



*January 9, 2023*

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

**From:** Gene Hernandez, Vice 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 – End-of-Year Report

On January 24, 2022, the Board of Directors (Board) approved the 2022 Board and Chief Executive Officer (CEO) Initiatives (Attachment A) and Action Plan (Attachment B). The Action Plan consisted of three Board initiatives supported by nine CEO initiatives and monitored through 96 milestones. This year-end report summarizes the Orange County Transportation Authority's (OCTA) progress on advancing these initiatives between January 1, 2022 and December 31, 2022.

At the conclusion of 2022, 80 of the 96 milestones were completed. Attachment B provides a summary of all 96 milestones, including the 16 milestones that will be carried over and reconsidered for 2023. These carryover milestones had to be adjusted due to schedule conflicts, delays in coordination with external entities, and other unanticipated challenges.

Highlights of OCTA's accomplishments are provided below.

#### Board Initiative: Balanced and Equitable Transportation

Despite ongoing challenges throughout the year, OCTA's commitment to its mission – to keep Orange County moving – remained strong. The agency continued providing balanced and efficient mobility options to the public while delivering transit and capital improvement projects through the Measure M2 (M2) program. Additionally, OCTA enhanced engagement activities to better meet the needs of its stakeholders, as well as connect with and increase accessibility for local communities, particularly those with diverse and disadvantaged populations.

- **Contracted Fixed-Route:** On July 11, 2022, the Board authorized the release of a request for proposals for the management, operation, and maintenance of OC Bus contracted fixed-route service. A new agreement is essential to maintain service continuity. It will strategically increase the agency's portion of contracted fixed-route service from approximately 30 percent to 40 percent and help OCTA improve service levels.
- **Interstate 405 (I-405) Improvement 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. Construction on the Westminster Boulevard bridge was completed in August 2022, becoming the 11th bridge to open to traffic. Construction is over 90 percent complete and the remaining seven bridges are anticipated to open in 2023.
- **Making Better Connections Study (Study):** The Board approved the final Study service plan on October 24, 2022. As part of an effort to assess the emerging travel patterns and transit network in Orange County, the Study evaluated OC Bus service and route structures and developed improvements to better align with current ridership demand. The agency carried out extensive public engagement and incorporated public feedback in the final recommendations. The overall goal of the final Study service plan is to improve bus service on high ridership routes, reduce wait times, and simplify route structures. Recommendations will be implemented over the next two years.
- **M2 Next 10 Delivery Plan (Next 10 Plan):** The Next 10 Plan is a strategic plan for the implementation of M2 projects, including freeway, roadway, transit, and environmental programs. An updated Next 10 Plan was presented to and approved by the Board in November 2022. The updated plan ensures OCTA will be able to uphold its current commitments and M2 promises to voters.
- **Diversity, Equity, and Inclusion:** OCTA continued to conduct meaningful outreach throughout 2022 to connect with diverse and disadvantaged communities in Orange County. Through several outreach activities, such as the Trust-Building Campaign and soliciting feedback from the Diverse Community Leaders group, OCTA has strengthened its relationships with community members and organizations representing under-represented populations, including ethnic and disadvantaged communities. These public involvement efforts play an important role in meeting the future needs of local ethnic communities and hard-to-reach stakeholders, as well as providing them with equitable transportation solutions.

**Board Initiative: Fiscal and Environmental Responsibility and Adaptability**

As champions of financial stewardship, OCTA is devoted to maintaining fiscal sustainability and responsibly administering taxpayer dollars to successfully deliver transportation improvements in Orange County. Additionally, the agency recognizes and values the importance of environmental sustainability and preparing for a changing climate. OCTA continued to not only minimize its impacts, but also adapt and prepare for current and future climate conditions. This will better enable OCTA to sustain efficient, reliable, and safe operations and services for its riders.

- **Annual Comprehensive Financial Report (ACFR):** On December 12, 2022, the Board received the ACFR for fiscal year 2021-2022. The report is an annual audit of OCTA's financial records and systems and concluded that OCTA presented statements fairly, in all material respects to the financial position of OCTA.
- **Zero-Emission Buses (ZEB):** OCTA is preparing to transition its bus fleet to zero-emissions by 2040. It has invested in ten hydrogen fuel-cell electric buses (FCEB) and ten plug-in battery-electric buses (BEB) as part of a pilot program that will test and assess the mix of technologies that would be most suitable for Orange County. The FCEB pilot has been ongoing since February 2020, while the BEB pilot was partially initiated in July 2022 with two BEBs. Seven BEBs arrived in December 2022, and the last remaining BEB is anticipated to be delivered in 2023. The ZEB pilot program will continue with the deployment of the remaining BEBs and procurement of ten battery-electric cutaway buses for paratransit.
- **M2 Environmental Mitigation Program (EMP):** As part of M2, the EMP delivers comprehensive mitigation to offset the biological impacts of 13 freeway projects. Through the EMP, OCTA acquired seven conservation properties and funded 12 habitat restoration projects in return for a streamlined project approval process from state and federal resource agencies. To date, OCTA has largely met the intent and mitigation requirements of the EMP. In December 2022, a second biannual status report on the progress of the EMP was presented to Board.
- **M2 Environmental Cleanup Program (ECP):** On November 14, 2022, the Board approved grant funding allocations for 13 Tier 1 water quality projects totaling approximately \$3.1 million to improve overall water quality in Orange County from transportation-related pollution.

**Board Initiative: Organizational Excellence, Partnership, and Transparency**

OCTA attributes its ability to fulfill its commitments to the hard work and dedication of its workforce. Consequently, the agency places a strong focus on health, safety, and security measures in the workplace, as well as promoting employee development and a diverse and inclusive work culture. Furthermore, OCTA prioritizes accountability and transparency, while fostering collaborative relationships with local and regional partners, to better address the region's mobility needs.

- **Collective Bargaining Agreement for Maintenance Employees:** On December 12, 2022, the Board approved the renewed collective bargaining agreement with OCTA maintenance employees. The new contract acknowledges the great work and commitment of this essential workforce and ensures OCTA can continue providing critical bus service for riders to reach their work, school, and healthcare destinations.
- **Cybersecurity:** With ever-increasing cyber threats, OCTA remains vigilant to safeguard its computer systems and networks. In September 2022, all OCTA employees were required to complete cybersecurity training to increase their awareness about the importance of utilizing best practices to defend against cyberattacks and stay safe online.
- **Diversity, Equity, Inclusion, and Belonging:** To support its diverse workforce, OCTA strives to encourage and cultivate a work culture of belonging and inclusivity. On December 1, 2022, OCTA launched its first-ever employee resource group, OCTA's Women's Affinity Group, which is a voluntary and employee-led collective representing different voices throughout the agency. The Women's Affinity Group will support and empower female employees through various social and networking opportunities as they prepare for future leadership roles in their careers.
- **College Pass Program:** Since the initial success of the College Pass Program in 2017 with Santa Ana College, OCTA has expanded the program to all nine community colleges in Orange County. The College Pass Program allows enrolled community college students to ride OC Bus free of cost to help them access school, work, and recreational destinations. Marketing and communications continued throughout 2022 to promote the program to students. In November 2022, the Orange County Business Council honored OCTA with the Sustainable and Green Development award for the College Pass Program. The program has helped reduced transportation costs for its riders, while contributing to the reduction of more than 4,000 tons of carbon dioxide emissions.

With the conclusion of the 2022 Action Plan, OCTA remains committed to effectively and strategically addressing the immediate needs of the public 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.

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