Planning Organizations (MPO) that includes SCAG, San Diego Association of Governments (SANDAG), Metropolitan Transportation Commission, and Sacramento Council of Governments (also known as The Big Four MPOs) have engaged former Senate President pro Tempore Darrell Steinberg, the author of SB 375, to help shape legislative proposals for reform that address the challenges noted above. This effort is expected to conclude later this year with a set of recommendations for reforming and modernizing SB 375.

The California State Transportation Agency (CalSTA) has also launched a Sustainable Communities Task Force (Task Force) to help regions reduce GHG emissions by better aligning land use and transportation planning and advancing implementation of SCS (Attachment B). As discussed at OCTA's September 18, 2025 Legislative and Communications Committee, OCTA was part of the Regional Targets Advisory Committee that was formed following the passage of SB 375 but was ultimately not selected to be on this Task Force. However, several Southern California agencies are represented, including SCAG, Los Angeles County Metropolitan Transportation Authority, Riverside County Transportation Commission, and SANDAG.

The Task Force focuses on sustainable transportation, land-use coordination, system management and pricing, climate resilience, funding and governance, and improved modeling and metrics, with a final report due in November 2026. While its objectives overlap with the Big Four MPOs' SB 375 reform effort, the Task Force seems more focused on administrative actions and policies set by state agencies, whereas the MPOs are pursuing legislative changes.

Since having a state-approved SCS is part of several competitive state funding programs, the impact of the legislative effort by the Big Four MPOs and the Task Force could directly affect OCTA's ability to secure funding and deliver projects. Amending the SB 375 framework also presents risks in changing how transportation funding is allocated and what types of projects are delivered. OCTA's Planning and Government Relations divisions will continue to monitor and engage in these processes to advocate for realistic targets, flexible implementation, and preserve the roles and responsibilities of County Transportation Commissions in the RTP/SCS development process and funding administration.

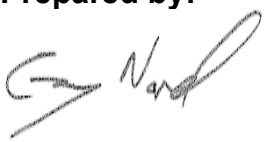
Summary

The revocation of California's Clean Air Act waivers has temporarily halted new federal transportation conformity determinations, creating potential risks for future project approvals if unresolved by spring 2026. At the same time, state and regional agencies are pursuing parallel efforts to address changes related to the implementation of SB 375. Regional MPOs are advocating for legislative changes while CalSTA is focusing on administrative policies and procedures. Both issues could influence how future regional plans are evaluated and funded, and staff will continue to coordinate with partner agencies to safeguard Orange County's project delivery and funding opportunities.

Attachments

A. Regional Planning Activities, November 2025
B. CalSTA Press Release – Secretary Omishakin Launches California Sustainable Communities Task Force – Published: August 26, 2025

Prepared by:



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ATTACHMENT A

Regional Planning Activities
November 2025

Activity	Lead Agency	Description	Status	OCTA Interest	OCTA Role
2024 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS)	Southern California Association of Governments (SCAG)	Federally required long-range transportation and sustainability plan updated every four years. Addresses mobility, air quality, and greenhouse gas (GHG) emissions. Includes a constrained revenue forecast and must meet requirements under the federal Clean Air Act and California Air Resources Board (CARB) GHG targets.	2024 SCS approved by CARB received in June 2025.	Affects funding eligibility and prioritization for projects reliant on state and federally controlled sources.	Collaborate with SCAG on regional plans and policies, and to ensure Orange County Transportation Authority (OCTA) project submissions are reflected in the RTP/SCS.
Interstate 5 (I-5) Managed Lanes Project	California Department of Transportation (Caltrans), District 12 (D12)	Convert high-occupancy vehicle lanes to high-occupancy toll (HOT) lanes on I-5 between the Los Angeles County Line and Red Hill Avenue and add a second HOT lane between State Route 57 and State Route 91.	Working to approve the final environmental document; The final environmental document will include identification of the recommended preferred alternative. Previously anticipated approving in summer 2025. Publicly posted schedule has not been updated.	Potential impacts to I-5 operations, and possible discrepancies with policies on OCTA-operated toll facilities. Likely dependent on OCTA to implement some vehicle miles traveled mitigation strategies.	Executive-level communication ongoing with Caltrans D12, Caltrans Headquarters, and other involved agencies.

Regional Planning Activities
November 2025

Activity	Lead Agency	Description	Status	OCTA Interest	OCTA Role
Metro E Line Eastside Transit Corridor Phase 2	The Los Angeles County Metropolitan Transportation Authority (LA Metro)	Extension of the Metro E Line from East Los Angeles to the City of Whittier via several southeast Los Angeles cities. Advanced conceptual design and environmental studies are completed; potential for future interface with OCTA transit service.	Final Environmental Impact Report (EIR) certified May 2024; design phase through 2028.	Opportunities for transit connections from Orange County to new Metro stations.	Monitoring project status.
Southeast Gateway Line (Formerly West Santa Ana Branch Corridor)	LA Metro	New light rail line connecting downtown Los Angeles to Artesia, following the Pacific Electric Right-of-Way. Potential for future interface with OCTA transit service.	Final EIR certified April 2024; projected opening in 2035. The study is still exploring alignment options between the Slauson/ A Line station and Los Angeles Union Station. The City of Cerritos has expressed interest in an additional station.	Opportunities for transit connections from Orange County to new Metro stations.	Monitoring project status.
Comprehensive Multimodal Corridor Plan (CMCP) Guidelines – 2025 Update	California Transportation Commission	Update to statewide guidelines that define required elements, performance measures, and coordination for CMCP development tied to SB 1 (Chapter 5, Statutes of 2017) competitive programs.	Draft guidelines released in July 2025. OCTA comments submitted on August 1, 2025.	Could affect project eligibility and scoring in future SB 1 CMCP-based funding (e.g., Trade Corridor Enhancement Program, Solutions for Congested Corridors Program).	Monitoring updates.

Regional Planning Activities
November 2025

Activity	Lead Agency	Description	Status	OCTA Interest	OCTA Role
Director's Policy on Transit	Caltrans	Policy guidance issued by Caltrans to prioritize transit in planning, programming, and project delivery decisions statewide.	Draft Caltrans Director's Policy released in July 2025. Workshop held in August 2025. OCTA submitted comments on August 18, 2025.	May influence Caltrans project scoring or funding eligibility on corridors within Orange County.	Monitoring updates.
National Freight Strategic Plan – 2025 Update	Federal Department of Transportation	Strategic framework for guiding national freight investments, policy, and infrastructure funding.	Request for Information posted in July 2025. OCTA coordinated with Caltrans to provide input.	Plan outcomes may inform federal freight funding priorities and multimodal grant scoring criteria.	Monitoring updates.
California Freight Mobility Plan – 2027 Update	Caltrans	State-level multimodal freight plan to guide investment decisions across ports, highways, rail, and local freight corridors.	Draft goals and strategies shared in July 2025. OCTA feedback provided in August 2025.	Plan outcomes may inform project competitiveness for freight funds; may identify key bottlenecks or priority corridors.	Participate in stakeholder workshops; submit feedback on draft materials.
Transit Transformation Task Force	California State Transportation Agency (CalSTA)	State-led task force formed by statute to develop recommendations for transit across California.	Final report and recommendations expected in fall 2025.	Outcomes may influence future funding formulas, performance metrics, and expectations for local match or innovation.	Coordinate with state and regional partners; monitor policy changes and funding implications.
Caltrans System Investment Strategy: Highway Freight Scoring Metric	Caltrans	Framework for identifying investment priorities on the primary and secondary highway freight networks in California.	Technical updates and stakeholder engagement underway for 2025 release.	May affect project eligibility and prioritization for freight-related capital improvements in Orange County.	Review methodology and data inputs; ensure Orange County freight corridors are accurately represented.

ATTACHMENT A

Regional Planning Activities
November 2025

Activity	Lead Agency	Description	Status	OCTA Interest	OCTA Role
SB 375 (Chapter 728, Statutes of 2008) Reform	Metropolitan Planning Organizations (MPOs)/ CalSTA	Two parallel efforts to re-evaluate SB 375 legislation and implementation, with a focus on aligning vehicle miles traveled (VMT) reduction targets with planning, funding, and housing efforts.	MPOs seeking legislative reform by developing recommendations that are expected by late 2025. CalSTA recently initiated a task force with state-appointed members (OCTA was not selected). Task force recommendations expected by November 2026.	Reform may impact SCS development, performance metrics, implementation responsibilities, and funding.	Coordinate with SCAG and other partners to gain insight on development of MPO and task force recommendations; track proposals; provide input as feasible.
Transportation Analysis Framework (TAF)/ Transportation Analysis under California Environmental Quality Act (CEQA) - 2025 Updates	Caltrans	Update to CEQA guidance and analysis framework for transportation projects on the state highway system, including VMT methodology and mitigation options.	Second edition documents released in September 2025.	Establish VMT analysis and CEQA compliance expectations for projects on the state highway system.	Follow TAF and Transportation Analysis under CEQA guidance for projects on the state highway system.
Federal Waivers and Air Quality Conformity	CARB/ United States Environmental Protection Agency (U.S. EPA)	U.S. EPA revocation of California's Clean Air Act waivers invalidates the CARB emissions model for conformity purposes and has triggered "conformity lockdowns" in nonattainment areas, halting federal approval of new non-exempt projects until resolved.	Legal challenges underway; CARB working to develop necessary model adjustments for U.S. EPA approval; resolution expected to take several months.	Impacts conformity analysis for Federal Transportation Improvement Program and RTP/SCS updates and amendments necessary for non-exempt projects.	Monitor litigation; coordinate with SCAG, CARB, and South Coast Air Quality Management District; assess impacts to OCTA projects and prepare to adjust schedules if needed.

Regional Planning Activities
November 2025

Activity	Lead Agency	Description	Status	OCTA Interest	OCTA Role
SCAG 2028 RTP/SCS Development	SCAG	Development of next regional plan due by April 2028; may include new performance metrics, VMT mitigation requirements, and RTP equity framework updates.	Early scoping anticipated in late 2025/early 2026. Preliminary projections in 2025, data collection to begin in 2026, outreach and analysis in 2027, and draft plan and adoption in 2028.	Ensure projects and policies reflect Orange County priorities; monitor for changes to project evaluation criteria.	Engage in technical working groups, contribute data, and policy input.
California Transportation Plan (2050 Update)	Caltrans/CalSTA	Statewide long-range plan update that will influence modal investments, funding priorities, and performance targets.	Expected kickoff 2026; early consultation in 2025.	Ensure Orange County perspectives are reflected; monitor for state VMT/emissions targets that affect project delivery.	Participate in agency advisory groups and provide input through Caltrans District 12.
Air Quality Management Plan (AQMP) and SIP Updates	South Coast Air Quality Management District (South Coast AQMD)	Plans for reducing smog forming emissions, including transportation control measures.	U.S. EPA to designate nonattainment areas by February 2026.	The South Coast Air Basin is expected to be designated as nonattainment. May have policy and funding implications.	Coordinate with SCAG and South Coast AQMD; provide input throughout development of the 2027 AQMP.

Secretary Omishakin Launches California Sustainable Communities Task Force

Published: Aug 26, 2025

SACRAMENTO, Calif. — In a bold move to accelerate climate action solutions, California Transportation Secretary (CalSTA) Toks Omishakin today announced the California Sustainable Communities Task Force (SCTF) – a cross-sector coalition tasked with catalyzing the implementation of California's climate, housing, equity and transportation goals. Bringing together leaders from every corner of California, the task force will focus on urgent coordinated strategies to deliver on the promise of sustainable, thriving communities.

Inclusive, cross-sector participation on the task force includes leaders from state and regional agencies, local governments, transit providers, community-based organizations, housing and environmental advocates, academic institutions and rural and underserved community voices to shape a comprehensive report of policy recommendations. The task force will develop a set of policy recommendations focused on empowering regions throughout California to reduce emissions, align transportation and land use outcomes and further transition California from planning to action on regional Sustainable Communities Strategies.

"This task force is about turning urgency into action," said Secretary Omishakin. "With Governor Gavin Newsom's bold climate vision guiding us, California is committed to delivering real, measurable progress. By uniting experts and communities from across the state, California is building practical, scalable solutions that will continue to drive sustainable and inclusive growth."

Secretary Omishakin has appointed the following members to participate on the Task Force:

- Aaron Hake, Executive Director of Riverside County Transportation Commission
- Alison Hughes, Chief Consultant of California Senate Housing Committee
- Antoinette Meier, Senior Director of Regional Planning of San Diego Council of Governments
- Colin Parent, Chief Executive Officer and General Counsel of Circulate San Diego
- Dan Dunmoyer, President and Chief Executive Officer of California Building Industry Association

- Eric Will, Policy Advocate of Rural County Representatives of California
- Hana Creger, Associate Director of Climate Equity of The Greenlining Institute
- James Corless, Executive Director of Sacramento Associated Council of Government
- Jeanie Ward-Waller, Interim Executive Director of ClimatePlan
- Julia Kingsley, Consultant of California Assembly Transportation Committee
- Julie Lo, Deputy Director of Programs of Housing California
- Kate Gordon, Chief Executive Officer of California Forward
- Kiana Valentine, Executive Director of Transportation California
- Commissioner Lee Ann Eager, California Transportation Commission
- Lisa Engel, Chief Consultant of California Assembly Housing Committee Consultant
- Liz O'Donoghue, Resilient Communities Strategy Director of The Nature Conservancy
- Mariela Ruacho, Senior Director of American Lung Association
- Matt Maloney, Metro Planning & Policy Deputy Executive Director of Metropolitan Transportation Commission
- Mark Neuburger, Housing, Land Use & Transportation Legislative Advocate of California State Association of Counties
- Maura Twomey, Executive Director of Association of Monterey Bay Area Governments
- Melissa White, Principal Consultant for the California Senate Transportation Committee
- Michael Pimentel, Executive Director of California Transit Association
- Sabrina Bradbury, Deputy Director of CALCOG
- Sarah Jepson, Chief Planning Officer of Southern California Association of Governments
- Sean Tiedgan, Executive Director of Shasta Regional Transportation Agency
- Sujata Srivastava, Chief of Policy of SPUR
- Dr. Susan Shaheen, Board Member of California Air Resources Board
- Susanna Reyes, Sustainability Policy Director of LA Metro
- Ted Smalley, Executive Director of Tulare County Association of Governments
- Zak Accuardi, Director of Mobility Choices, Climate and Energy of Natural Resources Defense Council

Additionally, representatives from Caltrans, the California Transportation Commission, California Air Resources Board, Department of Housing and Community Development, the Governor’s Office of Land Use & Climate Innovation and the California Strategic Growth Council will work collaboratively with CalSTA to participate in and support SCTF. The Task Force will also be supported by expert researchers and academics

from UC Davis Institute of Transportation Studies and consultant Egon Terplan.

Advancing State Climate and Equity Goals

The creation of the California Sustainable Communities Task Force builds on over a decade of climate planning, including the passage of Senate Bill 375 (Steinberg, 2008) and the California Air Resources Board's 2022 Scoping Plan, which outlines the state's roadmap to carbon neutrality by 2045.

Key areas of exploration will include:

- Sustainable transportation investments and land use planning
- Transportation system management and pricing strategies
- Climate resilience and adaptation
- Funding and authority needed for regional implementation
- Updated success metrics and modeling approaches

"The Sustainable Communities Task Force is a powerful opportunity to bridge policy and practice," said California Air Resources Board Chair Liane Randolph. "By bringing together diverse voices and aligning our climate, housing and transportation strategies, we can deliver real benefits to communities across California."

The task force will produce a final report in November 2026 with recommendations for legislative, regulatory and budgetary actions to support implementation of Sustainable Communities Strategies and meet statewide greenhouse gas and vehicle miles traveled reduction goals.

For information on the California Sustainable Communities Task Force, visit CalSTA's calsta.ca.gov/newsroom.

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Radio Communications Equipment Replacement for OC ACCESS Fleet

Transit Committee Meeting of November 13, 2025

Present: Directors Amezcua, Jung, Klopfenstein, Leon, Janet Nguyen, and Sarmiento
Absent: Tam T. Nguyen

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C255013 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of $2,876,847, for the purchase of hardware and services necessary to replace 242 Integrated Vehicle Unit 2100s with the advanced Integrated Vehicle Unit 4000P for the Orange County Transportation Authority's paratransit fleet.

OCTA

November 13, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Radio Communications Equipment Replacement for OC ACCESS Fleet

Overview

Board of Directors' authorization is requested for the purchase of hardware and services to complete the radio communications equipment replacement on the OC ACCESS vehicle fleet.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C255013 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of $2,876,847, for the purchase of hardware and services necessary to replace 242 Integrated Vehicle Unit 2100s with the advanced Integrated Vehicle Unit 4000P for the Orange County Transportation Authority's paratransit fleet.

Discussion

The Orange County Transportation Authority (OCTA) is actively transitioning its transit operations technology from the obsolete Integrated Vehicle Unit (IVU) 2100s model to the more advanced IVU 4000P model, addressing the critical need for technological updates as the older IVU 2100s model have reached end-of-life and are no longer being produced. OCTA previously completed a full upgrade of its fixed-route fleet, transitioning from the IVU 3100 model to the more advanced IVU 4000 model.

The Board approved a contract in May 2024 to upgrade both the fixed-route fleet and the paratransit fleet with the new IVU 4000 model. However, due to various factors including the timing of receiving new paratransit vehicles, availability of certain components needed for the paratransit units, and the mark-up requested by the bus manufacturer, staff determined it was prudent to execute the

fixed-route portion of the contract and pursue a stand-alone procurement for the entire paratransit fleet.

The updated IVU 4000P model is provided by Conduent Transport Solutions, Inc. (Conduent). Widespread adoption is essential for ensuring compatibility and operational cohesion across the entire fleet, simplifying maintenance, and standardizing training processes for all bus operators who will now use consistent system interfaces on both fixed-route and paratransit fleets.

The Conduent IVU 4000P is the next-generation on-board computer used in OCTA buses to manage real-time communications between each vehicle and the central Computer-Aided Dispatch and Automatic Vehicle Location system. It provides faster processing, improved Global Positioning System accuracy, and enhanced audio and data communications that support real-time tracking, operator messaging, and passenger information. These improvements enhance service reliability, safety monitoring, and overall operational efficiency. The intuitive interface simplifies operator use and training, while the system's ability to integrate with other onboard technologies such as fare collection and passenger information displays creates a platform for future upgrades. Upgrading from the older IVU 2100 will improve system performance, reduce maintenance costs, and position OCTA to continue delivering reliable, efficient transit service.

Given the urgent need to replace the end-of-life IVU 2100s, OCTA is transitioning to the IVU 4000P to ensure continued operational efficiency and passenger satisfaction. By upgrading to the IVU 4000P model, OCTA aims to standardize the entire fleet on a unified technology platform, ensuring consistency across operations. This strategic upgrade not only meets current operational needs but also strengthens OCTA's position for future advancements. In doing so, OCTA anticipates long-term cost savings through reduced maintenance and repair demands, while enhancing reliability and service quality across all transit modes. Standardizing the fleet will also streamline training, support, and integration efforts, ultimately improving efficiency and maintaining OCTA's leadership in delivering dependable, forward-thinking public transportation solutions.

Procurement Approach

The procurement was handled in accordance with OCTA's Board of Directors-approved policies and procedures for a sole source procurement. Conduent is the exclusive owner of the IVU 4000P model. The firm has propriety rights to its technology and is the sole entity able to market and sell its proprietary technology, as it does not have agreements that allow resale through other

vendors. Therefore, Conduent meets OCTA's criteria for a sole source procurement, and based on its technical ability and financial status, the firm is deemed responsible.

Conduent's proposal was reviewed by staff from the Contracts Administration and Materials Management (CAMM) and Information Systems departments to ensure compliance with contract terms, as well as the technical requirements.

In accordance with OCTA's sole source procurement procedures, a sole source over $50,000 requires OCTA's Internal Audit Department (Internal Audit) to conduct a price review of the vendor's proposed pricing. As is common with these types of vendors, Conduent did not provide a detailed cost breakdown that would be required to perform a price review. Therefore, CAMM performed a price analysis using available information, such as past contracts with Conduent, to analyze the reasonableness of the quoted price. Since Conduent would not provide cost documentation to support proposed labor charges and overhead costs sufficient to allow an Internal Audit price review, CAMM staff compared the proposed pricing to a previous contract, Agreement No. C-4-2235, between OCTA and Conduent for similar services and found the proposed price per-vehicle for the paratransit upgrade to be lower as shown below. In addition, the quoted price is lower than the OCTA project manager's independent cost estimate. Therefore, the quoted price is deemed fair and reasonable.

Project	Quoted Pricing	Comparable Contract (C-4-2235)
Paratransit	$11,888/vehicle	$21,552/vehicle

Fiscal Impact

The project was approved in OCTA's Fiscal Year 2025-26 Budget, Finance and Administration Division/Information Systems Department, Account No. 1288-9027-D1111-3N3 and is funded through local funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute sole source Agreement No. C255013 between the Orange County Transportation Authority and Conduent Transport Solutions, Inc., in the amount of $2,876,847, for a one-year term, for the purchase of hardware and services necessary to replace the Integrated Vehicle Unit 2100s with the Integrated Vehicle Unit 4000P for Orange County Transportation Authority's paratransit fleet.

Attachment

None.

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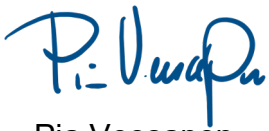

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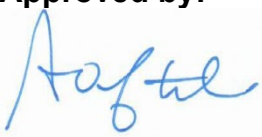

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COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

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

Executive Committee Meeting of November 3, 2025

Present: Chair Chaffee, Vice Chair Federico, Directors Hennessey, Jung, Klopfenstein, Tam Nguyen, and Wagner
Absent: None

Committee Vote

No action was taken on this item.

Staff Recommendation(s)

Receive and file as an information item.

OCTA

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

<u>I-5, Avenida Pico to San Diego County Line</u>

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

Prepared by:

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ATTACHMENT A

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
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 (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
SR-55, I-5 to SR-91	$131.3	Dec-16	Jan-20	Aug-22	Jul-25	Dec-25	Apr-26	Jul-26	Oct-29
Project F	$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	$71.8	Apr-16	Dec-18	Mar-22	Jul-24	Feb-25	Jul-25	Nov-25	Jun-28
Project G	$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	$78.7	Apr-08	Jul-09	Jul-08	Nov-10	Mar-11	May-11	Aug-11	Sep-14
Project G	$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)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project G	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	$80.2	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	May-14
Project G	$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	$79.3	Aug-05	Dec-07	Feb-08	Dec-09	Apr-10	Jun-10	Oct-10	Sep-14
Project G	$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)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project G	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	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD	TBD
Project G	TBD	Nov-25	Jul-28	TBD	TBD	TBD	TBD	TBD	TBD
SR-91 Westbound (WB), I-5 to SR-57	$78.1	Jul-07	Apr-10	Oct-09	Feb-12	Jul-12	Aug-12	Nov-12	Apr-16
Project H	$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)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project H	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)	$108.6	Jan-15	Oct-18	Mar-20	Jan-23	Aug-23	Oct-23	Feb-24	Mar-28
Project I	$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)	$208.4	Jan-15	Oct-18	Jun-20	Jul-23	Feb-24	Mar-24	Jul-24	Mar-28
Project I	$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)	$147.7	Jan-15	Oct-18	Nov-20	Apr-24	Nov-24	Jan-25	Apr-25	Sep-28
Project I	$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	$49.9	Jul-08	Jul-11	Jul-11	Mar-13	Jul-13	Aug-13	Oct-13	Jul-16
Project I	$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	$128.4	Jul-07	Jul-09	Jun-09	Jan-11	Apr-11	Jun-11	Sep-11	Dec-12
Project J	$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 Baseline/Forecast (millions)	Schedule Plan/Forecast: Begin Environmental	Complete Environmental	Begin Design	Complete Design	Construction Ready	Advertise Construction	Award Contract	Complete Construction
SR-91, SR-55 to SR-241 (Landscape)	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project J	N/A	N/A	N/A	**May-12**	**Feb-13**	**Apr-13**	**Jul-13**	**Oct-13**	**Feb-15**
SR-91 Eastbound (EB), SR-241 to SR-71	$104.5	Mar-05	Dec-07	Jul-07	Dec-08	Mar-09	May-09	Jul-09	Nov-10
Project J	$57.8	**Mar-05**	**Dec-07**	**Jul-07**	**Dec-08**	**May-09**	**Jun-09**	**Aug-09**	**Jan-11**
SR-91 (EB) Corridor Operations Project (SR-241 to SR-71)	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
Project J	TBD	**Jun-23**	Mar-26	TBD	TBD	TBD	TBD	TBD	TBD
91 Express Lanes to SR-241 Toll Connector	TBD	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A
	$524.2	**Nov-13**	**Jan-20**	**Jun-16**	Nov-25	Dec-25	Feb-26	Apr-26	Jul-29
I-405, I-5 to SR-55	TBD	Dec-14	Jul-18	TBD	TBD	TBD	TBD	TBD	TBD
Project L	TBD	**Dec-14**	**Aug-18**	TBD	TBD	TBD	TBD	TBD	TBD
I-405, SR-55 to I-605 (Design-Build)	$2,160.0	Mar-09	Mar-13	Mar-14	Nov-15	Feb-16	Mar-16	Nov-16	Feb-24
Project K	$2,160.0	**Mar-09**	**May-15**	**Mar-14**	**Nov-15**	**Feb-16**	**Mar-16**	**Nov-16**	**Feb-24**
I-405/SR-22 HOV Connector	$195.9	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Aug-10	Aug-14
	$120.8	N/A	N/A	**Sep-07**	**Jun-09**	**Sep-09**	**Feb-10**	**Jun-10**	**Mar-15**
I-405/I-605 HOV Connector	$260.4	N/A	N/A	Sep-07	Sep-09	Mar-10	May-10	Oct-10	Jan-15
	$172.6	N/A	N/A	**Sep-07**	**Sep-09**	**Feb-10**	**May-10**	**Oct-10**	**Mar-15**
I-605, I-605/Katella Interchange	$29.0	Aug-16	Nov-18	Dec-20	Mar-23	Jul-23	Nov-23	Feb-24	Jul-27
Project M	$53.0	**Aug-16**	**Oct-18**	**Dec-20**	**Jan-23**	**Oct-24**	**Nov-24**	**Apr-25**	Jul-27
Grade Separation Projects:									
Sand Canyon Avenue Railroad Grade Separation	$55.6	N/A	Sep-03	Jan-04	Jul-10	Jul-10	Oct-10	Feb-11	May-14
Project R	$61.9	N/A	**Sep-03**	**Jan-04**	**Jul-10**	**Jul-10**	**Oct-10**	**Feb-11**	**Jan-16**
Raymond Avenue Railroad Grade Separation	$77.2	Feb-09	Nov-09	Mar-10	Aug-12	Nov-12	Feb-13	May-13	Aug-18
Project O	$126.2	**Feb-09**	**Nov-09**	**Mar-10**	**Dec-12**	**Jul-13**	**Oct-13**	**Feb-14**	**May-18**
State College Boulevard Railroad Grade Separation (Fullerton)	$73.6	Dec-08	Jan-11	Jul-06	Aug-12	Nov-12	Feb-13	May-13	May-18
Project O	$99.6	**Dec-08**	**Apr-11**	**Jul-06**	**Feb-13**	**May-13**	**Sep-13**	**Feb-14**	**Mar-18**
Placentia Avenue Railroad Grade Separation	$78.2	Jan-01	May-01	Jan-09	Mar-10	May-10	Mar-11	Jun-11	Nov-14
Project O	$64.5	**Jan-01**	**May-01**	**Jan-09**	**Jun-10**	**Jan-11**	**Mar-11**	**Jul-11**	**Dec-14**
Kraemer Boulevard Railroad Grade Separation	$70.4	Jan-01	Sep-09	Jan-09	Jul-10	Jul-10	Apr-11	Aug-11	Oct-14
Project O	$63.8	**Jan-01**	**Sep-09**	**Feb-09**	**Jul-10**	**Jan-11**	**Jun-11**	**Sep-11**	**Dec-14**
Orangethorpe Avenue Railroad Grade Separation	$117.4	Jan-01	Sep-09	Feb-09	Dec-11	Dec-11	Feb-12	May-12	Sep-16
Project O	$105.9	**Jan-01**	**Sep-09**	**Feb-09**	**Oct-11**	**Apr-12**	**Sep-12**	**Jan-13**	**Oct-16**

Capital Action Plan

Status Through September 2025

Updated: October 10, 2025

Capital Projects	Cost Baseline/Forecast (millions)	Schedule Plan/Forecast: 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 Baseline/Forecast (millions)	Schedule Plan/Forecast 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)

ATTACHMENT B

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

Begin Environmental

Project Description	FY 26 Qtr 1 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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 Fcst	FY 26 Qtr 1 Actual	FY 26 Qtr 2 Fcst	FY 26 Qtr 2 Actual	FY 26 Qtr 3 Fcst	FY 26 Qtr 3 Actual	FY 26 Qtr 4 Fcst	FY 26 Qtr 4 Actual	FY 26 Fcst
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

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

10.20.25

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.)

- Compete 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

OCTA

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Agreement for the Construction of the Trabuco Rose Gully Repair Project

Regional Transportation Planning Committee Meeting of November 3, 2025

Present: Directors Federico, Foley, Go, Harper, Klopfenstein, Stephens, and Tavoularis
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4213 between the Orange County Transportation Authority and Prestige Prime Engineering, the lowest responsive, responsible bidder, in the amount of $344,800, for construction of the Trabuco Rose Gully Repair Project.

November 3, 2025

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Agreement for the Construction of the Trabuco Rose Gully Repair Project

Overview

On August 18, 2025, the Orange County Transportation Authority issued an invitation for bids for construction of the Trabuco Rose Gully Repair Project, located at one of the Orange County Transportation Authority's environmental mitigation program properties. Bids were received in accordance with the Orange County Transportation Authority's procurement procedures for public works projects. Board of Directors' approval is requested to execute the construction agreement.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4213 between the Orange County Transportation Authority and Prestige Prime Engineering, the lowest responsive, responsible bidder, in the amount of $344,800, for construction of the Trabuco Rose Gully Repair Project.

Discussion

As part of Measure M2 (M2), a portion of the M2 freeway program revenues were set aside for the Orange County Transportation Authority (OCTA) M2 Environmental Mitigation Program (EMP) which provides funding for programmatic mitigation to offset impacts from the M2 freeway projects. A key component of the EMP included the acquisition of seven properties (Preserves) of open space or wilderness lands, totaling approximately 1,300 acres.

OCTA established the Trabuco Rose Preserve (Preserve) in 2011, and is responsible for overseeing the maintenance, security, and biological monitoring for this Preserve. The Preserve is located in Trabuco Canyon and is comprised of approximately 400 acres of open space. A small unnamed gully/creek on the Preserve as well as the nearby slopes and the surrounding habitat are all eroding. This gully formed decades ago when fill was placed in a natural creek for residential development just south of the Preserve. Repairs were made to the

upper portion of this gully in 2021 as Phase 1 of the Project. The objective of the Project is to implement Phase II of the Project which is designed to repair the gully and stabilize the adjacent slopes.

Construction is anticipated to begin in late 2025 and be completed within three months. Work will be coordinated closely with the Preserve biological monitors to ensure that the sensitive biological resources are avoided to the maximum extent feasible. Depending on weather conditions, and timing of completion, coordination may also be necessary with the regulatory permitting agencies, including the Regional Water Quality Control Board and the California Department of Fish and Wildlife.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors-approved procedures for public works projects. These procedures, which conform to both state and federal requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process.

Invitation for Bids (IFB) 5-4213 was electronically released on August 18, 2025, through OCTA's CAMM NET system. The Project was advertised on August 18 and August 25, 2025, in a newspaper of general circulation. A pre-bid conference and job walk/site visit were held on August 26, 2025, and were attended by ten firms. Three addenda were issued to provide the pre-bid conference registration sheets and handle administrative issues related to the IFB. On September 16, 2025, five bids were received and publicly opened.

All bids were reviewed by staff from both the Contracts Administration and Materials Management and Capital Project Delivery departments to ensure compliance with the contract terms and conditions and technical specifications. The list of bidders and bid amounts is presented below:

Firm and Location	Bid Amount
Prestige Prime Engineering El Cajon, California	$344,800
Matcon General Engineering, Inc. Corona, California	$353,325
Zusser Company, Inc. Los Angeles, California	$395,391

Bert W. Salas, Inc. Lakeside, California	$412,807
Bosco Construction, Inc. Chatsworth, California	$570,000

The OCTA engineer's estimate for the Project was $400,900. The recommended firm's bid is 14 percent below the engineer's estimate and is considered by staff to be fair and reasonable.

State law requires award to the lowest responsive, responsible bidder. As such, staff recommends award to Prestige Prime Engineering as the lowest responsive, responsible bidder, in the amount of $344,800, for the construction of the Project.

Fiscal Impact

The Project is included in OCTA's Fiscal Year 2025-26 Budget, Planning Division, Account No. 0017-7519-FX001-TCQ, and is funded by local M2 funds.

Summary

Staff recommends the Board of Directors authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4213 between the Orange County Transportation Authority and Prestige Prime Engineering, the lowest responsive, responsible bidder, in the amount of $344,800 for construction of the Trabuco Rose Gully Repair Project.

Attachment

None.

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COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Regional Transportation Planning Committee Meeting of November 3, 2025

Present: Directors Federico, Foley, Go, Harper, Klopfenstein, Stephens, and Tavoularis
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Approve the selection of Jacobs Project Management Co. as the firm to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4158 between the Orange County Transportation Authority and Jacobs Project Management Co., to provide construction management support services for the State.

OCTA

November 3, 2025

To: Regional Transportation Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Consultant Selection for Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Overview

On July 14, 2025, the Orange County Transportation Authority Board of Directors authorized the release of a request for proposals to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55. Board of Directors' approval is requested for the selection of a firm to perform the required services.

Recommendations

A. Approve the selection of Jacobs Project Management Co. as the firm to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-5-4158 between the Orange County Transportation Authority and Jacobs Project Management Co. to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

Discussion

The Orange County Transportation Authority (OCTA), in partnership with the California Department of Transportation (Caltrans), is implementing the State Route 91 (SR-91) Improvement Project between La Palma Avenue and State Route 55 (SR-55) (Project). The Project is part of Project I in the Measure M2 (M2) freeway program and is being advanced through the updated Next 10 Delivery Plan approved by the OCTA Board of Directors (Board) in November 2024.

The Project will provide improvements in the eastbound direction between La Palma Avenue and SR-55, bridge widening over the Santa Ana River, and reconstruction of the Glassell Street/Kraemer Boulevard and Tustin Avenue interchanges. As part of this interchange reconstruction, the existing Glassell Street/Kraemer Boulevard and Tustin Avenue bridges over SR-91 will be replaced with new bridges that provide standard vertical clearance below the bridge, standard width lanes and sidewalks, and bikeways enhancing active transportation options. The final design for the Project is nearing completion.

Pursuant to existing Cooperative Agreement No. C-5-3985 with Caltrans for this Project, Caltrans will administer the construction contract. As the implementing agency for the construction phase, Caltrans will provide the resident engineer, structures representative, and other field personnel along with construction administrative support and environmental monitoring. OCTA will provide consultant field staff for construction inspection, office engineering, scheduling, claims support, and materials testing. Through separate agreements, OCTA will lead the public outreach and freeway service patrol efforts.

Procurement Approach

This procurement was handled in accordance with OCTA's Board-approved procedures for architectural and engineering (A&E) services that conform to both state and federal laws. Proposals are evaluated and ranked in accordance with the qualifications of the firm, staffing and project organization, and work plan. As this is an A&E procurement, price is not an evaluation criterion pursuant to state and federal laws. Evaluation of the proposals was conducted based on overall qualifications to develop a competitive range of offerors. The highest-ranked firm is requested to submit a cost proposal, and the final agreement is negotiated. Should negotiations fail with the highest-ranked firm, a cost proposal will be solicited from the second-ranked firm in accordance with Board-approved procurement policies.

On July 14, 2025, the Board authorized the release of Request for Proposals (RFP) 5-4158 which was electronically issued on CAMM NET. The RFP was advertised in a newspaper of general circulation on July 14 and July 21, 2025. A pre-proposal conference was held on July 22, 2025, with 27 attendees representing 16 firms. Three addenda were issued to make available the pre-proposal conference registration sheets, provide responses to questions received, and address administrative issues related to the RFP.

On August 13, 2025, four proposals were received. An evaluation committee consisting of members from the Contracts Administration and Materials Management and Capital Project Delivery departments, as well as external representatives from Caltrans and the City of Anaheim, met to review all submitted proposals. The proposals were evaluated based on the following Board-approved evaluation criteria and weightings:

- Qualifications of the Firm 20 percent
- Staffing and Project Organization 40 percent
- Work Plan 40 percent

Several factors were considered in developing the evaluation criteria weightings. The firm's qualifications and experience in performing relevant work of similar scope, size, and complexity are important to the success of the Project. Next, staff assigned a high level of importance to staffing and project organization, as the qualifications of the project manager (PM) and other key task leaders are critical to understanding the project requirements and to the timely delivery and successful performance of the work. An equal level of importance was also assigned to the work plan, as the technical approach is critical to the successful performance and timely delivery of the Project.

The evaluation committee reviewed the four proposals received based on the evaluation criteria and found two firms most qualified to perform the required services. The most qualified firms are listed below in alphabetical order:

Firms and Location

AECOM Technical Services, Inc. (AECOM)
Headquarters: Los Angeles, California
Project Office: Orange, California

Jacobs Project Management Co. (Jacobs)
Headquarters: Dallas, Texas
Project Office: Irvine, California

On September 18, 2025, the evaluation committee interviewed the two short-listed firms. The interviews consisted of a presentation allowing each team to present its qualifications, highlight its proposal, and respond to the evaluation committee's questions. Each firm highlighted its staffing plan, work plan, and perceived project challenges. The firms were asked general questions regarding their approach to the requirements of the scope of work (SOW), management of the Project and risks, coordination with various agencies, experience with similar projects, and solutions for achieving the project goals.

Based on the evaluation of the written proposals and information obtained during the interviews, the evaluation committee recommends Jacobs as the top-ranked firm to provide construction management (CM) support services for the Project.

Jacobs ranked the highest among the proposing firms because it submitted a comprehensive proposal that was responsive to the requirements of the RFP, proposed a highly qualified and experienced team of key personnel, presented a work plan demonstrating a complete understanding of project challenges, including environmental elements, and presented a cohesive interview with focused responses to the interview questions, highlighting the firm's experience, qualified staff, and detailed work plan.

The following is a summary of the proposal evaluation results.

Qualifications of the Firm

The two short-listed firms are well established with recent and relevant experience and are qualified to perform CM support services for the Project. Positive references were received for both firms.

Jacobs was founded in 1947 and has over 48,000 employees, with over 800 employees in five offices in Southern California. The firm has a 25-year history supporting Caltrans and OCTA and has delivered over $4.3 billion in construction projects.

Jacobs has demonstrated expertise in providing CM support services, including inspections for freeway widening, roadway improvements, interchange improvements, and bridge replacements and widening over the Santa Ana River on OCTA's Interstate 405 (I-405) Improvement Project between SR-73 and Interstate 605, as a prime consultant leading an integrated team. The firm's additional relevant project experience includes CM services on OCTA's Interstate 5 (I-5) Improvement Project between Alicia Parkway and El Toro Road, I-5 Improvement Project between Avenida Pico and Vista Hermosa (I-5 Segment 1),Tustin Avenue/Rose Drive Railroad Grade Separation Project, State Route 57 (SR-57) Northbound (NB) Improvement Project between Katella Avenue and Lincoln Avenue, and I-405/State Route 22 (SR-22) West County Connector Project – Eastern Segment, and Caltrans District 12's (D12) SR-91 Improvement Project, a Multi-Asset Program (MAP). These projects underscore the firm's capability to successfully deliver the SOW.

The firm proposed utilizing three subconsultants. All proposed subconsultants have experience working with Jacobs and will support Jacobs with additional roadways, structures, electrical inspection, office engineering, and field materials testing services.

AECOM was founded in 1927 and has over 51,000 employees, with 150 employees in five locations in Southern California. The firm has a 20-year history providing CM support services to Caltrans and OCTA with Orange County projects.

AECOM also has demonstrated proficiency in providing CM support services, including inspections for freeway widening, roadway improvements, interchange improvements, bridge replacements, and widening over the Santa Ana River on the Riverside County Transportation Commission's (RCTC) State Route 71 (SR-71)/SR-91 Interchange Project, as a subconsultant as part of an integrated team.

The firm's additional relevant project experience includes CM services on OCTA's SR-55 Improvement Project between I-405 and I-5, Caltrans D12's on-call construction inspection and District 7's (D7) on-call construction inspection, Caltrans/Southern California Regional Rail Authority (SCRRA) I-5 North Corridor Improvement Project Segment 3, RCTC's SR-71/SR-91 Improvement Project, SCRRA's San Juan Creek Bridge Replacement Project, and San Gabriel Valley Council of Governments' (SGVCOG) Fullerton Road Grade Separation and Montebello Corridor Grade Separation projects. These projects underscore the firm's capability to successfully deliver the SOW.

The firm proposed utilizing five subconsultants. All proposed subconsultants have experience working with AECOM and are proposed to support AECOM with additional roadway, structures, electrical inspection, office engineering, field materials testing, and constructability review.

Staffing and Project Organization

Both short-listed firms proposed a qualified and experienced team of key personnel and subconsultants with relevant CM experience in freeway and bridge widening, roadway and structures inspection, as well as working with Caltrans.

Jacobs proposed a well-qualified project team with each key personnel demonstrating relevant and comprehensive CM experience with freeway, bridge replacement, bridge widening over the Santa Ana River, and corridor projects with multiple segments. The team demonstrated experience in roadway and

structures inspections, utility relocations, bridge reconstruction, bridge widening over the Santa Ana River, complex traffic management plans and staging with multiple projects within the same corridor, and has extensive experience working with Caltrans. Jacobs presented several cross-trained staff in roadway inspection, structures inspection, office engineer, and claims support. Having cross-trained personnel provides efficiencies for OCTA by quickly mobilizing personnel who can bring different perspectives to the work based on the team's varied experiences. Many of the team members had significant roles on the recent I-405 Improvement Project.

The proposed PM has over 38 years of project management and CM experience on similar freeway and bridge construction projects and performed the PM role for OCTA's I-405 Improvement Project, I-5 Segment 1, and SR-57 NB Improvement Project. The proposed PM also performed as a construction program oversight engineer for OCTA's Grade Separation Program and a senior resident engineer (RE) for OCTA's West County Connectors and I-5 Gateway projects.

Jacobs' proposed principal assistant/RE (PA/RE) demonstrated relevant experience through 20 years of work on complex, multi-stage highway, bridge, and heavy civil infrastructure projects, including more than five years serving as an RE. The proposed PA/RE has construction experience leading the construction management team through all phases of construction and coordinated with multiple agencies for OCTA's I-405 Improvement Project as a CM consultant lead, San Diego Association of Governments' Mid-Coast Corridor Transit Project as an assistant RE, San Bernardino County Transportation Agency's Interstate 10 Westbound Widening Project, and Alameda Corridor East's San Gabriel Trench Project as an assistant RE/structures inspector.

The proposed PA/RE is supported by a lead roadway inspector (RI) with 28 years of experience in the construction industry, including project management, resident engineering, quality assurance, inspection, and structures representative services. The lead RI has managed all aspects of linear infrastructure projects and has participated in the delivery of more than 40 complex bridge projects. The proposed lead RI has career experience administering construction projects such as OCTA's I-405 Improvement Project as an RE and West County Connectors Eastern Segment Project as an assistant PM. The Jacobs team proposed an innovative position providing added values to the Project – a management of traffic (MOT) coordinator, which provided crucial traffic management and control services for the I-405 Improvement Project. The proposed MOT coordinator has extensive experience in freeway and bridge widenings, bridge replacements, and interchange realignment projects throughout Orange County and Southern California such as OCTA's

I-405 Improvement Project as a MOT coordinator, OCTA's West County Connectors Western Segment Project, Caltrans D12's SR-91 Lane Addition Project between State College Boulevard and Harbor Boulevard, and OCTA/Caltrans D12's I-5 Gateway Project as an RE.

Jacobs' proposed lead structures inspector has more than 30 years of experience on complex construction projects, including participation in over 75 bridge replacements, new and widened bridges, bridge seismic retrofits of concrete and steel structures, and more than 400 retaining walls of various types of wall construction. Relevant experience includes OCTA's I-405 Improvement Project as structures manager, Orange County Public Works' Oso Parkway Bridge Construction as an assistant RE, City of Pasadena's La Loma Bridge Rehabilitation as a structures representative/RE, Placer County's Foresthill Bridge Retrofit Project as a structures representative/lead field engineer, and Sonoma County's Crocker Road Bridge Seismic Retrofit Project as a Structures Representative/RE.

The Jacobs team presented an interview demonstrating comprehensive knowledge of its proposed approach to the SOW, a clear understanding of the team's roles and responsibilities, and the process to resolve any potential challenges while keeping the Project on schedule. The team provided a project-specific presentation and responses to all interview questions, which further demonstrated the firm's experience and in-depth understanding of the SOW requirements, objectives, and risks associated with the Project.

AECOM proposed a qualified project team with each key personnel demonstrating relevant CM experience. The team's expertise includes a range of relevant CM services, including roadway inspection, structures inspection, and office engineering support, among other relevant expertise.

AECOM's proposed PM has 31 years of experience, including OCTA's SR-55 Improvement Project as a PM, Caltrans' I-5 North Corridor Improvements Segment 3 as a task order manager/lead structures representative, Caltrans D7 and D12's on-call structure engineering and inspection projects as a PM, and the City of Los Angeles' Riverside Drive Viaduct Replacement Project as a project/construction manager and Sixth Street Viaduct Replacement Project as a contract manager/structures representative.

AECOM's proposed PA/RE has 31 years of CM experience on highway and bridge construction projects, including projects with multiple phases and complex staging. Relevant project experience includes OCTA's Lakeview Avenue Railroad Grade Separation as a RE/lead RI, SGVCOG's Montebello Corridor Grade Separation and Fullerton Road Grade Separation

projects as a construction manager, and Caltrans D7's on-call roadway construction engineering and inspection as a PA/RE.

AECOM's proposed lead roadway inspector has 37 years of experience in construction inspection and managed construction projects as a general contractor owner's representative and consultant on various highway/street, bridge/structures, and traffic signals/signing/drainage projects. Relevant experiences include Caltrans' State Route 210 Pavement Rehabilitation Project as a PA/RE and Caltrans' State Route 60 Pavement Rehabilitation Project as an RI.

AECOM's proposed structures inspector has 29 years of experience in new bridges, widenings, demolition, grade separations, on- and off-ramps, and other transportation systems. Demonstrated relevant experience includes OCTA's SR-55 Improvement Project between I-405 and I-5 as a structures inspector, Tustin Avenue/Rose Drive Railroad Grade Separation Project as a senior construction inspector, RCTC's SR-71/SR-91 Interchange Project as a structures representative, San Bernadino County Transportation Authority's Santa Ana River Bridge Replacement as a senior structures inspector, and Caltrans D7's Interstate 710 Freeway Project as a senior structures inspector.

The AECOM team presented an interview demonstrating knowledge of its proposed project approach to the SOW and potential challenges. The team addressed all aspects of the interview questions with project-specific responses and discussed its proposed construction and sequence enhancements that could result in schedule and cost savings.

Work Plan

Both short-listed firms met the requirements of the RFP, and each firm adequately discussed its approach to the Project, with Jacobs presenting the most comprehensive work plan.

Jacobs presented a project-specific and comprehensive work plan. The work plan included a complete discussion of project understanding, issues and challenges with realistic recommendations, and proposed solutions demonstrating the firm's knowledge and experience. The team identified the project risks and challenges, and demonstrated methodical, detailed, and well-thought-out approaches to address those risks with lessons learned from recent relevant projects in its proposal and during the interview. Approaches and solutions to challenges included: management of traffic of SR-91 during demolition and bridge construction for the two-bridge reconstructions and the bridge widening over the Santa Ana River, while coordinating closures and

conflicts with adjacent projects and Caltrans' MAP components within the project limits, review of plan and management to demolish the existing Tustin Avenue steel bridge, management of bridge removal and construction of Tustin Avenue bridge in a constrained environment, early survey and excavation to minimize conflict between piles and utilities, quality assurance of large diameter underground foundation installation, managing time constraints of bridge widening over the Santa Ana River, environmental monitoring including bat mitigation, tracking environmental compliance, and other temporary construction easements to minimize impacts to property owners and neighboring residents, identification of falsework option to continue with the eastbound widening over the Santa Ana River during the wet season, mitigation measures for all the potential risk items related to structures precast girders and piles, coordination of utility relocations, and proactive documentation and a thoughtful schedule highlighting critical constraints for claims prevention. The team proposed usage of artificial intelligence tools to streamline documentation, analyze potential claims, and provide faster public responses, amongst other uses.

AECOM presented an organized work plan with a project-specific approach for identified risks and responsiveness to all requirements identified in the SOW. The team demonstrated an understanding of the overall project issues and challenges. The work plan identified challenges and proposed solutions for construction staging, coordination with other projects, impacts on local streets, working in the Santa Ana River, and handling of contaminated soil and hazardous materials. The sequential outline of activities provided proposed personnel responsibility by key task. A detailed construction schedule was provided with key activities and highlighted constraints for the widening of the Santa Ana River. The team discussed its proposed time-saving construction staging plan and potential conflicts with Caltrans' MAP.

Fiscal Impact

Funding for the Project is included in OCTA's Fiscal Year 2025-26 Budget and subsequent fiscal years' budgets, Capital Programs Division, Account No. 0017-9085-FI105-1OR, and will be funded with a combination of net excess 91 Express Lanes revenue and local M2 funds.

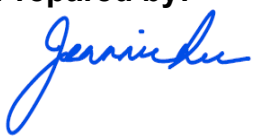
Summary

Staff requests Board of Directors' authorization for the Chief Executive Officer to negotiate and execute Agreement No. C-5-4158 with Jacobs Project Management Co. as the firm to provide construction management support services for the State Route 91 Improvement Project between La Palma Avenue and State Route 55.

Attachments

A. Review of Proposals, RFP 5-4158 - Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55
B. Proposal Evaluation Criteria Matrix (Short-Listed) RFP 5-4158, Construction Management Support Services for the State Route 91 Improvement Project, Between La Palma Avenue and State Route 55
C. Contract History for the Past Two Years, RFP 5-4158, Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Prepared by:



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ATTACHMENT A

Review of Proposals

RFP 5-4158 - Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Presented to Regional Transportation Planning Committee - November 3, 2025

4 proposals were received, 2 firms were interviewed, 1 firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments
1	91	**Jacobs Project Management Co.** Irvine, California	Fountainhead Consulting Corporation Harris & Associates Ninyo & Moore Geotechnical & Environmental Services Consultants	Firm demonstrated recent, relevant experience providing construction management (CM) support services on complex freeway widening projects, including bridge replacements and widening over the Santa Ana River on the Orange County Transportation Authority's Interstate 405 Improvement Project between State Route 55 and Interstate 605. Qualified team, including key personnel, technical staff, and subconsultants with extensive experience involving highway widening projects and complex traffic management plans. Proposed key personnel, including the maintenance of traffic coordinator, have extensive similar CM experience and cross-training successfully delivering similar projects. Comprehensive work plan identified key issues, provided sound recommendations and solutions, with particular focus on traffic management, bridge construction, environmental concerns, and efficient use claims prevention. Thorough team presentation and interview with comprehensive responses to all questions. Positive references received.
2	85	**AECOM Technical Services, Inc.** Orange, California	Enterris Associates, Inc. Fountainhead Consulting Corporation Mark Thomas & Company, Inc. Ninyo & Moore Geotechnical & Environmental Services Consultants Reddy Engineering Services, Inc.	Firm demonstrated recent, relevant experience providing CM support services on complex freeway widening projects, including bridge replacements and widening over the Santa Ana River on the Riverside County Transportation Commission's State Route 71/State Route 91 Interchange Project. Qualified team, including key personnel, technical staff, and subconsultants with extensive experience with highway widening projects. Proposed key personnel have extensive similar CM experience successfully delivering similar projects. Comprehensive work plan identified key issues, provided sound recommendations and solutions, with a proposed time-saving construction staging plan. Thorough team presentation and interview with comprehensive responses to all questions. Positive references received.

Evaluation Panel:	**Proposal Criteria**	**Weight Factors**
Contracts Administration and Materials Management (1)	Qualifications of the Firm	20%
Capital Project Delivery (2)	Staffing and Project Organization	40%
California Department of Transportation (2)	Work Plan	40%
City of Anaheim (1)		

ATTACHMENT B

Proposal Evaluation Criteria Matrix (Short-Listed) RFP 5-4158
Construction Management Support Services for the State Route 91 Improvement Project
Between La Palma Avenue and State Route 55

Jacobs Project Management Co.								
Evaluator Number	1	2	3	4	5	6	**Weights**	**Criteria Score**
Qualifications of Firm	4.5	4.5	4.0	4.5	4.5	5.0	4	**18.0**
Staffing/Project Organization	4.5	4.5	4.5	4.5	4.5	4.5	8	**36.0**
Work Plan	4.5	4.5	4.5	5.0	4.5	4.5	8	**36.7**
Overall Score	**90**	**90**	**88**	**94**	**90**	**92**		**91**
AECOM Technical Services, Inc.								
Evaluator Number	1	2	3	4	5	6	**Weights**	**Criteria Score**
Qualifications of Firm	4.5	4.5	4.5	5.0	4.5	5.0	4	**18.7**
Staffing/Project Organization	4.5	4.0	4.5	4.5	4.5	4.0	8	**34.7**
Work Plan	4.0	4.0	4.0	4.0	4.0	4.0	8	**32.0**
Overall Score	**86**	**82**	**86**	**88**	**86**	**84**		**85**

Range of scores for the non short-listed firms was 48 to 66.

ATTACHMENT C

Contract History for the Past Two Years, RFP 5-4158

Construction Management Support Services for the State Route 91 Improvement Project Between La Palma Avenue and State Route 55

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Jacobs Project Management Co.						
Contract Type: Time and Expense	C-5-3961	Construction Management Support Services for the Interstate 5 Improvement Project Between I-405 and Yale Avenue	TBD	TBD		
Subconsultants:						
Coast Surveying, Inc.						
Harris & Associates						
HDR Construction Control Corporation						
S2 Engineering, Inc.						
Contract Type: Time and Expense	L-1-0003	Los Angeles - San Diego - San Luis Obispo On-Call Construction Management	March 20, 2023	March 19, 2028		$3,844,230
Subconsultants:						
CL Surveying & Mapping, Inc.						
Destination Enterprises, Inc.						
MNS Engineers, Inc.						
Pacific Railway Enterprises, Inc.						
Stantec Consulting Services, Inc.						
The Quality Firm						
SafeworksCM						
Verdantas, Inc.						
Contract Type: Time and Expense	C-9-1605	Construction Management Services for Interstate 5 Widening Project Between Alicia Parkway and El Toro Road	October 19, 2020	June 30, 2026		$15,689,841
Subconsultants:						
Coast Surveying, Inc.						
Ghirardelli Associates						
S2 Engineering						
WSP USA Inc.						
Contract Type: Time and Expense	C-4-1447	Construction Management Consultant Services for Design-Build Interstate 405 Improvement Project Between State Route 55 and Interstate 605	June 29, 2016	December 31, 2025		$52,185,642
Subconsultants:						
Fountainhead Consulting Corporation						
Harris & Associates						
MTGL Inc.						
Wagner Engineering & Survey						
Contract Type: Time and Expense	C-0-2047	Technical Consulting Services for Next Generation Fare Collection System	July 15, 2020	July 31, 2025		$1,244,538
Subconsultants:						
None						
				Total		**$72,964,251**

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
AECOM Technical Services, Inc.						
Contract Type: Firm-Fixed Price	C-0-2637	Plans, Specifications, and Estimates for the Interstate 5 Improvement Project Between Interstate 405 and Yale Avenue	October 22, 2021	October 31, 2029		$14,728,682
Subconsultants:						
CNS Engineers, Inc.					$523,693.00	
Earth Mechanics, Inc.					$1,010,351.00	
Lin Consulting, Inc.					$323,662.00	
LSA Associates, Inc.					$163,330.00	
PSOMAS					$1,143,459.00	
T.Y. Lin International					$367,586.00	
Tatsumi and Partners, Inc.					$380,152.00	
TRC Solutions, Inc.					$2,203,433.00	
Contract Type: Firm-Fixed Price	C-0-2582	Construction Management Services for State Route 55 Improvement Project Between Interstate 405 and Interstate 5	October 21, 2021	September 25, 2026		$18,524,620
Subconsultants:						
Analyzer International, Inc.					$678,441.00	
Fountainhead Consulting Corporation					$3,023,181.00	
Ghirardelli Associates, Inc.					$1,108,277.00	
Guida Surveying, Inc.					$1,935,703.00	
HDR Construction Control Corporation					$1,220,595.00	
Ninyo & Moore					$1,944,608.00	
V&A, Inc.					$1,249,762.00	
Contract Type: Firm-Fixed Price	C-0-2604	Project Approval and Environmental Documentation for Irvine Station Improvement Project	January 3, 2021	June 30, 2026		$4,613,829
Subconsultants:						
Moffatt & Nichol					$267,004.00	
Rail Surveyors and Engineers, Inc.					$763,332.00	
Verdantas, Inc.					$310,420.00	
Value Management Services, Inc.					$58,384.00	
				Total		**$37,867,131**

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Consultant Selection for Construction Management Services for the Inland Slope Rehabilitation Phase II Project

Transit Committee Meeting of November 13, 2025

Present: Directors Amezcua, Jung, Klopfenstein, Leon, Janet Nguyen, and Sarmiento
Absent: Tam T. Nguyen

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Approve the recommended selection of Fulcrum Consultants, Inc., as the firm to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-4-2582 between the Orange County Transportation Authority and Fulcrum Consultants, Inc., in the amount of $624,802, to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

November 13, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Consultant Selection for Construction Management Services for the Inland Slope Rehabilitation Phase II Project

Overview

The Orange County Transportation Authority Board of Directors approved the construction of the Inland Slope Rehabilitation Phase II Project as part of the Orange County Transportation Authority Fiscal Year 2025-26 Budget. On November 18, 2024, a request for proposals was released for construction management services. Board of Directors' approval is requested for the selection of a firm to perform the required work.

Recommendations

A. Approve the recommended selection of Fulcrum Consultants, Inc. as the firm to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

B. Authorize the Chief Executive Officer to negotiate and execute Agreement No. C-4-2582 between the Orange County Transportation Authority and Fulcrum Consultants, Inc., in the amount of $624,802, to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

Discussion

The Orange County Transportation Authority (OCTA) owns the Orange Subdivision railroad right-of-way (ROW) between the Fullerton Junction and the San Diego County Line. This rail corridor is part of the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor that hosts both intercity and commuter passenger and freight rail service. The LOSSAN Rail Corridor is of state and national importance and is also designated as a national defense

connector line as part of the Strategic Rail Corridor Network by the Department of Defense.

OCTA has secured state SB 1 (Chapter 5, Statutes of 2017) – Local Partnership Program Formula (LPP) funds, matched with local Measure M2 (M2) funds to repair erosion and perform preventative maintenance to avoid slope failures on the railroad right-of-way. Field investigations conducted jointly with the Southern California Regional Rail Authority (SCRRA) identified six sites in the cities of Laguna Niguel, Lake Forest, and Mission Viejo requiring stabilization, as shown in Attachment A. These locations consist of steep embankments, ranging from 200 to 700 linear feet in length, that if left unaddressed, could undermine the track bed and/or deposit debris onto the tracks, potentially disrupting rail operations.

A geotechnical evaluation was completed in July 2022 with site-specific mitigation recommendations, including grading, shotcrete lining, and open channel culverts. Final design plans and specifications for the Inland Slope Rehabilitation Phase II Project (Project) were completed in April 2025 and are now ready to be implemented. OCTA will lead the construction of all six site locations. Construction is anticipated to begin in January 2026 and completed within six months. Work will be coordinated closely with SCRRA to minimize rail service impacts, especially during the rainy season when slope stability risks increase.

Construction management (CM) services are necessary to oversee the construction contractor and perform oversight and monitoring services, such as health and safety compliance observations, management of the contractor's budget and schedule, claims avoidance and change order analysis, inspections, quality assurance testing, labor compliance, and other construction required tasks to keep the Project on schedule and within budget.

Procurement Approach

This procurement was handled in accordance with OCTA's Board of Directors (Board)-approved procedures for architectural and engineering (A&E) services that conform to both state and federal laws. Proposals are evaluated and ranked in accordance with the qualifications of the firm, staffing and project organization, and work plan. As this is an A&E procurement, price is not an evaluation criterion pursuant to state and federal laws. Evaluation of the proposals was conducted based on overall qualifications to develop a competitive range of offerors. The highest-ranked firm is requested to submit a cost proposal, and the final agreement is negotiated. Should negotiations fail with the highest-ranked firm, a

cost proposal will be solicited from the second-ranked firm in accordance with Board-approved procurement policies.

On November 18, 2024, Request for Proposals (RFP) 4-2582 was electronically issued on CAMM NET. The Project was advertised on November 15 and November 22, 2024, in a newspaper of general circulation. A pre-proposal conference was held on November 25, 2024, with six attendees representing ten firms. Three addenda were issued to make available the pre-proposal conference registration sheets, provide responses to questions received, and handle administrative issues related to the RFP.

On December 20, 2024, seven proposals were received. An evaluation committee consisting of members from OCTA's Capital Project Delivery, Facilities Engineering, and Regional Rail Operations departments met to review all submitted proposals. The proposals were evaluated utilizing the following evaluation criteria and weightings:

- Qualifications of the Firm 20 percent
- Staffing and Project Organization 40 percent
- Work Plan 40 percent

In developing the criteria and weightings, several factors were considered. The firm's qualifications and experience in performing relevant work of similar scope, size, and complexity are important to the success of the Project. The staffing and project organization criteria was assigned a weighting of 40 percent as the qualifications of the construction manager and other key task leaders are critical to understanding project requirements and to the timely delivery and successful performance of the work. Similarly, an equal level of importance was assigned to the work plan, as the technical approach to the Project is critical to the successful performance of the Project.

The evaluation committee reviewed all seven proposals based on the evaluation criteria and found two firms most qualified to perform the required services. The most qualified firms are listed below in alphabetical order:

Firm and Location

Fulcrum Consultants, Inc. (Fulcrum)
Headquarters: Irvine, California
Project Office: Irvine, California

SYRUSA Engineering, Inc. (SYRUSA)
Headquarters: Brea, California
Project Office: Brea, California

On February 11, 2025, the evaluation committee interviewed the two short-listed firms. The interviews consisted of a presentation allowing each team to present their qualifications, highlight their proposal, and respond to evaluation committee questions. Each firm also discussed their staffing plan, work plan, and perceived project challenges. Each firm was asked general questions related to qualifications, relevant experience, project organization, and approach to the work plan, as well as questions specific to their proposal regarding their team's approach to the requirements of the scope of work, management of the Project and the proposed solutions towards achieving project goals.

Based on the evaluation of written proposals and information obtained during the interviews and that the Project's estimated budget was below the threshold requiring Board approval, the evaluation committee recommended to the Contracts Administration and Materials Management (CAMM) Department the selection of Fulcrum as the top-ranked firm to provide CM services for the Project. Fulcrum received the highest ranking due to its experience with projects of similar scope and scale, familiarity with the project requirements, comprehensive understanding of the project objectives and constraints, presentation of relevant technical solutions, and overall approach in performing the required CM services. The firm presented a qualified team that met the requirements of the RFP and presented a comprehensive work plan addressing key issues that are critical to the success of the Project. CAMM management approved the selection of the recommended firm on February 19, 2025, and a cost proposal was requested.

OCTA's original budgeted amount for this procurement was $414,893, but it did not assume pre- and post-construction activities. After reviewing the recommended firm's cost proposal and re-evaluation of the hours needed to fulfill the scope of work, Fulcrum's cost proposal, in the amount of $624,802, is considered by staff to be fair and reasonable. As the negotiated amount exceeds the $500,000 threshold requiring Board approval, staff is requesting Board approval of the recommended selection of Fulcrum.

The following is a summary of the proposal evaluation results.

Qualifications of Firm

The two short-listed firms are well established with recent and relevant experience and are qualified to perform CM services for the Project.

Fulcrum specializes in project, program, and agency CM and project controls services, and capital program advisory and consulting services. The firm has provided these services to several transportation clients in California, including the Los Angeles County Metropolitan Transportation Authority (LA Metro), California Department of Transportation (Caltrans), and OCTA. Fulcrum's corporate headquarters is in the City of Irvine. The firm's prior experience with OCTA includes work on the Interstate 405 (I-405) Improvement Project and I-405 Sepulveda Pass with LA Metro. The subconsultants have experience working with Fulcrum on past projects of similar size and scope. Positive references were received for the firm.

SYURSA specializes in CM, structure construction inspection, and resident engineering services for transportation infrastructure projects. The firm is based in the City of Brea. The firm has provided services to several transportation clients in California, including the San Bernadino County Transportation Authority (SBCTA), Caltrans, and Orange County Public Works. Relevant experience includes the CM services for SBCTA on the I-10 Corridor Express Lanes Design-Build and Caltrans' Interstate 5 Box Culvert Replacement and Embankment Reconstruction. Additionally, experience with OCTA includes office engineering and construction inspection services on the Laguna Niguel to San Juan Capistrano Passing Siding Project. The subconsultants have experience working with SYRUSA on past projects. Positive references were received for the firm.

Staffing and Project Organization

Both firms proposed experienced construction managers, key personnel, and subconsultants with relevant CM experience in slope stabilization projects.

Fulcrum proposed a qualified project team with relevant experience and understanding of the project issues, risks, and challenges. The team, including subconsultants, are experienced in the various disciplines required for the Project and have relevant experience with railroad projects. The proposed construction manager has 15 years of CM experience that includes recent experience working with OCTA on the I-405 Improvement Project. The proposed resident engineer (RE) has 33 years of CM experience and 25 years of resident engineering experience. The field inspector has over 30 years of CM experience and served as the field inspector on OCTA's Slope Stabilization Phase I Project while with a different firm. The overall team proposed by Fulcrum includes subconsultants that provide a depth of resources such as office engineering/document control, field inspection, safety consulting, soils and materials testing, and quality assurance surveying to address the special needs of the Project.

SYRUSA proposed an experienced project team with each key personnel demonstrating relevant CM experience. The team is proficient in the various disciplines required for the Project. SYRUSA's proposed construction manager has over 27 years of CM experience. Experience includes management of complex infrastructure projects while serving at Caltrans in various roles. The RE has 33 years of experience on highway and bridge construction projects. The field inspectors were not identified as key personnel, as required by the scope of work, and their availability for this Project was unclear. The proposed team includes qualified and experienced subconsultants for electrical inspection, quality assurance, project controls engineer, safety oversight and material testing.

Work Plan

Both short-listed firms met the requirements of the RFP, and each firm adequately discussed its approach to the Project.

Fulcrum presented a comprehensive and viable work plan that demonstrated an understanding of the project requirements and identified project challenges, mitigations, and innovation. The detailed work plan considered long lead items for the entire scope of the Project. The work plan discussed utility coordination, public outreach and impacts, identified conflicts, and technically sound list of process controls for each phase of the Project. The work plan provided a detailed narrative as to how the CM services would be provided based on lessons learned from previous similar successful projects, while maintaining the project schedule. An area of innovation identified in the work plan was to construct the access road at the bottom of the slope instead of the top of the slope to eliminate the need for a retaining wall.

The overall approach described in Fulcrum's work plan highlighted detailed discussions of challenges and mitigations for each area, including access, utilities, public impacts, and constructability. The information presented during the interview demonstrated the firm's knowledge of the scope of work, objectives, and risks associated with the Project. The team provided project-specific responses to all interview questions.

SYRUSA provided a detailed work plan that demonstrated an understanding of the project scope of work, issues, and risks. SYRUSA's overall approach to project execution described in the work plan and presented during the interview identified potential risks accompanied by mitigation plans, detailed approach to complete the tasks, and discussed project challenges. SYRUSA listed considerations for best results on shotcrete, grading, enviro-block, and inlet erosion repair, noting train vibrations. The CM plan was innovative using aerial

images, identifying nearest arterial access points, and summarizing elements of work and adjacent property uses.

SYRUSA's overall approach to project execution described in the work plan and presented during the interview identified potential risks accompanied by mitigation plans, detailed approach to complete the tasks, and discussed project challenges. The interview confirmed the technical knowledge and expertise of SYRUSA. The firm presented an interview with detailed responses from the project manager to the evaluation committee's questions.

Procurement Summary

Based on the evaluation of the written proposals, team qualifications, and information obtained during the interviews, the evaluation committee recommended the selection of Fulcrum as the top-ranked firm to provide CM services for the Project. Staff negotiated a final cost proposal, in the amount of $624,802, and are requesting authorization to execute the final agreement.

Fiscal Impact

The Project is included in OCTA's Fiscal Year 2025-26 Budget, Capital Programs Division, Account No. 0018-9085-C5054-TYR, and is funded by state grant SB 1 LPP and local M2 funds.

Summary

Staff requests Board of Directors' authorization for the Chief Executive Officer to execute Agreement No. C-4-2582 with Fulcrum Consultants, Inc., in the amount of $624,802, to provide construction management services for the Inland Slope Rehabilitation Phase II Project.

Attachments

A. Project Location Map
B. Review of Proposals – RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project
C. Proposal Evaluation Criteria Matrix (Short-Listed Firms) – RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project
D. Contract History for the Past Two Years – RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project

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ATTACHMENT A

Project Location Map

ATTACHMENT B

Review of Proposals
RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project
Presented to Transit Committee - November 13, 2025
Seven proposals received, Two firms were interviewed, One firm is being recommended

Overall Ranking	Proposal Score	Firm & Location	Sub-Contractors	Evaluation Committee Comments
1	82	**Fulcrum Consultants, Inc.** Irvine, California	Ghirardelli Associates, Inc.	Firm has recent relevant experience providing construction management services for projects of similar size and scope. Experience working with the Orange County Transpportation Authority and Los Angeles County Metropolitan Transportation Authority.
			Guida Surveying	Qualified and dynamic team, including construction manager, resident engineer, safety officer, key personnel, technical staff, and subconsultants with experience working together on projects with similar scope.
			Ninyo & Moore Geotechnical & Environmental Sciences Consultants	Construction manager has comprehensive experience, which includes slope rehabilitation innovation experience and has demonstrated experience working on similar projects. Work plan proposed enhancements and innovative solutions. Presented a comprehensive and innovative work plan that meets the project requirements and meets all business requirements specified in the scope of work. Demonstrated experience with shotcrete. Proposed technical enhancements to minimize risks, improve project efficiency, and improve document control procedures as well as innovation of eliminating the retaining wall that was very well received. Positive references were received for the firm.
2	77	**SYRUSA Engineering, Inc.** Brea, California	Dynamic Engineering Services, Inc.	Firm has relevant experience performing construction management services.
			Guida Surveying	Qualified team, including construction manager, key personnel, and subconsultants with experience working together on recent projects.
			Mammoth Associates, LLC	Construction manager is qualified with relevant experience planning, managing, and successfully delivering cosntruction management projects.
			SafeworkCM (Safework)	Work plan proposed value engineering opportunities from their recent experience on railroad corridor projects.
			Twining Consulting, Inc.	Positive references were received for the firm

Evaluation Panel:

Capital Project Delivery (2)
Regional Rail Operations (1)
Facilities Engineering (1)

Proposal Criteria	Weight Factors
Qualifications of the Firm	20%
Staffing and Project Organization	40%
Work Plan	40%

ATTACHMENT C

PROPOSAL EVALUATION CRITERIA MATRIX (Short-Listed FIrms)
RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project

Fulcrum Consultants, Inc.						
Evaluator Number	1	2	3	4	Weights	Criteria Score
Qualifications of Firm	4.00	3.50	4.00	4.00	4	15.5
Staffing/Project Organization	4.00	3.50	4.00	3.50	8	30.0
Work Plan	4.50	4.50	4.50	4.50	8	36.0
Overall Score	**84**	**78**	**84**	**80**		**82**
SYRUSA Engineering, Inc.						
Evaluator Number	1	2	3	4	Weights	Criteria Score
Qualifications of Firm	4.00	4.00	4.00	4.00	4	16.0
Staffing/Project Organization	3.50	3.50	4.00	3.50	8	29.0
Work Plan	4.50	4.00	4.00	3.50	8	32.0
Overall Score	**80**	**76**	**80**	**72**		**77**

The range of scores for the non-short-listed firms was 61-67.

The original budget was less than $500,000 and did not require a minimum of five evaluators in accordance with the Contracts Administration and Materials Management Policy manual.

ATTACHMENT D

CONTRACT HISTORY FOR THE PAST TWO YEARS

RFP 4-2582 Construction Management Services for Inland Slope Rehabilitation Phase II Project

Prime and Subconsultants	Contract No.	Description	Contract Start Date	Contract End Date	Subconsultant Amount	Total Contract Amount
Fulcrum Consultants, Inc.						
Contract Type: N/A	None	N/A	N/A	N/A	N/A	0.00
					Sub Total	**0.00**
SYRUSA Engineering, Inc.						
Contract Type: N/A	None	N/A	N/A	N/A	N/A	0.00
					Sub Total	**0.00**

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to Cooperative Agreement with Southern California Regional Rail Authority for the San Juan Creek Bridge Replacement Project

Transit Committee Meeting of November 13, 2025

Present: Directors Amezcua, Jung, Klopfenstein, Leon, Janet Nguyen, and Sarmiento
Absent: Tam T. Nguyen

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-0-2540 between the Orange County Transportation Authority and the Southern California Regional Rail Authority, to reallocate $2,760,000 in contingency funds and $1,194,039 in new funding, for construction support services related to the San Juan Creek Bridge Replacement Project.

B. Authorize the use of up to $1,194,039 in SB 125 Transit Program accrued interest funds for the San Juan Creek Bridge Replacement Project.

C. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

OCTA

November 13, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to Cooperative Agreement with the Southern California Regional Rail Authority for the San Juan Creek Bridge Replacement Project

Overview

On April 14, 2020, the Orange County Transportation Authority entered into a cooperative agreement with the Southern California Regional Rail Authority for construction capital and construction support services for the San Juan Creek Bridge Replacement Project. Board of Directors' approval is requested to amend the cooperative agreement to reallocate $2,760,000 of existing contingency funds for construction support services and allocate $1,194,039 of SB 125 (Chapter 54, Statutes of 2023) Transit Program accrued interest funds for construction capital and construction support services.

Recommendations

A. Authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-0-2540 between the Orange County Transportation Authority and the Southern California Regional Rail Authority, to reallocate $2,760,000 in contingency funds and $1,194,039 in new funding, for construction support services related to the San Juan Creek Bridge Replacement Project.

B. Authorize the use of up to $1,194,039 in SB 125 Transit Program accrued interest funds for the San Juan Creek Bridge Replacement Project.

C. Authorize staff to process all necessary amendments to the Federal Transportation Improvement Program and execute or amend all necessary agreements to facilitate the above actions.

Discussion

The Orange County Transportation Authority (OCTA), in coordination with the Southern California Regional Rail Authority (SCRRA), is replacing the 100-year-old railroad bridge over San Juan Creek, located in the City of San Juan Capistrano, near the Interstate 5 Camino Capistrano off-ramp (Attachment A). This railroad bridge, built in 1917, is used daily by Metrolink, Amtrak's Pacific Surfliner, and freight trains. The bridge has reached the end of its useful life and is in need of replacement. The San Juan Creek Bridge Replacement Project (Project) will construct a new bridge west of the existing bridge to maintain a state of good repair, enhance safety, reduce maintenance needs, and meet current rail design and load standards. Environmental clearance under the California Environmental Quality Act and National Environmental Policy Act was completed by SCRRA in March 2020.

In April 2020, OCTA and SCRRA executed Cooperative Agreement No. C-0-2540 which initially provided $36,903,645 for construction capital and support services. Under this cooperative agreement, SCRRA serves as the lead agency for design and construction, and OCTA provides support for property acquisition and public outreach.

Following receipt of the construction bids on September 15, 2023, which came in higher than anticipated due to prevailing market conditions, increased signal construction costs, and updated project contingencies, the funding necessary for the completion of the Project increased from $41,790,000 to $65,581,118. Amendment No. 1 to Cooperative Agreement No. C-0-2540 was executed on February 14, 2024, in the amount of $22,578,258, to increase OCTA's maximum obligation to $59,481,903. OCTA retained $6,099,000 for project management, right-of-way, utilities, public outreach, and project contingency.

Construction is progressing as planned, with a major milestone achieved on October 27, 2025, when passenger and freight rail operations transitioned to the newly constructed San Juan Creek Bridge. As the Project advances, funding needs have been reassessed to complete the remaining work, which includes additional wall structures within the creek, demolition of the existing bridge, and construction of new bridge substructures. These activities are scheduled for the 2026 dry season, with project completion expected in early 2027. The remaining work will continue to require construction support services, project management, construction management, design services during construction, and railroad flagging.

Amendment No. 2 to Cooperative Agreement No. C-0-2540 proposes releasing $2,760,000 in contingency funds for additional construction support services and allocating an additional $1,194,039 from SB 125 accrued interest. Combined, these adjustments increase the available funding to SCRRA by $3,954,039, ensuring adequate resources for ongoing construction support.

With this amendment, the maximum obligation under Cooperative Agreement No. C-0-2540 would increase from $59,481,903 to $63,435,942 (Attachment B). The use of accrued interest from SB 125 funds is consistent with SB 125 program guidelines. A summary of the recommended programming actions can be found in the Capital Funding Program Report (Attachment C).

While the Project remains on schedule, unforeseen field conditions could result in additional costs as construction continues. Staff will continue to monitor these factors and present any significant impacts to the Board of Directors (Board) through future budget updates or cooperative agreement amendments.

Fiscal Impact

Funding will be programmed in the OCTA Fiscal Year 2026-27 Budget, Capital Programs Division, Account No. 0017-7831-TR022-0DM, in the amount of $3,954,039, to accommodate Amendment No. 2 to Cooperative Agreement No. C-0-2540.

Summary

Board approval is requested to authorize the Chief Executive Officer to negotiate and execute Amendment No. 2 to Cooperative Agreement No. C-0-2540 between OCTA and SCRRA, in the amount of $3,954,039, for additional construction support services for the Project. This will increase the maximum obligation of the cooperative agreement to a total contract value of $63,435,942. Additionally, staff also request authorization to use up to $1,194.039 in SB 125 accrued interest funds and to process the necessary Federal Transportation Improvement Program amendments and related agreements.

Attachments

A. San Juan Creek Bridge Replacement Project Location Map
B. Southern California Regional Rail Authority, Cooperative Agreement No. C-0-2540 Fact sheet
C. Capital Funding Program Report

Prepared by:

Jason Lee
Program Manager, Capital Project Delivery
(714) 560-5833

Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

San Juan Creek Bridge Replacement
Project Location Map

ATTACHMENT A

11/2/2023

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ATTACHMENT B

Southern California Regional Rail Authority
Cooperative Agreement No. C-0-2540 Fact Sheet

1. April 14, 2020, Cooperative Agreement No. C-0-2540, in the amount of up to $36,903,645, approved by the Contracts Administration and Materials Management (CAMM) Department.

    - To replace the existing San Juan Creek Bridge located in the City of San Juan Capistrano near the Camino Capistrano exit of the Interstate 5 (I-5) freeway at Mile Post (MP) 197.9 on the Orange Subdivision.
    - Identify Board of Directors (Board)-authorized funds to be used for this project, including $35,724,000 in Federal Transit Administration (FTA) Section 5337 Urbanized Area (UZA) 2 and UZA 68 for fiscal year (FY) 2017-18 and FY 2018-19 and UZA 2 for FY 2020-21 to be administered by the Southern California Regional Rail Authority and $1,179,645 in surplus FTA Section 5337 funds in SCRRA grant CA-54-0043.

2. November 27, 2023, Amendment No. 1 to Cooperative Agreement No. C-0-2540, $22,578,258, approved by the Board.

    - To increase funding by utilizing $17,000,000 in SB 125 (Chapter 54, Statutes of 2023) Transit and Intercity Rail Capital Program and $5,578,258 in SB 1 (Chapter 5, Statues of 2017) State of Good Repair Program from FY 2024-25 funds for the construction phase.

3. November 13, 2025, Amendment No. 2 to Cooperative Agreement No. C-0-2540, $3,954,039, pending Board approval.

    - Reallocated funding across SB 125, FTA Section 5337, and Measure M2 to ensure adequate financial support for construction and support services.

Total committed to SCRRA after approval of Amendment No. 2 to Cooperative Agreement No. C-0-2540: $63,435,942 including the funds drawn directly from FTA.

ATTACHMENT C

Capital Funding Program Report

Pending Approval by OCTA Board of Directors - November 24, 2025

Rail Project

			Federal Funds			State Funds			Local Funds		
Project Title	M Code	Total Funding	STBG/CMAQ	FTA	Other Fed.	STIP	SB1	Other State	M1	M2	Other Local
OC Streetcar (New Starts)	M1/S	$649,000	$130,132	$171,961				$175,427		$171,480	
OC Streetcar (non-New Starts)	M1/S	$16,702		$342					$6,904	$9,313	$143
OC Streetcar (operations and potential future capital needs)	M1/S	$0	$0								
Coastal Rail Infrastructure Resiliency Project Environmental Phase 2	R	$10,220			$8,176					$2,044	
Coastal Rail Stabilization Priority Project	R	$313,580			$103,824		$80,000	$128,800		$956	
Cyprus Shore Initial Track Stabilization Projects (MP 206.8)	R	$8,000								$7,000	$1,000
Cyprus Shore Track Stabilization Projects (MP 206.8)	R	$14,110	$6,000		$1,210	$6,000		$200		$700	
Future VSS	R	$217		$174							$43
Inland Slope Rehabilitation Phase II	R	$8,170					$2,400			$5,770	
Irvine Station Improvement Project	R	$6,330						$6,330			
Metrolink new capital	R	$21,977	$2,121	$19,856							
Metrolink Operating Subsidy - FY 2023-24 to FY 2027-28	R	$271,246		$71,212				$135,745		$64,289	
Metrolink rehabilitation/renovation - FY 2021-22 to FY 2025-26	R	$209,117		$209,117							
Metrolink station and track improvements, and rehabilitation	R	$3,063		$2,617							$446
MP 204.2 Mariposa Point	R	$9,200				$9,200					
OC Maintenance Facility	R	$91,230				$20,000		$71,230			
Placentia Commuter Rail Station	R	$34,825	$50			$2,500		$400		$8,000	$23,875
Rail track and structures	R	$86,468						$86,468			
San Clemente Track Protection (MP 204.6)	R	$5,500				$3,000	$2,500				
San Juan Creek Bridge replacement [1]	R	$65,581	$945	$38,513	$913		$5,578	$18,253		$1,379	
SCRRA operating subsidy assistance	R	$2,510								$2,510	
OC Streetcar operations	S	$164,971	$18,050					$74,659		$40,506	$31,756
Pacific Coast Highway Coastal Rail Bridge		$21,263				$15,000					$6,263
Pedestrian Audible Warning System (PAWS)		$2,036						$1,818			$218
		$2,015,316	**$157,298**	**$513,792**	**$114,123**	**$55,700**	**$90,478**	**$699,330**	**$6,904**	**$313,947**	**$63,744**

Rail Project Totals	
Federal Funding Total	$785,213
State Funding Total	$845,508
Local Funding Total	$384,595
Total Funding (000's)	$2,015,316

Rail Project Completed

			Federal Funds			State Funds			Local Funds		
Project Title	M Code	Total Funding	STBG/CMAQ	FTA	Other Fed.	STIP	SB1	Other State	M1	M2	Other Local
Fullerton Transportation Center parking expansion	M1/R	$33,667				$11,250		$11,035	$9,718		$1,664
Laguna Niguel-Mission Viejo Station parking improvements and expansion (ADA ramps)	M1/R	$5,581	$3,204	$732					$1,645		
Metrolink Grade Crossing safety improvements (OCX)	M1/R	$80,618						$18,250	$7,600	$30,710	$24,058

1. **Authorize the use of up to $1,194,039 in SB 125 (Chapter 54, Statutes of 2023) Transit Program accrued interest funds for the San Juan Creek Bridge Replacement Project.**

Capital Funding Program Report

Pending Approval by OCTA Board of Directors - November 24, 2025

Rail Project Completed

			Federal Funds			State Funds			Local Funds		
Project Title	**M Code**	**Total Funding**	**STBG/CMAQ**	**FTA**	**Other Fed.**	**STIP**	**SB1**	**Other State**	**M1**	**M2**	**Other Local**
Metrolink rolling stock	M1/R	$158,009	$42,230	$35,390				$36,300	$44,089		
Metrolink service track expansion	M1/R	$119,957						$51,399	$68,558		
Orange Transportation Center parking structure	M1/R	$31,003	$2,555	$2,644		$13,762			$1,850	$420	$9,772
Sand Canyon Avenue grade separation	M1/R	$62,050	$10,536					$28,192	$3,116	$5,352	$14,854
M2 Project S Fixed-Guideway Anaheim Rapid connection	M1/S	$9,924		$1,516					$6,000	$1,286	$1,122
Anaheim Regional Intermodal Transportation Center (ARTIC) construction	M1/T	$184,164	$33,250	$37,253	$3,501	$29,219			$43,900	$35,291	$1,750
Fullerton Transportation Station expansion planning, environmental PSR	M1/T	$0	$0						$0		
Santa Ana grade separation planning and environmental PSR	M1/T	$1,333	$1,180						$153		
Santa Ana Transportation Station planning and environmental PSR	M1/T	$1,003	$888						$115		
17th Street grade separation environmental	R	$2,476								$2,476	
Anaheim Canyon Station	R	$34,200	$30,432							$2,000	$1,768
Control Point at 4th Street	R	$2,985		$2,985							
Control Point Stadium crossover	R	$6,490		$3,245				$3,245			
Fullerton Transportation Center stair rehabilitation	R	$1,065		$1,030							$35
Laguna Niguel to San Juan Capistrano passing siding	R	$35,956	$24,652	$1,015		$3,000		$6,734			$555
LOSSAN Corridor grade separations PSR in Anaheim, Orange, and Santa Ana	R	$2,699								$2,699	
Metrolink grade crossing safety improvements ROW	R	$3,025								$3,025	
North Beach crossings safety enhancements	R	$348						$166		$182	
Positive Train Control (Metrolink)	R	$39,916		$4,492	$1,234			$34,190			
Rail Crossing signal lights and pedestrian gates	R	$252						$252			
Rail station platform safety improvements (Fullerton, Irvine, and Tustin)	R	$553						$553			
Safety repairs for San Clemente Pier Station	R	$122						$122			
San Clemente Beach Trail crossings safety enhancements	R	$4,999						$2,170		$2,251	$578
Slope and culvert improvements	R	$300		$300							
Slope stabilization Laguna Niguel-Lake Forest	R	$5,168		$4,834						$334	
Tactile tile project	R	$1,569		$1,538						$31	
Ticket vending machines	R	$6,857									$6,857
Transit Rail Security (monitors, fencing, video surveillance)	R	$163						$163			
VSS at commuter rail stations	R	$4,409		$3,594				$56			$759
Go Local	S	$7,730							$7,730		
M2 Project S Transit extensions to Metrolink (Rubber Tire)	S	$733								$733	
ARTIC environmental, ROW, program management support, site plan	M1	$41,369							$8,869		$32,500
Fiber Optics installation (Metrolink)	M1	$23,183		$10,903				$10,479	$1,801		
Laguna Niguel-Mission Viejo Station parking expansion (south lot)	M1	$4,135						$695	$3,440		
Tustin Rail Station parking expansion	M1	$15,390				$1,100		$7,181	$7,109		
Rail Project Completed Totals		**$933,401**	**$148,927**	**$111,471**	**$4,735**	**$58,331**		**$211,182**	**$215,693**	**$86,790**	**$96,272**

Capital Funding Program Report

Pending Approval by OCTA Board of Directors - November 24, 2025

Rail Project Completed												
			Federal Funds			State Funds			Local Funds		
Project Title	M Code	Total Funding	STBG/CMAQ	FTA	Other Fed.	STIP	SB1	Other State	M1	M2	Other Local

Federal Funding Total	$265,133
State Funding Total	$269,513
Local Funding Total	$398,755
Total Funding (000's)	$933,401

Acronyms:

ADA - Americans with Disabilities Act

Board - Board of Directors

CMAQ - Congestion Mitigation Air Quality Improvement Program

FFY - Federal Fiscal Year

FTA - Federal Transit Administration

FY - Fiscal Year

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

M Code - Project Codes in Measure M1 and M2

M1 - Measure M1

M2 - Measure M2

MP - Mile Post

OC - Orange County

OCTA - Orange County Transportation Authority

OCX - Rail-Highway Grade Crossing/Safety Enhancement Project

PSR - Project Study Report

ROW - Right-of-Way

SB 1 - SB 1 (Chapter 5, Statutes of 2017)

SCRRA - Southern California Regional Rail Authority/Metrolink

STBG - Surface Transportation Block Grant

STIP - State Transportation Improvement Program

VSS - Video Surveillance System

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Contract Change Orders for Construction of the OC Streetcar Project

Transit Committee Meeting of November 13, 2025

Present: Directors Amezcua, Jung, Klopfenstein, Leon, Janet Nguyen, and Sarmiento
Absent: Tam T. Nguyen

Committee Vote

This item was passed by the Members present.

Director Janet Nguyen voted in opposition to this item.

Committee Recommendation(s)

A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 77.5 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $250,000, for pavement modifications and restoration.

B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 189.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $50,000, for maintenance and storage facility electrical grounding modifications.

C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 238 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $600,000, for special trackwork bonding.

D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 296.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $800,000, for emergency walkway modifications.

E. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 302 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $1,603,812, for earthwork inefficiencies caused by differing site conditions.

OCTA

November 13, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Contract Change Orders for Construction of the OC Streetcar Project

Overview

On September 24, 2018, the Orange County Transportation Authority Board of Directors authorized Agreement No. C-7-1904 with Walsh Construction Company II, LLC, for construction of the OC Streetcar Project. Contract change orders are required for additional pavement modifications and restoration as required by the City of Santa Ana, maintenance and storage facility electrical grounding modifications, special trackwork bonding, emergency walkway modifications, and earthwork inefficiencies caused by differing site conditions.

Recommendations

A. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 77.5 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $250,000, for pavement modifications and restoration.

B. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 189.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $50,000, for maintenance and storage facility electrical grounding modifications.

C. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 238 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $600,000, for special trackwork bonding.

D. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 296.1 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $800,000, for emergency walkway modifications.

E. Authorize the Chief Executive Officer to negotiate and execute Contract Change Order No. 302 to Agreement No. C-7-1904 with Walsh Construction Company II, LLC, in the amount of $1,603,812, for earthwork inefficiencies caused by differing site conditions.

Discussion

On September 24, 2018, the Orange County Transportation Authority (OCTA) Board of Directors (Board) awarded the contract to construct the OC Streetcar Project (Project) to Walsh Construction Company II, LLC (Walsh). The Notice to Proceed with construction was issued to Walsh on March 4, 2019. The construction of the Project is approximately 95 percent complete. The project alignment is referenced in Attachment A.

Staff is requesting Board authorization of the following contract change orders (CCO).

Pavement Modifications and Restoration

Pavement modifications and restoration were needed at various project locations, including Fourth Street, Fifth Street, and Mortimer Street. This work was a result of utility trenching and other work that damaged the pavement or additional paving to match existing conditions as required by the City of Santa Ana (City). The additional paving work was not anticipated in the original design. CCO No. 77.5, in the amount of $250,000, will provide compensation to the contractor for the additional pavement modifications and restoration.

Maintenance Storage Facility (MSF) Electrical Grounding Modifications

Design modifications were required to ensure sufficient electrical grounding in various areas in the MSF. These modifications include additional measures to safely ground the electrical current related to the overhead contact system in the MSF and train wash. CCO No. 189, in the amount of $178,283, was previously issued to compensate the contractor for these modifications to begin work and avoid delays to the contract. However, the contractor has since provided additional supporting documentation to support its request for additional labor efforts that were not accounted for in the previously negotiated amount. CCO No. 189.1, in the amount of $50,000, is needed to fully compensate for the electrical grounding modifications at the MSF.

Special Trackwork Bonding

The streetcar trackwork requires special bonding between the tracks in certain situations to maintain the electrical continuity to maintain the safe operations of the streetcar when changing track locations. The required special trackwork bonding was not included in the original design at numerous locations, including at the MSF, Ross Street intersection, Sasscer Park area, MSF, Mortimer Street and Santa Ana Boulevard intersection, and Harbor Boulevard. CCO No. 238, in the amount of $600,000, is required for completion of the special trackwork bonding at the additional locations.

Emergency Walkway Modifications

Under advisement from the California Public Utilities Commission (CPUC) during pre-certification inspection walks, OCTA modified the section of ballasted track within the Pacific Electric Right-of-Way (PEROW) to include wider emergency walkways adjacent to the streetcar tracks in order to bring the Project into compliance with CPUC requirements. The modifications to the emergency walkways are safety and accessibility improvements required for CPUC certification and were not anticipated in the original design. CCO No. 296, in the amount of $208,000, was issued to cover initial costs and has now been fully expended. CCO No. 296.1, in the amount of $800,000, is required to complete the emergency walkway modifications.

Earthwork Inefficiencies Caused by Differing Site Conditions and Foreman Overtime

The Project experienced schedule and cost impacts due to the discovery of contaminated materials along the alignment. While contract changes were issued to address direct impacts, the contractor asserted that the contamination further affected their ability to efficiently perform base contract earthwork activities. Additionally, but separately, the contractor asserted that the overtime for a construction foreman was compensable pursuant to the contract. These issues were disputed but were recently resolved as part of ongoing mediation efforts.

The earthwork impacts were difficult to fully anticipate due to the ongoing discovery of contamination and underground utility conflicts. To manage the contaminated materials, stockpiles were placed within the PEROW until the testing and disposal locations could be determined. Some of these stockpiles remained in place and limited the contractor’s access to work areas, disrupting earthwork operations and requiring changes to planned construction methods. The contractor tracked its work using daily time-and-materials reports, submitted

as extra work bills. However, these bills often combined base contract work with potential CCO work, making it difficult for the project team to separate and validate costs. Following extensive discussions and review of supporting documentation recently provided by the contractor, the project team has reached an agreement as part of the ongoing mediation efforts. CCO No. 302, in the amount of $1,603,812, is needed to compensate Walsh for inefficiencies in performing earthwork caused by differing site conditions, resolve numerous disputed extra work bills including foreman overtime hours, as well as any associated interest claims. This will result in closing 1,883 previously disputed extra work bills.

Procurement Approach

The initial procurement was handled in accordance with OCTA's Board-approved procedures for public works projects. These procedures, which conform to both federal and state requirements, require that contracts are awarded to the lowest responsive, responsible bidder after a sealed bidding process. On September 24, 2018, the Board authorized Agreement No. C-7-1904 with Walsh, in the amount of $220,538,649, for construction of the Project.

Proposed CCO nos. 77.5, 189.1, 238, 296.1, and 302, in the amount of $3,303,812, will increase the cumulative value of the contract to $359,795,237, as shown in Attachment B. Board approval is required for CCO nos. 77.5, 189.1, 238, 296.1, and 302 pursuant to the State of California Public Contracting Code Section 20142. The CCOs will be issued with a reservation of rights to advance the Project, pending resolution of disputes between OCTA and Walsh. The statements in this report are made in the context of, and subject to, OCTA's reservation of rights.

Fiscal Impact

Funding for these changes was included in the revised Federal Transit Administration Full Funding Grant Agreement approved by the Board on February 24, 2025, and is included in OCTA's Fiscal Year 2025-26 Budget, Capital Programs Division, account nos. 0051-TS010-9017-Z47 (CCO No. 77.5), 0051-TS010-9017-Z32 (CCO No. 189.1), 0051-TS010-9017-Z1A (CCO No. 238), 0051-TS010-9017-Z1B (CCO No. 296.1), and 0051-TS010-9017-Z41 (CCO No. 302), and is funded with Federal Transit Administration Section 5309 New Starts grant funds and local Measure M2 funds. The cost of the work associated with the CCOs noted above will be funded by, and are included in, the project budget that was previously approved by the Board on February 24, 2025.

Summary

Staff recommends the Board authorize the Chief Executive Officer to negotiate and execute CCO No. 77.5, in the amount of $250,000, for pavement modifications and restoration, CCO No. 189.1, in the amount of $50,000, for MSF electrical grounding modifications, CCO No. 238, in the amount of $600,000, for special trackwork bonding, CCO No. 296.1, in the amount of $800,000, for emergency walkway modifications, and CCO No. 302, in the amount of $1,603,812, for earthwork inefficiencies caused by differing site conditions to Agreement No. C-7-1904 between OCTA and Walsh for the construction of the Project.

Attachments

A. Project Alignment Map
B. Walsh Construction Company II, LLC, Agreement No. C-7-1904, Contract Change Order (CCO) Log

Prepared by:

Jeff Mills, P.E.
Director, Capital Project Delivery
(714) 560-5925

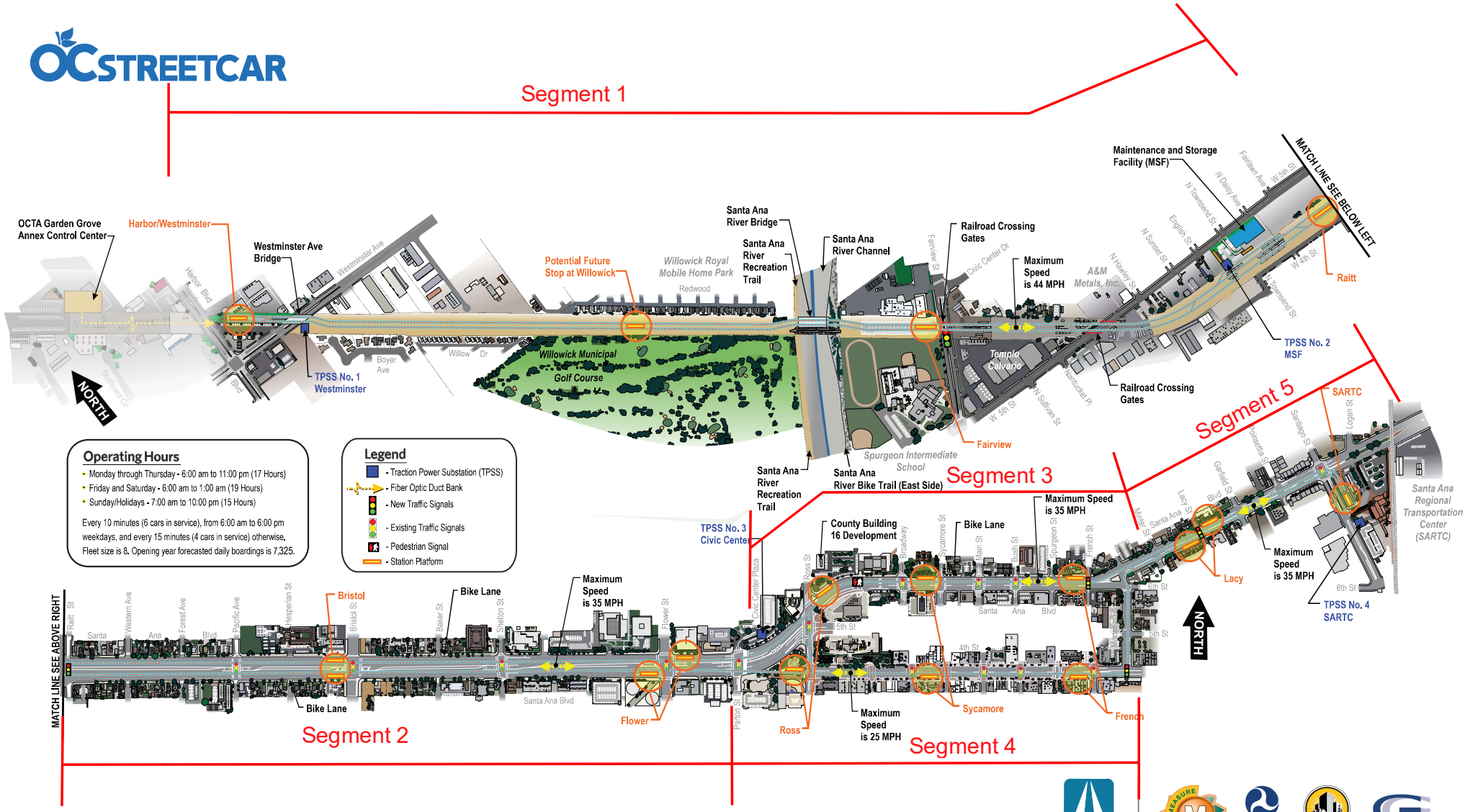
Pia Veesapen
Director, Contracts Administration and Materials Management
(714) 560-5619

Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

ATTACHMENT A

Project Alignment



05.10.2018
Prepared by HDR, Inc.

ATTACHMENT B

Walsh Construction Company II, LLC
Agreement No. C-7-1904
Contract Change Order (CCO) Log

CCO No.	Title	Status	Date Executed	Cost
1	Maintenance and Storage Facility (MSF) Removals	Approved	6/20/2019	$199,749.00
1.1	MSF Removals Additional Funding	Approved	6/25/2019	$113,884.77
1.2	Time Impact Evaluation (TIE) 01 - Schedule Impacts Associated with Change Directive (CD)-001 and CD-003	Approved	6/17/2020	$0.00
1.3	Schedule Impacts Associated with TIE 01	Approved	10/17/2022	$2,100,000.00
2	MSF Removal of Additional Hazardous Materials	Approved	6/25/2019	$200,000.00
2.1	MSF Removal of Additional Hazardous Materials Additional Funding	Approved	8/15/2019	$160,000.00
3	Removal and Disposal of Contaminated Materials within the Orange County Transit District (OCTD)-Owned Pacific Electric Right-of-Way (PEROW)	Approved	9/12/2019	$1,600,000.00
3.1	Removal and Disposal of Contaminated Materials Additional Funding	Approved	2/25/2020	$7,278,795.00
3.2	Removal and Disposal of Contaminated Materials Additional Funding	Approved	10/18/2021	$1,100,000.00
3.3	Removal and Disposal of Contaminated Materials Additional Funding	Approved	4/18/2023	$1,500,000.00
3.4	Removal and Disposal of Contaminated Materials Additional Funding	Approved	4/21/2025	$657,000.00
4	Work Related to Existing Utility Conflicts	Approved	8/27/2019	$200,000.00
4.1	Work Related to Existing Utility Conflicts Additional Funding	Approved	2/25/2020	$833,300.00
4.2	Work Related to Existing Utility Conflicts Additional Funding	Approved	6/9/2020	$2,426,000.00
4.3	Work Related to Existing Utility Conflicts Additional Funding	Approved	6/21/2021	$2,000,000.00
4.4	Work Related to Existing Utility Conflicts Additional Funding	Approved	11/19/2021	$3,500,000.00
4.5	Work Related to Existing Utility Conflicts Additional Funding	Approved	6/3/2025	$250,000.00
5	Tree Trimming and Removal	Approved	6/9/2020	$129,215.52
5.1	Tree Trimming and Removal Additional Funding	Approved	12/29/2023	$300,000.00
7	Orange County Sanitation District Specifications Revisions	Approved	6/9/2020	$82,445.00
8	Orange County Flood Control District Maintenance Path Profile Revisions	Approved	6/9/2020	$6,055.00
9	MSF Vapor Barrier	Approved	12/22/2020	$395,717.00
10	112 Tram Rail Ultrasonic Testing	Approved	6/10/2020	$0.00
11	GPS Priority Control System	Approved	6/9/2020	$40,120.00
12	Santa Ana River Bridge (SARB) Precast Girders	Approved	8/27/2020	$88,877.00
13	Retaining Wall 544 Reinforcing Steel	Approved	9/3/2020	$2,321.30
14	Retaining Wall 508	Approved	12/14/2020	$125,341.00
15	Utility Relocations for Overhead Contact System (OCS) Pole Foundations and Traffic Signal Pole Foundations	Approved	6/17/2020	$195,723.00
16	OCS and Traffic Signal Pole Foundations Hand Excavation and Survey	Approved	6/23/2020	$198,808.00
16.1	OCS, Traffic Signal, and Streetlight Foundation Hand Excavation, Layout and Survey Additional Funding	Approved	6/26/2020	$1,400,000.00
16.2	OCS, Traffic Signal, and Streetlight Foundation Hand Excavation, Layout and Survey Additional Funding	Approved	4/15/2021	$1,400,000.00
16.3	OCS, Traffic Signal, and Streetlight Foundation Hand Excavation, Layout and Survey Additional Funding	Approved	5/1/2023	$250,000.00
17	Westminster Bridge OCS Diaphragm	Approved	10/30/2020	$1,682.00
18	Remove Buried Man-Made Objects	Approved	11/23/2020	$300,000.00
18.1	Remove Buried Man-Made Objects Additional Funding	Approved	10/25/2021	$300,000.00
18.2	Remove Buried Man-Made Objects Additional Funding	Approved	5/1/2023	$600,000.00
19	Removal of Boulders	Approved	11/17/2020	$160,000.00
20	Removal of Chain Link Fence	Approved	3/9/2021	$7,316.90
21	Changes to Turnout Geometry	Approved	10/5/2020	$0.00
22	Railroad Crossing Gate Bells	Approved	10/5/2020	$0.00
23	SARB, OCS Pole, and OCS Down Guy Diaphragms	Approved	1/19/2021	$7,419.00
24	OCS Sectionalization – Siemens Portion	Approved	10/5/2020	$158,941.01
24.1	OCS Sectionalization Additional Funding	Approved	4/27/2021	$722,253.92
26	Revisions to Station Color Schedule, Glass, and Pylon	Approved	4/19/2021	$176,419.84
27	Street Lighting	Approved	11/19/2020	$12,347.91
28	Schedule Impacts Associated with TIE 04 and 07	Approved	12/8/2020	$0.00
28.1	Schedule Impacts Associated with TIE 07	Approved	10/17/2022	$1,300,000.00
28.2	Schedule Impacts Associated with TIE 07	Approved	1/17/2024	$0.00
28.3	Schedule Impacts Associated with TIE 07	Approved	6/4/2024	$1,425,000.00
29	Revision to MSF, Traction Power Substation (TPSS), and OCS Siemens Portion	Approved	11/19/2020	$34,216.80
29.1	Revision to MSF, TPSS, and OCS Siemens Portion	Approved	6/22/2023	$175,730.75
30	SARB Pile, Westminster Bridge, and Demonstration Section Electrical Continuity Testing	Approved	2/1/2021	$23,928.10
30.1	Electrical Continuity Testing Additional Funding	Approved	3/16/2021	$320,164.40
31	MSF Building and Southern California Edison (SCE) Design Revisions	Approved	1/17/2022	$207,367.00
32	Asbestos Survey	Approved	2/1/2021	$25,000.00
34	OCS Spanwire Modifications	Approved	5/8/2024	$10,901.00
35	No Sunshade for Variable Message Sign	Approved	12/22/2020	$0.00
37	Station Platform Power	Approved	5/18/2021	$58,414.15
38	Modify OCS Foundation Schedule	Approved	6/15/2021	$32,733.04
39	OCS Revisions Based on Field Walks	Approved	6/17/2021	$28,088.32
39.1	Additional Revisions to OCS Hardware	Approved	6/26/2023	$180,709.28
40	MSF Remote Yard Gates	Approved	11/3/2021	$32,307.66
40.1	MSF Remote Yard Gates	Approved	5/29/2024	$67,819.03

CCO No.	Title	Status	Date Executed	Cost
41	Auxiliary Feeder Pullbox Sizes- Segment 3A	Approved	11/23/2021	$61,041.24
42	Department Acceptance Testing for Gamma-Gamma Logging of Cast-In-Drilled-Hole (CIDH) Piles	Approved	10/22/2021	$35,138.00
43	End of Life Communication Equipment	Approved	5/3/2021	$372,136.38
44	Design of Temporary Traffic Signals Segment 2A - Stages 1 and 2	Approved	4/26/2021	$41,967.00
44.1	Design of Temporary Traffic Signals Segment 3A	Approved	11/24/2021	$50,813.00
44.2	Design of Temporary Traffic Signals and Video Detections	Approved	10/4/2022	$907,220.00
45	Thickened Asphalt Concrete (AC) Pavement	Approved	1/19/2021	$60,000.00
46	MSF Video Servers from Garden Grove Bus Annex to MSF	Approved	10/13/2021	$40,267.30
47	Archaeological Security and Data Recovery at MSF	Approved	1/19/2021	$110,000.00
47.1	Archaeological Security and Data Recovery at MSF Additional Funding	Approved	5/8/2023	$98,000.00
48	Thickened AC Pavement	Approved	4/27/2021	$1,177,362.00
49	Retaining Wall 501 Encroachment	Approved	6/17/2021	$181,802.77
50	MSF Street and Yard Utility Conflicts	Approved	5/25/2021	$200,000.00
51	MSF Yard Light Connection Details	Approved	2/17/2023	$193,803.00
52	Over Excavation of Unsuitable Soils	Approved	6/21/2021	$209,500.00
52.1	Over Excavation of Unsuitable Soils Additional Funding	Approved	6/21/2021	$540,000.00
53	SARB Bridge Decking	Approved	6/17/2021	$9,002.94
54	Revisions to the Traction and Power Substation Site Plan	Approved	5/18/2022	$1,200,000.00
55	Bid Item 24 - Earthwork Credit	Approved	5/3/2022	($659,666.73)
56	Exploratory Potholing Allowance	Approved	4/26/2021	$200,000.00
56.1	Exploratory Potholing Allowance	Approved	9/8/2021	$1,100,000.00
56.2	Exploratory Potholing Allowance	Approved	5/8/2023	$500,000.00
58	Vehicle Platform Tolerances	Approved	12/6/2021	$0.00
59	Direct Fixation Fasteners	Approved	6/7/2021	$0.00
60	Base Contract Utility Credits	Approved	5/25/2021	($1,842,680.00)
61	Loop Relocation and Block Out	Approved	10/25/2021	$80,000.00
61.1	Train-to-Wayside Communications Loop Installation in Embedded Track	Approved	6/3/2025	$233,582.27
62	Backfill of OCS Foundations	Approved	11/8/2021	$200,000.00
63	Graffiti Removal	Approved	5/18/2021	$100,000.00
64	SCE Meter Switchgear Engineering and Submittal Costs	Approved	5/18/2021	$17,618.00
64.1	SCE Meter Switchgear Additional Funding	Approved	10/13/2021	$191,950.00
64.2	SCE Meter Switchgear Additional Funding	Approved	1/19/2022	$669,573.00
65	Additional Environmental Soil Investigation on West Santa Ana Boulevard/ Bristol Street Station Stop (Stage 1)	Approved	5/18/2021	$9,840.60
66	Ground Penetrating Radar Investigation	Approved	9/1/2021	$208,000.00
67	City of Garden Grove Driveway Standard Update	Approved	11/24/2021	$20,637.83
68	Ross Street Intersection Traffic Signal Conduit Installation	Approved	6/7/2021	$18,000.00
69	Optical Backbone Network System Redundancy	Approved	2/25/2022	$520,582.00
71	Traffic Signal Interconnect	Approved	4/12/2022	$208,000.00
71.1	Traffic Signal Interconnect Additional Funding	Approved	5/31/2022	$500,000.00
71.2	Traffic Signal Interconnect Additional Funding	Approved	3/4/2025	$165,802.56
71.3	Traffic Signal Interconnect - Ethernet Switches	Approved	6/16/2025	$171,122.00
72	Cathodic Protection at MSF and Car Wash	Approved	11/30/2023	$292,745.56
77	Pavement Modification at Street Intersections	Approved	12/28/2021	$208,000.00
77.1	Pavement Modifications Along Embedded Tracks and Grade Crossings	Approved	5/3/2022	$400,000.00
77.2	Pavement Modifications Along Embedded Tracks and Grade Crossings	Approved	9/22/2023	$480,000.00
77.3	Pavement Modifications and Restoration Along Embedded Tracks and Grade Crossings	Approved	6/7/2023	$1,300,000.00
77.4	Pavement Modifications and Restoration Additional Funding	Approved	5/28/2025	$350,000.00
77.5	Pavement Modifications and Restoration Additional Funding	Pending		$250,000.00
79	MSF Permit Drawings and Revisions	Approved	6/24/2022	$3,000,000.00
80	Contract Language Modifications Escrow Documents	Approved	4/12/2022	$0.00
82	Third-Party Utility Work - Southern California Gas: Expose Abandoned Gas Lines	Approved	6/9/2022	$100,000.00
82.1	Third-Party Utility Work - AT&T	Approved	6/21/2022	$108,000.00
83	Additional Storage of Four TPSS Units at Factory	Approved	6/21/2022	$208,000.00
86	OCS Pole Grounding Conduit Routing at PEROW	Approved	5/24/2022	$200,000.00
86.1	OCS and Platform Grounding Conduit Additional Funding	Approved	4/18/2023	$300,000.00
88	Traction Power Sub-Station Grounding Revisions	Approved	6/6/2022	$209,839.49
89	Equipment and Security Upgrades	Approved	6/22/2022	$2,200,000.00
89.1	Additional Security Modifications	Approved	6/11/2025	$750,000.00
89.2	MSF Access Control Supplemental	Pending		$350,000.00
90	Contract Language Modifications - Electronic Compliance Auditing Tool Disadvantaged Business Enterprise Reporting	Approved	11/17/2022	$0.00
91	Customer Information Center Enclosure and Component Modifications	Approved	6/20/2022	$1,650,000.00
91.1	Additional Customer Information Center Enclosure and Component Modifications	Pending		$1,000,000.00
92	Changes to Platform SCE Meter Pedestals	Approved	6/28/2023	$208,613.05
93	Wheel Turing Pit Modifications	Approved	2/2/2024	$318,486.42
93.1	MSF Jib Cranes	Approved	8/18/2025	$96,938.87
94	Traffic Signal Pole Modifications	Approved	6/22/2022	$800,000.00
96	Relocate Bumping Posts and Train Signal Cabinet at Harbor Station	Approved	6/22/2022	$400,000.00
104	MSF Ductwork and Louvers Revised Plans	Approved	8/1/2025	$48,934.50
105	Modifications to the Track Slab Detail to Clear Utility Conflicts	Approved	5/18/2023	$3,500,000.00
108	Traffic Signal and Pedestrian Crossing Equipment Modifications	Approved	9/17/2024	$253,851.23
108.1	Traffic Signal and Pedestrian Crossing Modifications	Pending		$21,946.41

CCO No.	Title	Status	Date Executed	Cost
110	Malcom and Spectrum Utility Concurrent Impacts (Claim 09)	Approved	12/30/2021	$123,714.20
117	Manual Train Control Override	Approved	4/29/2022	$208,000.00
117.1	Manual Train Control Override Additional Funding	Approved	6/9/2022	$700,000.00
118	Added Pedestrian Crossing and Updated City Standard Signage	Approved	6/6/2024	$64,411.79
130	Drainage and Traction Power Underground Conflicts	Approved	10/11/2023	$138,724.00
133	MSF Western Concrete Masonry Unit Wall Modifications	Approved	1/27/2023	$208,000.00
139	Soundwall #2 CIDH Foundation Adjustments	Approved	7/24/2023	$29,570.95
140	TPSS Additional Rear Doors	Approved	9/28/2023	$64,275.10
145	Structural Steel Quality Control Inspection and Testing	Approved	5/31/2022	$350,000.00
146	Train Signal Modifications	Approved	6/14/2022	$850,000.00
148	Emergency Communication Devices	Approved	2/17/2023	$195,000.00
150	Fourth Street Extended Work Hours and Public Safety	Approved	9/28/2022	$500,000.00
150.1	Fourth Street Extended Work Hours and Public Safety Additional Funding	Approved	12/15/2022	$800,000.00
150.2	Fourth Street Extended Work Hours Additional Funding	Approved	6/18/2024	$250,000.00
157	Traffic Control Allowance Extension (Bid Item 33)	Approved	2/6/2023	$208,000.00
157.1	Traffic Control Allowance Extension (Bid Item 33)	Approved	9/21/2023	$300,000.00
158	Station Canopy Glass Price Escalation	Approved	10/17/2022	$72,607.09
161	Contract Language Modification - Article 9 - Notices	Approved	11/17/2022	$0.00
164	Station Platform, Parking Lot, and Sasscer Park Lights	Approved	5/18/2023	$300,000.00
169	Traffic Signal Systems Spare Equipment for City of Santa Ana	Approved	3/28/2025	$56,626.20
170	Station Spare Parts	Approved	1/2/2025	$518,592.05
173	Buried OCS Pole Grounding	Approved	8/22/2024	$209,500.00
173.1	Buried OCS Pole Grounding	Approved	8/27/2024	$123,643.00
175	Additional Fence and Gates to Minimize Trespassing in PEROW	Approved	5/6/2025	$198,210.15
175.1	Additional Fence and Gates to Minimize Trespassing in PEROW	Pending		$200,000.00
177	Traffic Signal Plan Revisions: Utilizing Different Anchor Bolt Patterns	Approved	1/27/2023	$208,000.00
177.1	Traffic Signal Pole Revisions Additional Funding	Approved	5/5/2025	$100,000.00
178	Station Standby Lighting	Approved	12/16/2024	$127,795.00
180	Miscellaneous Minor Changes at MSF	Approved	8/29/2025	$51,406.77
182	Homeless Security and Cleanup	Approved	2/16/2023	$208,000.00
183	Track Switch Indication Lights	Approved	2/28/2023	$480,000.00
184	Santa Ana Boulevard Extended Hours	Approved	12/14/2022	$208,000.00
185	Additional Builder Risk Insurance	Approved	2/8/2023	$550,000.00
186	MSF Catenary Interlock System	Approved	2/17/2023	$208,000.00
186.1	MSF Interlock System Additional Funding	Approved	12/27/2024	$781,619.17
187	Schedule Impacts Associated with TIE 08	Approved	10/24/2022	$0.00
187.1	Schedule Impacts Associated with TIE 08	Approved	6/22/2023	$2,847,000.00
188	Relocation of the Traction Power Track Connection Boxes in Segment 4	Approved	5/23/2024	($102,757.22)
189	MSF Grounding Additions	Approved	3/28/2025	$178,283.21
189.1	MSF Grounding Additions Spplemental	Pending		$50,000.00
190	Track Bumping Post Modifications	Approved	6/13/2024	$206,920.32
191	Four-Fold and Coiling Doors at the MSF	Approved	6/20/2023	$300,902.44
193	Embedded Track Transition to Paved Ballasted Track	Approved	2/20/2024	$182,498.67
194	Malcom's Differing Site Condition Impacts for CIDH Pile Installation (Claim 10)	Approved	3/16/2023	$209,999.00
195	Schedule Impacts Associated with TIE 12	Approved	3/27/2023	$0.00
195.1	Schedule Impacts Associated with TIE 12	Approved	6/20/2023	$1,249,403.38
195.2	Schedule Impacts Associated with TIE 12	Approved	5/3/2024	$245,501.00
195.3	Schedule Impacts Associated with TIE 12	Approved	5/6/2024	$940,580.78
196	Shore Power at the MSF	Approved	8/13/2024	$363,651.56
197	OCS Pole and Foundation Revisions	Approved	6/19/2023	$128,706.34
198	Fourth Street Planter Lighting, Irrigation Wiring, and Power Modifications	Approved	9/16/2024	$85,247.00
199	Improvements at Civic Center Plaza	Approved	3/16/2023	$208,000.00
200	Infrastructure for Electric Vehicle Charger at Santa Ana Regional Transportation Center	Approved	8/21/2023	$25,000.00
201	Intumescent Fireproof Coating on Structural Steel at the MSF	Approved	12/29/2023	$450,000.00
201.1	Intumescent Fireproof Coating on Structural Steel at the MSF	Approved	5/29/2024	$123,039.00
203	Sidewalk Paver Material and Labor Escalation	Approved	6/19/2023	$209,730.72
204	MSF Pedestal Track Spacing M1-M2	Approved	12/28/2023	$20,325.88
206	Track Isolation at end of Embedded Track	Approved	6/6/2024	$119,790.41
207	Sewer Ejector Changes at MSF	Approved	2/1/2024	$208,221.98
208	Ultrasonic Cleaner Model Changes	Approved	6/7/2024	$44,401.70
209	Harbor OCS Modifications	Approved	2/4/2025	$205,657.98
210	MSF Extended Work Hours	Approved	1/3/2024	$209,500.00
211	OCS Pole Re-Raking and Adjustment	Approved	6/4/2024	$208,000.00
212	Restraining Rail Conflicts at M1, M2, M3 and Y1 Tracks	Approved	5/8/2024	$35,426.59
213	Various Sidewalk and Brick Restoration Work	Approved	8/12/2024	$209,500.00
214	SCE Switchgear Breaker Setting and Commissioning	Approved	4/30/2024	$143,986.69
215	Emergency Walkway Track Crossing at Raitt and Fairview Platform	Approved	12/28/2023	$113,812.10
217	Improvements at Sasser Park	Approved	5/8/2024	$209,298.00
220	Ross Street Intersection Modifications	Approved	8/30/2024	$140,421.07
221	Electrical Modifications at Sasscer Park	Approved	8/30/2024	$128,045.06
222	SCE Electrical and Service Connections at Various Intersections	Approved	12/27/2024	$368,980.95
225	Train Control Battery Backup	Approved	9/17/2024	$349,848.89
226	Traffic Signal Pole and Mast Arm Adjustments at Santiago Street, Shelton Street, and Bristol Street	Approved	9/26/2024	$52,702.00
227	Traffic Signal and Striping Modifications Due to the City of Santa Ana Bike Lane Project	Approved	8/30/2024	$45,088.00
228	OCS Feeder Cable Theft Protection	Approved	10/14/2024	$243,904.68
230	Traffic Signal Cabinet Relocation Sycamore Street and Santa Ana Boulevard	Approved	9/16/2024	$93,878.89

CCO No.	Title	Status	Date Executed	Cost
231	Bid Item 61 (Utility Service Fee) Extension	Approved	6/7/2024	$185,000.00
232	Platform Modifications	Approved	11/13/2024	$70,648.35
232.1	Platform Modifications	Approved	7/21/2025	$122,857.93
233	MSF Information Technology Room and Data Port and Communication Device Changes	Approved	11/18/2024	$1,519,579.00
233.1	MSF IT Upgrades Supplemental	Pending		$417,576.00
234	Schedule Impacts Associated with TIE 18	Approved	5/8/2024	$0.00
235	Diesel Particulate Filter	Approved	10/11/2024	$77,050.69
237	Garfield & Sycamore SCE Services Pedestals and Foundation Changes	Approved	9/30/2024	$56,300.78
238	Special Trackwork Bonding	Pending		$600,000.00
239	TPSS #01 Alternative Installation Method	Approved	12/12/2024	$40,000.00
240	MSF Emergency Eyewash/Showers	Pending		$143,260.28
241	Modifications to the East and West Gates at MSF	Approved	6/9/2025	$366,813.41
242	OCS Pole Ground Repair in PEROW	Approved	2/4/2025	$148,044.06
243	Overhead Utility Conflicts at Mortimer and Santa Ana Boulevard - Traffic Signal Pole No.'s 02 and 03	Approved	12/12/2024	$38,498.93
244	Sump Pump Removal from Elevator	Approved	7/31/2025	$45,697.23
245	Parton Street-Santa Ana Boulevard Sidewalk Restoration	Approved	11/14/2024	$22,763.02
246	Modifications to Signage, Push Buttons and Signal Heads	Approved	11/13/2024	$76,618.35
248	MSF Service and Inspection Pit Access Controlled Gate Revisions	Pending		$350,000.00
249	Lacy Platform Landscape Changes	Approved	7/31/2025	$49,908.54
250	Modify Pumps in the Wheel Truing and Service and Inspection Pit	Approved	5/7/2025	$325,000.00
250.1	Modify Pumps in the Wheel Truing and Service and Inspection Pit	Pending		$50,000.00
251	Accelerated Schedule Agreement	Approved	9/30/2024	$40,338,054.00
251.1	Accelerated Schedule Agreement	Pending		$1,100,000.00
252	Public Conveyance and Safety Enhancements	Approved	2/12/2025	$150,000.00
252.1	Public Conveyance and Safety Enhancements	Pending		$250,000.00
253	SCE Invoices for Relocations due to General Order 95 Conflicts	Approved	2/4/2025	$150,000.00
254	Fairview Street Crossing Traffic Signal Poles Conflict with Overhead SCE Lines	Approved	2/4/2025	$21,225.37
255	OCS Modifications	Approved	1/21/2025	$200,000.00
255.1	OCS Modifications	Pending		$350,000.00
256	SARB Landscape Revisions	Pending		$60,000.00
258	Harbor Boulevard Station Adjustments	Approved	4/11/2025	$200,000.00
260	MSF Finishes	Approved	3/13/2025	$200,000.00
261	OCS Cross Contact Assemblies on Hand	Approved	3/4/2025	$200,000.00
262	Auxiliary Contact Wire at Easbount Track 5	Approved	8/29/2025	$76,182.28
263	Communication Interface Cabinet Battery Replacement	Approved	5/6/2025	$202,329.50
264	MSF Room 124 Added Fan Coil Units	Approved	7/31/2025	$169,835.00
265	MSF Bridge Crane Conflicts with Mechanical, Electrical, and Plumbing (MEP)	Approved	7/21/2025	$200,000.00
266	MSF Systems	Approved	3/14/2025	$200,000.00
266.1	MSF Systems	Pending		$250,000.00
267	Wheel Truing Machine Testing	Approved	3/28/2025	$92,397.00
268	MSF Additional Roof and Deck MEP Angle Supports	Approved	5/8/2025	$199,232.85
268.1	MSF Additional Roof and Deck MEP Angle Supports	Pending		$59,867.90
270	MSF IT Room Distribution Unit Update	Approved	7/21/2025	$34,920.17
271	MSF Lactation Room 109 and Breakroom Room 110 Revisions	Approved	7/21/2025	$62,795.90
273	Fence Modifications	Pending		$83,258.91
275	OCS Pole Twist and Arm Capacity	Approved	5/25/2025	$400,000.00
277	MSF Fall Protection Modifications	Pending		$425,000.00
279	MSF Ejector Pump Manifold and Truing Pit Trench Cover Plate	Pending		$84,801.39
281	MSF Truing Pit Air Assembly Relocation	Approved	8/21/2025	$10,317.50
285	MSF Fan in Room 124	Approved	7/21/2025	$42,389.14
288	PEROW Gate Modifications	Approved	8/1/2025	$39,630.54
289	OCS – Elastic Arm Assembly Modifications	Approved	5/6/2025	$100,000.00
290	OCS – Galvanized Steel to Stainless Steel and Kevlar Changes	Approved	5/6/2025	$205,000.00
291	OCS – Span Wire to Contact Wire Changes	Approved	5/22/2025	$205,000.00
291.1	OCS – Span Wire to Contact Wire – Supplemental	Pending		$160,000.00
292	OCS – Feeder Wire & Tap Assembly Modifications	Approved	5/22/2025	$200,000.00
293	Communications Systems Software and Supervisory Control and Data Acquisition	Pending		$900,000.00
294	MFS Uninterrupted Power Supply Battery Replacement	Approved	8/29/2025	$41,841.60
296	Ballast Walkway Modifications	Approved	7/21/2025	$208,000.00
296.1	Ballast Walkway Modifications Supplemental	Pending		$800,000.00
300	MSF Yard Section Insulator Relocation	Pending		$150,000.00
301	Train Signal Control Changes	Pending		$1,000,000.00
302	Earthwork Inefficiencies due to Differing Site Conditions and Overtime	Pending		$1,603,811.47
305	MSF Direct Current Bus Duct Modifications	Approved	8/29/2025	$22,493.16
307	Systems Integration Testing and Start-Up	Approved	8/1/2025	$200,000.00
310	MSF Hardware Modifications	Pending		$50,512.28

Subtotal Executed CCOs	$128,496,552.82
Subtotal Pending CCOs	$10,760,034.64
TOTAL CCOs	$139,256,587.46
ORIGINAL VALUE	$220,538,649.00
PROPOSED REVISED VALUE	$359,795,236.46

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: OC Streetcar Project Quarterly Update

Transit Committee Meeting of November 13, 2025

Present: Directors Amezcua, Jung, Klopfenstein, Leon, Janet Nguyen, and Sarmiento
Absent: Tam T. Nguyen

Committee Vote

No action was taken on this item.

Staff Recommendation(s)

Receive and file as an information item.

November 13, 2025

To: Transit Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: OC Streetcar Project Quarterly Update

Overview

The Orange County Transportation Authority is implementing the OC Streetcar Project, and updates are provided to the Board of Directors on a quarterly basis. This report covers OC Streetcar Project activities from August 2025 through October 2025.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA), in cooperation with the cities of Santa Ana and Garden Grove, is implementing a modern streetcar running between the Santa Ana Regional Transportation Center in the City of Santa Ana (City) and the intersection of Harbor Boulevard and Westminster Avenue in the City of Garden Grove. The OC Streetcar Project (Project) will improve transit connectivity and accessibility, increase transit options, relieve congestion, and provide benefits to the community and traveling public. The Project is being implemented as part of Measure M2 Project S – Transit Extensions to Metrolink, approved by Orange County voters in November 2006.

Construction of the 4.15-mile alignment involves complex and specialized work, including the installation of embedded track in existing streets, an overhead contact system (OCS) to supply power to the vehicles, new traffic signals and transit signal priority at intersections, stops with canopies, bridges, and a maintenance and storage facility (MSF). A map of the alignment is included in Attachment A.

The Project includes ten streetcar stops in each direction (four shared center platforms and six side platforms in each direction, for a total of 16 platforms). Each stop includes a canopy, benches, leaning rails, trash cans, lighting, variable message signs, video cameras, a public address system, and ticket vending machines. Platforms will be 14 inches high to enable level boarding to streetcar vehicles.

The MSF can accommodate up to 15 modern streetcar vehicles, as well as all necessary administration, operations, vehicle maintenance, parts storage, and maintenance-of-way needs for the Project. The MSF will also include secured exterior vehicle storage, a wye track for turning vehicles end-for-end, a free-standing vehicle wash, employee parking, and fire department/delivery access.

On March 26, 2018, the OCTA Board of Directors (Board) awarded a contract to Siemens Industries, Inc. (Siemens) for the manufacturing and delivery of eight modern streetcar vehicles, spare parts, and special tools. On September 24, 2018, the Board awarded the construction contract for the Project to Walsh Construction Company II, LLC (Walsh). On November 30, 2018, the Federal Transit Administration (FTA) executed the Full Funding Grant Agreement (FFGA), securing $149 million in federal New Starts discretionary funding for the Project. In February 2019, the FFGA was funded through the FTA Transit Award Management System, which was the last step necessary to begin the drawdown of federal funding. As of September 2025, $136.6 million has been drawn from the FFGA. On May 22, 2020, the Board awarded a contract to Herzog Transit Services, Inc. (Herzog), to provide operations and maintenance services for the initial start-up and pre-revenue period, and a five-year revenue term.

Discussion

The following is the status of completed milestones and ongoing project activities related to construction, vehicle manufacturing, operations, and public outreach.

Construction

Progress continues to be made on project construction, nearly 95 percent complete. The bridges over the Santa Ana River and Westminster Avenue are complete, all tracks and OCS poles have been installed, all four traction power substations have been installed and energized, and station platforms and major amenities have been installed.

During the reporting period, construction throughout the Project continued to progress. The activities that are complete or ongoing this quarter include:

Pacific Electric Right-of-Way (PE ROW)

- Emergency walkway construction adjacent to the tracks is ongoing
- Final train signal control programming is ongoing
- OCS wire installation on OCS poles is complete

MSF

- OCS wire installation on OCS poles is complete
- Monorail crane system work is ongoing
- Elevator and other work to achieve permanent certificate of occupancy is ongoing
- Mechanical systems commissioning is ongoing
- Installation of workstations and furniture is ongoing
- Storage racks have been received and installed
- Receipt and turnover of shop equipment, spare parts, and special tools is ongoing

City Streets

- Final blankout signs testing and signal priority coordination with the City is ongoing
- Coordination with utilities to meet California Public Utilities Commission (CPUC) General Order 95 clearance requirements is ongoing
- Final train signal control programming is ongoing
- OCS wire installation on OCS poles from Raitt Street to Ross Street has been completed
- OCS brackets and arms are installed in preparation for stringing OCS wire for the remainder of the alignment in City streets

Streetcar Vehicles

A significant project milestone occurred in September 2025 with the eighth and final vehicle delivered to the MSF. Over a span of several months, all eight vehicles were successfully delivered as a result of significant coordination between OCTA, the City, Siemens Mobility, Inc. (SMI), and Herzog. Each team provided the necessary functions from traffic control and public outreach to safety reviews and operational training to ensure each delivery was safe and seamless. Post-delivery activities commenced during the quarter with the pantographs being installed on all vehicles and bumpers installed on several of the vehicles.

The Siemens commissioning team, in close coordination with Herzog, the Rail Activation Committee, and System Integration Testing (SIT) Committee continue vehicle system testing as facilities become available at the MSF. Most of the special tools, test equipment, and spare parts have been delivered to the MSF. Negotiations progressed with SMI regarding long-term storage of the vehicles, and a contract amendment is anticipated to go to the Board in the coming months.

Operations

SIT activities are ongoing as follows:

- Vehicle and pantograph clearance tests were successfully completed in the MSF shop, yard, and in the PE ROW in October 2025. For this test, the vehicle was successfully towed from Raitt Street to Harbor Boulevard to ensure clearances can be safely achieved through the platforms, at-grade crossings, and the two bridges along the alignment.
- OCTA staff conducted the MSF energization familiarization tour in September 2025, with the Fire Life Safety and Security Committee and local first responders, providing an overview of MSF operations, electrical safety procedures, and emergency protocols in preparation for system energization.
- Siemens conducted vehicle familiarization training for new maintenance technicians.
- Herzog hosted a second recruitment event in the City. The event was well attended and resulted in seven offers for train operator positions.
- Herzog regularly conducted Track Access and Roadway Worker Protection training to maintain compliance with certification requirements for employees, project staff, and construction contractors.
- Herzog continues to participate in operations and maintenance training provided by vendors, including forklift, traction power substation, gear, and bucket truck training.
- Negotiations are ongoing with the City of Garden Grove for the operations and maintenance agreement.

As project construction nears completion and the streetcar vehicles are tested, the Project is required to be reviewed by the FTA and their project management oversight contractors to prepare for the start of revenue service. These reviews are concurrent with the ongoing reviews being conducted by the CPUC to certify that the appropriate safety and security oversight is in place and appropriate testing is completed. As a recipient of an FFGA, OCTA is responsible for demonstrating that the Project is ready for revenue service in four key areas, including SIT, Pre-Revenue Operations Planning, Project System Safety and Security Testing, and Management Capacity and Capability. In addition to these

key areas, OCTA is required to fulfill the requirements of Title VI of the Civil Rights Act of 1964 through an evaluation of the Project and OC Bus service plan and fare structure. During the reporting period, staff continued the development of these plans.

Public Outreach

The following is a status of key public outreach activities:

- Monthly construction activity emails are ongoing
- Bilingual notifications for targeted construction activities, including lane closures and vehicle deliveries have been distributed
- Safety education presentations provided to MOMS Orange County and Carver Elementary School in August 2025 and October 2025
- Safety education materials distributed at seven back-to-school nights, the Hope Culture Festival, and over two days at the Fiestas Patrias community event

Cost and Schedule

The Project's projected revenue service date, which is when it opens to the public, has shifted from spring 2026 to summer 2026. This is a result of ongoing challenges related to system electrification. The project team continues to manage potential further impacts to the schedule resulting from remaining risks, including system electrification, train communication systems, and testing activities.

The project budget remains at $649 million as approved by the Board in February 2025.

Next Steps

OCTA staff will continue to work closely with Walsh to complete the MSF and OCS contact wire installation and electrification for vehicle testing activities. Testing will continue on the PE ROW and then begin in the city streets in early 2026. The outreach team will continue to provide oversight of construction activities, as well as ongoing project education and safety messaging at community events.

Summary

An OC Streetcar Project update covering August 2025 through October 2025 is provided for the Orange County Transportation Authority Board of Directors' review.

Attachment

A. Map of OC Streetcar Project Alignment

Prepared by:

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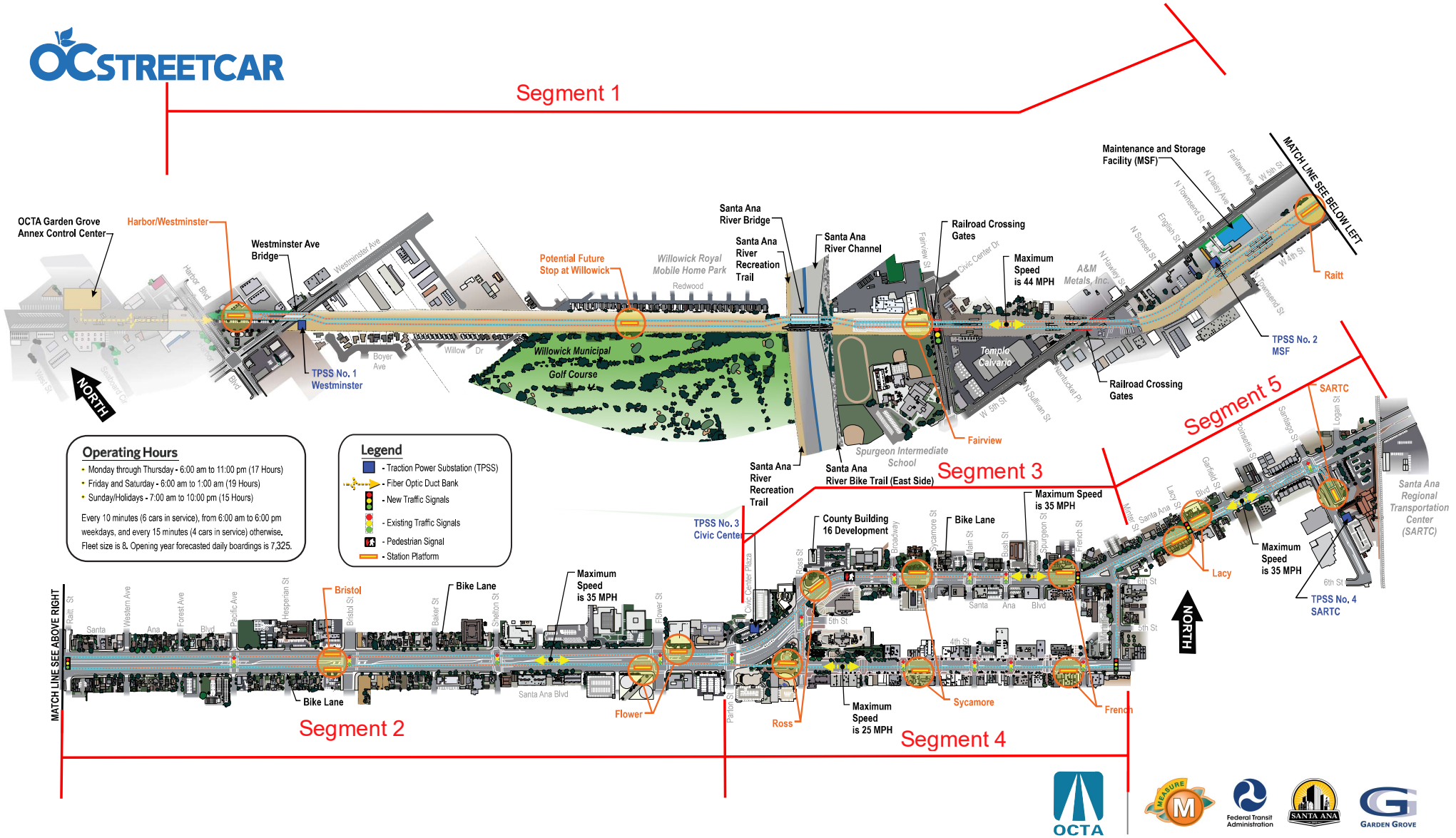
Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
(714) 560-5646

ATTACHMENT A

Map of OC Streetcar Project Alignment



05.10.2018
Prepared by HDR, Inc.

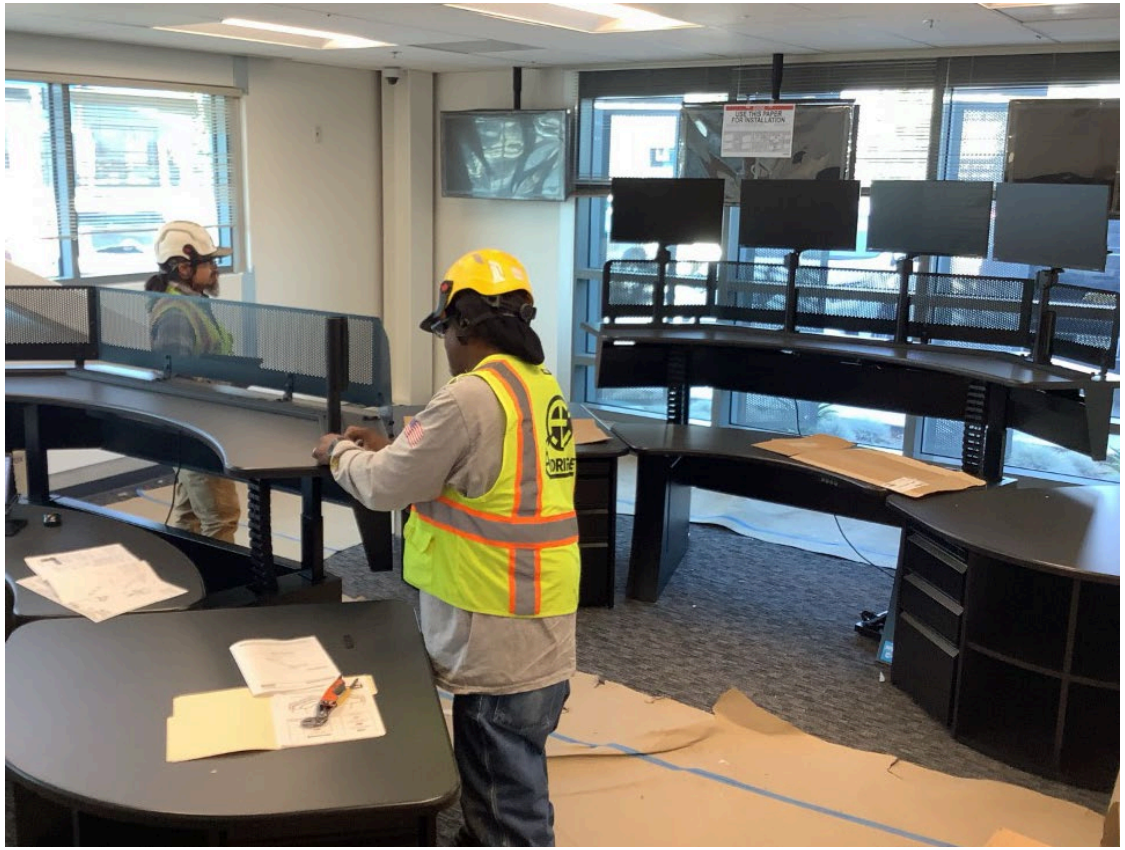
OC Streetcar Project Quarterly Update

Project Location and Key Features

Construction Progress in Pacific Electric Right-of-Way (PE ROW)

Overhead Contact System (OCS) Wire Installation

Construction Progress at Maintenance and Storage Facility (MSF)



Operations Control Center

Turntable delivered to the MSF

Construction Progress on City Streets

Bristol Street platform punchlist work

Landscaping maintenance at Sasscer Park

Vehicles

- All eight vehicles completed and delivered to MSF
- Siemens Industries, Inc. commissioning team continues vehicle system testing

Testing and Operations

- Completed pantograph installations on all eight vehicles in September 2025
- Completed several bumper installations in September 2025

Pantograph Installation

Vehicle Bumper Installation

Testing and Operations (cont.)

- MSF energization familiarization tour was conducted in September 2025, with the Fire Life Safety and Security Committee and local first responders
- Completion of the first vehicle bump test under OCS power

First responder training

Bump test under OCS power

Testing and Operations (cont.)

- Vehicle and pantograph clearance testing completed at MSF shop/yard and in the PE ROW in October 2025

Clearance testing at Harbor Station

Testing and Operations (cont.)

Pantograph clearance testing

Public Outreach

- Provide bilingual notifications for targeted construction activities
- Ongoing safety education and public awareness campaign underway at schools, community and civic organizations, and other stakeholders
- Events
  - Back-to-School Nights
  - Fiestas Patrias
  - Hope Culture Festival
- Safety education presentations
  - MOMS Orange County
  - Carver Elementary School – August 2025 and October 2025

Next Steps

Milestone Description	Schedule
Initiate testing in city streets	Early 2026
Final completion of construction	Spring 2026
Open to the public (revenue service date)	Summer 2026

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

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

Executive Committee Meeting of November 3, 2025

Present: Chair Chaffee, Vice Chair Federico, Directors Hennessey, Jung, Klopfenstein, Tam Nguyen, and Wagner
Absent: None

Committee Vote

This item was passed by the Members present.

Committee 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.

OCTA

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:

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Approved by:

Rose Casey
Executive Director, Planning
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ATTACHMENT A

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.

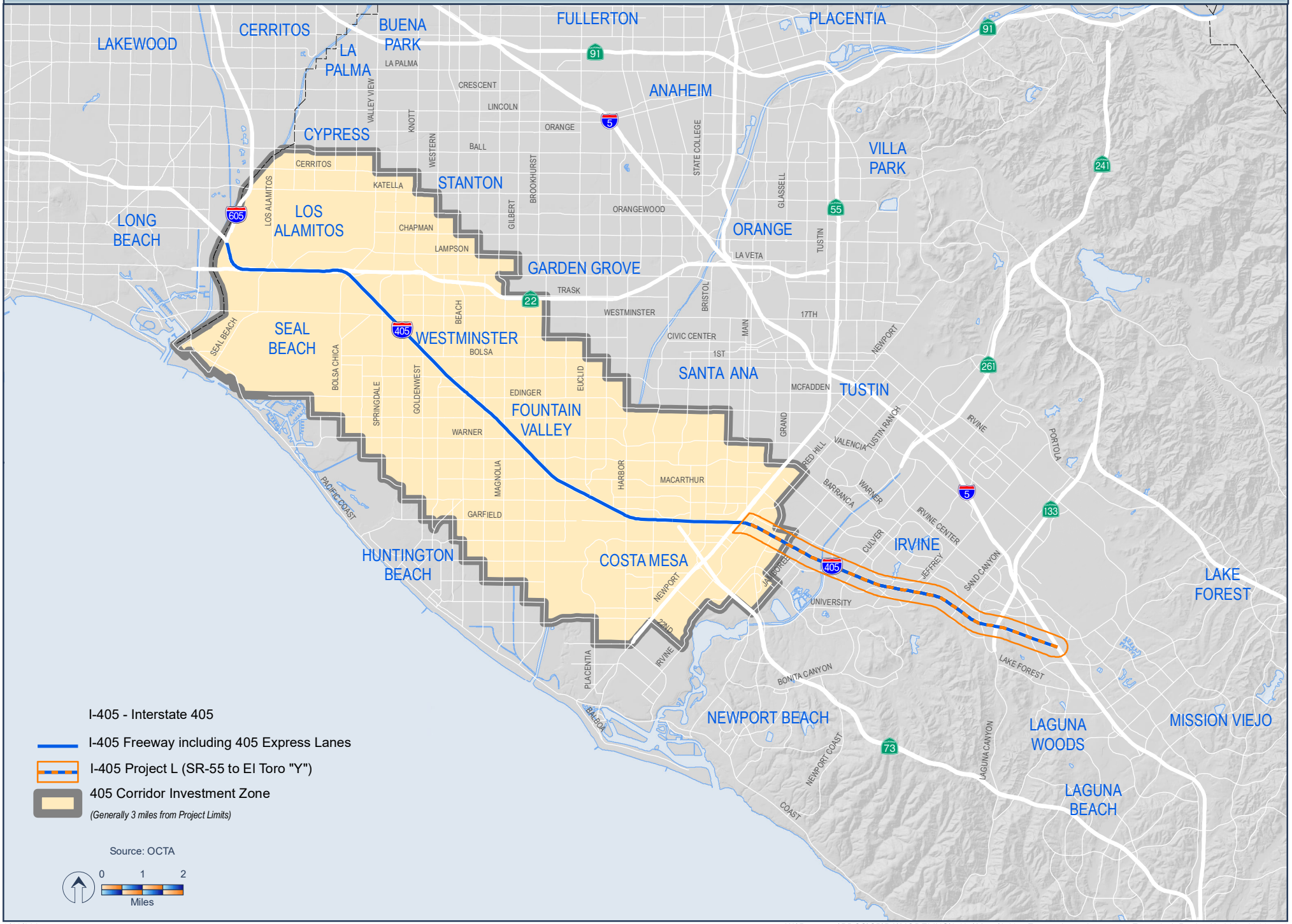
9. Oversight and Transparency

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.

405 Corridor Investment Zone

DRAFT

ATTACHMENT C



8/11/2025

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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

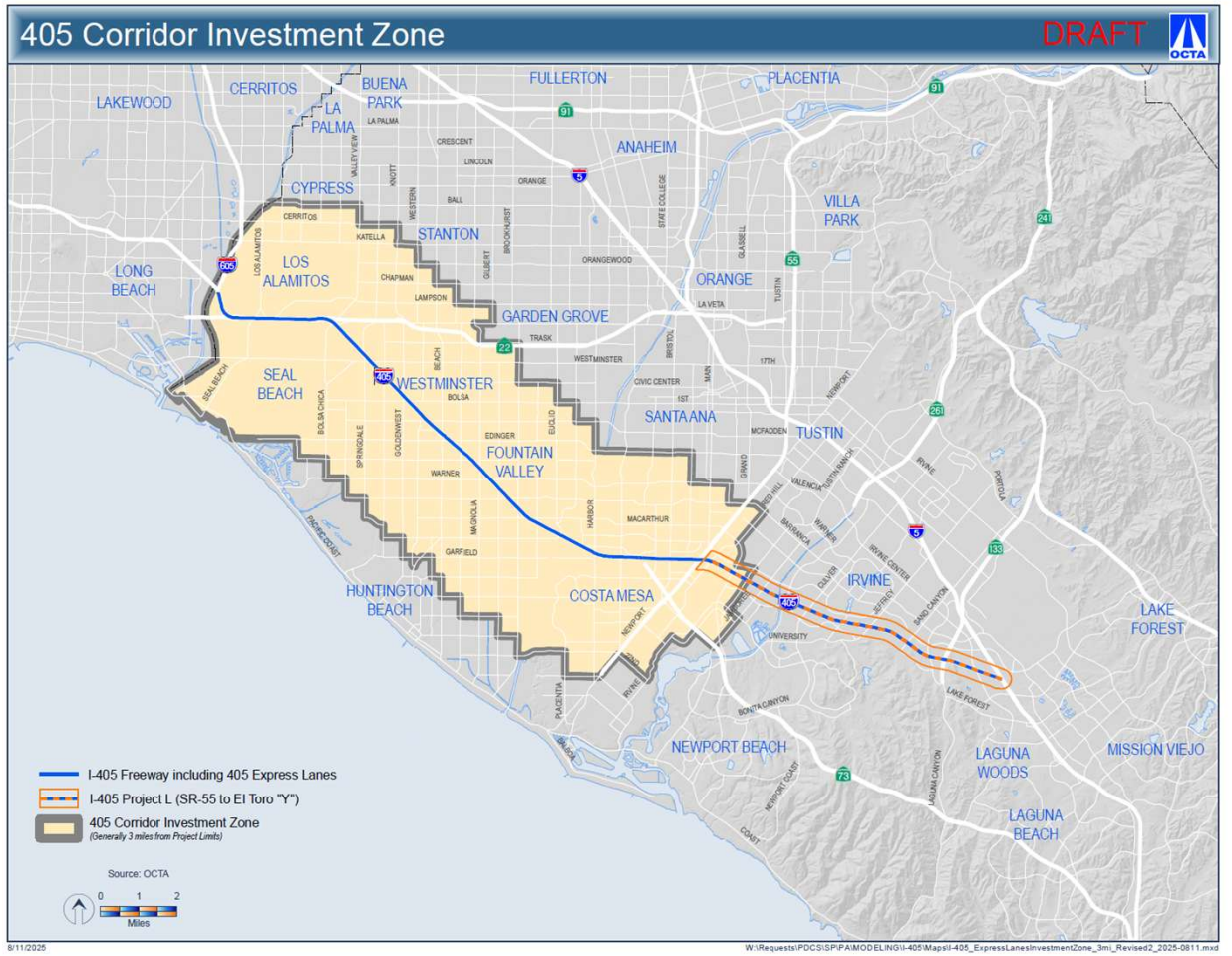
Financial Stewardship

- 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

AB 194 (Chapter 687, Statutes of 2015)

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

SB 1 - (Chapter 5, Statues of 2017)

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

July 2023	December 2024	November 2025	Late 2025	Early 2026	2029
Board approval of the 405 Express Lanes goals	Board approval of the Principles for 405 Express Lanes Excess Toll Revenue	Request Board approval of the Policy and Framework for 405 Express Lanes Excess Toll Revenue	Develop draft expenditure plan in partnership with Caltrans	Board considers draft expenditure plan	Net excess toll revenue expected to be available

OCTA

COMMITTEE TRANSMITTAL

November 24, 2025

To: Members of the Board of Directors

From: Andrea West, Clerk of the Board

Subject: Amendment to the Agreement for Program Management Consultant Services for Capital Programs

Regional Transportation Planning Committee Meeting of November 3, 2025

Present: Directors Federico, Foley, Go, Harper, Klopfenstein, Stephens, and Tavoularis
Absent: None

Committee Vote

This item was passed by the Members present.

Committee Recommendation(s)

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 15 to Agreement No. C-2-2855 between the Orange County Transportation Authority and Mott MacDonald Group, Inc., in the amount of $38,774,000, for additional program management consultant services for the Capital Programs Division. This will increase the maximum cumulative obligation of the contract to a total contract value of $79,299,384.

OCTA

November 3, 2025

To: Regional Transportation and Planning Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Amendment to the Agreement for Program Management Consultant Services for Capital Programs

Overview

On March 13, 2023, the Orange County Transportation Authority Board of Directors approved an agreement with Mott MacDonald Group, Inc. to provide program management consultant services for the Capital Programs Division. An amendment to the existing agreement is needed to provide additional program management consultant services.

Recommendation

Authorize the Chief Executive Officer to negotiate and execute Amendment No. 15 to Agreement No. C-2-2855 between the Orange County Transportation Authority and Mott MacDonald Group, Inc., in the amount of $38,774,000, for additional program management consultant services for the Capital Programs Division. This will increase the maximum cumulative obligation of the contract to a total contract value of $79,299,384.

Discussion

Current capital programs include many highway and rail projects which are actively being implemented in the environmental, design, right-of-way acquisition, and construction phases. The updated Next 10 Delivery Plan, adopted by the Orange County Transportation Authority (OCTA) Board of Directors (Board) in November 2024, continues OCTA's commitment to complete construction of 14 renewed Measure M2 freeway projects by 2030, bringing the total completed freeway projects to 26 out of 30, or completion of 87 percent of the freeway program. Ongoing freeway construction projects scheduled to be completed by 2030 include the State Route 91 (SR-91) between State Route 55 (SR-55) and State Route 57 (SR-57) (three segments), SR-55 between Interstate 405 (I-405) and SR-91 (two segments), Interstate 5 (I-5)

between SR-55 and I-405 (two segments), SR-57 from Orangewood Avenue to Katella Avenue, and the Interstate 605 (I-605)/Katella Avenue Interchange.

OCTA continues to make capital investments in the over 40 miles of OCTA-owned rail corridor and other investments to improve passenger rail service in Orange County. Current projects include the Coastal Rail Stabilization Priority Project (CRSPP) and the OC Streetcar Project (Project).

The Capital Programs Division maintains a small core staff of program and project management professionals to oversee the capital projects, which are then supported by a program management consultant (PMC) team to provide the appropriate level of resources and technical expertise necessary for the current projects underway. The PMC team assists and supports the delivery of projects in the environmental, design, right-of-way (ROW) acquisition, and construction phases to meet scope, cost, and schedule commitments.

To ensure continued support by the PMC team for the Capital Programs Division, and to meet delivery commitments, approval is requested for an amendment for the following:

CRSPP

OCTA is advancing the CRSPP to address urgent threats to rail operations along the coastal corridor in the City of San Clemente. This stretch of track is increasingly vulnerable to beach erosion, wave action, and inland slope failures. Based on initial assessments, four priority reinforcement areas have been identified:

Area	Challenge	Proposed Solution
1	Ongoing deterioration of existing riprap protection	Riprap repair followed by sand nourishment
2	Erosion - no beach at high tide and direct wave attack damaging existing riprap protection	Riprap repair followed by sand nourishment
3	Steep bluffs with high potential for failure that could impact rail infrastructure	1,400-foot-long catchment wall
4	Near San Clemente State Beach - erosion exposing areas of limited to no riprap protection	Riprap repair and 1,200-foot shoreline protection structure followed by sand nourishment

The original PMC contract, approved in March 2023, assumed program management support for projects anticipated at the time such as San Juan Creek Bridge, Slope Stabilization Phase II, Cyprus Shore Track Stabilization and Marine Way Grade Separation. These projects are currently in various phases and are supported by the PMC team.

The contract did not include PMC support for the CRSPP as the rail corridor assessment and project requirements had not yet been defined. Once the CRSPP scope was established and given the urgent need to advance work in these high-risk areas under a Board-adopted emergency declaration, an amendment to the PMC contract became necessary to support project development, including environmental clearance, design, permitting, construction management, and project management.

The PMC team has since provided critical environmental and permitting support including preparing environmental studies and documentation for each of the four reinforcement areas, and coordinating with key federal, state, and local agencies, such as:

- City of San Clemente
- OC Parks
- Southern California Regional Rail Authority
- Federal Railroad Administration
- California State Parks
- California Coastal Commission
- California State Lands Commission
- California State Water Resources Control Board
- U.S. Army Corps of Engineers
- OC Water District (Prado Dam)

The PMC also conducted geotechnical investigations, surveys, and materials testing to support the alternative analysis and design of riprap repairs, catchment walls, and sand nourishment efforts. These efforts enabled completion of environmental documentation, permitting, and construction.

To accelerate delivery in the most critical areas, as permitted by the resource agencies, the PMC team supported OCTA's procurement of a construction contractor and management of construction, closely coordinating activities among contractors and stakeholders. These efforts included riprap repairs, catchment wall construction, and early sand nourishment initiatives.

The PMC team has also provided oversight and technical support through risk management, constructability reviews, cost estimating, and program oversight to ensure successful delivery.

While significant progress has been made with the CRSPP, an amendment is now needed to provide continued PMC support to complete the remaining components of the CRSPP. These include securing National Environmental Policy Act environmental clearance for Area 4, as well as for sand nourishment activities in Areas 1, 2, and 4. In addition, final design and permitting efforts must be completed, along with contractor procurement and construction management oversight. Construction management services for Area 4 and sand nourishment efforts are anticipated to be obtained through emergency procurements early next year with PMC team oversight. Ongoing project management will be necessary to guide the work through completion. To support these remaining activities and ensure expediency and continuity, staff recommends amending the PMC contract by $29,063,000.

Real Property Department Support

The Real Property Department requires additional PMC support beyond what was assumed in the original contract approved by the Board in March 2023. Additional support for ROW and utility coordination for OCTA's Next 10 Delivery Plan, including the SR-91, I-5, and SR-55 improvement projects, as well as other rail and highway projects, is needed for the remaining duration of the contract term.

The original level of effort was developed based on project priorities and delivery schedules at the commencement of the contract in 2023. Since that time, several schedules have changed, were condensed or advanced, resulting in increased workload. The Real Property Department maintains a limited number of staff and relies on the PMC team to provide flexible and efficient support to meet the changing needs over time. To keep projects on schedule and meet delivery commitments, PMC staff are utilized to manage and provide oversight and perform various ROW activities for OCTA-led projects, while also providing coordination for projects for which the California Department of Transportation (Caltrans) is the lead agency for ROW.

In addition, ROW closeout activities have also exceeded the level of effort assumed in the original contract. The original level of effort contemplated only an oversight role for closeout activities, which is no longer sufficient to meet the updated Caltrans standards and requirements.

The I-405 Improvement Project, now in the closeout phase following completion of construction, requires additional PMC support to revise ROW mapping and plans to reflect as-built conditions that differ from the original design. This is a result of the design-build delivery method. Future support will also be needed for the closeout work of the SR-55 improvement projects and other projects now progressing into construction. As part of the closeout process, OCTA is required to transfer dozens of real estate parcels and utility easements to Caltrans, and a significant level of effort will be needed from the PMC to meet updated Caltrans standards for acceptance of ROW.

Beyond project delivery, PMC resources are also needed for document and data management tasks not included in the original scope. As a result of Audit Report No. 25-506, a recommendation was made for the Real Property Department to purchase or develop its own SharePoint site which is now underway. This site for document management and retrieval will have a Power Business Intelligence dashboard to manage and monitor property management activities. The site will also include the ability to quickly track and retrieve thousands of files for ROW acquisition and utility coordination contracts which have accumulated over the last 25 years. Once operational, these systems will require PMC support for oversight and maintenance. A large volume of ROW files needs to be reviewed and scanned into the system prior to moving to OCTA's new headquarters building which is anticipated in 2027. The PMC is familiar with these files due to their history supporting OCTA's ROW program. The most efficient and cost-effective approach is to complete this work through an amendment to the current PMC contract.

The additional cost to provide program management support for the Real Property Department is $6,021,000.

OC Streetcar Supplemental Support

As the Project continues to make steady progress through construction, OCTA has identified opportunities to strengthen the team to minimize risk and ensure the Project's timely completion.

To ensure the Project's long-term goals, OCTA has engaged the PMC to assist in the management of the Project to provide supplemental targeted expertise in critical areas that pose risks to the Project, including construction management oversight, contractual claims administration, and quality assurance. Working together with the Project team, this additional support will maintain consistent oversight, effectively manage the work to respond to an unprecedented amount of contractor claims and contractual letters, and ensure adherence to

established quality standards as required by the Federal Transit Administration. These services were not part of the PMC's original scope under the contract approved by the Board in March 2023. The PMC team is providing targeted assistance to manage the high volume of contractor change order requests, resolve complex construction and contractual issues, review contractor-submitted schedules, and mitigate potential delays. This assistance will continue through construction closeout activities, helping to ensure that final documentation, financial reconciliation, and system acceptance are delivered efficiently. Additionally, the PMC is supporting OCTA with legal mediation, claims support and dispute resolution services. Together, these supplemental services are helping to safeguard project delivery, strengthen risk management, and position the Project for successful completion.

The additional cost to provide program management support for the Project is $3,690,000 and is funded within the current Board-approved Project budget.

Overall, staff is requesting Board approval for additional funds in the amount of $38,774,000, for program management support for the Capital Programs Division.

Procurement Approach

The original procurement was handled in accordance with OCTA's Board-approved procedures for architectural and engineering services, which conform to both state and federal laws. On March 13, 2023, the Board approved Agreement No. C-2-2855 with Mott MacDonald Group, Inc. to provide PMC services for the Capital Programs Division, for an initial term of five years and one, two-year option term. The contract was executed on September 24, 2023, with a maximum obligation of $40,525,384. This agreement has been previously amended as shown in Attachment A.

OCTA staff reviewed and agreed to the level of effort for the additional PMC services. Staff requested a cost proposal from Mott MacDonald Group, Inc. and found the cost proposal, in the amount of $38,774,000, to be fair and reasonable relative to the negotiated level of effort and the independent cost estimate prepared by staff. Proposed Amendment No. 15 to Agreement No. C-2-2855, in the amount of $38,774,000, will increase the total contract value to $79,299,384.

Fiscal Impact

Funding is included in OCTA's Fiscal Year 2025-26 Budget, Capital Programs Division, account nos. 0017-7519-M0201-HGL, 0017-7519-TR212-06P, 0051-7519-TS010-Z84 and will be funded with a combination of federal, state, and local funds.

Summary

Staff requests Board of Directors' approval to authorize the Chief Executive Officer to negotiate and execute Amendment No. 15 to Agreement No. C-2-2855 between the Orange County Transportation Authority and Mott MacDonald Group, Inc., in the amount of $38,774,000, for additional program management consultant services for the Capital Programs Division. This will increase the maximum obligation of the agreement to a total contract value of $79,299,384.

Attachment

A. Mott MacDonald Group, Inc., Agreement No. C-2-2855 Fact Sheet

Prepared by:

Jeff Mills, P.E.
Director, Capital Project Delivery
(714) 560-5925

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Approved by:

James G. Beil, P.E.
Executive Director, Capital Programs
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Mott MacDonald Group, Inc.
Agreement No. C-2-2855 Fact Sheet

1. March 13, 2023, Agreement No. C-2-2855, $40,525,384, approved by the Orange County Transportation Authority (OCTA) Board of Directors (Board).

   - Agreement was executed September 24, 2023, with Mott MacDonald Group, Inc. (Prime) to provide program management consultant (PMC) services for the Capital Programs Division.

2. June 6, 2024, Amendment No. 1 to Agreement No. C-2-2855, $0, approved by the Contracts Administration and Materials Management (CAMM) Department.

   - To revise personnel for the Prime.

3. March 4, 2024, Amendment No. 2 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

   - To revise the notices article point of contact and add subconsultant Coastal Frontiers Corporation.

4. July 25, 2024, Amendment No. 3 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

   - To revise Schedule I and Schedule II for the Prime and all subconsultants.

5. August 12, 2024, Amendment No. 4 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

   - To revise subconsultants HDR Engineering, Inc. and Psomas' function.

6. June 24, 2024, Amendment No. 5 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

   - To revise Schedule I and Schedule II for subconsultants HDR Engineering, Inc., and Monument ROW.

7. February 19, 2025, Amendment No. 6 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

   - To revise Schedule II for the Prime and subconsultants HDR Engineering, Inc., and David Evans & Associates.

8. January 15, 2025, Amendment No. 7 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To revise Schedule I and Schedule II for the Prime and subconsultants HDR Engineering, Inc., Monument ROW, Parsons Transportation Group, Lenax Construction Services, Inc., and David Evans & Associates to add new personnel and scope of work to include PMC services for coastal rail projects.

9. June 20, 2025, Amendment No. 8 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To revise Schedule II for the Prime Mott MacDonald Group, Inc.

10. August 1, 2025, Amendment No. 9 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To revise Schedule II for subconsultant Monument ROW.

11. May 15, 2025, Amendment No. 10 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To revise key personnel for subconsultants HDR Engineering, Inc., Monument ROW, Parsons Transportation Group, Inc., and VSCE, Inc.

12. July 1, 2025, Amendment No. 11 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To add subconsultant Miller Marine Science & Consulting, Inc. to provide biological impact surveying services.

13. June 1, 2025, Amendment No. 12 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To incorporate additional terms and conditions regarding limitation of liability and indemnification related to the Coastal Rail Resiliency Project.

14. September 15, 2025, Amendment No. 13 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To revise Schedule II for subconsultant HDR Engineering, Inc.

15. September 14, 2025, Amendment No. 14 to Agreement No. C-2-2855, $0, approved by the CAMM Department.

    - To add subconsultants Payomkawichum Kaamalam and Kalawpa Consulting to provide Native American monitoring services.

16. November 24, 2025, Amendment No. 15 to Agreement No. C-2-2855, $38,774,000, pending approval by the Board.

    - To provide additional PMC support services for the Coastal Rail Stabilization Priority Project, OC Streetcar Project, and OCTA's Real Property Department.

Total funds committed to Mott MacDonald Group, Inc. after approval of Amendment No. 15 to Agreement No.C-2-2855: $79,299,384.