



August 4, 2025

To: Executive Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: 2025 Board of Directors and Chief Executive Officer Initiatives and Action Plan – Mid-Year Report

On January 27, 2025, the Orange County Transportation Authority (OCTA) Board of Directors (Board) approved the 2025 Board and Chief Executive Officer (CEO) Initiatives (Attachment A) and Action Plan (Attachment B). Following their approval, the 2025 CEO Action Plan was updated to reflect feedback received from the Board, shared via a memo to the Board on March 20, 2025. The revised Action Plan consists of three Board initiatives supported by nine CEO initiatives that are monitored through 110 milestones throughout the calendar year. This mid-year report summarizes OCTA's progress in advancing these initiatives between January 1, 2025, and June 30, 2025. By mid-year, 39 milestones were originally targeted for completion. At the conclusion of the second quarter (Q2), 28 total milestones have been completed, including two that were achieved in Q2 ahead of their originally anticipated schedules. Highlights of these accomplishments are provided below.

Board Initiative: Deliver the Public a Balanced, Sustainable, and Equitable Transportation System

OCTA is committed to keeping Orange County moving by providing efficient, reliable, and accessible transportation options. The agency continues to deliver on its voter-approved Measure M2 commitments through investments in transit, streets, and freeway improvements. To better serve the mobility needs of its riders, OCTA also emphasizes building and sustaining strong relationships with local communities, particularly those in diverse and underserved areas with higher dependence on transit.

- OC Streetcar: The OC Streetcar project, currently underway, will be a four-mile modern electric streetcar route connecting the cities of Garden Grove and Santa Ana. In May 2025, the project reached a significant milestone with the delivery of the first of eight streetcar vehicles. The OC Streetcar service will help to improve transit connectivity and accessibility, expand transit options, and offer significant benefits to surrounding communities and the traveling public.

- Metrolink Special Event Train: OCTA continued to partner with Metrolink to promote existing rail service to special events in the region, such as Earth Day and Bike to Work Week. These special event train services help to support Metrolink's ongoing efforts to optimize its service and better meet regional mobility needs.
- State Route 91 (SR-91), State Route 55 (SR-55) to Lakeview Avenue: In partnership with the California Department of Transportation (Caltrans), OCTA is improving SR-91 (between State Route 57 and SR-55) to enhance mobility along the corridor through reduced weaving and merging between ramps and interchanges. The project is broken into three segments, including an approximate 2.2-mile stretch from SR-55 to Lakeview Avenue (Segment 1). In April 2025, physical construction began along Segment 1, which will deliver westbound operational improvements.
- Interstate 605 (I-605)/Katella Avenue Interchange Project: In April 2025, OCTA received contract approval from Caltrans, initiating the official start of construction on the local interchange at I-605 and Katella Avenue. This project aims to enhance mobility, ease traffic congestion, and improve pedestrian and bicycle facilities.

Board Initiative: Ensure Organizational Resiliency through Fiscal and Environmental Responsibility

As the County's transportation agency, OCTA remains committed to maintaining a strong financial position and fulfilling its promises to Orange County voters. This is accomplished through prudent financial management and the responsible administration of public funds to deliver transportation improvements. Additionally, OCTA continues to plan and adapt its operations and infrastructure amid changing conditions, with a focus on efficiency and environmental stewardship, to support a more resilient and sustainable transit system.

- OCTA's Operating and Capital Budget: The Board approved the OCTA FY 2025-26 budget on June 9, 2025. The \$1.7 billion budget reflects a balanced allocation of funds and focuses on transit expansion, coastal rail resilience, and zero-emission investments, while accounting for economic uncertainty.
- Measure M2 Compliance Audit Report: In May 2025, OCTA presented the results of an independent annual financial and compliance report to the Measure M2 Taxpayer Oversight Committee Audit Subcommittee. OCTA received an unmodified opinion indicating that its financial statements fairly represent the financial position of its governmental activities in all material respects. The findings of the audit further reflect OCTA's sound financial management practices.

- 405 Express Lanes (405 EL): Operated by OCTA, the 405 EL help to ease congestion and provide a faster, more reliable commute for the high volume of drivers that rely on this critical corridor each day. Since the 405 EL commenced operations in December 2023, OCTA has been tracking operational and financial data to assess its performance. For the 12-month period ending March 31, 2025, transactions totaled 65.6 million, trips totaled 16.8 million, and toll revenues totaled \$39.8 million. These numbers are continuing to grow and key performance index measures under the operating contract continue to improve.
- Coastal Rail Resiliency: In April 2025, the Board authorized emergency actions to stabilize sections of railroad tracks in the City of San Clemente threatened by coastal erosion and landslides. This declaration allowed OCTA to move forward with urgent work to four identified priority areas to safeguard this vital stretch of rail line and ensure passenger and freight rail operations through south Orange County can continue safely. Additionally, OCTA's efforts to advance the Coastal Rail Resiliency Study (CRRS) also continued. The goal of the CRRS is to assess potential short and medium-term solutions to protect the existing rail line. A separate second-phase study to be conducted by the State will focus on long-term options, such as potentially relocating a portion of the rail line.

Board Initiative: Uphold Continued Excellence, Diversity, and Collaboration

OCTA recognizes that effectively achieving its goals requires cultivating and maintaining strong relationships with both internal and external stakeholders. To support this, the agency places a high priority on investing in professional development and advancing initiatives to foster an inclusive and equitable environment to strengthen and support its workforce. To ensure a safe work environment, OCTA also implements robust safety and security measures. Additionally, OCTA actively engages with local and regional partners through transparent communication and coordinated efforts. These ongoing commitments enable the agency to be proactive about evolving transportation needs, while supporting a high-performance, future-ready organization.

- Fédération Internationale de Football Association World Cup 2026 (World Cup 2026) and Los Angeles 2028 Olympic and Paralympic Games (LA28) Planning: In preparation for two upcoming major world events, World Cup 2026 and LA28 (Games), OCTA has been participating in planning discussions with key partner agencies, including the Los Angeles County Metropolitan Transportation Authority (LA Metro). Throughout this planning process, OCTA is committed to maintaining high-quality OC Bus service and minimizing local impacts for current riders, while supporting the Games by providing transportation to Orange County venues and ensuring transit

access to regional mobility hubs for spectators and Orange County commuters.

- **Workday:** OCTA is in the process of transitioning to a new software system, Workday, as part of a strategy to improve operational effectiveness, efficiency, and internal collaboration. While Workday is not anticipated to go live until December 2025, OCTA staff have actively been working to support future agencywide adoption of the new system, including launching a change management plan and distributing relevant employee communications.
- **Personnel and Salary Resolution (PSR):** As part of the strategy to attract and retain top talent in the public transportation industry, OCTA annually reviews its administrative employees' salaries and benefits. This process ensures that OCTA's compensation and benefits remain equitable and consistent with similar size agencies. On June 9, 2025, the Board approved the FY 2025-26 PSR as part of OCTA's FY 2025-26 budget.
- **State and Federal Delegation Outreach:** Establishing relationships with local officials is essential to aligning priorities, fostering informed decision-making, and securing support for OCTA's projects and initiatives. By the end of June 2025, OCTA had met with all newly elected Orange County state and federal offices. This early engagement helps build trust with members of the local delegation and ensure continuity in advancing regional transportation goals.

While several milestones have already been completed, other milestone delivery timeframes have been updated, including one that will be extended through 2025 and reconsidered for 2026. As a result, OCTA has 81 remaining milestones expected for completion for the balance of the year. For a summary of the adjustments, please refer to Attachment B.

Quarterly progress reports on the 2025 Action Plan will continue to be provided to the Board. OCTA remains committed to its mission to keep Orange County moving safely and efficiently by proactively and strategically addressing the immediate needs of the public, its customers, and its employees. If you have any questions or comments, please contact me directly at (714) 560-5343 or djohnson@octa.net.

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Attachments