



July 7, 2025

To: Members of the Board of Directors

From: Darrell E. Johnson, Chief Executive Officer

Subject: Comprehensive Transportation Funding Programs Semi-Annual Review – March 2025

Overview

The Orange County Transportation Authority recently completed the March 2025 semi-annual review of projects funded through the Comprehensive Transportation Funding Programs. This process reviews the delivery status of Measure M2 grant-funded projects and provides an opportunity for local jurisdictions to update project information and request project modifications. Staff has evaluated the requests, and the recommended project adjustments are presented for Board of Directors' review and approval.

Recommendations

- A. Approve the requested adjustments to Comprehensive Transportation Funding Programs projects, Local Fair Share funds, and Senior Mobility Program funds.
- B. Authorize the Chief Executive Officer to negotiate and execute cooperative agreement amendments for applicable Project V cooperative agreements.

Background

The Comprehensive Transportation Funding Programs (CTFP) is the mechanism that the Orange County Transportation Authority (OCTA) uses to administer and monitor funding for the streets, roads, and signal synchronization (Projects O and P), street system restoration (Project Q), transit (Projects S, U, V, and W), and water quality (Project X) programs. The CTFP guidelines provide local jurisdictions with comprehensive information for pursuing, administering, and delivering the Measure M2 (M2) transportation funding grants. A summary of the programs within the CTFP guidelines is provided in Attachment A.

Every six months, OCTA works with representatives from the local jurisdictions to review the status of projects and proposed project change requests. This process is known as the semi-annual review. The primary purpose of the semi-annual review is to promote the timely use of M2 grants awarded to support local projects. This is achieved by reviewing individual project status, assessing the continued viability of projects, addressing local jurisdiction concerns, confirming availability of local match funds, and ensuring timely closeout of all projects funded through the CTFP. For this review period, local jurisdictions were required to submit updates and requests for project changes by March 17, 2025.

Discussion

The requested March 2025 semi-annual review project adjustments include the following:

- 1 project cancellation,
- 6 project delays,
- 23 timely use of funds extensions for the Local Fair Share Program,
- 62 timely use of funds extensions for the Senior Mobility Program,
- 8 project scope changes, and
- 14 OCTA-initiated requests (transfers of savings and technical adjustment).

Local jurisdictions identified several reasons justifying the need for project adjustments, including construction cost increases, environmental assessment delays, procurement challenges, enhanced project benefits, project design changes, and service schedule modifications.

Staff is recommending Board of Directors' (Board) approval of the project adjustments listed above. Additional information on the 114 proposed adjustments is included in Attachment B, which outlines all local jurisdiction requests and Attachment C, which provides a narrative of the requests. The number of changes requested for competitively funded grants represent nine percent of the active projects funded through the CTFP call for projects (call) process.

Board approval is also requested for 14 OCTA-initiated adjustments to preserve unspent funds for use in subsequent fiscal years. These include 13 transfers of savings for the Community Based Transit Circulators (Project V) grants, which were awarded as part of the 2024 call. Several of the continuing services programmed in the recent Project V call had remaining M2 funds awarded from prior call cycles that are being used before drawing from the 2024 grant funding. Additionally, some local jurisdictions also encountered protracted lead times for

capital vehicle purchases that delayed originally scheduled operational start dates. Staff is also requesting approval of one technical adjustment for a 2020 Project V service that had more funding availability than originally expected, due to the service suspension that took place during the coronavirus pandemic. This technical adjustment will ensure that grant allocations are better aligned with the service needs.

M2 CTFP Summary

The M2 CTFP summary table provided below includes an overview of the status of M2 CTFP-funded projects by phase and funding allocation amount. The table also documents the same information that was provided based on the September 2024 semi-annual review, for comparison purposes.

M2 CTFP Summary Table				
Project Status	September 2024 Semi-Annual Review		March 2025 Semi-Annual Review	
	Project Phases	Allocations (in millions)	Project Phases	Allocations ¹ (after adjustments)
Planned ²	82	\$74.8	62	\$86.9
Started ³	108	\$176.3	123	\$196.8
Pending ⁴	115	\$127.4	125	\$129.8
Completed ⁵	475	\$227.0	482	\$243.5
Cancelled ⁶	74	\$82.8	77	\$85.0
Total	854	\$688.3	869	\$742.0

1. Allocations in millions, subject to change pending final reconciliation.

2. Planned - indicates that funds have not been obligated and/or are pending contract award.

3. Started - indicates that the phase is underway, and funds are obligated.

4. Pending - indicates that phase work is completed, and final report submittal/approval is pending.

5. Completed - indicates that phase work is complete, the final report is approved, and final payment has been made.

6. Cancelled - indicates that the phase work will not be completed, and project savings will be returned to the program.

* Note: the project phase and allocations listed above are subject to frequent and regular changes primarily due to project status updates, final reconciliations, and project closeout processes.

Key items of note are:

- Since the inception of M2, OCTA has programmed over \$731 million in competitive funds including approximately \$37.8 million in state and federal funds.
- Total accumulated project savings, since inception, are estimated to be approximately \$102 million. These savings have been returned to M2 source programs and are used to support future funding cycles, as

appropriate. Cost savings from delivered projects are realized for various reasons such as quantity adjustments and minor construction modifications.

- As of the drafting of this report, 607 individual project phases (125 pending plus 482 completed from the table) have been completed. This represents a 77 percent project delivery rate (excluding cancelled projects) for all projects that have been granted funds.
- In the last six months, 17 project phases were completed and 17 project phases were started.
- Another 185 project phases, or 21 percent, are considered currently active (123 started and 62 planned).

Based on the CTFP guidelines, the recommended project adjustments identified in this staff report are appropriate and necessary. The local agency-requested adjustments have also been reviewed and approved by the OCTA Technical Advisory Committee.

Next Steps

Pending approval by the Board, staff will monitor the implementation of the actions included in this report through future semi-annual review cycles, typically reported biannually.

Summary

Consistent with the semi-annual review process, staff has reviewed all active M2 CTFP-funded project phases and is recommending approval of all proposed project adjustments.

Attachments

- A. Measure M2 Comprehensive Transportation Funding Programs and Local Formula Programs Summary
- B. Comprehensive Transportation Funding Programs, March 2025 Semi-Annual Review Adjustment Requests
- C. Comprehensive Transportation Funding Programs, March 2025 Semi-Annual Review Adjustment Request Descriptions

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