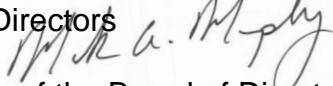





July 11, 2022

To: Members of the Board of Directors 
From: Mark A. Murphy, Chairman of the Board of Directors
Darrell E. Johnson, Chief Executive Officer 
Subject: 2022 Board of Directors and Chief Executive Officer Initiatives and Action Plan – Mid-Year Report

On January 24, 2022, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the 2022 Board and Chief Executive Officer's (CEO) Initiatives (Attachment A) and Action Plan (Attachment B). The Action Plan consists of three Board initiatives broken down into nine CEO initiatives to be monitored through 96 milestones throughout the calendar year. This mid-year report summarizes OCTA's progress in advancing these initiatives between January 1, 2022 and June 30, 2022. At the conclusion of the second quarter, 28 of the 38 milestones planned for completion by mid-year have been completed. Highlights of these accomplishments are provided below.

Board Initiative: Balanced and Equitable Transportation

To keep Orange County moving, OCTA strives to provide balanced mobility options that maximize efficiency while continuing to deliver infrastructure improvements through Measure M2 (M2) transit, streets and roads, and freeway improvement projects. Additionally, to ensure OCTA can meet the mobility needs of those most reliant on public transportation, the agency is committed to connecting with and increasing accessibility for local communities, particularly in diverse and disadvantaged areas.

- **Ridership Growth Initiatives – Youth Ride Free Program:** On February 14, 2022, the Board approved the addition of the Youth Ride Free Pass to OCTA's Fare Policy. This established the continuation of the pass beyond its successful six-month promotional period. Moreover, this milestone makes OCTA the first large transit agency in the region to offer free bus rides to youth (ages six to 18) indefinitely.
- **Interstate 405 (I-405) Project:** The I-405 Improvement Project will improve a 16-mile stretch of the freeway between the City of Costa Mesa and the Orange/Los Angeles County Lines. As part of this project, 18 bridges have been or are in the process of being constructed, widened, or replaced. The first half of the Brookhurst Street bridge and the entire Fairview Road bridge

were completed and opened to traffic in February and May 2022, respectively.

- M2 State Route 55 (SR-55) Improvement Project Between I-405 and Interstate 5 (I-5): The SR-55 Improvement Project (between I-405 and I-5) will construct general-purpose and high-occupancy vehicle lanes between I-405 and I-5, as well as merge lanes between interchanges. In May 2022, the construction contract was awarded, initiating the project's construction phase. Completion of the project is expected in 2026.
- M2 Regional Capacity Program (Project O) and M2 Regional Traffic Signal Synchronization Program (Project P): On May 9, 2022, the Board approved programming recommendations to award \$10.2 million to nine local jurisdiction roadway improvement (Project O) projects and \$16.2 million to five local jurisdiction signal synchronization (Project P) projects.

Board Initiative: Fiscal and Environmental Responsibility and Adaptability

OCTA takes pride in its ability to maintain its strong fiscal sustainability. The agency accomplishes this through prudent financial decision making and fulfilling its promises to Orange County voters to provide valuable transportation improvements. OCTA also takes its environmental commitments seriously to contribute to a more resilient and sustainable region.

- 2023 Federal Transportation Improvement Program (FTIP): On February 14, 2022, the Board approved the 2023 FTIP project list and financial plan for fiscal year (FY) 2022-23 through FY 2027-28. OCTA is responsible for preparing the FTIP biennially for Orange County. This document is required under state and federal laws and serves as the programming document that implements the Southern California Association of Governments' Regional Transportation Plan.
- State Triennial Review: On May 23, 2022, triennial performance audits for OCTA were presented to the Board, the Orange County Transit District, and Laguna Beach Municipal Transit Lines for FY 2018-19 through FY 2020-21. The audit results concluded that all three entities comply with the applicable California Public Utilities Code and that OCTA effectively accomplished its Transportation Development Act responsibilities as the regional transportation planning entity.
- OCTA's Operating and Capital Budget: The Board approved the FY 2022-23 budget on June 13, 2022. The \$1.65 billion budget represents a balanced plan of sources and uses of funds while providing for the current and future transportation needs of Orange County.

- M2 Environmental Mitigation Program (EMP): As part of M2, the EMP delivers comprehensive mitigation for biological impacts of the 13 M2 freeway improvement projects in exchange for a streamlined project approval process. To date, the intent of the EMP and mitigation requirements have largely been met. On June 13, 2022, a biannual status report on the progress of the EMP was presented to the Board.

Board Initiative: Organizational Excellence, Partnership, and Transparency

To cultivate and sustain a high-performing organization, OCTA continues to invest in its workforce, advances and implements safety and security measures, and works in collaboration with regional and local stakeholders. OCTA understands the importance of strengthening both its internal and external relationships, and doing so while promoting transparency and accountability.

- College Pass Program: OCTA continues to provide enrolled community college students with a free bus pass through the College Pass Program, which started in 2017 with Santa Ana College. In January 2022, OCTA expanded this program to Coastline College, enabling enrolled students to travel on any OC Bus fixed route free of charge. The College Pass Program now includes eight community colleges throughout Orange County.
- Early Career and Management Development Academies: The Early Career Academy (ECA) provides early career development to grow and support new professionals as they advance their careers at OCTA. Whereas, the Management Development Academy (MDA) is designed to increase employee competency on how to inspire and motivate others to achieve high performance as they move towards an early to mid-level management career at OCTA. In June 2022, OCTA launched its third ECA cohort of talented emerging leaders, and on March 1, 2022, OCTA graduated its fourth MDA cohort.
- Diversity, Equity, Inclusion, and Belonging (DEIB): OCTA continuously strives to foster a supportive work culture and diverse workforce by encouraging an environment of belonging and inclusivity. Thus, the agency is committed to identifying solutions to improve its DEIB efforts, such as requiring all new administrative staff to take unconscious bias training. Completed in March 2022, this training ensured new employees were made aware and continued to understand that DEIB is critical to how OCTA operates.

- **Transportation Communication Union and Coach Operators Collective Bargaining Agreements:** In February 2022, the Board ratified the renewed collective bargaining agreements with OCTA parts clerks, facility workers, and OCTA coach operators. The agreements acknowledge the hard work and dedication of these vital workforces and ensure OCTA can continue providing essential bus service in Orange County that is safe and reliable.
- **M2 Triennial Performance Assessment:** On April 25, 2022, the Board received the results of the fifth M2 Triennial Performance Assessment Report, covering the period of July 1, 2018 through June 30, 2021. This assessment is required by Ordinance No. 3, which implements M2, and evaluates OCTA's efficiency, effectiveness, economy, and program results in delivering M2 provisions and requirements. Overall, the review found that OCTA continued making concerted progress towards fulfilling voter promises and meeting M2 goals, while demonstrating strong program management, sound fiscal practices, transparency, and accountability. Although no significant findings were determined, the final report offered some recommendations for enhancements.

OCTA has 57 remaining milestones for the balance of the year. While several milestones have been completed already, other milestone delivery timeframes have been updated. The updates include adjustment to the completion of nine milestones within the year and three additional milestone completions shifted beyond the calendar year. For a summary of the adjustments please refer to Attachment B.

Quarterly progress reports on the Action Plan will continue to be provided to the Board. OCTA remains committed to proactively and strategically addressing the immediate needs of the public, customers, and agency employees to keep Orange County moving. Please let me know if you have any questions or contact Darrell E. Johnson, CEO, at (714) 560-5343.

MAM/DEJ:ls
Attachment