



May 4, 2026

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Third Quarter Fiscal Year 2025-26 Capital Action Plan and Performance Metrics

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Overview

Staff has prepared the quarterly progress report on capital project delivery for the period of January 2026 through March 2026 for review by the Orange County Transportation Authority Board of Directors. This report highlights the Capital Action Plan for project delivery, which is used as a performance metric to assess delivery progress on highway, transit, and rail projects, as well as a snapshot of the planned Capital Action Plan project delivery milestones in fiscal year 2025-26.

Recommendation

Receive and file as an information item.

Background

The Orange County Transportation Authority (OCTA) delivers highway, transit, rail, and facility projects from the beginning of the environmental approval phase through construction completion. Project delivery milestones are planned carefully with consideration of project scope, cost, schedule, and assessment of risks. The milestones reflected in the Capital Action Plan (CAP) are OCTA's planned and budgeted major project delivery commitments.

This report provides the third quarter progress report on the CAP performance metrics for fiscal year (FY) 2025-26.

Discussion

OCTA's objective is to deliver projects on schedule and within the approved project budget. Key project cost and schedule commitments are captured in the CAP, which is regularly updated with project status and any new

projects (Attachment A). The CAP is categorized into three key project groupings of freeway, railroad grade separation, and transit projects. Project delivery schedule milestones are used as performance indicators of progress in meeting commitments. The CAP performance metrics report provides a FY snapshot of the milestones targeted for delivery in the FY and provides transparency and performance measurement of capital project delivery.

The CAP project costs represent the total cost across all phases of project delivery, including support costs, right-of-way (ROW), and construction capital costs. Baseline costs, if established, are shown in comparison to either the actual or forecast cost. Baseline costs may be shown as to-be-determined (TBD) if project scoping studies and estimates have not been developed or approved and may be updated as delivery progresses and milestones achieved. Projects identified in the Orange County local transportation sales tax Measure M2 (M2) are identified with the corresponding M2 project logo. The CAP status update is also included in the M2 Quarterly Progress Report.

The CAP summarizes the complex capital project critical path delivery schedules into eight key milestones.

Begin Environmental	The date work on the environmental clearance, project report, or preliminary engineering phase begins.
Complete Environmental	The date environmental clearance and project approval is achieved.
Begin Design	The date final design work begins, or the date when a design-build contract begins.
Complete Design	The date final design work is 100 percent complete and approved.
Construction Ready	The date contract bid documents are ready for advertisement, including certification of ROW, all agreements executed, and contract constraints cleared.
Advertise for Construction	The date a construction contract is advertised for construction bids.
Award Contract	The date the construction contract is awarded.

Construction Complete

The date all construction work is complete, and the project is open to public use. This does not include the plant establishment period if included in the construction contract.

These delivery milestones reflect progression across the project delivery phases shown below.



Project schedules reflect planned baseline milestone dates in comparison to forecast or actual milestone dates. Milestone dates may be shown as TBD if project scoping or approval documents have not been finalized and approved, or if the delivery schedule has not been negotiated with a partnering agency or the consultant preparing or working on the specific phase of a project. Planned milestone dates can be revised to reflect new dates from approved baseline schedule changes. Baseline schedule changes are typically made when transitioning to a new project delivery phase, or when notable change is identified during a phase of project delivery. Project schedules are reviewed monthly, and milestone achievements and updated forecast dates are included to reflect project delivery status.

The following milestones were completed in the third quarter of FY 2025-26:

- The complete design milestone for the State Route 55 (SR-55) Improvement Project between Interstate 5 (I-5) and State Route 91 (SR-91) was achieved in February 2026. This was one month later than planned due to required completion of design refinements.
- The complete design milestone for the SR-91/State Route 241 (SR-241) Express Connector was achieved by the Transportation Corridor Agencies (TCA).
- The award contract milestone for the I-5 Improvement Project between Interstate 405 and Yale Avenue was achieved. The California Department of Transportation (Caltrans) awarded the construction contract to Security Paving Company, Inc. on January 29, 2026. Ongoing construction will take place through late 2030.

The following milestones missed the planned delivery through the third quarter of FY 2025-26:

- The complete environmental milestone for the SR-91 Eastbound Corridor Operations Improvement between SR-241 and State Route 71 (SR-71) was missed. The Riverside County Transportation Commission (RCTC) leads this project, and the environmental clearance is anticipated to be completed in July 2026.
- The construction ready, advertise construction, and award contract milestones for the SR-91/SR- 241 Express Connector were missed. TCA anticipates the project to be listed as construction ready in May 2026, advertise for construction bids in June 2026, and award the construction contract in November 2026.
- The construction ready and advertise construction milestones for the SR-91 Improvement between La Palma Avenue and SR-55 were missed due to delays in obtaining final possession of ROW required to construct the project. The advertise construction milestone is currently planned for July 2026.
- The OC Streetcar Project complete construction milestone was missed. In April 2026, in consideration of on-going mediation of a contractor dispute and lawsuit, staff advised the OCTA Board of Directors (Board) that the forecast project completion has been revised to the end of the third quarter FY 2026-27.

Recap of FY 2025-26 Performance Metrics Through the Third Quarter

The FY 2025-26 performance metrics snapshot reflects 19 planned major project delivery milestones to be accomplished throughout the FY (Attachment B). Eleven of the 18 milestones planned through the third quarter of FY 2025-26 were delivered.

Third Quarter FY 2025-26 CAP Milestone and Cost Updates

I-5 Improvement Project Between Avenida Pico and San Diego County Line

The forecast complete environmental milestone was adjusted due to delays in Caltrans' approval of the proposed mitigation for project generated increases of vehicle miles traveled.

I-5 Improvement Project Between I-405 and Yale Avenue

The forecast complete construction milestone was adjusted to account for the actual construction contract award date.

SR-55 Improvement Project Between I-405 and I-5

The forecast construction completion milestone was revised to May 2027 to account for ROW delays.

SR-55 Improvement Project Between I-5 and SR-91

The forecast construction ready and subsequent milestones were adjusted to account for delays with utility relocation plans.

State Route 57 Northbound Between Lambert Road and Tonner Canyon Road

The complete environmental milestone established by Caltrans is now included.

SR-91 Improvement Project Between La Palma Avenue and SR-55

The forecast construction ready and subsequent milestones have been adjusted to account for delays in obtaining final possession of ROW.

91 Eastbound Corridor Operations Project Between SR-241 and SR-71

The forecast complete environmental and subsequent milestones were adjusted. The complete environmental milestone is now forecast for August 2026 based on progress reported by the RCTC. The forecast cost is \$222.2 million, and the OCTA share is 40 percent of the total cost.

SR-91 to SR-241 Express Connector

Remaining forecast milestones were adjusted based on TCA reported progress on the construction ready milestones.

Coastal Rail Stabilization Priority Project Rip-Rap Repair and Shoreline Protection (Area 4)

The forecast complete environmental is July 2026.

New OCTA Headquarters

On July 28, 2025, the Board selected Stantec Architecture Inc. to prepare plans, specifications, and estimates, and on August 25, 2025, the Board selected Griffin Structures as the program/construction manager for improvements to the new OCTA headquarters property. Two key projects to implement improvements have been added to the CAP. The forecast delivery schedules and cost estimates for these projects are still under development.

The first project includes demolition of existing building improvements, construction of new tenant improvements and construction of an improved central utility plant (CUP) to provide the cooling required for both the existing building and new OCTA Boardroom and conference facility. The CUP mechanical components and upgraded Southern California Edison service design and installation have procurement lead times of approximately 52 weeks. OCTA anticipates the first contract will be ready for Board action to issue an invitation for bids in the third quarter of FY 2026-27.

The second project is for construction of the new OCTA Boardroom and conference center. We anticipate this contract will be ready for Board action to issue an invitation for bids in the fourth quarter of FY 2026-27.

FY 2025-26 Cost and Performance Metrics Risks

There are continued construction inflationary cost pressures. OCTA's April 2026 Infrastructure Cost Index update, prepared for OCTA by the Orange County Business Council, indicates there are significant uncertainties ahead due to the current geopolitical climate, war in Iran, closure of the Strait of Hormuz, and decisions on rates by the Federal Reserve. Through 2028, the OCTA Cost Index forecasts a two percent to six percent annualized increase in construction costs.

Staff will continue to assess trends and unit price data from construction bids in the region and make needed adjustments to forecast costs.

Summary

Capital project delivery continues to progress and is reflected in the CAP. Eleven planned milestones have been delivered through the third quarter of FY 2025-26. Forecast schedules and costs have been updated for the FY 2025-26 performance metrics, which will be used as a general quarterly project delivery performance indicator. Staff will continue to manage project costs and schedules across all project phases to meet project delivery commitments and report quarterly.

Attachments

- A. Capital Action Plan, Status Through March 2026
- B. Capital Programs Division, Fiscal Year 2025-26 Performance Metrics Through March 2026

Prepared by:

A handwritten signature in blue ink, appearing to read "James G. Beil".

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