



January 8, 2024

To: Members of the Board of Directors 
From: Gene Hernandez, Chairman of the Board of Directors
Darrell E. Johnson, Chief Executive Officer 
Subject: 2023 Board of Directors and Chief Executive Officer Initiatives and Action Plan – End-of-Year Report

On January 23, 2023, the Board of Directors (Board) approved the 2023 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 98 milestones. This year-end report summarizes the Orange County Transportation Authority's (OCTA) progress on advancing these initiatives between January 1, 2023, and December 31, 2023.

At the conclusion of 2023, 83 of the 98 milestones were completed. Attachment B provides a summary of all 98 milestones, including the 15 milestones that will be carried over for reconsideration in 2024. These carryover milestones had to be adjusted primarily due to resource constraints, delays in coordination with external entities, and other unanticipated challenges.

Highlights of OCTA's accomplishments are provided below.

Board Initiative: Equitable, Reliable, and Balanced Transportation

Although 2023 was not without challenges, OCTA upheld its commitment to keep Orange County moving. In addition to providing efficient and accessible transportation options, OCTA continued to advance various Measure M2 (M2) improvements. To ensure OCTA could best meet the needs of the population it serves, extensive engagement with local stakeholders, particularly those in diverse and disadvantaged communities, remained a crucial focus.

- Interstate 405 (I-405) Improvement Project: The I-405 Improvement Project between the City of Costa Mesa and the Orange/Los Angeles County lines provided the addition of one regular lane in each direction of I-405 and the 405 Express Lanes. As part of this project, 18 bridges were constructed, widened, or replaced. In December 2023, completion of the project culminated with the opening of the additional general purpose lanes as promised by M2, and 405 Express Lanes using toll financing.

Overall, the I-405 Improvement Project aims to provide better travel times along this stretch of the highway. The completion of the I-405 improvements is the largest highway project in OCTA's history.

- **Transit Services:** To maximize available resources, the Board awarded a new agreement for the management, operation, and maintenance of OC Bus contracted fixed-route services, which is essential to maintaining service continuity. Additionally, on September 25, 2023, the Board awarded a contract to provide for continued management and operation of the same-day taxi service, which provides an additional service option of OC ACCESS riders.
- **M2 Next 10 Delivery Plan (Next 10 Plan):** The Next 10 Plan is a strategic plan that supports the implementation of M2 projects, including freeway, roadway, transit, and environmental programs. Following a comprehensive review of the Next 10 Plan, updates were incorporated to reflect the M2 sales tax revenue forecast, external funding assumptions, and project information. An updated Next 10 Plan was presented to and adopted by the Board in November 2023. The updated plan supports that OCTA will be able to fulfill its commitment to Orange County voters.
- **Diversity, Equity, and Inclusion (DEI):** OCTA continued its outreach to Orange County community members and organizations in diverse communities. For instance, OCTA staff increased the number of person-to-person engagement opportunities, such as cultural festivities, resource fairs, and pop-up events at community gathering places to help build awareness of OCTA's transportation services and encourage feedback on planning studies. The agency also reviewed and implemented recommended actions, where appropriate, from a third-party DEI study. This study reviewed relevant OCTA organizational policies, practices, and programs and developed recommendations accordingly to enhance agency efforts in this area.
- **2023 Congestion Management Program (CMP) Report:** OCTA is responsible for monitoring and reporting on the Orange County CMP. The CMP's purpose is to coordinate land use and transportation decisions, as well as assess how traffic congestion is managed. The 2023 Orange County CMP Report was prepared and developed according to statutory requirements and through coordination with local and public entities. On November 13, 2023, the Board adopted the report, which was subsequently submitted to Southern California Association of Governments to make a final determination of consistency with the current Regional Transportation Plan, a requirement by state law. The report indicates that Orange County's transportation system is keeping pace with population growth and economic activity.

Board Initiative: Financial and Environmental Sustainability and Resilience

OCTA takes pride in championing fiscal responsibility and is committed to prudently administering public funds to carry out beneficial transportation improvement projects in Orange County. Concurrently, OCTA is dedicated to its ongoing efforts to advance environmental stewardship and sustainability, as well as prepare and plan for future changing conditions. This will allow the agency to better provide and sustain a reliable and safe transportation system.

- **Active Transportation Program:** OCTA continued to work with local jurisdictions, stakeholders, and the public to coordinate active transportation (bicycling and walking) projects and programs in Orange County. These efforts not only support the agency’s vision for a balanced multimodal system but also help to encourage cleaner modes of transportation and healthier lifestyles.
- **Annual Comprehensive Financial Report (ACFR):** On November 27, 2023, the Board received the ACFR for fiscal year 2022-23. 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.
- **Federal Triennial Review:** The Federal Transit Administration is required to perform a review of OCTA at least every three years as it relates to the use of federal funds. More specifically, these triennial reviews evaluate the performance of OCTA as a grant recipient and its compliance with statutory and administrative grant requirements and management practices. In November 2023, the Board was presented with the fiscal year 2023 triennial review report issued by the Federal Transit Administration, which found OCTA to be fully compliant in all areas reviewed.
- **Coastal Rail Protection:** Emergency actions have been undertaken over the last few years to address disruptions to passenger rail service from landslide events in south Orange County. In addition, OCTA initiated efforts to gain a better understanding of climate effects on the coastal rail infrastructure in this area. These efforts include two studies: the first is a study to assess possible short- and medium-term solutions to protect the existing rail line in place, and a separate second-phase study focusing on longer-term options, such as the potential relocation of a segment of the rail line. Given the potential scale of the longer-term study, it will require involvement of state and federal agencies. Discussions are underway to determine which agency is best positioned to lead that effort. Both studies will entail extensive outreach and coordination with relevant stakeholders.

- **Climate Adaptation and Sustainability Plan (CASP):** In 2022, OCTA initiated the development of a comprehensive, agencywide CASP to evaluate and address how the agency could improve its resilience to future climate impacts while minimizing its emissions. All OCTA divisions have been involved in developing the plan, which is anticipated to be available in early 2024.
- **M2 Environmental Cleanup Program:** On August 14, 2023, the Board approved grant funding allocations for 10 Tier 1 water quality projects totaling approximately \$3.4 million to improve overall water quality in Orange County from transportation-related pollution.

Board Initiative: Organizational Excellence, Leadership, and Accountability

OCTA recognizes the significant contributions of its dedicated and diligent workforce. Thus, the agency prioritizes a healthy and safe workplace and a diverse and inclusive work culture, while continuing to provide employee development opportunities. Additionally, OCTA remains committed to building and maintaining new and existing partnerships with regional stakeholders to better meet the mobility needs of the region.

- **Cybersecurity:** OCTA is a proud champion of online safety and education to better ensure the protection of its workforce with the use of technology. In September 2023, all OCTA staff completed cybersecurity training of online best practices to be less vulnerable to potential cyberattacks.
- **Diversity, Equity, Inclusion, and Belonging:** In support of its diverse workforce, OCTA encourages and cultivates a work culture of belonging and inclusivity. On November 1, 2023, OCTA kicked off a Working Parent Employee Resource Group (ERG). This ERG is a voluntary and employee-led collective to share and provide resources to parents at OCTA to help foster a balance between work and family.
- **College Pass Program:** 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. Since its initial success in 2017 with the participation of Santa Ana College, OCTA has expanded the program to all nine community colleges in Orange County. The program has been focused on its continuation at these schools beyond their initial pilot terms. In August 2023, a new five-year agreement was developed to continue the program at Santiago Canyon College.
- **Management Development and Early Career Academies:** The purpose of the Management Development Academy (MDA) is to increase employee competency on how to motivate others to achieve higher performance as

they progress towards an early to mid-level management career at OCTA. The Early Career Academy (ECA) provides early career development opportunities and support for new professionals as they advance their careers at OCTA. On June 21 and December 14, 2023, OCTA launched its fifth MDA cohort and fourth ECA cohort of talented emerging leaders, respectively.

With the conclusion of the 2023 Action Plan, OCTA looks forward to continuing its commitment of 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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