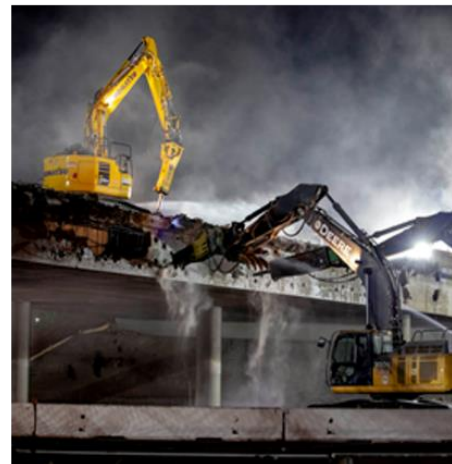


Orange County Transportation Authority



Presentation Participants

Orange County Transportation Authority



Mark A. Murphy
Chairman



Gene Hernandez
Vice Chairman



Michael Hennessey
Finance and Administration
Committee Chairman



Darrell E. Johnson
Chief Executive
Officer



Andrew Oftelie
Chief Financial Officer



Robert Davis
Treasury and Public Finance
Manager

Financial Advisor



James Martling
Principal

Presentation Overview

1.	Orange County Transportation Authority	5
2.	Orange County Economy	12
3.	Measure M Program	22
4.	Agency Update	32
5.	Express Lanes Programs	48
6.	Debt Programs And Financing Plans	60

Presentation Summary

- ❑ Leadership is stable with continuity among Board members and Executive staff
- ❑ Return to work/transition to hybrid work schedule
- ❑ Orange County economy continues to grow, and sales tax collections are at all time high
- ❑ Conservative FY 2022-23 budget of \$1.65 billion allows for the continuation of OCTA programs and projects
- ❑ 91 Express Lanes traffic volumes and toll revenues have reached historic highs
- ❑ Continuation of Measure M2 projects with all projects on track to meet voter commitments
- ❑ I-405 Improvement Project on schedule to open in October 2023 and the reset of OCTA's TIFIA Loan led to net present value savings of \$158 million
- ❑ Debt service coverage ratios remain strong for all OCTA debt programs

1. Orange County Transportation Authority

The Agency

- ❑ Orange County's regional transportation agency created in 1991
- ❑ Governed by an 18-member Board of Directors
- ❑ Multi-modal focus
- ❑ OCTA's programs and services include:
 - Administer Measure M2
 - Freeways
 - 91 and 405 Express Lanes
 - Streets and Roads
 - Metrolink Commuter Rail
 - Los Angeles – San Diego – San Luis Obispo Rail Corridor services
 - Bus and Paratransit
 - Rail Transit (coming in 2023)
 - Environmental Programs
 - Motorist Services
 - Active Transportation



2022 Board Of Directors



**Mark A.
Murphy**
Chairman



**Gene
Hernandez**
Vice Chairman



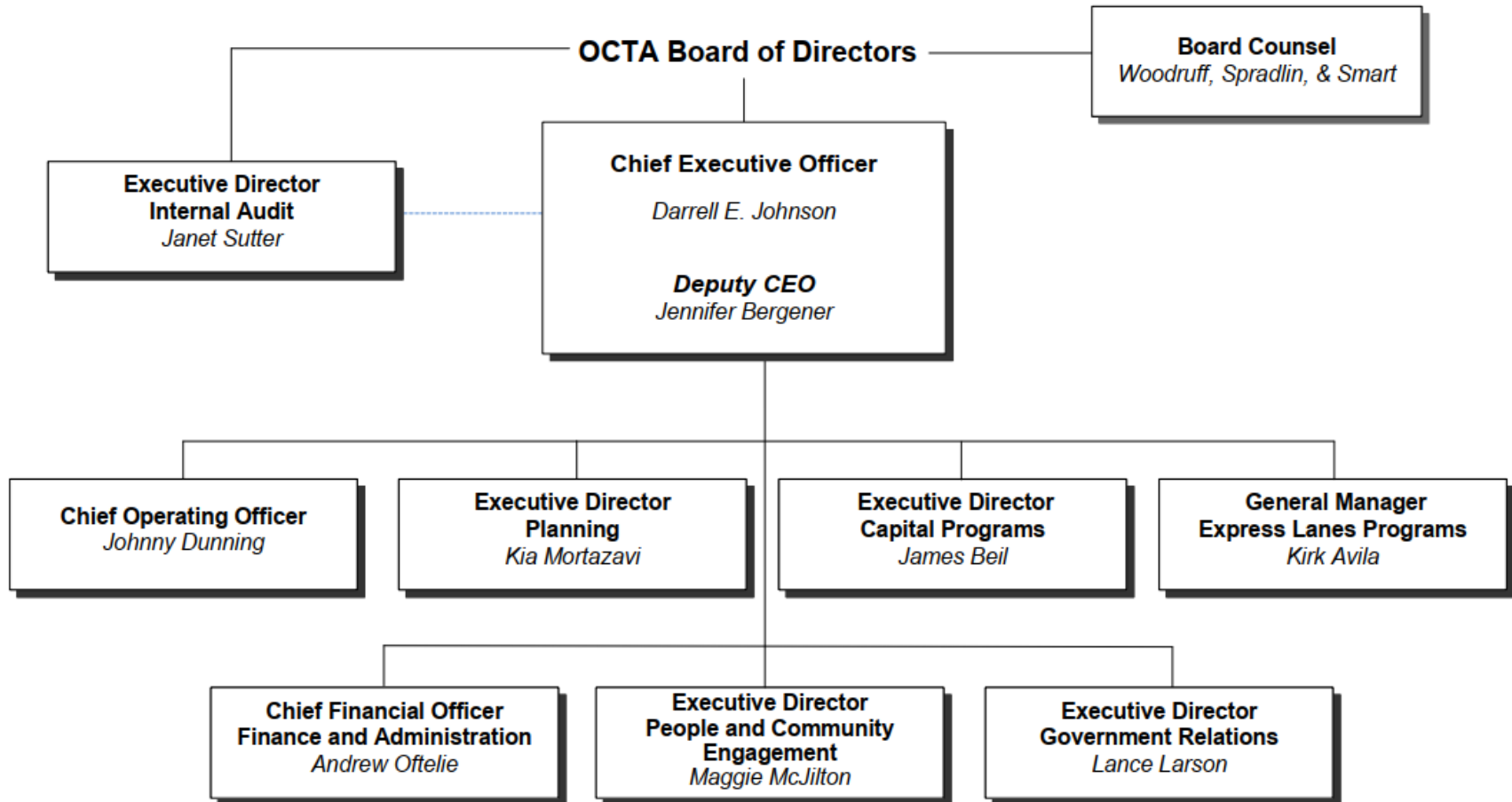
Michael Hennessey
Finance and Administration
Committee Chairman

Lisa A. Bartlett
Doug Chaffee
Barbara Delgleize
Andrew Do
Katrina Foley
Brian Goodell
Patrick Harper
Steve Jones
Fred Jung
Joseph Muller
Tam Nguyen
Vicente Sarmiento
Donald P. Wagner
Vacant
Ryan Chamberlain

5th District Supervisor
4th District Supervisor
City Member, 2nd District
1st District Supervisor
2nd District Supervisor
City Member, 5th District
City Member, 2nd District
City Member, 1st District
City Member, 4th District
City Member, 5th District
Public Member
City Member, 1st District
3rd District Supervisor
City Member, 4th District
Governor's Caltrans Ex-Officio Member

Organizational Chart

Orange County Transportation Authority



2022 BOARD & CEO INITIATIVES



Balanced and Equitable Transportation

- Maximize Effectiveness of Mobility Options
- Deliver Measure M2 Infrastructure Improvements
- Connect with Stakeholders in Diverse and Disadvantaged Communities



Fiscal and Environmental Responsibility and Adaptability

- Demonstrate Financial Stewardship and Responsibly Administer Public Funds
- Anticipate and Adapt to Changing Conditions
- Advocate Sustainability and Environmental Stewardship



Organizational Excellence, Partnership, and Transparency

- Collaborate with Regional Stakeholders and Provide Outstanding Customer Service
- Embrace Inclusive Work Culture and Enhance Diversity
- Modernize Workplace and Promote Employee Growth and Safety

Reserve Policy

- ❑ OCTA has a history of maintaining reserves to mitigate the impacts of financial risks to the programs operated by the OCTA
- ❑ November 2019 OCTA Board formally adopted a Reserve Policy to mitigate impacts of financial risks to OCTA's programs
- ❑ OCTA operates three programs reliant on stable revenue sources and are most immediately impacted during periods of economic uncertainty
 - ❑ Bus
 - ❑ 91 Express Lanes
 - ❑ Motorist Services
- ❑ To further OCTA's goal of setting aside reserves in times of economic growth to mitigate the impacts of future economic slowdowns, OCTA established a Long-Term Operating Reserve Fund in 2022

Return to the Workplace

☐ COVID-19 Emergency Remote Work Policy

- Most administrative employees worked remotely on an emergency basis during the pandemic
- This policy has been phased out and OCTA introduced a hybrid work policy in its place

☐ Hybrid Work Policy

- Voluntary program
- Employees must apply and receive approval to participate
- Maximum two remote workdays per week

☐ Board and Committee Meetings

- Resumed meeting in person earlier this year

2. Orange County Economy



Orange County Highlights

3rd most populous county in CA

2nd most dense county in CA

Culturally diverse communities

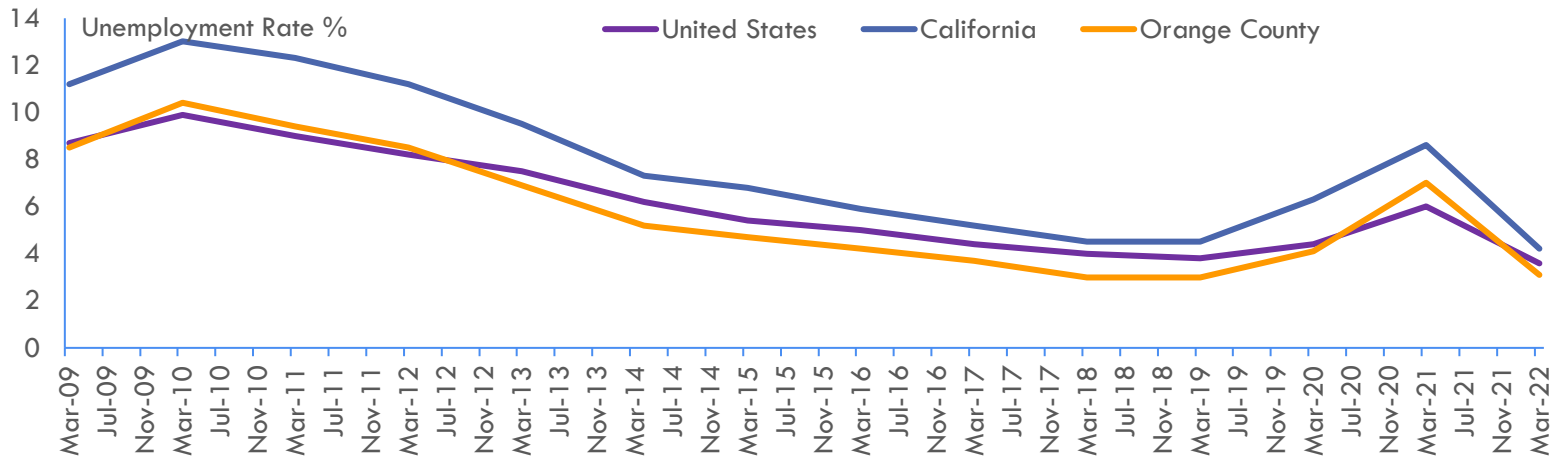
Thriving business economy and
a well-educated work force

Home to a wide range of
tourist attractions

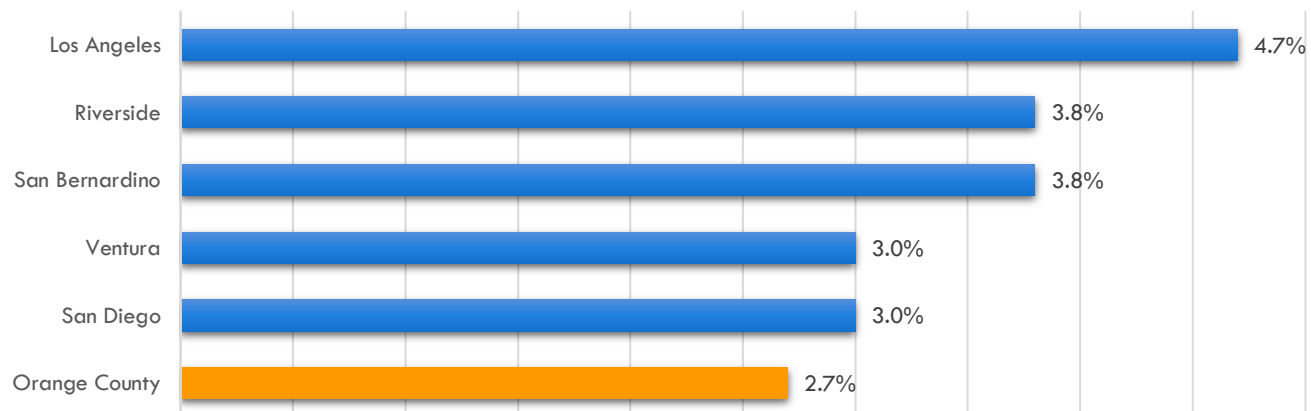


Unemployment Rates

Unemployment Rates (March 2009 to March 2022)



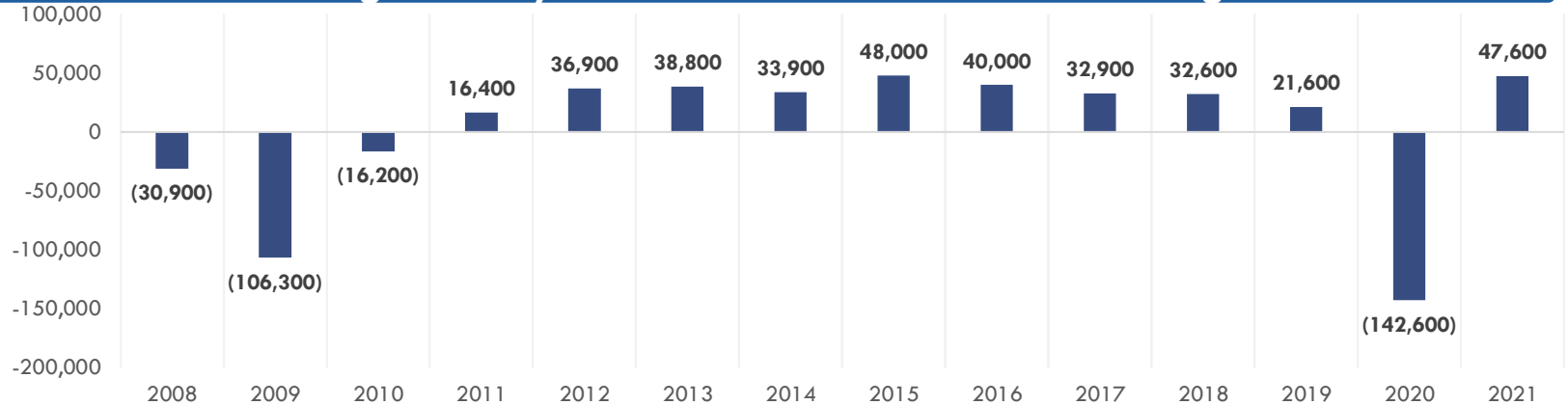
Unemployment Rate (April 2022)



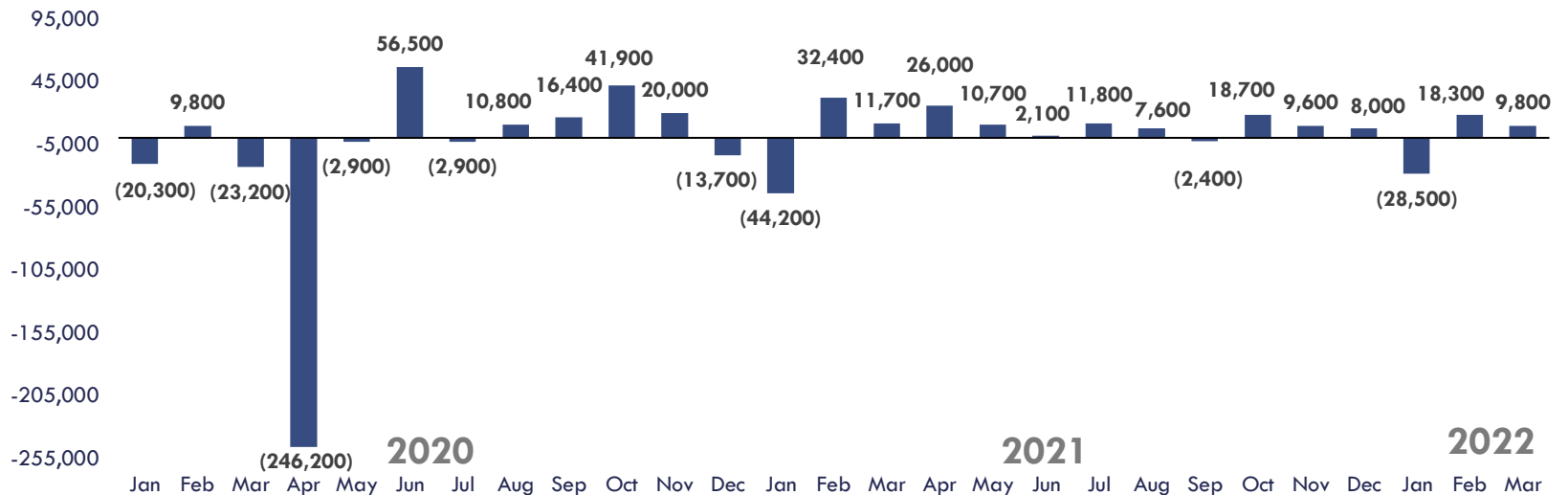
Source: State of California Employment Development Department

Employment Growth Rebounds In 2021

Orange County Nonfarm Jobs YOY Annual Change



Orange County Nonfarm Jobs Mo-Mo Change



Source: State of California Employment Development Department

Employment Changes Over The Past Year

Industry	2020	2021	Change YOY	Change YOY (%)
Construction	101,300	101,500	200	0.2%
Manufacturing	149,100	147,100	-2,000	-1.3%
Trade, Transportation & Utilities	242,300	249,700	7,400	3.1%
Information	24,100	23,800	-300	-1.2%
Financial Activities	115,900	116,100	200	0.2%
Professional & Business Services	310,100	322,200	12,100	3.9%
Educational & Health Services	225,800	236,400	10,600	4.7%
Leisure & Hospitality	161,800	179,000	17,200	10.6%
Other Services	44,100	47,000	2,900	6.6%
Federal Government	11,600	11,000	-600	-5.2%
State Government	32,600	33,700	1,100	3.4%
Local Government	111,900	110,600	-1,300	-1.2%
Total	1,530,600	1,578,100	47,500	3.1%

Source: State of California Employment Development Department

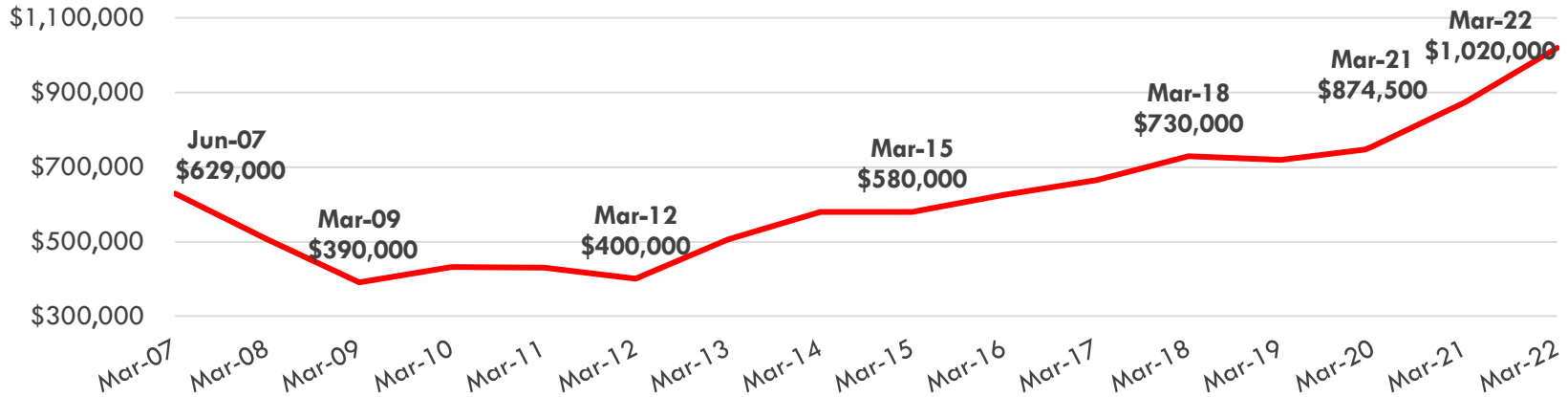
Employment And Compensation By Industry

Industry	2021	% of Employment	Change in Employment (2013-2021)	Annual Wages (Q3 2021)
Construction	101,500	6.4%	30.5%	\$ 78,364
Manufacturing	147,100	9.3%	-7.4%	\$ 106,444
Trade, Transportation & Utilities	249,700	15.8%	-0.4%	\$ 62,660
Information	23,800	1.5%	2.6%	\$ 239,148
Financial Activities	116,100	7.4%	2.4%	\$ 129,168
Professional & Business Services	322,200	20.4%	18.6%	\$ 108,420
Educational & Health Services	236,400	15.0%	26.9%	\$ 61,828
Leisure & Hospitality	179,000	11.3%	-4.7%	\$ 37,596
Other Services	47,000	3.0%	3.1%	\$ 49,504
Federal Government	11,000	0.7%	0.0%	\$ 86,164
State Government	33,700	2.1%	15.8%	\$ 89,232
Local Government	110,600	7.0%	1.8%	\$ 75,868

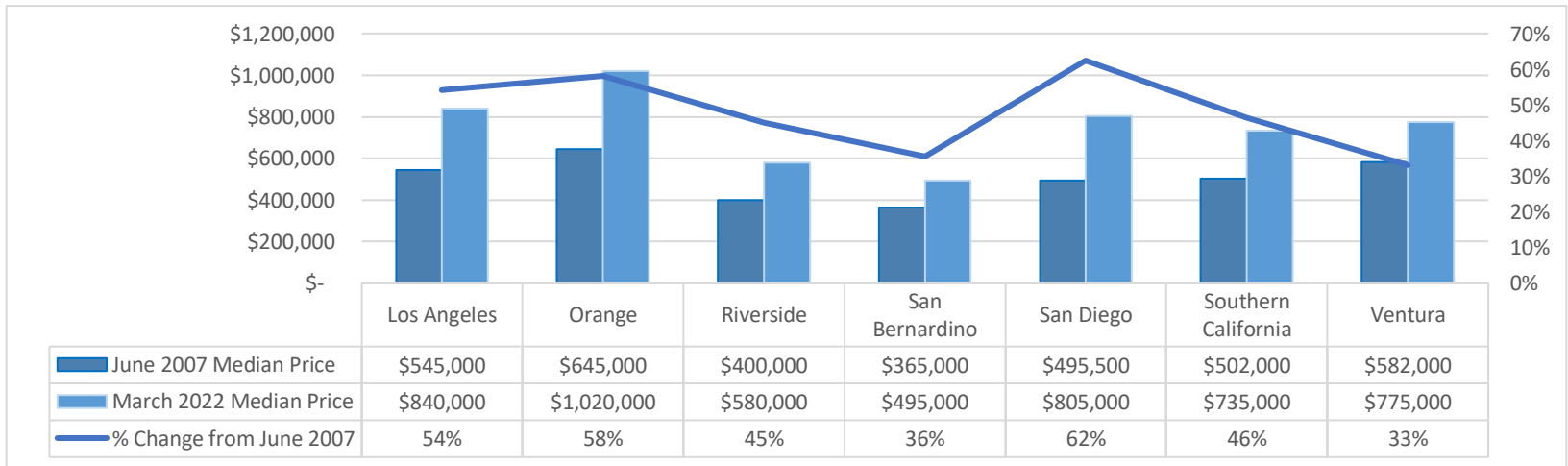
Source: State of California Employment Development Department

Home Prices At Historic Levels

Orange County Monthly Median Prices



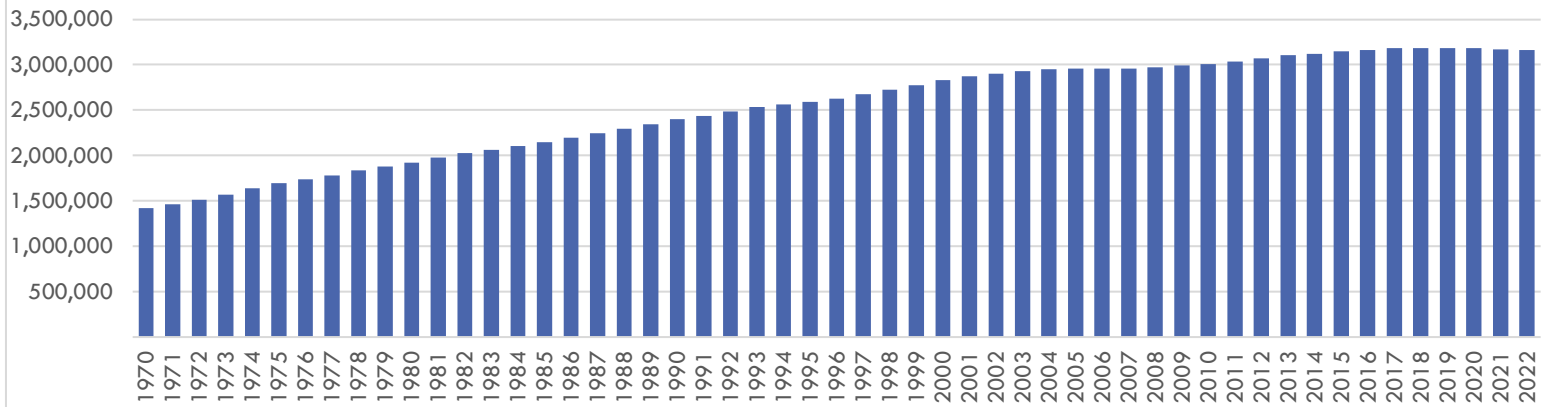
Change in Home Values from Market Peak



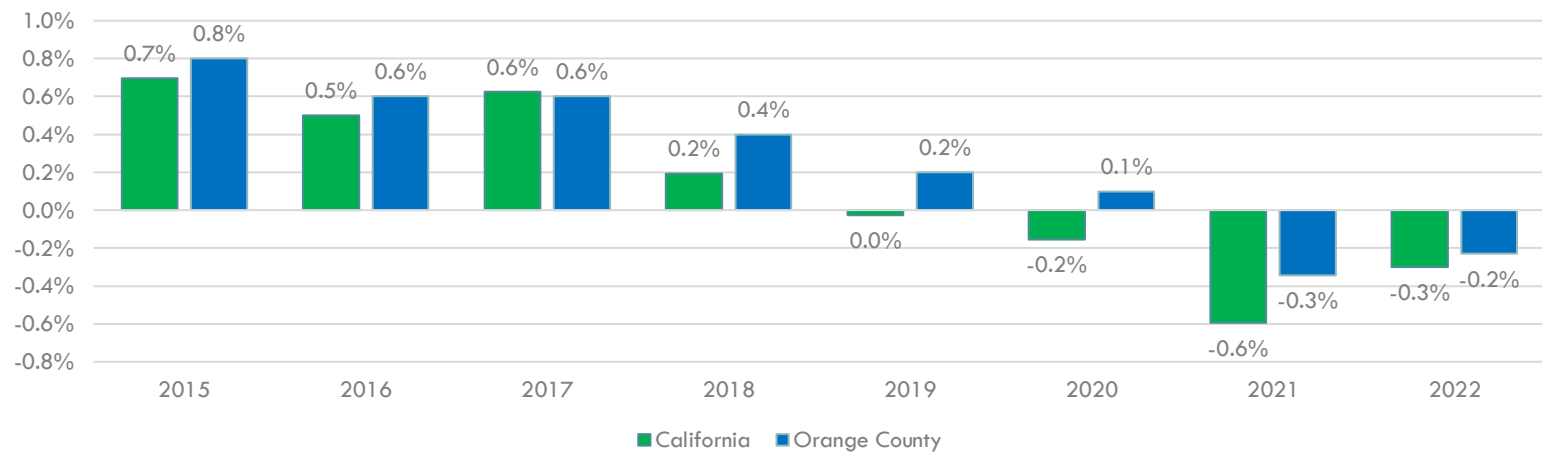
Source: State of California Employment Development Department

Orange County Population

Orange County Population (1971 to 2022)



Orange County Population Growth Rates (2015 to 2022)



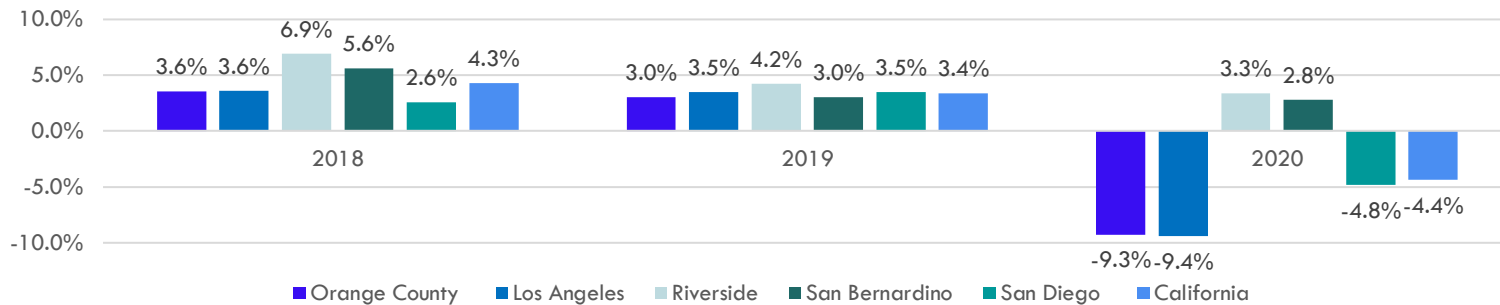
Source: California Department of Finance

Taxable Sales

Orange County Taxable Sales



Taxable Sales Growth Rates by County



Taxable Sales Per Capita

Orange County	Los Angeles	Riverside	San Bernardino	San Diego	California
\$19,995	\$15,497	\$17,076	\$19,729	\$17,539	\$17,705

Source: State of California Employment Development Department



3. Measure M Program

Background On Measure M Programs

- ❑ Half-cent countywide transportation sales tax
- ❑ Measure M1: 1991-2011
 - Delivered more than \$4 billion in transportation improvements
 - Leveraged \$1.2 billion in external revenues
 - Delivered more than 30 major freeway projects, including adding an additional project to widen SR-22
 - Brought Metrolink commuter rail service to Orange County in 1994
- ❑ Measure M2: 2011-41
 - Renewed in 2006 for 30 years
 - Passed by nearly 70% of voters



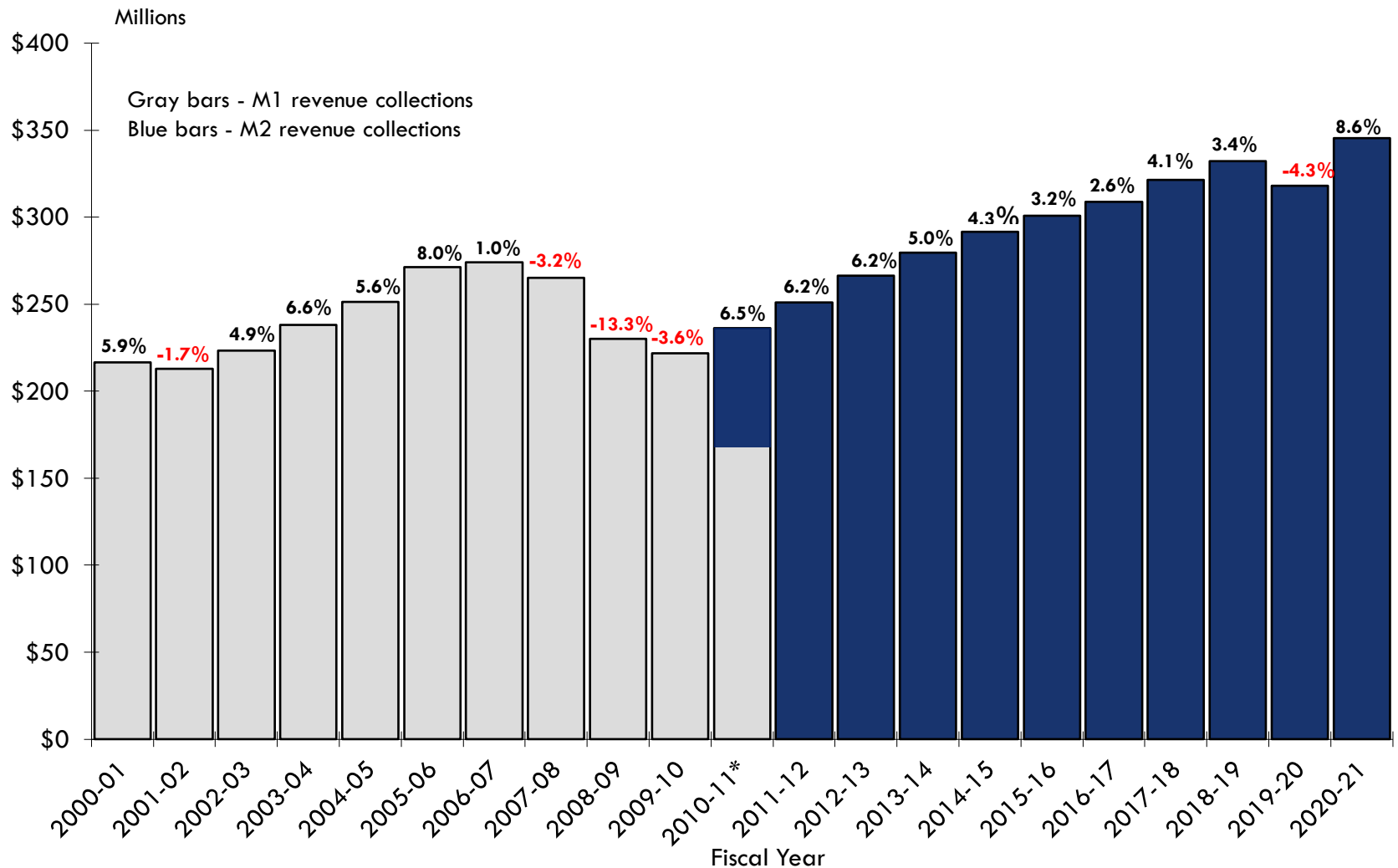
ENVIRONMENTAL

-  A total of 5% of OC Go Freeway Program funds is allocated to the Freeway Environmental Mitigation Program
-  A total of 2% of the overall OC Go Program funds is allocated to the Environmental Cleanup Program

Measure M2 Program Update

- ❑ M2 sales tax receipts increased by 3.4% in FY 2019 to \$332M and decreased by 4.3% in FY 2020 to \$318M due to the impact of COVID-19
- ❑ Sales tax receipts for FY 2021 grew by 8.6% to \$345 million
- ❑ Board adopted updated Next 10 Plan in December 2021
 - FY 2021 M2 sales tax forecast estimated to be \$13.2 billion for 30 years
 - M2 expenditure forecast incorporates higher short-term inflation
 - Future debt issuance of \$200 million anticipated in FY 2023
 - The M2 Program continues to be deliverable
- ❑ FY 2022 sales tax estimated to grow 21% to \$418 million,
- ❑ FY 2022 draft sales tax forecast estimated to be \$14.9 billion for 30 years
- ❑ M2 Performance Assessment covering FY 2019 through FY 2021 was completed with no significant findings.
- ❑ Taxpayer Oversight Committee determined that M2 is being delivered as promised to Orange County voters for the 31st consecutive year

Historical Sales Tax Collections

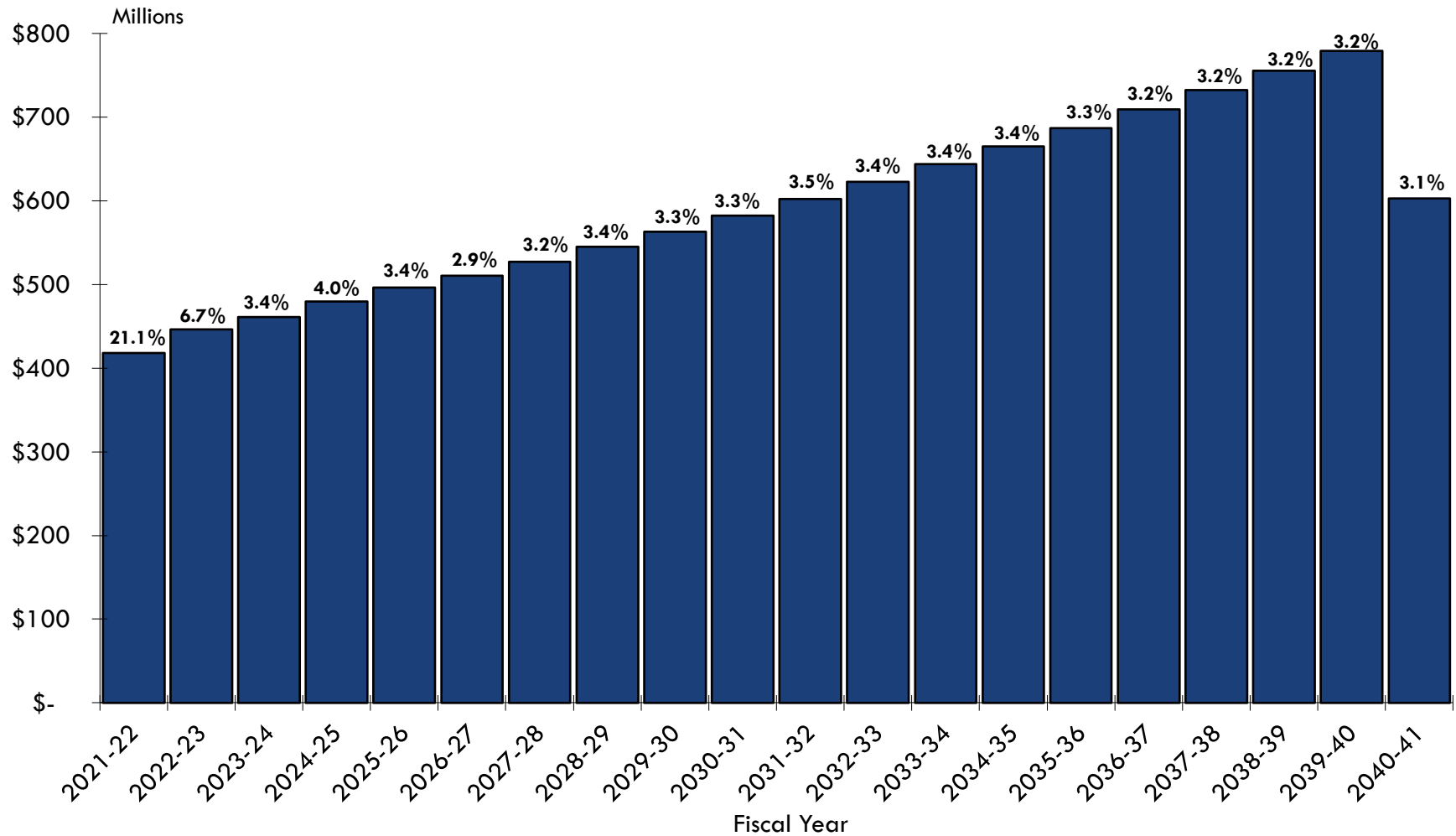


* FY 2010-2011 was the final year of M1 and first year of M2

Sales Tax Forecast Methodology

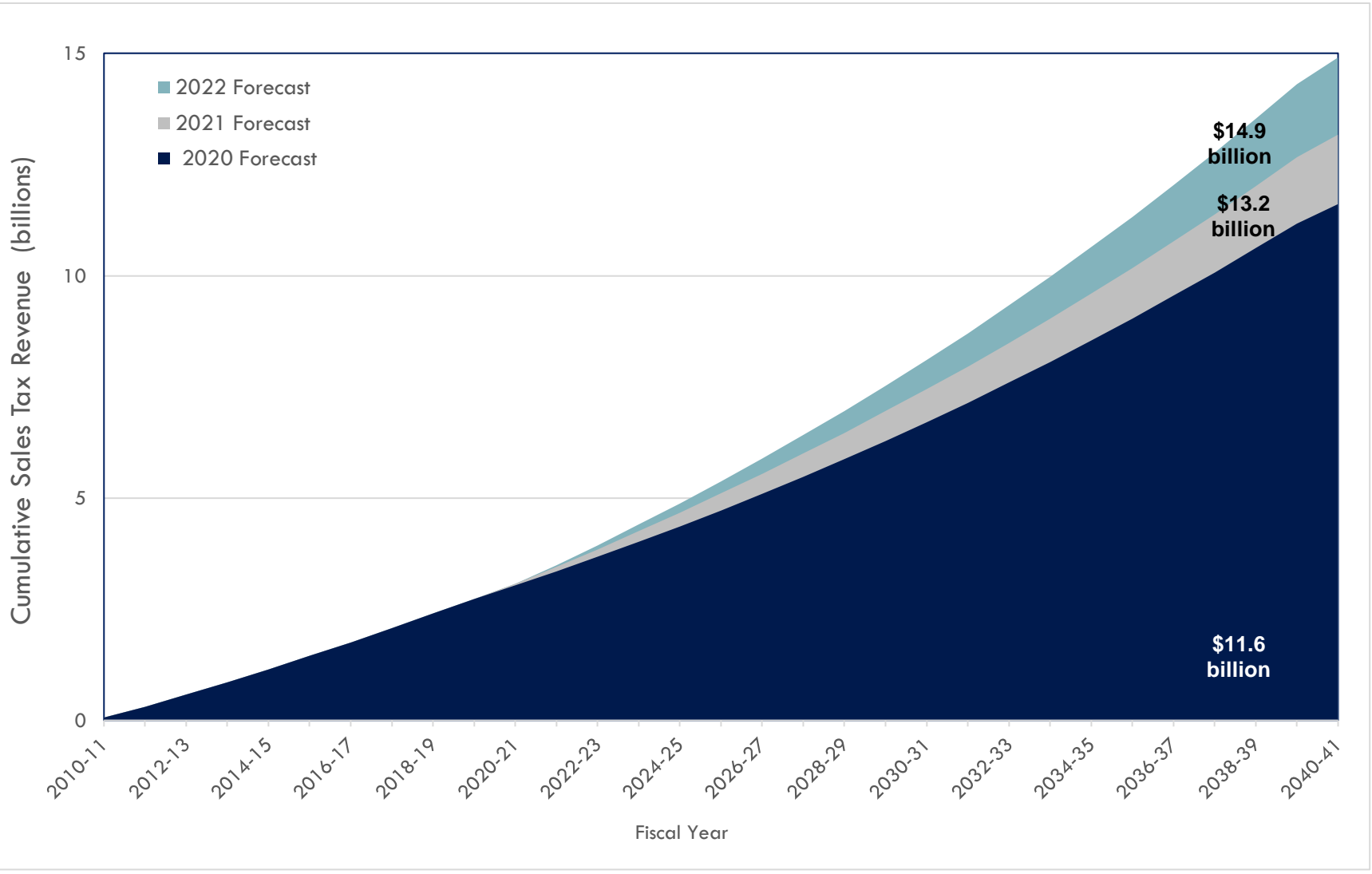
- ❑ Forecasting methodology is board approved and uses four entities which provide forecasts on an annual basis
- ❑ OCTA receives forecasts from MuniServices, LLC, University of California, Los Angeles, California State University, Fullerton, and Chapman University
- ❑ MuniServices, LLC's growth rates are used to forecast the first five years of the forecasting period
- ❑ An average of the growth rates from the forecasts provided by the three universities is used for the balance of the forecasting period

Measure M2 Sales Tax Forecast



* Fiscal Year 2041 represents forecasted sales tax receipts for three quarters

Forecast Comparison – 2022, 2021, 2020



Measure M2 Investment Plan

Funding Distribution



ENVIRONMENTAL



A total of 5% of OC Go Freeway Program funds is allocated to the Freeway Environmental Mitigation Program



A total of 2% of the overall OC Go Program funds is allocated to the Environmental Cleanup Program



M2 Projects and Programs

Freeway Projects

I-5	Santa Ana Freeway Interchange Improvements	A
I-5	Santa Ana/San Diego Freeway Improvements	B C D
SR-22	Garden Grove Freeway Access Improvements	E
SR-55	Costa Mesa Freeway Improvements	F
SR-57	Orange Freeway Improvements	G
SR-91	Riverside Freeway Improvements	H I J
I-405	San Diego Freeway Improvements	K L
I-605	Freeway Access Improvements	M
All	Freeway Service Patrol	N

Streets & Roads Projects

Regional Capacity Program	O
Regional Traffic Signal Synchronization Program	P
Local Fair Share Program	Q

Transit Projects

High Frequency Metrolink Service	R
Transit Extensions to Metrolink	S
Metrolink Gateways	T
Expand Mobility Choices for Seniors and Persons with Disabilities	U
Community Based Transit/Circulators	V
Safe Transit Stops	W

Environmental Cleanup

Clean Up Highway and Street Runoff that Pollutes Beaches	X
--	---

Taxpayer Safeguards and Audits

Collect Sales Taxes (State charges required by law)
Oversight and Annual Audits

M2 Accomplishments to Date

Streets

- 151 street capacity improvement projects
- 120 signal synchronization projects
- \$513 million in flexible funding distributed



Transit

- Expanded Metrolink service
- Station, track and grade crossing improvements
- OC Streetcar underway
- \$92 million for expanded mobility choices for seniors and persons with disabilities
- 112 bus stop enhancements
- 26 community-based circulators



Environmental

- 196 water quality projects
- 45 million gallons of trash collected



Freeways

- 13 projects completed
- 611,000 motorists assisted/ lane clearances
- Endowment to protect mitigation properties

Next 10 Deliverables Summary

2021 UPDATE

NEXT 10 GO DELIVERY PLAN

Streets

- Returns 18% to local agencies for transportation needs
- Provides annual grants to address bottlenecks
- Funds ongoing coordination of traffic signals



Freeways

- Delivers 14 freeway projects
- Prepares remaining freeway improvements for delivery

Transit

- Maintains Metrolink service and improves rail stations
- Completes OC Streetcar construction and begins operations
- Enhances mobility options for seniors and people with disabilities
- Continues support for localized transit options



Environmental

- Ensures ongoing preservation of purchased open space
- Provides annual grants for water cleanup projects

4. Agency Update

OCTA Updates

❑ Project Updates

- I-405 Improvement Project
- OC Streetcar
- OC Bus
- SR-55
- SR-241 / 91 Express Lanes Connector Update
- Risk Mitigation – Global Issues

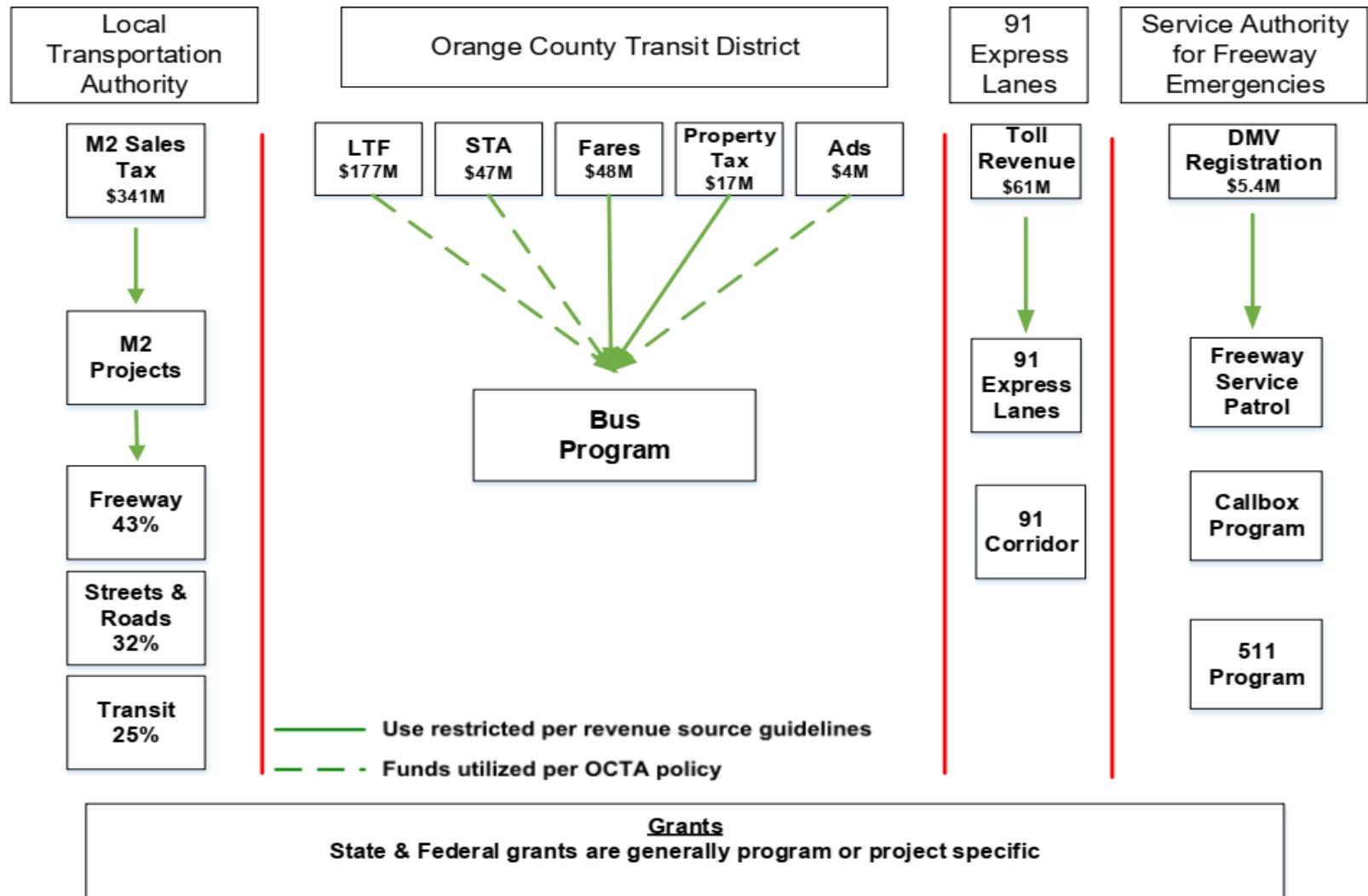


OCTA Updates, Cont. (Inflation)

❑ Inflation

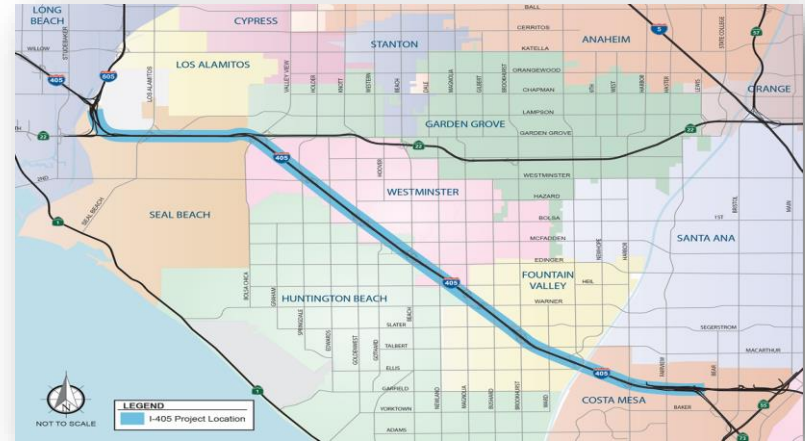
- Firm Fixed Price
- SR 55 Project Bid
- Comprehensive Business Plan
 - Long term estimates
- Conservative budgeting and forecasting

OCTA Revenue Firewalls



I-405 Significant Project Features

- ❑ Two new lanes in each direction (one general purpose lane and one tolled express lane)
- ❑ 18 bridge replacements plus new and widened bridges
- ❑ Interchange reconfigurations
- ❑ Merge lane improvements
- ❑ Arterial street improvements
- ❑ New and replaced soundwalls
- ❑ New bike lanes and sidewalks
- ❑ Anticipated seven-year design-build contract duration



I-405 Project Update

❑ General

- Project is 78% complete
- Agreements reached with 90% of utility for relocations

❑ Design and Right-of-Way Possession

- Substantially complete with both design and right-of-way possession

❑ Construction

- Nine of 18 bridge replacements complete
- All remaining bridges under construction
- Approximately 85% of walls complete
- Approximately 65% of paving complete
- Over 75% of ramps to be reconstructed complete
- Substantial completion is currently scheduled for October 31, 2023

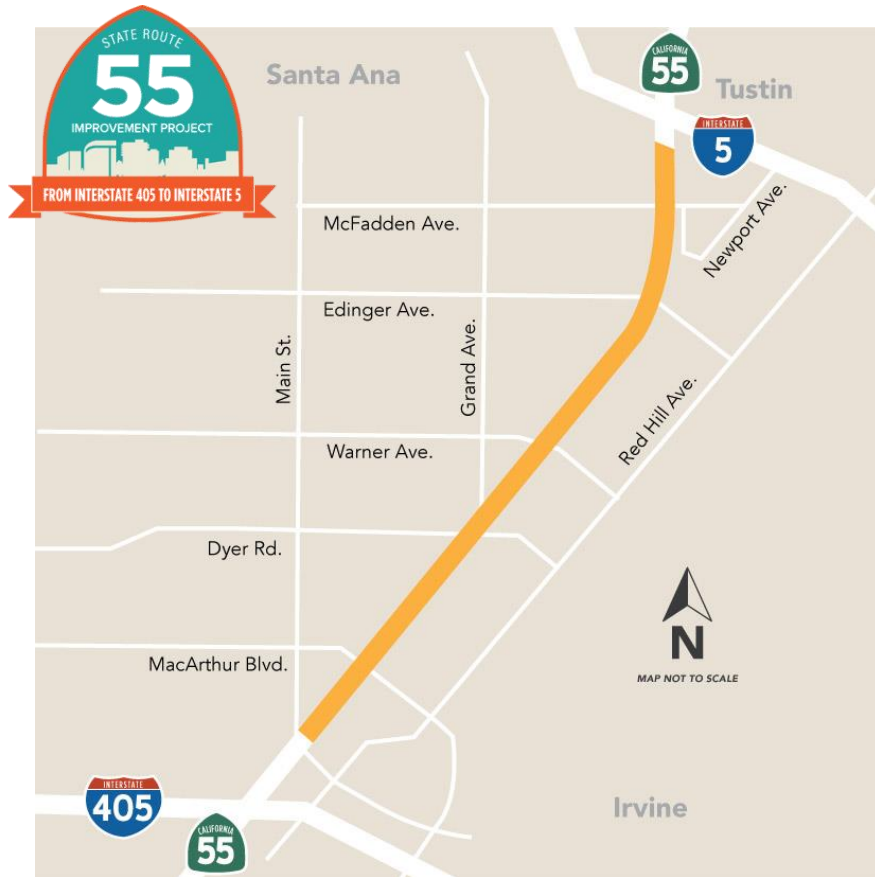
- ❑ The net OCTA project cost estimate is \$2.08 billion and is fully funded by federal, state, and local funding sources



I-405 Milestones And Next Steps

Activity/Milestone	Completion Date
Design-Build Implementation	
Design and construction	2017-2023
Construction began	March 2018
Substantial Completion	October 2023
Toll Lanes System Integrator	
Contract awarded	May 2018
Back Office System and Customer Service Vendor	
Contract executed	January 2022

SR-55 Improvements (I-405 to I-5)



Scope:

- Adds one regular lane in each direction
- Adds second carpool lane in each direction
- Adds auxiliary lanes

Status:

Summer 2022: Start of construction

2026: Anticipated completion

OC Streetcar



Scope:

- 4.1 miles connecting Santa Ana transportation center to Harbor Boulevard in Garden Grove

Benefits:

- Improves air quality, eases congestion, offers high-frequency transit, enhances transit connectivity

Status:

2024: Operations scheduled to begin

OC STREETCAR BY THE NUMBERS

PROJECT FEATURES

OCTA BUS CONNECTIONS: 14

FLEET SIZE: 8

FREQUENCY: 10-15 MINUTES

STOPS: 10 (IN EACH DIRECTION)



STREETCAR CAPACITY:
UP TO 211 PEOPLE

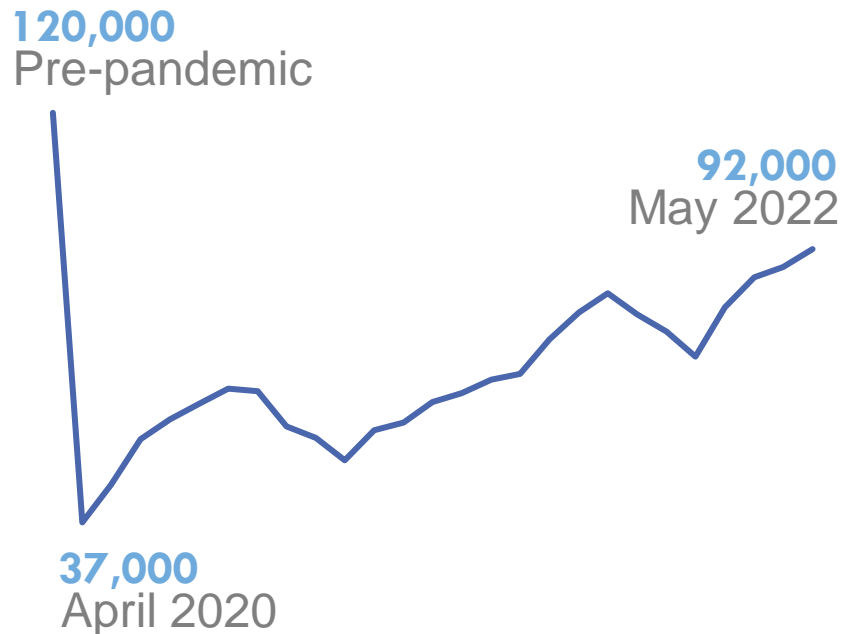
DAILY TRAIN CONNECTIONS
AT SARTC: 65+

ROUTE: 4.15 MILES (in each direction)



OC Bus Ridership

Average Daily Weekday OC Bus Boardings



Attracting Ridership



- ☐ Youth 18 and under ride OC Bus for free
 - OCTA is the first large transit agency in the region to offer free rides to youth
- ☐ Students enrolled at most community colleges in Orange County also ride OC Bus for free

Making Better Connections Study

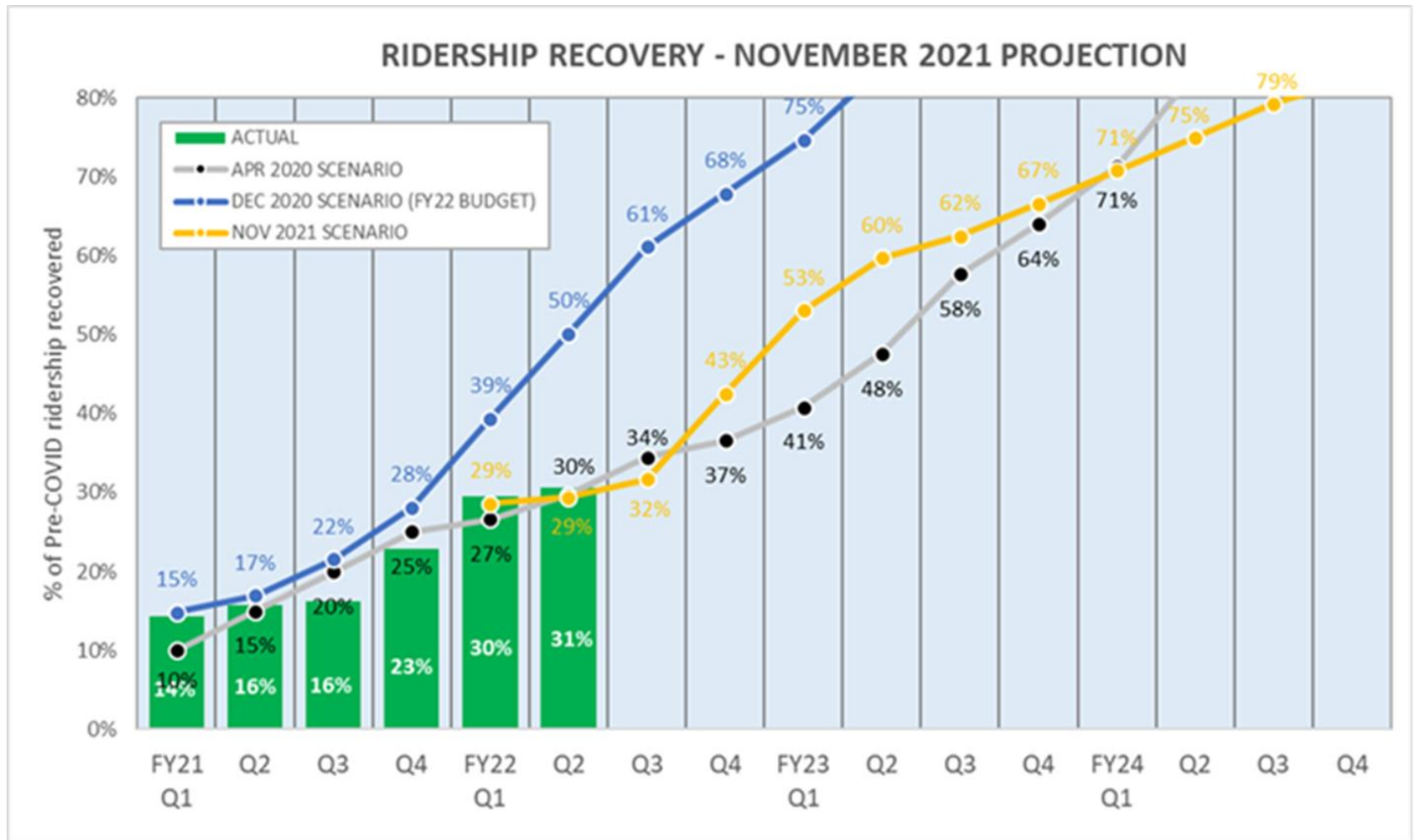
Making Better
Connections



OCBUS

- Last bus restructuring study completed in 2012 and implemented as OC Bus 360° in 2016-18
- Transit ridership trending downward over the last decade
- Address changes to traveling behavior in response to COVID-19
- Evaluate OC Bus performance to better align transit services with changing travel patterns
- Improve customer experience and grow ridership by:
 - Matching service to markets
 - Preserving and improving core service
 - Leveraging innovation and technology to reduce customer wait and travel times

Metrolink Ridership Recovery Forecast



Infrastructure Investment and Jobs Act



Over five years, California will receive:

 \$29.96 billion in highway funding

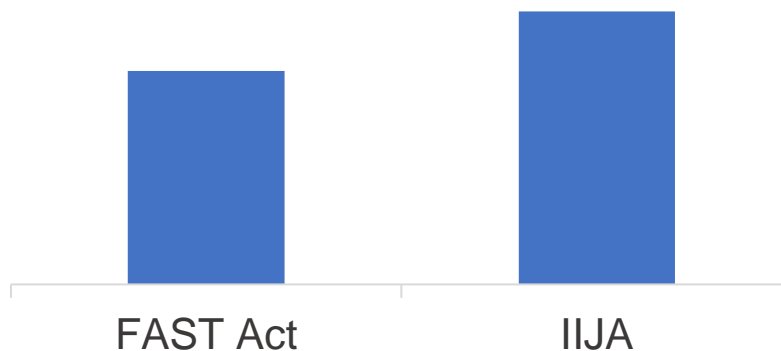
 \$9.45 billion in transit funding



OCTA expected to receive:

- Nearly \$1 billion in formula funding over next five years

**28% Increase over
FAST Act Funding Levels**



**Funding Evenly Split Between
Highways & Transit:**

 \$493 million in highway funding

 \$477 million in transit funding

FY 2022-23 Budget Highlights



Sales tax receipts anticipated to be significantly higher than current year



Bus operations budget includes capacity to add fixed-route service and accommodate increases in OC ACCESS trips



Metrolink budget includes capacity to reach pre-pandemic trip levels



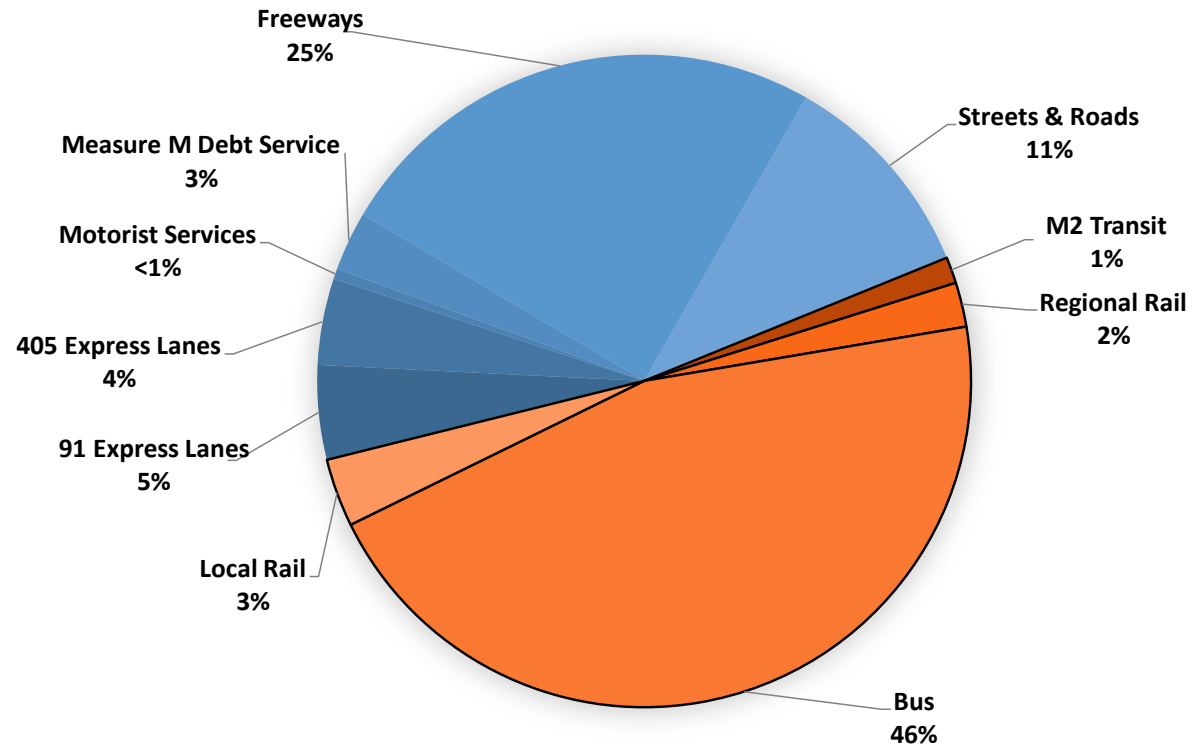
Measure M continues to provide funding for freeways, streets and transit modes consistent with the Next 10 Delivery Plan



Strong trip growth anticipated for the 91 Express Lanes

Total Budget by Program

**\$1.65
billion
budget**



ESG: Sustainability at OCTA

octa.net/green

- HOV / managed lanes
- Express Lanes Network Study
- Signal synch
- Clean transit



- Zero-emission bus roll-out plan
- Testing hydrogen fuel-cell and battery-electric buses



- 2% of Measure M allocated to improve OC's water quality



- Climate Resiliency and Sustainability Plan



- 5% of Measure M allocated to the Environmental Mitigation Program
- 1,300 acres of open space acquired
- 12 restoration projects funded

ESG: Connecting with Diverse & Disadvantaged Communities

Partnerships & Projects



Conduct diversity outreach programs

Ensure strategies are integrated with capital projects, planning studies, transit marketing and more



Maximize relationships with stakeholders that represent diverse communities

Enhance engagement opportunities with OCTA's Diverse Community Leaders



Communicate DEI efforts to public & stakeholders

Maintain & update octa.net/equity

People



Support employees' voices

Implement a schedule for recognizing historical and cultural dates internally and pilot an Employee Resource Group



Further train managers to identify unconscious bias in hiring

Develop and implement interview training for managers that encompasses unconscious bias



Provide unconscious bias training for employees

Launch online version of training for new administrative employees

Policies & Programs



Review OCTA's policies, practices & programs related to DEI

Implement recommendations from consultant to enhance DEI efforts



Provide updates on AAP/EEO development & implementation; Adhere to federal requirements

Present biannual updates to OCTA executive leadership



Communicate DEI efforts

Present overview of DEI activities to the OCTA Board

*DEI – Diversity, Equity & Inclusion
AAP – Affirmative Action Plan; EEO – Equal Employment Opportunity*



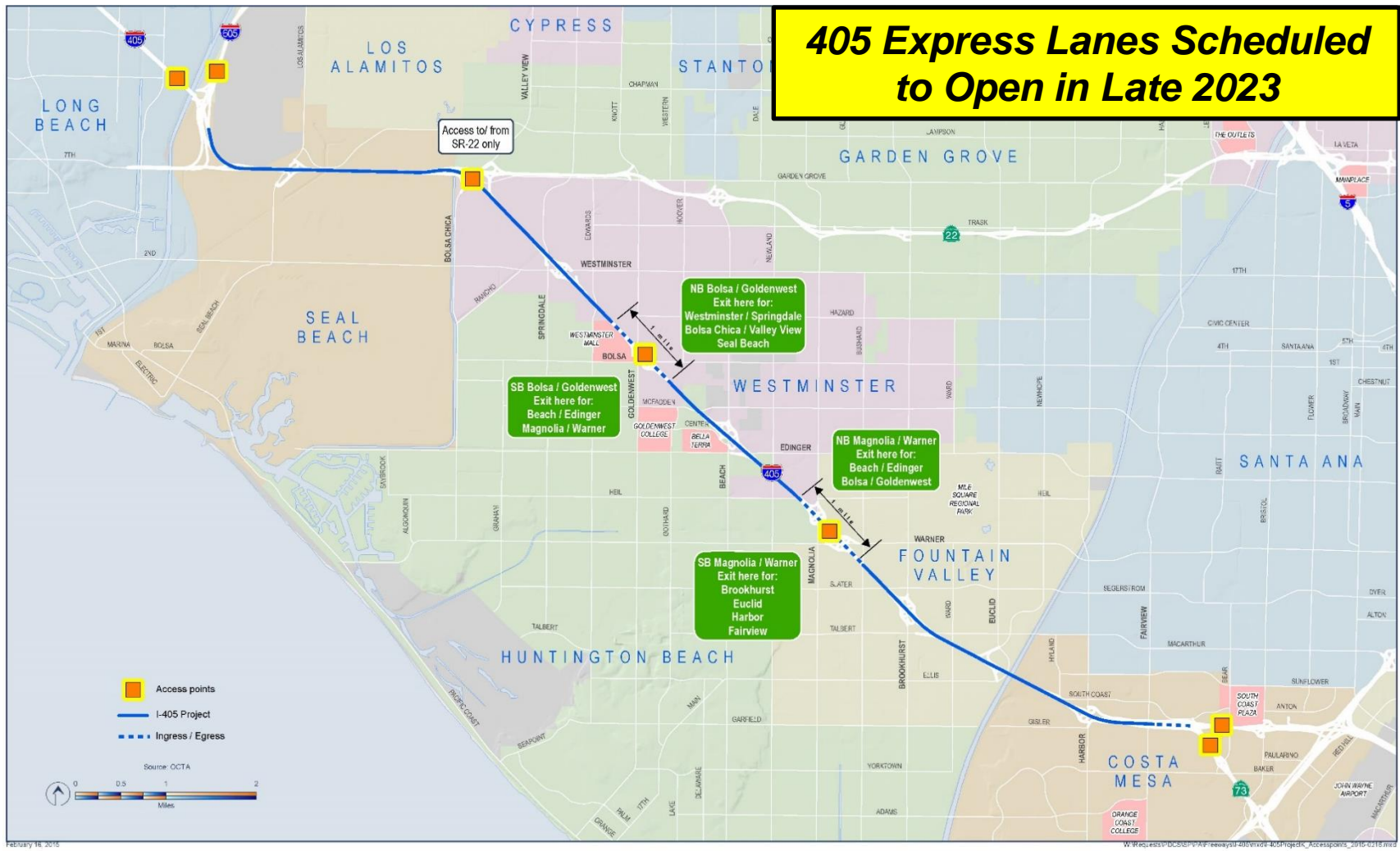
5. Express Lanes Programs

State Route 91 Corridor



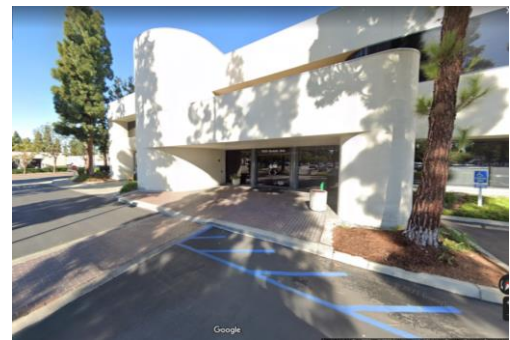
Interstate 405 Corridor

405 Express Lanes Scheduled to Open in Late 2023

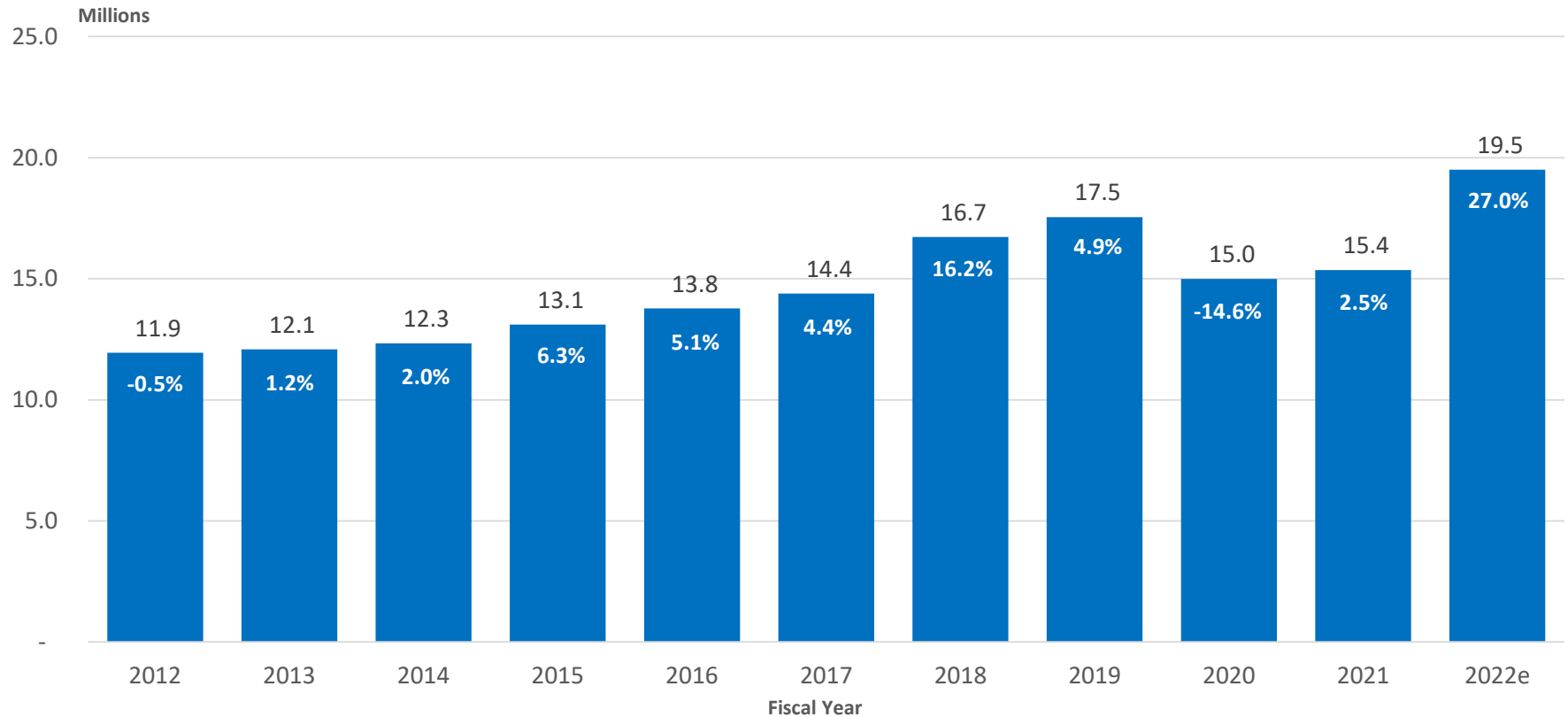


Express Lanes Update

- ❑ 91 Express Lanes traffic volumes and toll revenues have reached historic highs
- ❑ 91 Express Lanes back-office system implemented and transitioned to new operating contract
- ❑ Utilizing Freeway Services Patrols for roadway services on the 91 Express Lanes
- ❑ Selected vendor for 405 back-office systems/customer service center and executed agreement
- ❑ Entered into long-term lease for a 405 Express Lanes customer service center
- ❑ Continued to work with the Riverside Transportation Commission, the Transportation Corridor Agencies, and Caltrans on the delivery of a 241/91 Express Lanes Connector (tolled)



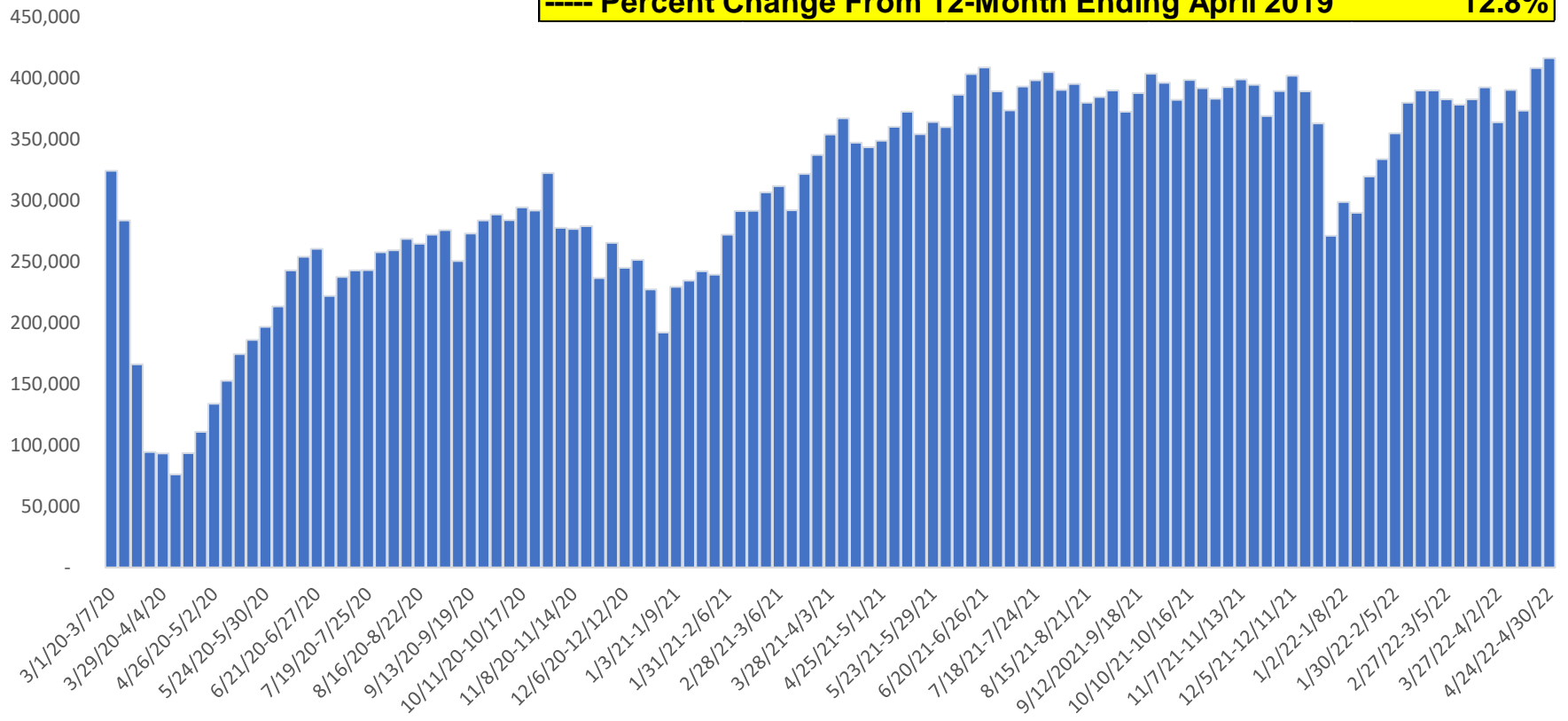
Historical Annual Traffic Volumes



Closer Look at Weekly Traffic Volumes

12-Month Ending April 2022 Traffic Volumes	19,708,044
----- Percent Change From 12-Month Ending April 2021	41.9%
----- Percent Change From 12-Month Ending April 2020	21.7%
----- Percent Change From 12-Month Ending April 2019	12.8%

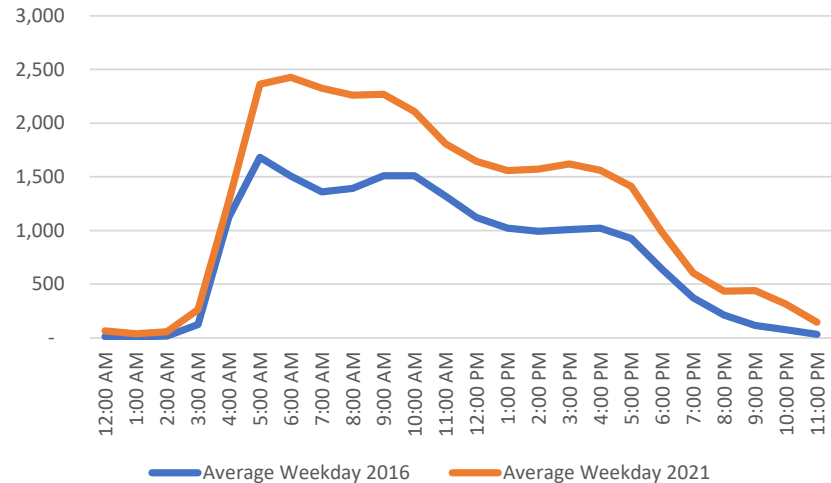
Weekly Trips



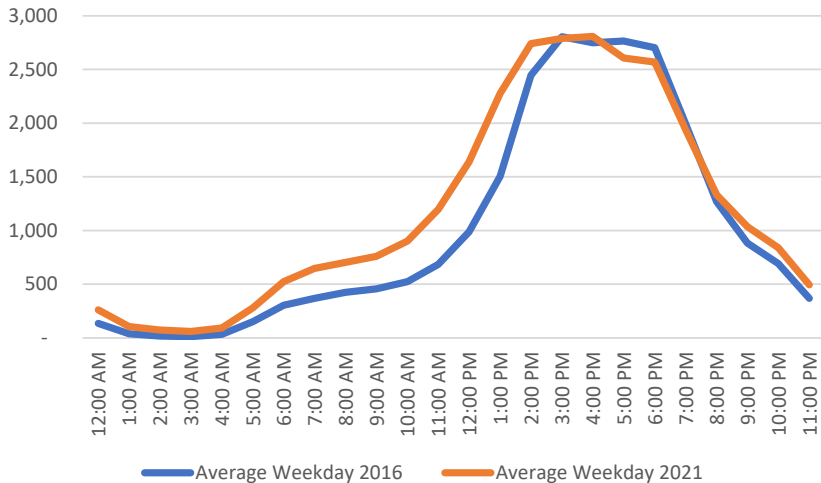
Change in Travel Patterns Over the Years

Opening of 91 Express Lanes Extension in Riverside County Increased Volumes in the Westbound Direction and COVID-19 Expanded Peak Travel Hours

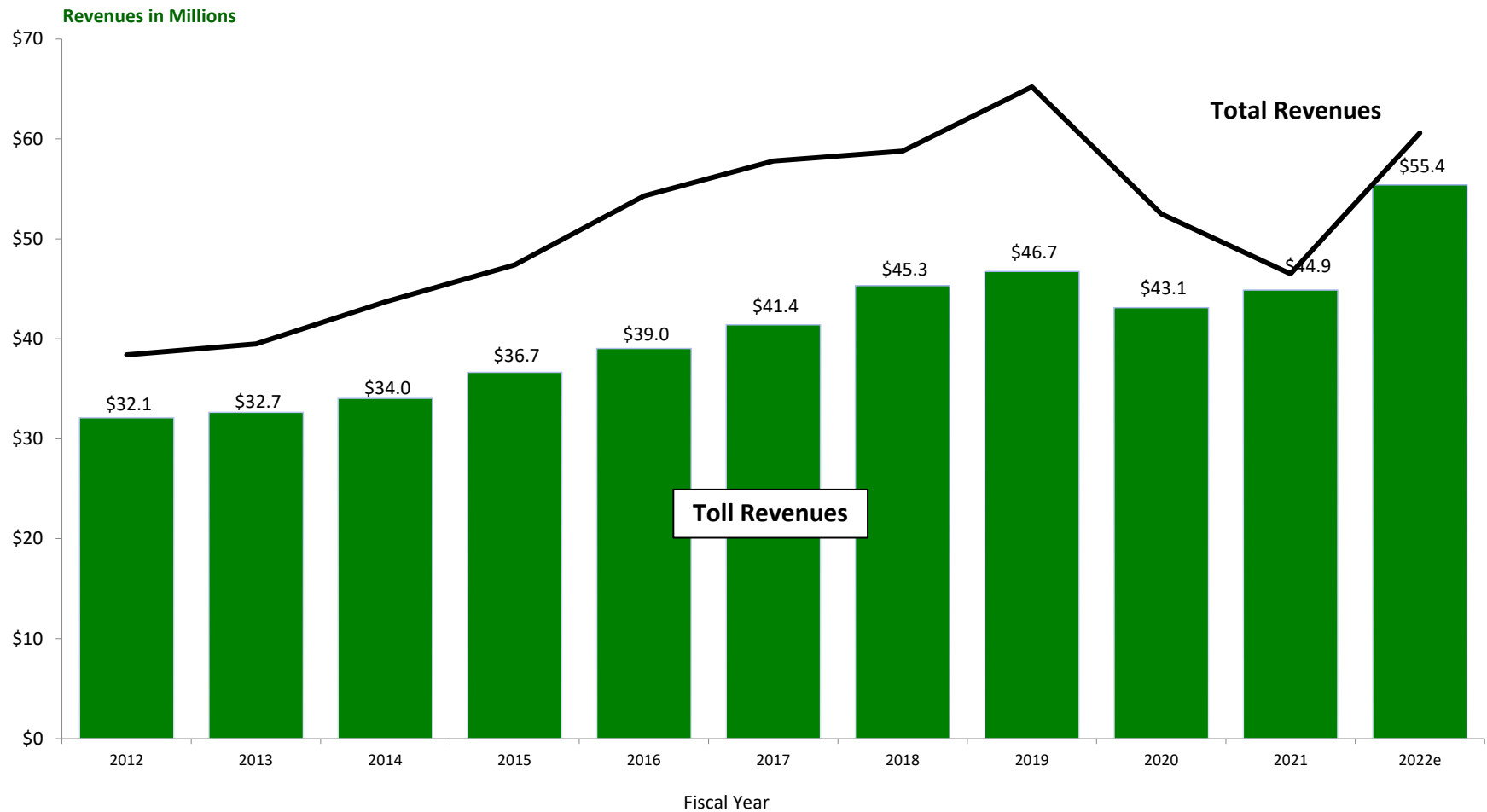
Westbound Weekday Averages



Eastbound Weekday Averages



Revenues By Year



Toll Rates As Of April 2022

Westbound

Riverside County Line to SR-55

	Sun	M	Tu	W	Th	F	Sat
Midnight	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
1:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
2:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
3:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
4:00 AM	\$1.75	\$3.15	\$3.15	\$3.15	\$3.15	\$3.15	\$1.75
5:00 AM	\$1.75	\$5.10	\$5.10	\$5.10	\$5.10	\$4.85	\$1.75
6:00 AM	\$1.75	\$5.30	\$5.30	\$5.30	\$5.30	\$5.10	\$1.75
7:00 AM	\$1.75	\$5.80	\$5.80	\$5.80	\$5.80	\$5.65	\$2.20
8:00 AM	\$2.20	\$5.30	\$5.30	\$5.30	\$5.30	\$5.10	\$2.60
9:00 AM	\$2.20	\$4.20	\$4.20	\$4.20	\$4.20	\$4.20	\$3.30
10:00 AM	\$3.30	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30
11:00 AM	\$3.30	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.70
Noon	\$3.30	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.70
1:00 PM	\$3.70	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.70
2:00 PM	\$3.70	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.70
3:00 PM	\$3.70	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30	\$3.70
4:00 PM	\$3.85	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30	\$3.85
5:00 PM	\$3.85	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30	\$3.85
6:00 PM	\$3.85	\$2.60	\$2.60	\$2.60	\$2.60	\$3.80	\$3.30
7:00 PM	\$3.30	\$1.75	\$1.75	\$1.75	\$1.75	\$2.60	\$2.60
8:00 PM	\$3.30	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
9:00 PM	\$3.30	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
10:00 PM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
11:00 PM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75

OCTA Westbound Maximum Rate: \$5.80
 RCTC Westbound Maximum Rate: \$18.30

Eastbound

SR-55 to Riverside County Line

	Sun	M	Tu	W	Th	F	Sat
Midnight	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
1:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
2:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
3:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
4:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
5:00 AM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75
6:00 AM	\$1.75	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$1.75
7:00 AM	\$1.75	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$1.75
8:00 AM	\$2.10	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60
9:00 AM	\$2.10	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60
10:00 AM	\$3.30	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30
11:00 AM	\$3.30	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.30
Noon	\$3.80	\$2.60	\$2.60	\$2.60	\$2.60	\$3.95	\$3.80
1:00 PM	\$3.80	\$3.65	\$3.65	\$3.65	\$3.95	\$6.20	\$3.80
2:00 PM	\$3.80	\$5.30	\$5.30	\$5.30	\$7.70	\$8.35	\$3.80
3:00 PM	\$3.30	\$5.65	\$5.75	\$7.45	\$7.45	\$7.90	\$3.80
4:00 PM	\$3.30	\$5.10	\$5.25	\$6.50	\$7.00	\$6.95	\$3.80
5:00 PM	\$3.30	\$4.95	\$4.90	\$5.40	\$6.70	\$6.75	\$3.80
6:00 PM	\$3.30	\$5.65	\$4.05	\$4.05	\$4.50	\$6.75	\$3.30
7:00 PM	\$3.30	\$3.95	\$3.95	\$3.95	\$5.75	\$6.25	\$2.60
8:00 PM	\$3.30	\$2.60	\$2.60	\$2.60	\$3.65	\$5.75	\$2.60
9:00 PM	\$2.60	\$2.60	\$2.60	\$2.60	\$2.60	\$3.65	\$2.60
10:00 PM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$2.60	\$1.75
11:00 PM	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75	\$1.75

OCTA Eastbound Maximum Rate: \$8.35
 RCTC Eastbound Maximum Rate: \$26.80

405 Express Lanes Update

- ❑ Toll Systems Integrator (In-Lane System, Electronic Message Signs, Corridor Cameras)
 - Kapsch TrafficCom working with OC 405 Partners on design and coordination
- ❑ Back-Office System and Customer Service Center Operations
 - Working with WSP USA Services, Inc. to develop the back-office system
- ❑ Customer Service Center
 - Executed long-term lease and completed initial design
- ❑ Traffic Operations Center
 - Utilizing OCTA's Santa Ana Bus Base location
 - Build out anticipated to be completed in summer 2022 and turned over to Kapsch TrafficCom
 - Kapsch TrafficCom will install monitoring equipment and staff 24/7 operation

241/91 Express Lanes Connector Update

- ☐ Agencies continue to meet on a regular basis to advance the project to construction
- ☐ Estimated costs updated to \$350-380 million, funded by the TCAs
- ☐ State grant funding for the project will be pursued and TCAs will be seeking AB 194 tolling authority
- ☐ Traffic modeling and analysis continues to be performed
- ☐ OCTA's priority is to control the number of vehicles entering the 91 Express Lanes
- ☐ Estimated opening is late 2026



Upcoming Events

- ☐ Complete installation of 91 Express Lanes new entrance readers and replace digital cameras along the SR-91 corridor
- ☐ Receive updated traffic and revenue study for the 91 Express Lanes
- ☐ Adjust toll rates as required
- ☐ Develop initial toll rate schedule and update toll policy for the 405 Express Lanes
- ☐ Procure marketing services for the 405 Express Lanes
- ☐ Continue participating with partner agencies in the development of the 241/91 Express Connector project

6. Debt Programs and Financing Plans

Debt Profile Update

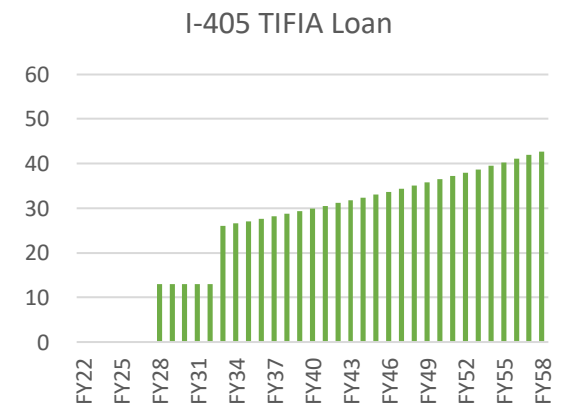
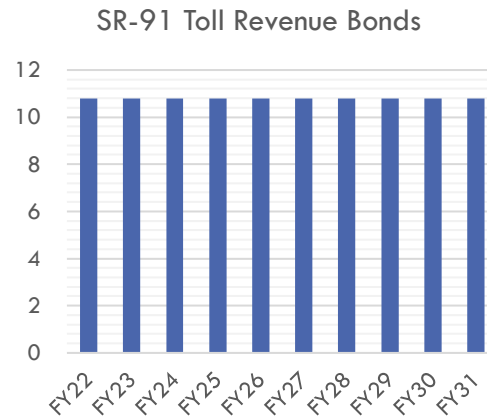
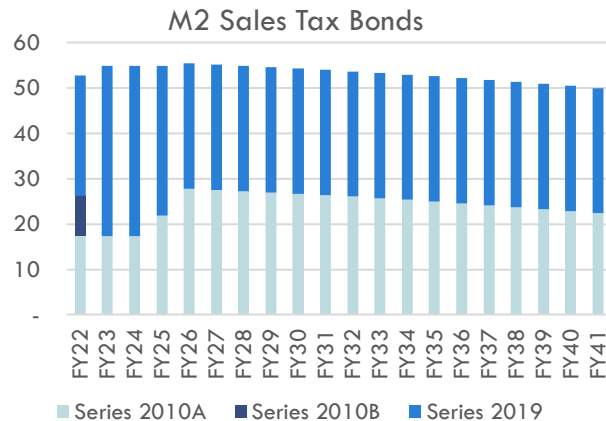
- ❑ \$610.2 million M2 Sales Tax Revenue Bonds debt outstanding
- ❑ \$78.5 million in Senior Lien Toll Road Revenue Refunding Bonds (Series 2013) outstanding for the 91 Express Lanes program
- ❑ I-405 Toll Revenue Loan (I-405 Express Lanes)
 - TIFIA Loan Reset
 - \$662.8 million in Bond Anticipation Notes outstanding (2021 TIFIA BANs)

Debt Profile - Outstanding Debt Of \$1.4 Billion

Debt Summary

Credit	Original Par Amount	Outstanding Par Amount	Final Maturity	Ratings (Fitch/Moody's/S&P)
M2 Sales Tax Revenue Bonds				
2010 Series A (Taxable BABs)	\$ 293,540,000	\$ 250,000,000	2041	AA+/Aa2/AA+
2019 Series (Tax-Exempt)	\$ 376,690,000	\$ 360,170,000	2041	AA+/-/AA+
91Toll Revenue Bonds (91 Express Lanes)				
2013 Series Refunding Bonds	\$ 124,415,000	\$ 78,515,000	2030	A+/A1/AA-
I-405 Toll Revenue Loan (I-405 Express Lanes)				
2021 TIFIA Loan	\$ 628,930,000	\$ --	2058	--/Baa2/--
2021 Bond Anticipation Notes	\$ 662,820,000	\$ 662,820,000	2024	Aa3/AA
Total		\$ 1,351,505,000		

Debt Service By Credit (\$MM)*



*Excludes 2021 BANs

91 Express Lanes Debt

- ❑ \$78.5 million in Senior Lien Toll Road Revenue Refunding Bonds (Series 2013) outstanding for the 91 Express Lanes program
- ❑ Structure of the outstanding debt includes:
 - Fixed-rate debt with level annual debt service
 - Average debt service per year of \$10.8 million
 - Final maturity of December 2030
 - Open lien indenture
- ❑ Indenture-required reserves:
 - Operating Reserve Fund at \$3 million
 - Major Maintenance Reserve Fund at \$10 million
 - Debt Service Reserve Fund at \$10.8 million
- ❑ Two additional reserves funded by OCTA
 - Capital Reserve: \$26 million
 - SR-91 Corridor Projects Reserve: \$75 million
- ❑ Franchise Agreement terminates in 2065



91 Express Lanes Historical Coverage

<i>\$ in Millions</i>	FY 2016-17	FY 2017-18	FY 2018-19	FY 2019-20	FY 2020-21	FY 2021-22e
Gross Potential Toll Revenues	\$ 44.59	\$ 49.65	\$ 51.85	\$ 46.51	\$ 48.97	\$ 60.21
Tolls	41.40	45.33	46.74	43.11	44.88	55.39
Add: Non-Toll Revenues	16.43	13.46	18.45	9.39	1.63	5.22
Revenues	57.83	58.79	65.19	52.50	46.51	60.61
Less: Current Expenses	(31.83) *	(16.40)	(15.31)	(15.05)	(14.73)	(15.00)
Net Revenues for Debt Service	\$ 25.99	\$ 42.39	\$ 49.89	\$ 37.46	\$ 31.78	\$ 45.61
Debt Service	\$ 10.80	\$ 10.79	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80
Debt Service Coverage Ratio	2.41x	3.93x	4.62x	3.47x	2.94x	4.23x

* Current Expenses in FY 2017 include \$13.7 million for the pavement rehabilitation project which was classified as an operating expense instead of a capital expense. The project was funded with 91 Express Lanes capital reserve funds.

91 Express Lanes Coverage Projections With No Revenue Growth

<i>\$ in Millions</i>	FY 2022-23	FY 2023-24	FY 2024-25	FY 2025-26	FY 2026-27	FY 2027-28	FY 2028-29	FY 2029-30	FY 2030-31
Gross Potential Toll Revenues (1)	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21	\$ 60.21
Tolls (2)	55.39	55.39	55.39	55.39	55.39	55.39	55.39	55.39	55.39
Add: Non-Toll Revenues (3)	5.22	5.22	5.22	5.22	5.22	5.22	5.22	5.22	5.22
Revenues	60.61	60.61	60.61	60.61	60.61	60.61	60.61	60.61	60.61
Less: Current Expenses (4)	(15.60)	(16.22)	(16.87)	(17.55)	(18.25)	(18.98)	(19.74)	(20.53)	(21.35)
Net Revenues for Debt Service	<u>\$ 45.01</u>	<u>\$ 44.39</u>	<u>\$ 43.74</u>	<u>\$ 43.07</u>	<u>\$ 42.36</u>	<u>\$ 41.63</u>	<u>\$ 40.87</u>	<u>\$ 40.08</u>	<u>\$ 39.26</u>
2013 Bonds Debt Service	\$ 10.79	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80	\$ 10.80

Debt Service Coverage Ratio for Outstanding Bonds	4.17x	4.11x	4.05x	3.99x	3.92x	3.86x	3.79x	3.71x	3.64x
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(1) No revenue growth - revenues remain at FY 2022 levels

(2) Tolls reflect 92% of Gross Potential Toll Revenues

(3) Non-toll revenues are estimated to remain the same as FY 2022 levels

(4) Current expenses are estimated to increase by an average of 4.0% per year

TIFIA Loan Reset And 2021 BANs Issuance

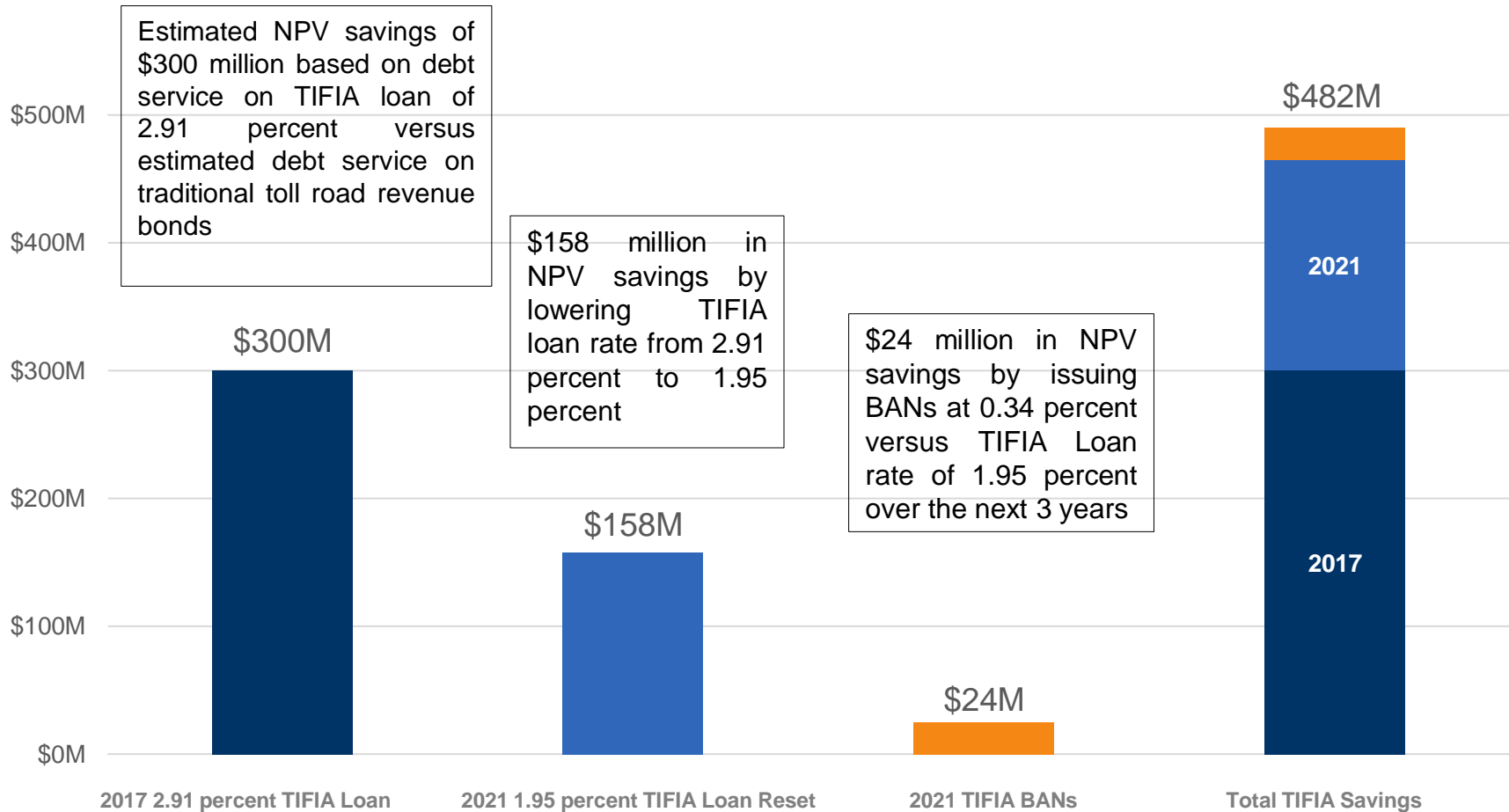
❑ TIFIA Loan Reset

- Original TIFIA loan amount of \$629 million at 2.91 percent
- The rate reset closed on September 9, 2021 at 1.95 percent
- \$158 million in NPV savings
- OCTA became the first agency to close on a partially drawn TIFIA loan
- No change in commercial terms

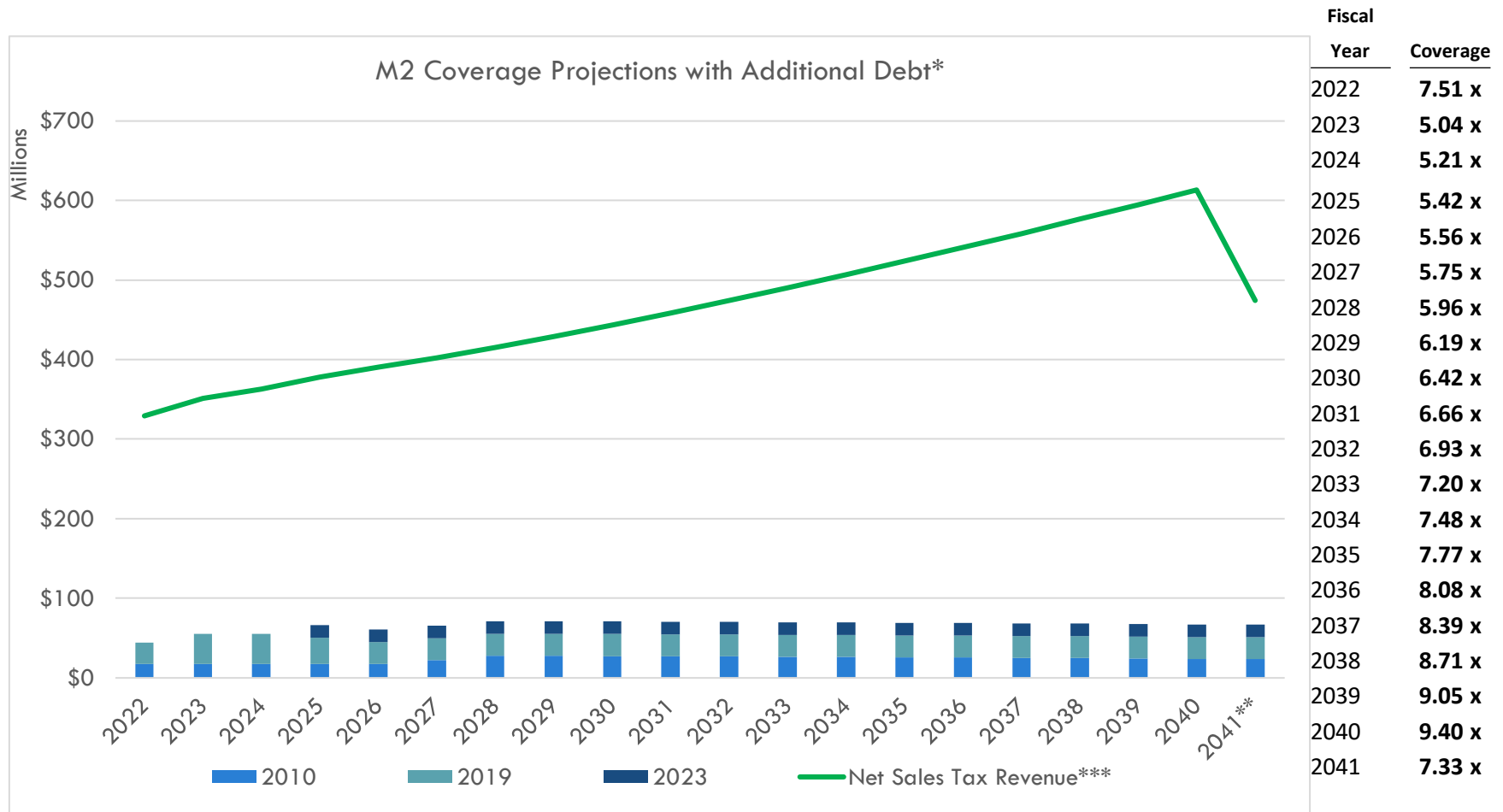
❑ 2021 BANs

- Issued \$663 million in BANs at a rate of 0.34 percent with a maturity date of October 2024
- The NPV savings of issuing the BANs in lieu of drawing on the TIFIA loan is \$24 million

TIFIA Debt Service Savings



M2 Coverage Projections With Additional Debt



* Excludes 2021 BANs Issuance and assumes M2 bond issuance of \$200 million in 2023

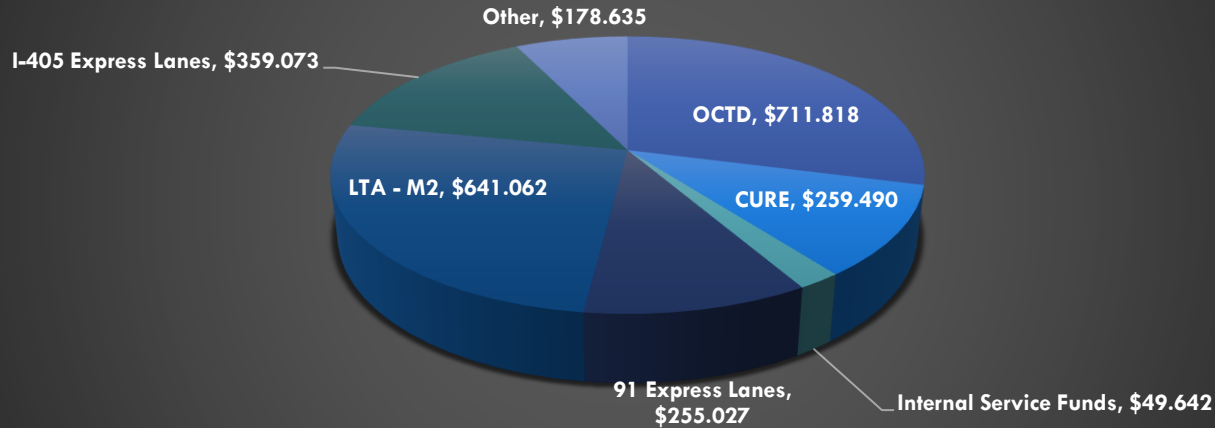
** Represents three quarters of a year of sales tax collections since the Measure M2 program ends March 31, 2041.

*** Measure M2 sales tax revenues less CDTFA fees, Environmental Cleanup allocation, and Local Fair Share funds.

OCTA Financing Plans

- ❑ No additional debt currently planned for the 91 Express Lanes
- ❑ 2021 BANs to be paid at maturity in 2024
- ❑ One additional M2 debt issuance of \$200 million planned in FY 2023

Cash Balance Totals \$2.5 Billion



OCTD - Orange County Transit District	LTA - Local Transportation Authority (M2)	CURE - Commuter Rail Endowment Fund	Internal Service Funds	91 Express Lanes	I-405 Express Lanes	Other
Fund supporting administrative, operational, and capital functions of fixed route, rail feeder, express, and paratransit bus service	Fund accounts for all Measure M2 revenues, bond proceeds, interest earnings, debt service, and project expenditures	Fund finances operating expenses for OCTA's participation in Metrolink's commuter rail services	Funds established to account for the costs of OCTA's liabilities and insurance programs	Fund established to account for the revenues and expenditures associated with the 91 Express Lanes	Fund established to account for the revenues and expenditures associated with the I-405 Express Lanes	Includes Orange County Unified Transportation Trust Fund, Local Transportation Fund, Service Authority for Freeway Emergencies, Transportation Development Capital, ARBA Trust Fund, etc.

Fundamentals Remain Strong

❑ OCTA

- No outstanding debt, or plans to issue debt, for transit programs

❑ Measure M2 Program

- Strong growth in sales tax revenues
- Program is fully funded and limited amounts of additional debt planned
- Debt service coverage ratio solidly above indenture requirements

❑ 405 Express Lanes Debt

- Secured by a TIFIA loan

❑ 91 Express Lanes

- Traffic volumes and toll revenues at historic highs despite COVID-19 and additional capacity added in the SR-91 corridor
 - 27-year operating history that's experienced growth and recessionary periods
 - Outstanding fixed-rate debt has a 2030 final maturity and annual debt service requirements of \$10.8 million (Franchise Agreement ends in 2065)
 - Debt service coverage ratio solidly above indenture requirements
-

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