



February 12, 2026

To: Environmental Cleanup Allocation Committee

From: Orange County Transportation Authority Staff

Subject: Measure M2 Environmental Cleanup Program (Project X) - Tier 1 2026 Grant Program Call for Projects

Overview

The Measure M2 Environmental Cleanup Program (Project X) provides funding for water quality improvement projects to address transportation-generated pollution. The updated Measure M2 Environmental Cleanup Program Tier 1 call for projects guidelines are submitted for review and endorsement.

Recommendations

- A. Endorse the proposed revisions to the Comprehensive Transportation Funding Programs Guidelines for the Environmental Cleanup Program (Project X) Tier 1 program.
- B. Recommend Board of Directors approval to issue the 2026 Environmental Cleanup Program Tier 1 call for projects.

Background

The Environmental Cleanup Program (ECP), referred to as Project X, allocates two percent of the annual Measure M2 (M2) revenues to improve overall water quality in Orange County. Funding is allocated on a countywide competitive basis to assist jurisdictions in controlling transportation-related pollution. These funds are intended to supplement, not supplant, existing transportation-related water quality programs. Funds are awarded to priority projects that improve water quality in streams, harbors, and other waterways that have a nexus to transportation-related pollution, consistent with the Orange County Transportation Authority's (OCTA) Ordinance No. 3. The Environmental Cleanup Allocation Committee (ECAC) is tasked to advise the OCTA Board of Directors (Board) on priorities and processes for the use of ECP funds.

In May 2010, the Board approved a two-tiered approach to fund the M2 ECP. The Tier 1 Grant Program consists of funding for equipment purchases and upgrades to existing storm drains and related best management practices. The Tier 2 Grant Program consists of funding for regional, potentially multijurisdictional, capital-intensive projects.

The previous Tier 1 call for projects (call) was finalized by the Board on October 13, 2025, with the approval of \$3,088,766 in ECP Tier 1 funds. The Board approved eight project applications based on the scoring criteria. To date, the Board has approved funding for 241 Tier 1 projects, totaling over \$43 million. It is estimated that nearly 92 million gallons of trash have been captured since inception of the ECP in 2011.

Discussion

At the conclusion of each call for projects and evaluation process, staff refines the program evaluation criteria. Consequently, the recommended Project X Tier 1 Comprehensive Transportation Funding Programs (CTFP) guidelines were revised in preparation for a 2026 call. A summary of the modifications is provided below.

2026 Call Updates:

- Updates ECP call application schedule with application submittal deadline for Thursday, May 7, 2026, at 5:00 p.m.
- Clarifies that landscaping directly tied to improving water quality is eligible.
- Specifies that street improvement activities are ineligible unless necessary to restore a Best Management Practice installation area to pre-construction conditions.

All other proposed modifications are considered relatively minor and would not result in significant changes to the CTFP guidelines. The proposed funding target for the call is approximately \$3.5 million in M2 Project X funds. For a more detailed summary of all proposed revisions, see Attachment A, which provides a table of proposed changes, as well as Attachment B, which provides a red-lined version of all proposed CTFP guidelines changes.

Next Steps

Upon ECAC endorsement, staff will seek Board approval of the revised Tier 1 CTFP Guidelines and authority to issue a 2026 call for the Tier 1 Grant Program in March 2026. Contingent on Board-approval, the call would be released on March 9, 2026, and applications would be due on May 7, 2026. OCTA will also

monitor and report on project status and delivery through the CTFP semi-annual review and M2 quarterly reporting processes.

Summary

Staff is recommending the ECAC's endorsement of the proposed revisions to the Tier 1 CTFP Guidelines and requests the ECAC's endorsement to request OCTA Board authorization to issue a 2026 ECP Tier 1 call.

Attachments

- A. List of Proposed Revisions to the 2026 CTFP Guidelines for Project X, Tier 1 Program
- B. Guidelines Excerpt, Comprehensive Transportation Funding Programs Guidelines, 2026 Call for Projects