



# Orange County Transportation Authority

## Environmental Oversight Committee Agenda

Wednesday, May 6, 2026 at 2:30 p.m.

550 South Main Street, Orange, California

### Teleconference Locations:

Brea City Sports Park  
333 E. Birch Street  
Brea, CA 92821

Carlsbad Fish and Wildlife Office, Conference Room 3  
2177 Salk Ave. Ste 250  
Carlsbad, CA 92008

California Natural Resources Building  
715 P Street, Conference Room 17-310  
Sacramento, CA 95814

### Call to Order

### Pledge of Allegiance

Mark Tettermer

### Welcome and Introductions

### Regular Calendar

1. **Approval of Minutes**  
Mark Tettermer

#### ***Recommendation(s)***

Approve the minutes of the November 5, 2025, Environmental Oversight Committee (EOC) meeting.

#### ***Attachments:***

[Minutes](#)

2. **Information Items Overview**  
Lesley Hill

#### **Overview**

Staff has included supplemental information and various exhibits to accompany the agenda items numbered 3 through 6.

#### ***Attachments:***

[Report](#)

# ENVIRONMENTAL OVERSIGHT COMMITTEE MEETING AGENDA

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## Presentation Items

3. **Environmental Mitigation Program (EMP) Endowment Fund Investment Report**

Adriann Cardoso

**Overview**

Staff will provide an update on the EMP endowment.

4. **Fairview Park Restoration Project Update**

Lesley Hill

**Overview**

Kelly Dalton, City of Costa Mesa, will provide an update on the Orange County Transportation Authority's (OCTA) funded Fairview Park restoration project.

**Attachments:**

[Presentation](#)

5. **Pacific Horizon Many-stemmed Dudleya Restoration Project**

Lesley Hill

**Overview**

Raquel Atik, of RECON Environmental, will provide an update on a rare plant restoration project at the OCTA Preserve.

**Attachments:**

[Presentation](#)

6. **Trabuco Rose Preserve Gully Project Update**

Lesley Hill

**Overview**

Staff will provide an update on the Trabuco Rose Preserve gully erosion project.

**Attachments:**

[Presentation](#)

7. **Public Comments**

8. **Staff Comments**

9. **Committee Member Comments**

## **ENVIRONMENTAL OVERSIGHT COMMITTEE MEETING AGENDA**

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### **10. Adjournment**

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

**2:30 p.m. on Wednesday, August 5, 2026**

OCTA Headquarters  
550 South Main Street  
Orange, California

### **Accommodations**

Any person with a disability requiring accommodation to participate in this meeting should contact the Clerk of the Board's office at (714) 560-5676, no less than two business days prior to the meeting to make arrangements.

### **Agenda Descriptions**

Agenda descriptions are intended to provide a summary of items of business to be transacted or discussed. The Board/Committee may take any action that 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 this agenda are available for viewing at [www.octa.net](http://www.octa.net) or at OCTA Headquarters, 600 S. Main Street, Orange, CA during normal business hours.

### **Meeting Access and Public Comments on Agenda Items**

Public comments can be made in-person at the meeting by completing speaker's card and submitting it to the Clerk of the Board prior to the item being called by the Chair. Public speakers will be recognized by the Chair and comments shall be limited to three minutes (unless otherwise directed by the Chair). Language translation can be provided upon request, if available.

### **Written Comment**

Written comments may be emailed to [Committees@octa.net](mailto:Committees@octa.net) no later than 5:00 p.m. the day prior to the meeting. Timely received written comments will be part of the public record and distributed to the Board/Committee.



## ***Minutes***

### ***Measure M2 Environmental Oversight Committee***

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#### ***Committee Members***

*Jamey Federico, Chair  
Alben Phung, Caltrans  
Dan Silver Endangered Habitats League  
Derek McGregor, DMc Engineering  
Jennifer Turner, CA Dept. of Fish and Wildlife  
Mark Tetteimer, OCTA Board of Directors  
Michael Neben, Taxpayer Oversight Committee*

*Orange County Transportation Authority  
Conference Room 07  
550 South Main Street  
Orange, CA*

***Wednesday, November 5, 2025,  
at 2:30PM***

#### ***Member(s) Absent***

*Jeniffer Aleman-Zometa, US Army Corps of Engineers  
Joe Navari, CA Wildlife Conservation Board  
William Miller, US Fish and Wildlife Service*

#### ***Member(s) Teleconferencing***

*Bev Perry, Civic Engagement Consultant  
Melanie Schlotterbeck, Vice Chair*

#### ***Teleconference Location:***

*Brea City Sports Park  
3333 E. Birch Street  
Brea, CA 92821*

*California Natural Resources Headquarters  
715 P Street  
Conference Room 17-310  
Sacramento, CA 95814*

#### **1. Welcome**

Chair Jamey Federico called the Environmental Oversight Committee (EOC) meeting to order.

#### **2. Pledge of Allegiance**

Jamey Federico led the Pledge of Allegiance.

#### **3. Approval of August 7, 2024 and May 7, 2025 Minutes**

A motion to approve both was made by Mark Tetteimer, seconded by Derek McGregor. Motion passed. Mark Tetteimer and Jennifer Turner abstained on the August 7, 2024,

minutes; Bev Perry and Jennifer Turner abstained on the May 7, 2025, minutes.

#### **4. OCTA Conservation Plan Annual Report**

Lesley Hill, OCTA Planning, presented the report. <The presentation is available upon request>

##### Committee Member Comments:

A committee member commented that caps were mentioned and that we needed to stay below those caps and the question was what those caps are related to. Lesley Hill responded that there are set amounts slated for impacts to different habitat types and we need to make sure that we cross check and stay below those impacts which is also called staying in rough proportionality ahead of the impacts. We need to make sure the conservation is done first before the impacts. Thanks to the completion of the restoration projects, we are in good shape for the impacts allotted.

A committee member commented about the invasive species update and asked if they had noticed any changes or differences in the native species. Lesley Hill responded they have seen a change in some of the worst invasive species where they have gone down, but other weeds have come up, with changes in where they find them occurring.

A committee member commented about sharing the data and asked if the vegetation or species data was going into the California Natural Diversity Database (CNDDDB). Lesley Hill responded they do share with the CNDDDB and California Fish and Wildlife.

#### **5. Environmental Mitigation Program (EMP) Endowment Fund Investment Report**

Dan Phu, OCTA Planning, presented the report. <The report is available upon request>

##### Committee Member Comments:

A committee member asked when they could start spending money again. Dan Phu responded they are looking to complete the deposits in 2028. Current spending for the programs is coming out of the Measure M2 Cash Flows for the work, there isn't any spending out of the endowment.

A committee member asked, since the endowment is slightly over projections, is the increase from better-than-anticipated returns and not under-spending. Dan Phu responded correct, earnings are above the original projections.

#### **6. North Coal Canyon Restoration Project Sign Off**

Lesley Hill, OCTA Planning, and Raquel Atik, RECON Environmental Inc. presented the report. <The presentation is available upon request>

##### Committee Member Comments:

A committee member asked if they anticipated long-term maintenance and what was the over-cost per acre for the coastal scrub restoration. Lesley Hill responded that Chino Hills State Park partnered with OCTA through the whole process, they are happy with the project

and State Parks will take on the long-term maintenance. Dan Phu responded it was \$45,000 per acre.

### **7. Aliso Creek Restoration Project Sign Off**

Lesley Hill, OCTA Planning, Alan Kaufmand and Dulce Cortez, Laguna Canyon Foundation presented the report. <The presentation is available upon request>

#### Committee Member Comments:

A committee member asked how far down you lowered the elevation when removing the rootball of the Arundo donax and did that allow overflow from the creek to help germinate the natural species. Alan Kaufmand responded there were several techniques used, but the level of the water table was not significantly altered.

A committee member asked if cowbird trapping was still going on. Alan Kaufmand responded yes.

### **8. Hikes and Equestrian Rides**

Marissa Espino, Public Outreach, presented the update.

The next docent-led ride will take place on December 6 at the Trabuco Rose Preserve. The master calendar for 2026 will be available at <http://www.preservingourlegacy.org/>

### **9. Public Comments**

There were no public comments.

### **10. Committee Member Reports**

A committee member asked for a green laser pointer to be brought and used during the presentations.

### **11. Next Meeting—February 4, 2026.**

### **11. Adjournment.**



**May 6, 2026**

**To:** Environmental Oversight Committee

**From:** Orange County Transportation Authority Staff

**Subject:** May Environmental Oversight Committee Information Items  
(Items 3 Through 6)

***Item 3 – Environmental Mitigation Program Endowment Fund Investment Report***

The Orange County Transportation Authority (OCTA) M2 Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) permits were issued by the United States Fish and Wildlife Agency and the California Department of Fish and Wildlife (CDFW) (collectively referred to as Wildlife Agencies) in mid-2017. As a result, the Measure M (M2) environmental process has been streamlined, allowing OCTA to expedite the M2 freeway projects. The Conservation Plan requires the establishment of an estimated \$34.5 million (principal) endowment to fund the long-term management of the preserves. The preserves are depicted in Exhibit A.

The California Community Foundation manages the establishment of the non-wasting endowment. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance. To date, OCTA has made ten endowment deposits (~\$2.9 million annually). Quarterly investment reports are provided to the OCTA Board of Directors (Board). The most recent report was provided to the Board in March 2026 and is included in Exhibit B. As of December 31, 2025, the endowment balance was \$39,898,925, exceeding the target of \$36,208,324 for the second quarter of fiscal year (FY) 2025-26. Based on the performance to date, current projections indicate that OCTA remains on track to meet the endowment target of \$46.2 million (including interest earnings) in FY 2027-28; however, future performance of the endowment fund may affect the timeframe.

A recent review of the forecasted endowment needs indicates they remain consistent with the assumptions established at the inception of the establishment period. Given the potential for market volatility, maintaining this cautious investment approach remains important. Staff will continue to assess market conditions and provide regular endowment updates to the Board, the Finance

and Administration Committee, and the Environmental Oversight Committee. The reports have been reviewed and are consistent with the pool objectives. Staff will provide a summary of the latest report available.

***Item 4 - Fairview Park Restoration Project Update***

In February 2011, OCTA awarded the City of Costa Mesa (City) \$2 million to implement a 23-acre habitat restoration project at Fairview Regional Park. See Exhibit A for the location. Since then, the City has coordinated with OCTA, the Wildlife Agencies, and its restoration contractor over several years to address shortfalls in completed acreage and outstanding requirements, including the conservation easement. This coordination led to identification of the Fairview Park Mesa Flower Fields Restoration Area as the supplemental site (Exhibit C) needed to fulfill the remaining restoration commitments, along with development of a funding and implementation approach supported by City and state resources.

More recently, coordination efforts have focused on regulatory compliance following the 2024 identification of a state-protected species on-site. The City has worked with the CDFW to secure necessary permits and establish avoidance and minimization measures, resulting in adjusted implementation timing. The City continues to coordinate with OCTA through regular updates as the project advances.

The City's restoration contractor has been implementing the Fairview Park Mesa Flower Fields restoration project since late 2025. Recent work has included installation of temporary irrigation, site dethatching, and ongoing weed management to reduce the non-native seed bank in advance of planting and hydroseeding. The temporary irrigation system is currently being used to stimulate germination of non-native species as part of planned grow-and-kill cycles and will also support irrigation following native seed installation. In response to nesting season constraints, certain vegetation removal activities have been adjusted to avoid impacts to active nesting areas. City staff will present a brief update on this item.

***Item 5 – Pacific Horizon Many-stemmed Dudleya Project Update***

As part of the Conservation Plan, additional measures were required to achieve full coverage for two of the OCTA covered species: arroyo chub (*Gila orcutti*) and many-stemmed dudleya (*Dudleya multicaulis*; MSD). OCTA has since completed the actions needed to fully address the arroyo chub requirements.

For MSD, the Conservation Plan requires establishment or maintenance of at least 500 individuals within OCTA Preserves or through an OCTA-funded restoration project. To date, MSD has only been documented at Pacific Horizon

Preserve, with 127 individuals observed in 2019 and 57 in 2022, with occurrence varying based on precipitation.

To meet the 500-individual target, OCTA developed and initiated a restoration plan. Since 2020, efforts have included habitat enhancement through removal of invasive species and unauthorized features, installation of fencing and signage, and planting of native species to support site conditions. In 2023, MSD individuals were mapped and seed was collected. The seeds underwent a two-year nursery propagation period. They were then transplanted at discrete locations on the Pacific Horizon Preserve in October 2025 (Exhibit D). Approximately 30 percent of propagated plants were retained as “nursery stock” for future restoration efforts. The planning and implementation of this project has involved close collaboration with our Wildlife Agency partners and the OCTA restoration ecologists and contractors. Additional information and photos will be shared with the committee.

***Item 6 – Trabuco Rose Gully Project Update***

The OCTA Trabuco Rose Preserve, acquired in 2011, encompasses approximately 400 acres of open space in Trabuco Canyon. OCTA is responsible for its maintenance, security, and biological monitoring in accordance with Conservation Plan requirements. Within the Preserve, an approximately 150 linear foot unnamed gully has experienced active erosion, creating a risk of sediment discharge to downstream resources and potential impacts to nearby infrastructure.

In 2021, OCTA completed emergency stabilization of the upstream portion of the gully using fabric and rock armoring to halt slope failure and reduce sediment transport. Following this effort, additional design and procurement were undertaken to address the remaining stretch of the gully. The current project will extend stabilization downstream and enhance the previously repaired area. The design incorporates rock-lined features intended to mimic natural drainage conditions and improve channel stability. Given the Preserve’s sensitive biological resources, construction is being implemented with close coordination and monitoring to avoid and minimize impacts. Multiple active bird nests were found near the work area and are being monitored. Construction is anticipated to take approximately four weeks and will begin once the birds have fledged. Staff will provide an update of this project.

Exhibits:

- A. OCTA Preserves and Funded Restoration Projects
- B. March 23, 2026 Staff Report - Environmental Mitigation Program  
Endowment Fund Investment Report for December 31, 2025
- C. Fairview Park Mesa Flower Fields Restoration Project Map
- D. Pacific Horizon Preserve Many-stemmed Dudleya Enhancement Area  
Map





COMMITTEE TRANSMITTAL

**March 23, 2026**

**To:** Members of the Board of Directors

**From:** Andrea West, Clerk of the Board *Andrea West*

**Subject:** Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2025

Finance and Administration Committee Meeting of March 19, 2026

**Present:** Directors Federico, Go, Harper, Hennessey, Leon, and Tettemer

**Absent:** Director Sarmiento

**Committee Vote**

This item was passed by the Members present.

**Committee Recommendation(s)**

Receive and file as an information item.



**March 19, 2026**

**To:** Finance and Administration Committee

**From:** Darrell E. Johnson, Chief Executive Officer

**Subject:** Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2025

**Overview**

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of the Measure M2 Freeway Program. The California Community Foundation manages the non-wasting endowment required to fund the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance.

**Recommendation**

Receive and file as an information item.

**Background**

On September 26, 2016, the Board of Directors approved the selection of the California Community Foundation (CCF) as an endowment fund manager for the Measure M2 Freeway Environmental Mitigation Program. Annually, approximately \$2.9 million is deposited in the endowment. These annual deposits are expected over a ten-to-twelve-year period, or until the fund totals approximately \$46.2 million. As of December 31, 2025, the Orange County Transportation Authority (OCTA) has made ten deposits to the CCF Endowment Pool (Pool), each in the amount of \$2,877,000.

### ***Discussion***

As of December 31, 2025, total assets in the Pool stood at \$1.21 billion (Attachment A), while foundation assets totaled \$2.65 billion. Pool performance lagged the Blended Benchmark over the short- and mid-term periods (up to ten years) but remained closely aligned over the 20-year horizon.

The endowment balance as of December 31, 2025, was \$39,898,925, exceeding the target of \$36,208,324 for the second quarter of fiscal year (FY) 2025-26. Based on CCF's performance to date, OCTA remains on track to meet the endowment target of \$46.2 million in FY 2027-28 (Attachment C). The total endowment portfolio increased 3.4 percent for the quarter and 13 percent over the trailing one-year period.

Global equity markets remained strong through the second quarter of FY 2025-26, supported by broadening artificial intelligence-related gains, resilient consumer spending, and strong international equity performance. International markets outperformed United States (U.S.) equities over the past year, marking the widest relative U.S. underperformance in more than two decades. The Federal Reserve reduced its policy rate by 75 basis points during calendar year 2025, ending the year at a target range of 3.50 – 3.75 percent.

The Pool's results reflected these market conditions. Public equities delivered strong absolute returns over the trailing one-year period, while fixed income continued to provide stability during periods of market volatility. Overall, the Pool remains well diversified and positioned to support long-term objectives through disciplined risk management.

Diversification, strategic asset allocation, and appropriately sized investments within the endowment portfolio remain the primary strategies to safeguard the portfolio against outsized volatility while supporting long-term performance objectives.

### ***Summary***

Orange County Transportation Authority staff is submitting a copy of the California Community Foundation Investment Report for the quarter ended December 31, 2025.

***Attachments***

- A. California Community Foundation Endowment Pool Investments – December 31, 2025
- B. California Community Foundation Fund Statement – 10/1/2025 – 12/31/2025
- C. Environmental Mitigation Program Portfolio Performance – Actual/Projection vs. Target

**Prepared by:**



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

**Approved by:**



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



**Endowment Pool**  
**December 31, 2025**

**INVESTMENTS**

**Total Pool Assets**

\$1.214 billion (Endowment Pool), \$2.65 billion (total foundation assets) as of December 31, 2025.

**Pool Objective**

Prudent investment of funds to provide real growth of the assets over time while protecting the value of the assets from undue volatility or risk of loss. Managed on a total return basis (i.e., yield plus capital appreciation) while taking into account the level of liquidity required to meet withdrawals from the pool - mainly expenses and grants to external organizations. While the Investment Committee recognizes the importance of the preservation of capital, they also adhere to the principle that varying degrees of risk are generally rewarded with commensurate returns over full market cycles (5-10 years).

**Outsourced CIO**

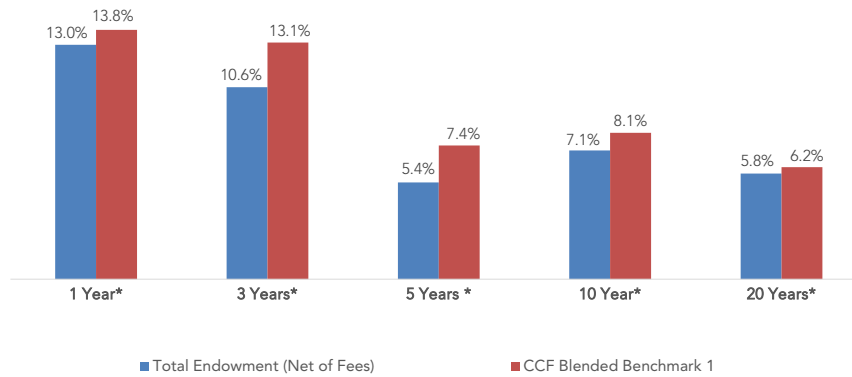
Pathstone (Aka Hall Capital Partners)

**Performance & Asset Allocation**

Performance for December 2025 was 0.40% <sup>(2,5)</sup>

Performance for the three months ended December 31, 2025 was 3.38%

CCF Total Endowment (net of fees) vs. Blended Benchmark <sup>(1)</sup>



Asset Class	\$Millions	% of Port	Long-Term Target Range <sup>(4)</sup>
Cash & Equivalent <sup>(3)</sup>	\$47	3.9%	0 - 5%
Fixed Income	\$117	9.6%	10 -20%
Public Equities	\$560	46.2%	40 - 60%
Alternative Assets	\$126	10.3%	10 - 25%
Hybrid Investments	\$27	2.2%	0 - 10%
Private Investments	\$226	18.7%	10 - 20%
Real Assets	\$111	9.1%	5 - 10%
<b>Total Endowment Assets</b>	<b>\$1,214</b>	<b>100.0%</b>	

## Q4 2025 Market Commentary

Global equities extended their strong 2025 performance into Q4, with most major indices posting robust gains despite early-quarter volatility. The MSCI ACWI rose +3.3% in Q4 and +22.3% for the year, driven by broadening AI-related gains, strong international equity performance, and resilient consumer spending. International markets outpaced U.S. equities, with the MSCI EAFE up +31.2% and MSCI Emerging Markets up +33.6% for the year, marking the widest relative U.S. underperformance in over two decades.

The “Mag 7” continued to contribute meaningfully to U.S. returns, but dispersion within the group increased — only two names drove most of the outperformance, while several lagged the S&P 500. Sector leadership also expanded beyond pure technology, with Industrials and Utilities benefiting from physical infrastructure demand tied to AI data center buildouts. S&P 500 valuations remain elevated at 22x forward earnings, warranting selectivity.

The U.S. economy maintained above-trend growth, supported by resilient consumers, fiscal stimulus, and corporate AI capex. Q3 GDP growth was +4.3% annualized, with Q4 expected to remain solid. Inflation moderated to 2.7% headline CPI, near the 40-year average, while core CPI was 2.6%.

The Federal Reserve cut rates by 75 bps in 2025, ending the year at 3.50–3.75%. Labor market softness — unemployment at 4.4% and a negative 3-month payroll average — shifted the Fed’s bias toward further easing in 2026. Markets are pricing in ~70 bps of additional cuts in 2026, contrasting with minimal expected action from the ECB or BoE, creating potential headwinds for the U.S. dollar.

In fixed income, core bonds posted strong returns as yields moderated but remained above historical averages. Bloomberg U.S. Aggregate Bond Index returned +7.3% in 2025, with tight credit spreads favoring selective credit risk. Private credit continues to expand, projected to grow from 3T to 5T by 2029.

Private equity activity improved, with notable IPOs (Circle, Chime, Figma, Klarna, Bullish) and increased M&A momentum, particularly in technology. Valuations remain full for highquality assets, supported by abundant dry powder. Managers are focusing on operational value creation, AI integration, and take-private transactions to drive returns in a higher cost-of-capital environment. We expect the Fed’s rate cuts and potential future incremental easing to have benefits for the private markets.

## EP Commentary

As of 12/31/25, the estimated value of the EP was \$1.218B. Estimated performance was +12.6% YTD, which includes private investment marks that report on a lag and are held at zero for the latest quarter. Excluding private investments, the EP performance was +14.7% YTD. For the same time period, the CCF benchmark was up 13.8%, the S&P 500 was up 17.9%, and a blend of 65% global stocks & 35% US bonds was up 17.0%.

Within fixed income, the EP performance slightly outperformed the benchmark, +7.5% YTD (Bloomberg US Agg: +7.3% YTD). The cash and fixed income allocation has offered good returns for the year and a ballast against market volatility (particularly in April). The allocation increased at year-end upon receipt of various equity rebalancing.

On an absolute basis, the public equity portfolio delivered strong returns in 2025 (+19.1%) but slightly lagged the benchmark the MSCI AWCI (+22%). Global managers generally lagged relative to the index, which was driven largely by a small constituency of the Magnificent 7 (Alphabet and NVIDIA) and related AI companies. The EP portfolio, with marginal overweight exposures to “unloved” sectors despite solid fundamentals (i.e. healthcare, software) slightly underperformed. We continue to believe active management provides important, differentiated exposure to the index, which continues to be historically concentrated on the top ten stocks. Importantly, the EP’s international, emerging market, and biotech managers added positive contribution and diversification to the portfolio in 2025.

Hedge funds did not keep up with public equities as expected, but provided a solid return of 7.7% as a group. Importantly, these managers provided less volatile returns throughout the year and we would expect them to protect value in market downswings. We remain optimistic about our private equity commitments, which are still early in their life cycle. Private equity performance (for the EP and as an industry) has lagged behind public equities, but we think this could improve going into 2026 as lower interest rates, relaxed regulation, and a forecasted slate of large IPOs reignite the space. As a reminder, our private investments report on a lag and are therefore held at a 0% return for Q4’25. As we receive full Q4 reporting from managers, we expect returns for the overall EP to increase on the margin. Longer term, we believe this exposure will drive higher returns for the EP.

\* Represents Annualized Returns.

**Footnotes:**

1 – Total benchmark intended to roughly match CCF portfolio asset allocation with relevant constituent benchmarks. Current blended benchmark effective since 1/1/24.

Current blended benchmark: ML 3M T-Bills (3%), Barclays Agg. Bond Index (7.8%), Barclays 1-5Y Government-Credit Index (5.2%), MSCI ACWI (45%), Hedge Fund Blend (7.5% BofA ML High Yield, 3.75% ML 3-Month T-bills, 3.75% MSCI ACWI), Cambridge PE Index (9.8%), Cambridge VC Index (4.2%), Cambridge RE Index (7%), S&P Infrastructure Index (3%).  
CPI+5%.

CCF blended benchmark 7/1/21 to 12/31/23 : ML Treasury 1-3 (2%), Barclays Agg. Bond Index (18%), MSCI ACWI (50%), Hedge Fund Blend (7.5% BofA ML High Yield, 3.75% ML 3-Month T-bills, 3.75% MSCI ACWI), Cambridge PE Index (3.5%), Cambridge VC Index (1.5%), Cambridge RE Index (7%), S&P Infrastructure Index (3%).

CCF blended benchmark prior to 7/1/21: Total Fund Benchmark is a combination of: 48% MSCI ACWI - 2% Cambridge PE Index 1-Qtr Lag / 14% HFR FOF / 5% ODCE - 5% S&P Global Large Mid NR - 4% S&P Global Infrastructure / 9% Barc Agg. - 3% Barc 1-5 Yr. Gov/Cr - 3% Barc 0-5 Yr. US Treasury TIPs / 2% Barc High Yield - 2% S&P/LSTA Leveraged Loan - 3% JP Morgan EMBI Global Diversified.

2 – Performance is preliminary and at times estimated pending final reporting from all investments. Managers often report on substantial lags, particularly private illiquid investments. In the instances where we do not have actual or estimated performance for a manager, we default to a 0% performance. Investment performance is presented net of investment expenses, including fund manager incentive fees

3 – Includes cash in transit to or from investments. For example, 12/31 cash could include money that is being sent to an investment on 1/1.

4 – Current portfolio allocations may be outside of strategic ranges as it can take substantial time to adjust investments to meet range goals. This is particularly true for private illiquid investments that call capital into strategies over time and typically necessitate multi-year periods to gain exposure for appropriate vintage diversification

5 – The Endowment Pool weighted-average expense ratio approximates 1.15% excluding fund manager incentive fees.



**Fund Name:** OCTA - Measure M2 Environmental Mitigation Program Fund  
**Fund Start Date:** 2/28/2017  
**Investment Pool(s):** Endowment Pool

**FUND STATEMENT**

**OCTA - Measure M2 Environmental Mitigation Program Fund (V398)**

10/1/2025 - 12/31/2025

**Fund Summary**

	This Period 10/01/2025 - 12/31/2025	Calendar YTD 1/1/2025 - 12/31/2025
<b>Opening Fund Balance</b>	\$38,595,651.57	\$32,674,489.46
Contributions	0.00	2,877,000.00
Investment Activity, net	1,303,273.78	4,431,329.20
Administration & Grant Management Fees	0.00	(83,893.31)
Net Changes to Fund	1,303,273.78	7,224,435.89
<b>Ending Balance</b>	<b>\$39,898,925.35</b>	<b>\$39,898,925.35</b>

**Investment Pool Performance as of 12/31/2025**

	1 - Year	3 - Years	5 - Years	10 - Years
<b>Endowment Pool</b>	13.0%	10.6%	5.4%	7.1%
<b>Social Impact Endowment Pool</b>	13.9%	17.8%	9.1%	9.8%
<b>Conservative Balanced Pool</b>	9.6%	10.0%	5.1%	5.8%
<b>Short Duration Bond Pool</b>	6.1%	4.9%	1.5%	2.1%
<b>Capital Preservation Pool</b>	4.3%	4.9%	3.2%	2.2%

**Endowment Pool** - Invested for long-term growth and appreciation across multiple investment managers. It seeks to preserve the purchasing power and provide real growth of assets over an indefinite time horizon through long-term investment opportunities and portfolio diversification, while taking into account the level of liquidity required to meet withdrawals from the pool.

**Social Impact Endowment Pool** - Invested in a diversified pool of equities and fixed income aiming to offer capital growth for long-term grantmaking. It seeks to preserve the purchasing power of assets over an indefinite time horizon by following a sustainable investing approach that combines rigorous financial, environmental, social and governance (ESG) analysis, while taking into account the level of liquidity required to meet withdrawals from the pool.

**Conservative Balanced Pool** - Invested to strike a balance between growth and liquidity by combining current income with an opportunity for moderate capital appreciation. It seeks to offer diversified exposure to fixed income with maturities from 1-5 years as well as the entire U.S. equity market for purposes of grantmaking over an intermediate horizon.

**Short Duration Bond Pool** - Invested to offer diversified exposure to fixed income with maturities from one to five years for the purposes of grants over a near-term one to four year horizon.

**Capital Preservation Pool** - Invested to meet the needs of funds with short-term grant objectives. It seeks to preserve principal and provide liquidity and working funds for present and future needs through investment in high-quality, short-term fixed income and cash instruments.

## Definition of Terms

Opening Fund Balance - Your fund's balance at the beginning of the statement period.

Contributions - Irrevocable financial additions to your fund.

Grants - Grants you recommended to IRS-qualified public charities that have been approved and distributed from your fund. This also includes refunds and voids of grants made.

Administrative Fee - CCF charges administrative fees to cover general operating activities. These activities could include gift establishment, receipt of assets and contributions, grants and fund administration, research on nonprofit agencies and issue areas, and other charitable purposes.

Investment Activity, net – This represents the financial returns from the CCF investment pool(s) in which your fund is invested, including interest, dividends and gains/losses as well as the deduction of any investment-related fees.

Fund Balance Transfer - Money transferred to or from another CCF fund.

Other Expenses - Permissible expenses (i.e., legal, phone charges, etc.) related to the administration of your fund.

Net Changes to Fund - The net amount of your fund after contributions, income, grants, administration and grant management fee, investment managers' fees, fund balance transfers, and other expenses.

Ending Fund Balance - The fund's balance at the end of the statement period reported on this statement. This amount includes any contributions, grant distributions, fund balance transfers, and increase or decrease in market value.

## Meet Our Team

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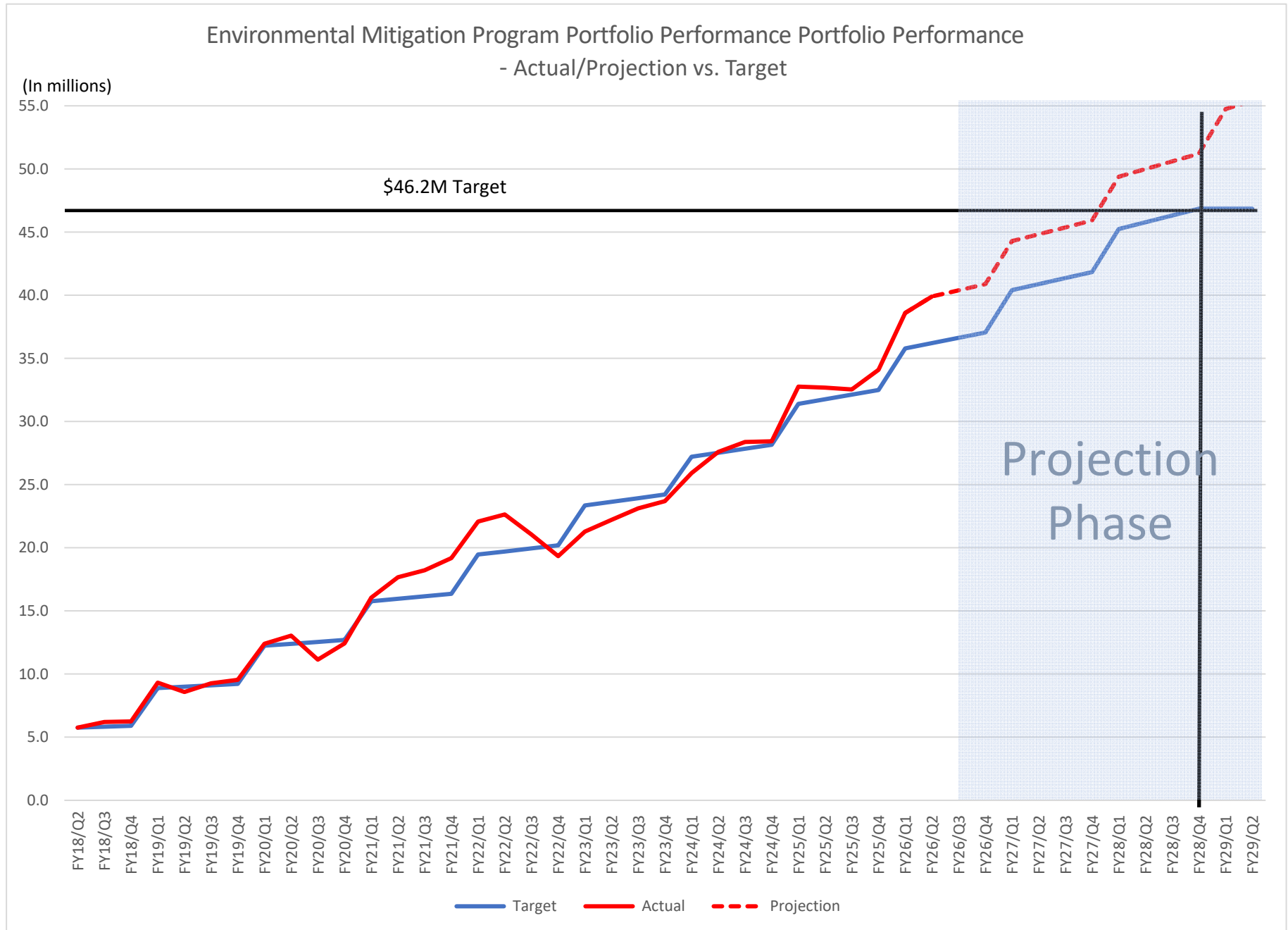
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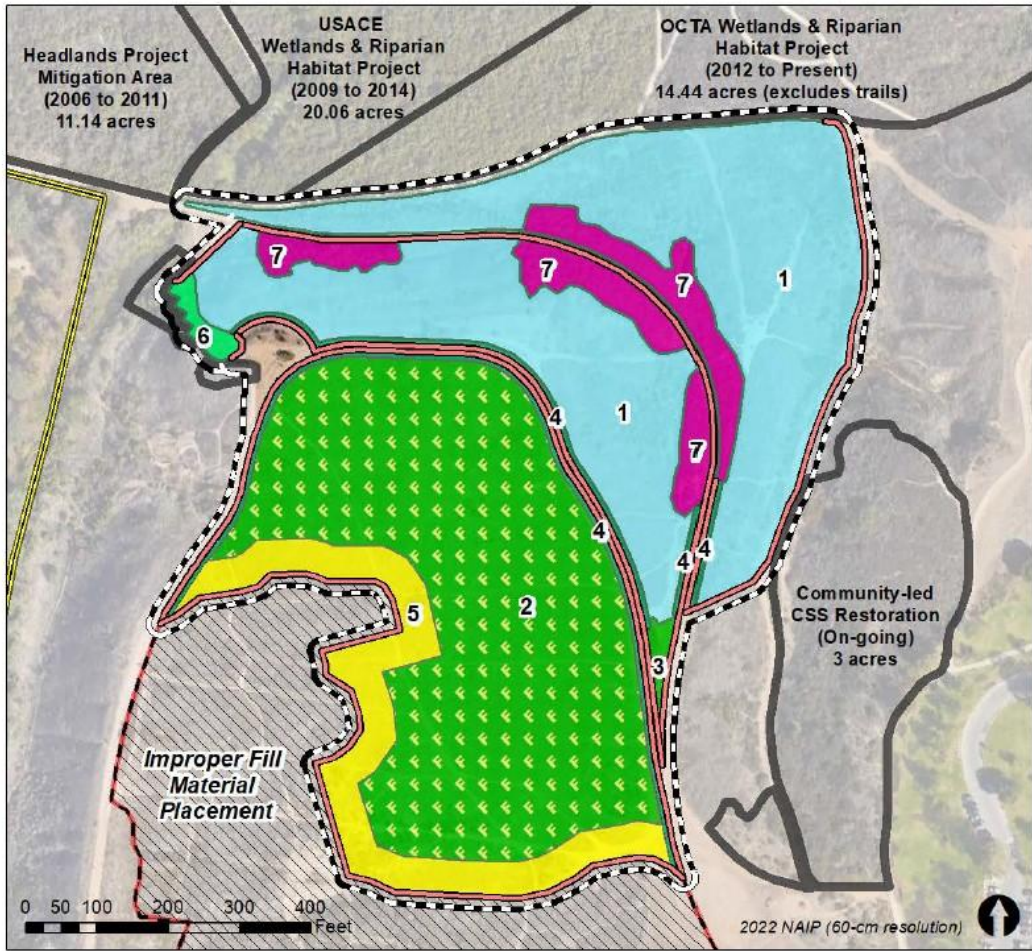
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## Fairview Park Mesa Flower Fields Restoration Project Map



**Fairview Park Coastal Sage Scrub & Flower Fields Habitat Restoration & Enhancement Project (Total 15.35 ac.)**

**Habitat Restoration Areas**

Map Code | Vegetation Community Common Name

- 1 | Black Sage Scrub (6.17 acres)
- 2 | Fiddleneck – Phacelia Fields (5.74 acres)

**Habitat Enhancement Areas**

Map Code | Vegetation Community Common Name

- 6 | California Sagebrush – California Buckwheat Scrub (0.1 acres)
- 7 | Purple Sage Scrub (1.17 acres)

*From the total 11.91 acres of Habitat Restoration in Areas 1 and 2, a net of 9.5 acres will provide the outstanding restoration required for the OCTA Wetlands & Riparian Habitat Project to benefit the OCTA EMP M2 Program.*

**Revegetation and Weed Management Buffer Areas**

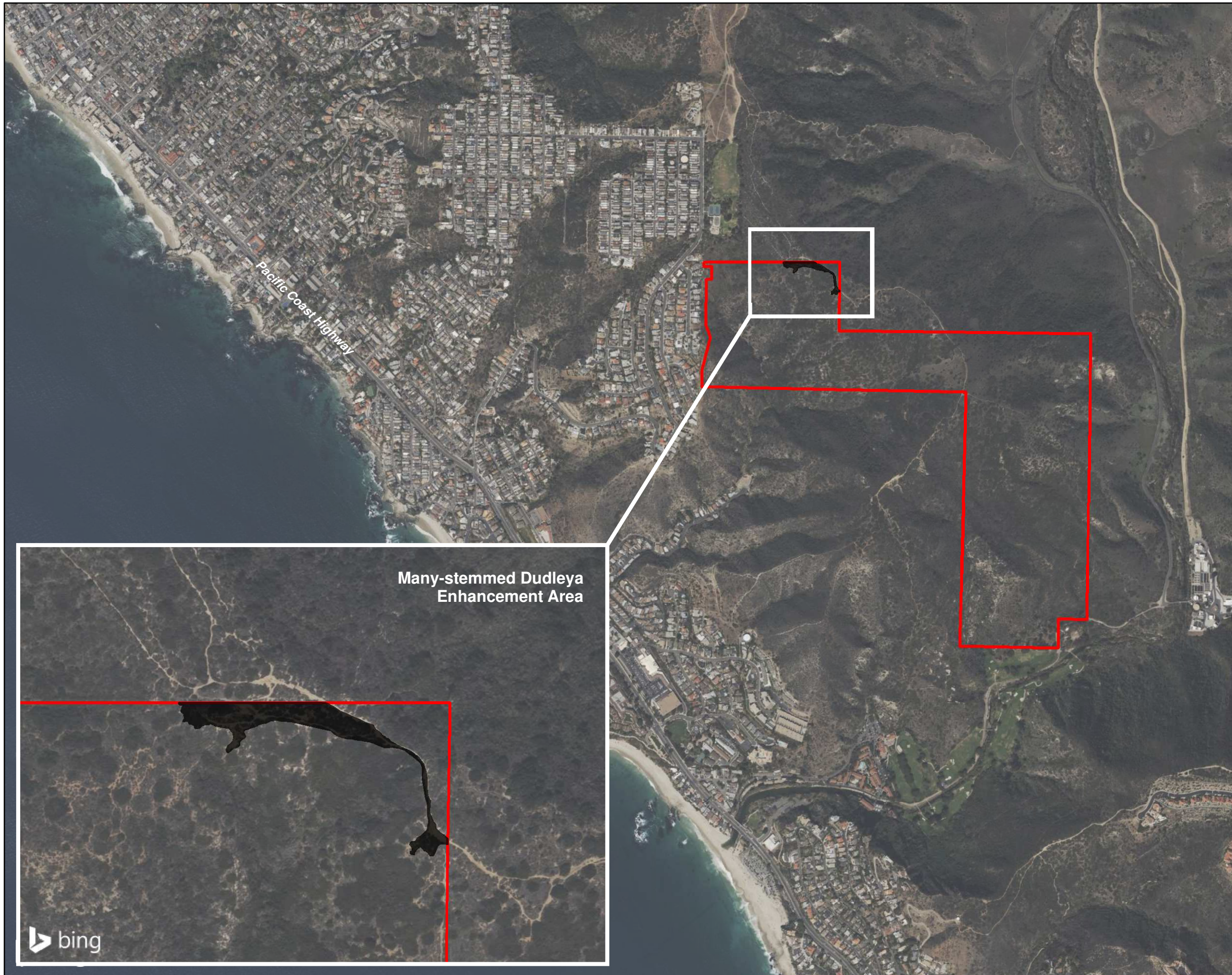
Map Code | Buffer Area (Vegetation Community Common Name)

- 3 | Native Revegetation Buffer (Fiddleneck – Phacelia Fields) (0.09 acres)
- 4 | Native Revegetation Buffer (Black Sage Scrub) (0.61 acres)
- 5 | Weed Management Buffer and Seed Enhancement (Fiddleneck – Phacelia Fields) (1.47 acres)

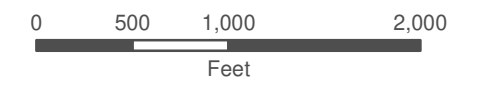
- Fairview Park Boundary
- Temporary Fence (6,400 feet)



Figure 1-3 Location of the CSS & Flower Fields Habitat Restoration Project Areas, Including a Net of 9.5 Acres in Areas 1 and 2 Required for the OCTA Wetlands and Riparian Habitat Project.



- Pacific Horizon Preserve
- Many-stemmed Dudleya Enhancement Area



1 inch = 1,000 feet

Coordinate System: State Plane 6 NAD 83  
 Projection: Lambert Conformal Conic  
 Datum: NAD 1983 2011  
 Map Prepared by: B. Gale, GLA  
 Date Prepared: August 12, 2022

**PACIFIC HORIZON PRESERVE**  
 Vicinity Map





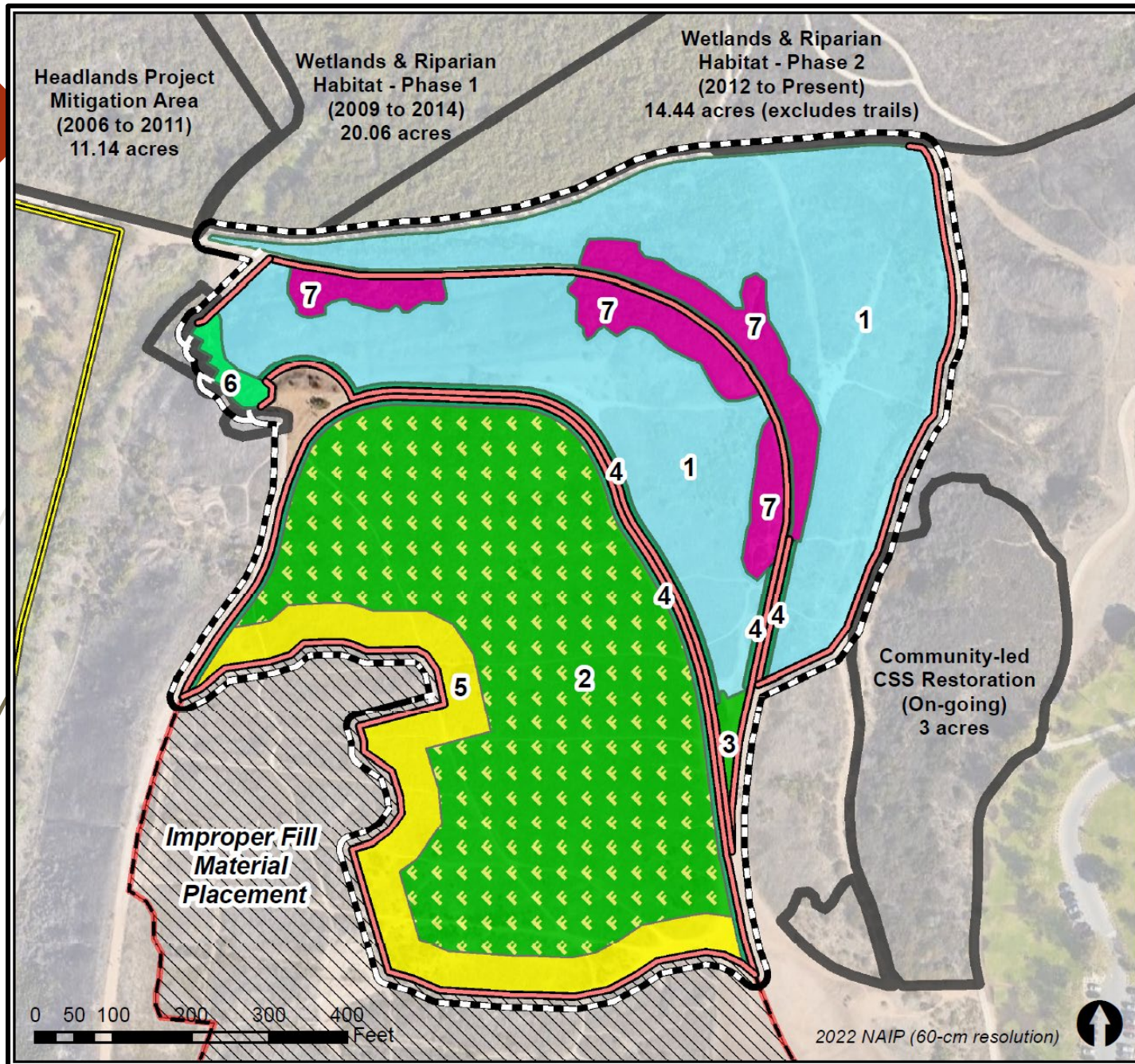
# Fairview Park Restoration Project

OCTA Environmental Oversight Committee

May 6, 2026

Presentation by City of Costa Mesa

# OCTA Restoration Project



### Habitat Restoration Areas

Map Code | Vegetation Community Common Name

- 1 | Black Sage Scrub (6.17 acres)
- 2 | Fiddleneck – Phacelia Fields (5.74 acres)

### Habitat Enhancement Areas

Map Code | Vegetation Community Common Name

- 6 | California Sagebrush – California Buckwheat Scrub (0.1 acres)
- 7 | Purple Sage Scrub (1.17 acres)

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- 4 | Native Revegetation Buffer (Black Sage Scrub) (0.61 acres)
- 5 | Weed Management Buffer and Seed Enhancement (Fiddleneck – Phacelia Fields) (1.47 acres)

Fairview Park Boundary

Temporary Fence (6,400 feet)



# Original Site Conditions



Annual grasses, forbs, on Mesa



Black mustard, poison hemlock on slopes

# Initial Site Dethatching



# Temporary Irrigation Installation



# Temporary Irrigation Installation



# Weed Management, Grow-Kill Cycles and Biomass Removal



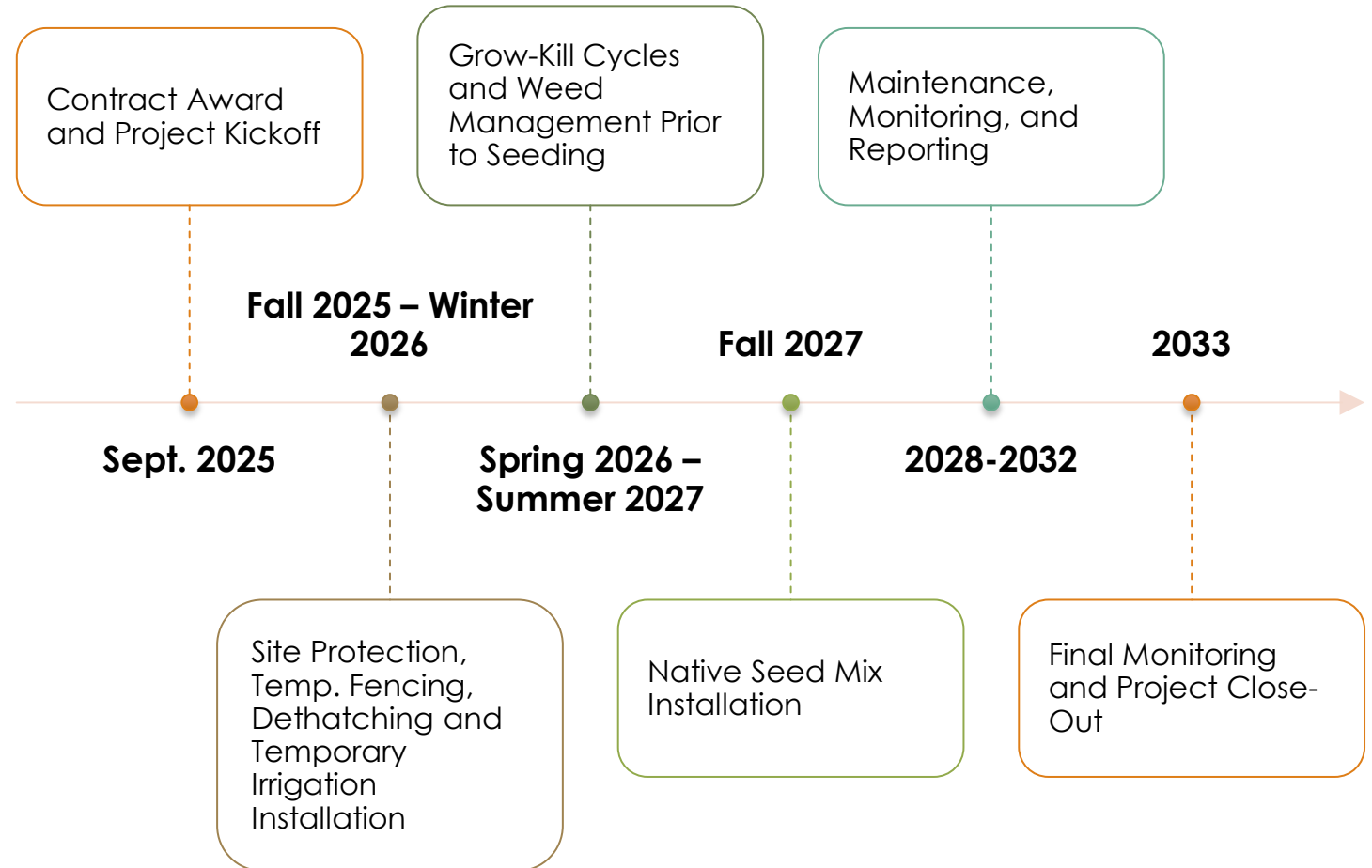
# Native Wildlife Activity



# Native Wildlife Activity



# Project Schedule Overview



Thank you  
Questions?

# Many-Stemmed Dudleya Restoration at Pacific Horizon Preserve



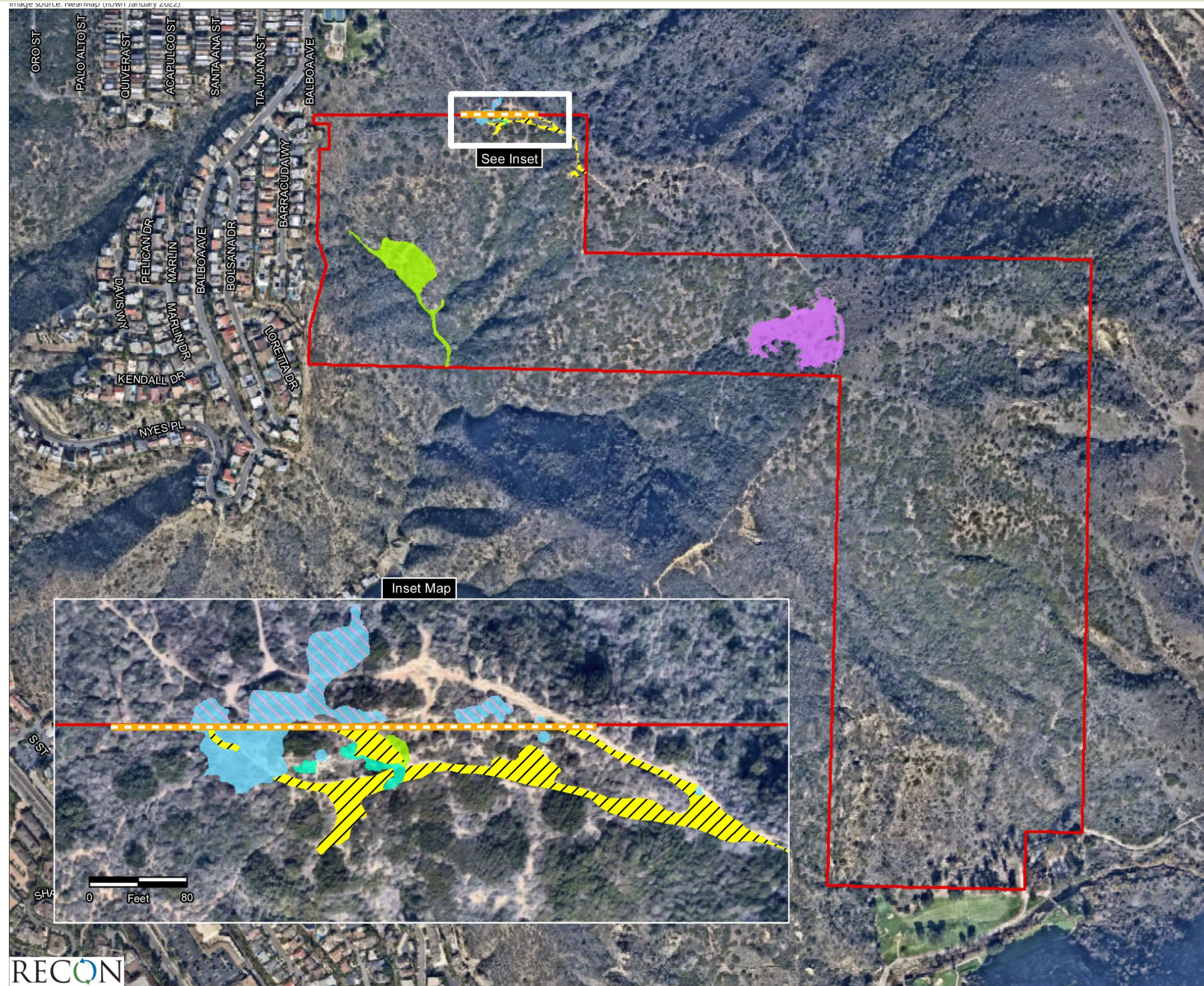
RECON



## Restoration Project Overview

Habitat restoration of the many-stemmed dudleya (MSD) follows the Pacific Horizon Preserve Restoration Plan and addresses RMP directives pertaining to public access, trail closure and habitat restoration by the decommissioning of a trail segment that was threatening natural populations of MSD.

- Pacific Horizon Preserve Boundary
- Barbless Wire Fence (Repaired in 2021)
- Decommissioned Trail (October 2020)
- Invasive Species Control Areas**
  - Artichoke Thistle
  - Fountain Grass
  - Pampas Grass
  - Iceplant
  - Iceplant (County Lands)



## Decommissioning of Trails

- Removal of bike jumps
- Decompaction of soil & vertical mulch
- Cactus planting



## Site Protection

- Fence installation
- Wildlife cameras



## Habitat Restoration Signage



# Non-Native Invasive Plant Species Control



## Life History of MSD

Many-stemmed dudleya (*Dudleya multicaulis*) is a perennial herb that is native to California, and endemic (limited) to California.

Family: Crassulaceae

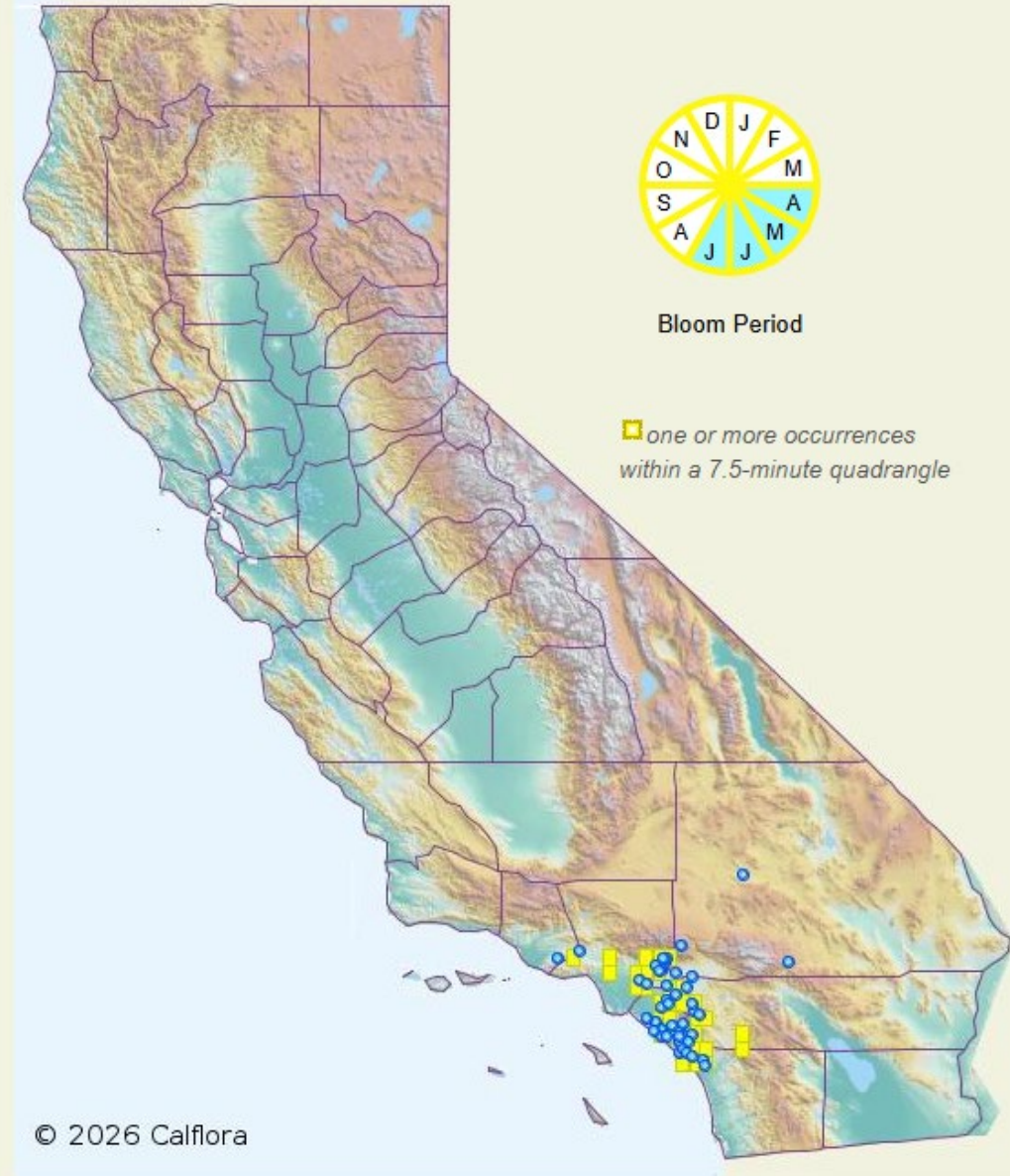
Genus: Dudleya



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The blue points on the map indicate observations in Calflora. Click on the map to view observations within a specific county.

# MSD Monitoring of Natural Populations



## MSD Seed Collection & Plant Propagation

- Seed was collected directly from natural populations of MSD within the Pacific Horizon Preserve in August 2023
- Collected MSD seed was delivered to Native West Nursery and used for MSD plant propagation
- Germinated seed was rooted in flats for future out-planting, projected for fall 2025

September 2024



August 2025



## MSD at Native West Nursery

Targeted goal was to have 20 MSD plants growing per flat (within 25 flats) for a total of 500 MSD plants to install at the Preserve from 2025-2026.



## MSD Plant Installation

75% of the MSD flats were installed in October 2025 with the goal of planting 500 MSD by fall 2026



MSD planting, October 2025



# MSD Monitoring of Restored Populations (January 2026)



## MSD Natural and Restored Locations



- ▭ Pacific Horizon Preserve Bounday
- Unauthorized SCE Impacts**
  - ▭ Permanent Impacts
  - ▭ Temporary Impacts
- Many-stemmed Dudleya Planting Locations
- Many-stemmed Dudleya By Suvey Year**
  - 2015
  - 2017
  - 2019
  - 2022
  - 2023

## Maintenance Program

- Hand watering to supplement natural rainfall
- Non-native invasive plant species control
- Additional MSD planting with remaining flats in fall 2026



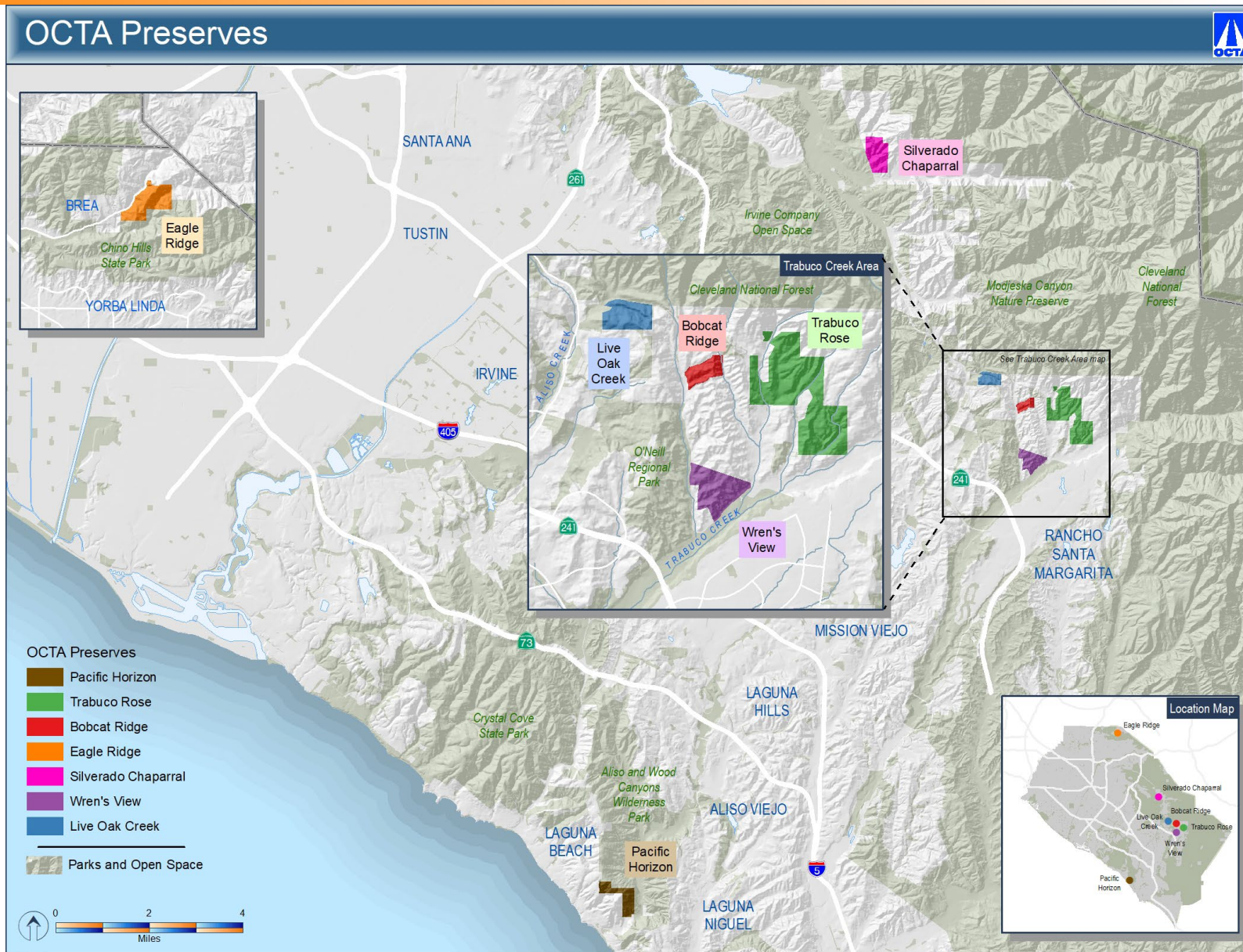
# OCTA Environmental Oversight Committee

May 6, 2026



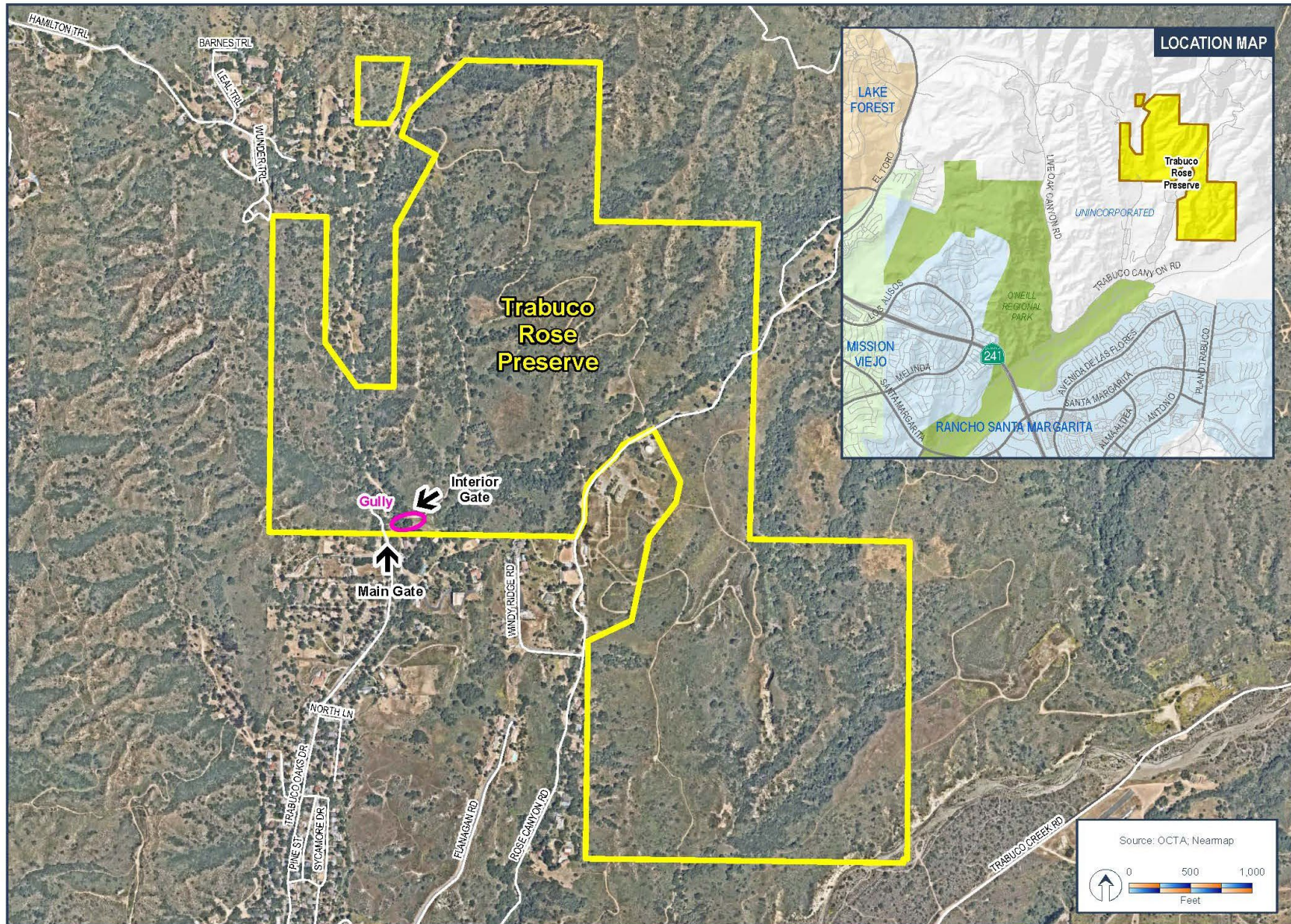


# Item 6 - Trabuco Rose Gully Project Update





# Trabuco Rose Preserve





# Gully Restoration Project Overview

## Description

Drainage created artificially decades ago at the Trabuco Rose Preserve. Approximately 150 feet in length.

## Concerns

Undercutting the adjacent oak woodland habitat and compromising the existing infrastructure.

## Solution

Fill the gully with clean material to create a more natural like creek system.





# Phase 1 of the Gully Project



## Focus

Stabilization of the upstream portion (approximately 80 linear feet).

## Materials used

Geotech fabric, jute netting and rock were all used to help armor the creek and halt slope failure and sedimentation.

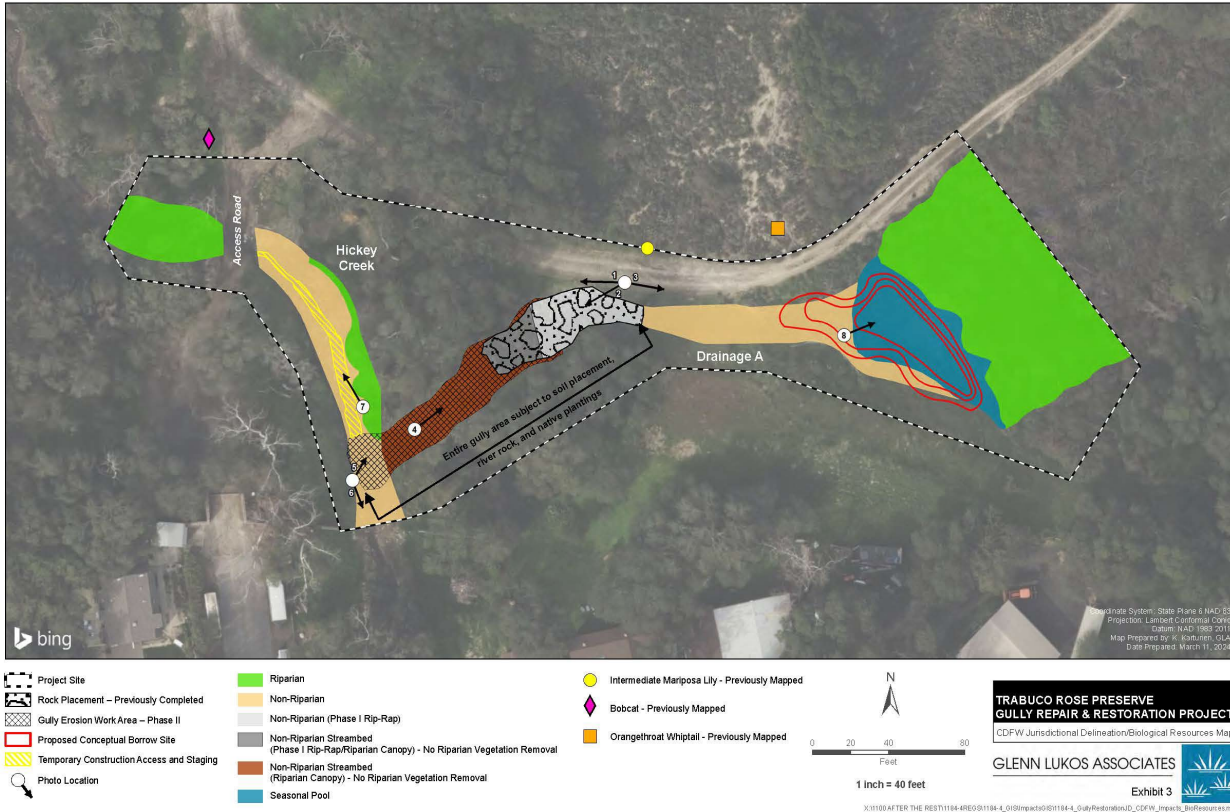


## Remaining Tasks

Design, agency coordination and stabilization of the downstream portion of the gully.



# Phase 2 of the Gully Project



## Focus

Stabilization of the remaining portion and finessing entire stretch to mimic a natural creek.

## Materials Proposed

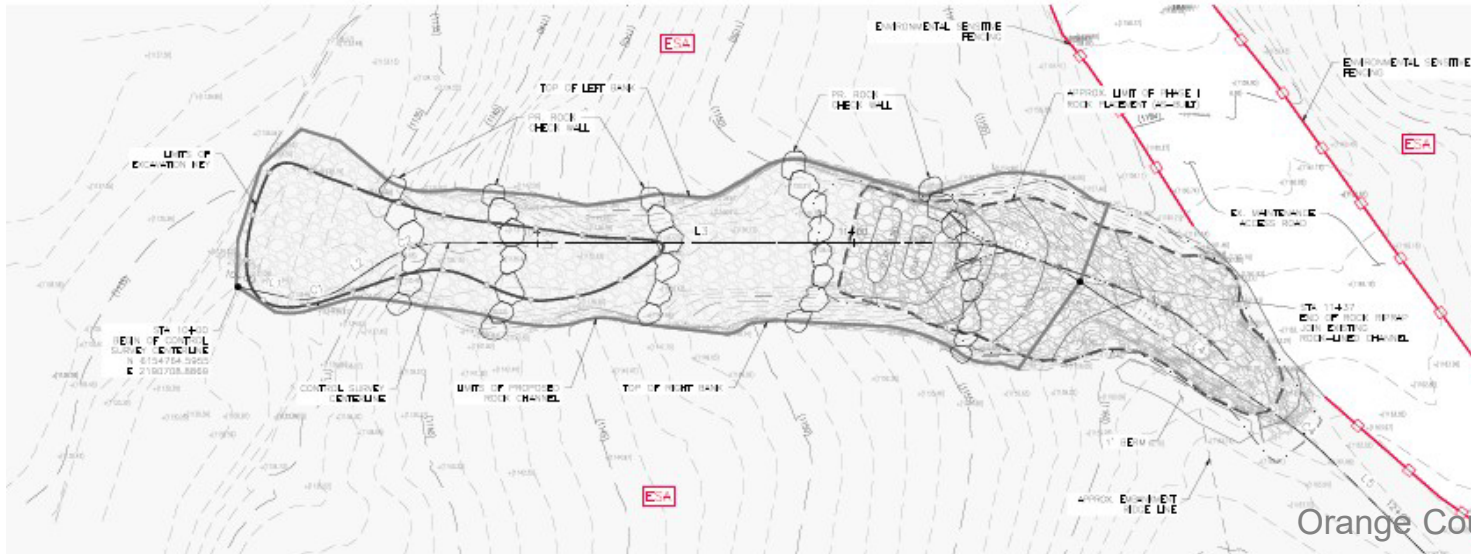
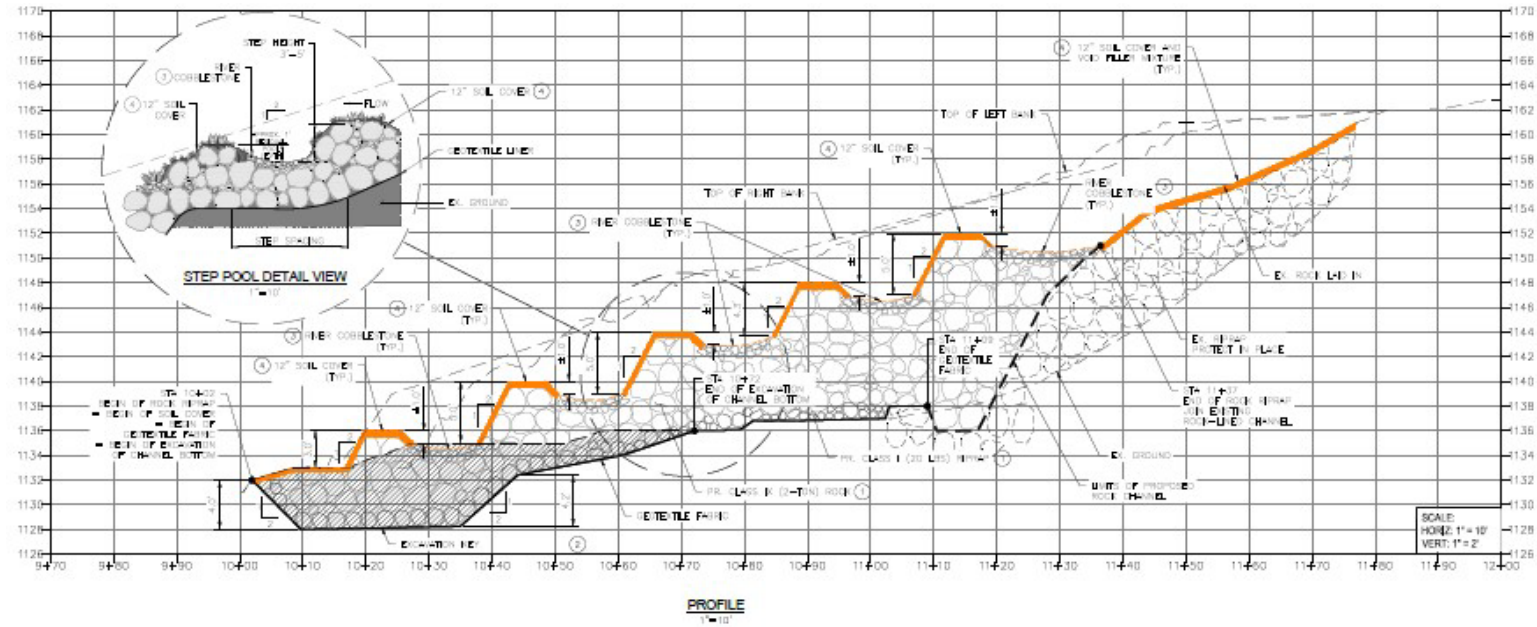
Geotech fabric, jute netting, rock (large and filler) as well as sediment from the upstream detention basin.

## Status

Monitoring of the surrounding sensitive resources. Work with the contractor to avoid and minimize impacts. Construction anticipated to take 4 weeks.



# Design Plans





## Challenges

- Wetted channel
- Nesting birds
- Bio monitoring and agency coordination
- Materials sourcing