

Capital Programming Update Project Descriptions

Alternate Fuel 60-foot Replacement Buses (approximately 20)

OCTA has committed to converting the entire OC Bus fleet of 463 fixed-route buses to zero-emission by 2040, consistent with the California Air Resources Board-adopted Innovative Clean Transit Rule. The funding that is currently noted in the table below would replace approximately 20 compressed-natural-gas 60-foot articulated buses as they reach the end of their useful life of 18 years or 500,000 miles. The buses will be equipped with seating for 59 passengers or 57 passengers and two wheelchairs, an internal and external camera system, Wi-Fi and mobile routers, a farebox equipped for mobile ticketing, radio system, automatic vehicle locator, and a three-position bicycle rack.

Staff is recommending Orange County Transportation Authority's (OCTA) Board of Directors (Board) approval to add \$12.224 million in Congestion Mitigation and Air Quality Improvement Program (CMAQ) savings to be used for the Alternative Fuel 60-foot Replacement Bus Project. Recently, the cost per bus increased from \$2.500 million to \$2.875 million due to tariffs and the expiration of the sales tax exemption. The revised funding of \$55.605 million would support purchase of up to approximately 20 zero-emission buses.

Existing Funding (\$000s)	CMAQ	SB 125	Total
Bus Purchase	\$30,000	\$13,381	\$43,381
TOTAL	\$30,000	\$13,381	\$43,381

Proposed Funding (\$000s)	CMAQ	SB 125	Total
Bus Purchase	\$42,224	\$13,381	\$55,605
TOTAL	\$42,224	\$13,381	\$55,605
CHANGE	\$12,224	\$-	\$12,224

SB 125 – Senate Bill (SB) 125 (Chapter 54, Statutes of 2023) Transit Program

40-Foot Compressed-Natural-Gas Replacement Buses

This completed project funded the replacement of 201 existing 40-foot compressed-natural-gas buses that had reached the end of their useful life with 201 new and more efficient compressed-natural-gas 40-foot buses which will help OCTA to maintain service reliability and ensure the OCTA bus fleet remains in a state of good repair.

Staff is recommending Board approval for the reallocation of \$10.449 million in CMAQ funds from this project to the Alternative Fuel 60-Foot Replacement Buses Project

described above. The final cost for the project is reduced from \$134.670 million to \$124.221 million.

40-Foot Compressed Natural Gas Replacement Buses (201)		
Existing Funding (\$000s)	CMAQ	Total
Bus Purchase	\$134,670	\$134,670
TOTAL	\$134,670	\$134,670

Proposed Funding (\$000s)	CMAQ	Total
Bus Purchase	124,221	124,221
TOTAL	124,221	124,221
CHANGE	(\$10,449)	(\$10,449)

Local Complete Streets Project Savings

The California Department of Transportation publishes monthly reports that detail obligations and de-obligations of Surface Transportation Block Grant (STBG)/CMAQ funding for all STBG/CMAQ-funded projects in Orange County. The following table depicts funding that was made available through project savings or project cancellations. Staff is recommending Board approval to use these funds for the Alternative Fuel 60-Foot Replacement Buses Project described above.

Local Complete Streets Projects	
Projects	CMAQ Savings (\$000s)
Peters Canyon Extension	\$884
Bristol Street from Civic Center Drive to Washington Avenue	\$794
Utica Avenue Bicycle Boulevard	\$77
Previously Unprogrammed Funding	\$16
District 5 Regional Bikeways - Mission Viejo North-South Corridor and Jeronimo Road/Chrisanta Trail	\$4
TOTAL	\$1,775

OC Streetcar Operations

OC Streetcar service, the first streetcar service in Orange County, will operate along a 4.15-mile route from the Santa Ana Regional Transportation Center to a new transit hub at Harbor Boulevard and Westminster Avenue in the City of Garden Grove. Service is planned to operate at headways of ten to 15 minutes. OC Streetcar is projected to begin operations early in 2027. The operations funding plan provided below is for the first seven years of service.

Staff is requesting Board approval to reprogram approximately \$6.072 million of SB 125 Transit Program funds from OC Bus Operations to OC Streetcar Operations. To replace

these SB 125 Transit Program funds, staff is requesting Board approval to re-program \$6.072 million of CMAQ funding to the Interstate 5 (I-5) Improvements from County Line to Avenida Pico Project. It was recently determined the SB 125 funds were not needed for the OC Bus Operations Startup Project and the I-5 Project had a shortfall, so an exchange of funding is recommended.

OC Streetcar Operations for First Seven Years						
Existing Funding (\$000s) 4/13/2026 (1)	CMAQ (2)	SB 125	LCTOP	M2 (2)	Other (3)	Total Funding
OC Streetcar Operations	\$32,754	\$59,374	\$15,285	\$41,468	\$24,501	\$173,382
TOTAL	\$32,754	\$59,374	\$15,285	\$41,468	\$24,501	\$173,382

Proposed Funding (\$000s)	CMAQ (2)	SB 125	LCTOP	M2 (2)	Other (3)	Total Funding
OC Streetcar Operations	\$26,682	\$65,446	\$15,285	\$35,396	\$24,501	\$167,310
TOTAL	\$26,682	\$65,446	\$15,285	\$35,396	\$24,501	\$167,310
CHANGE	(\$6,072)	\$6,072		(\$6,072)		(\$6,072)

LCTOP – Low Carbon Transit Operations Program

- (1) Funding table included in April 13, 2026, included CMAQ assumptions that did not materialize. Staff is reverting programming to reference the Board approved changes relative to the February 9, 2026, funding table.
- (2) Some of the CMAQ funds may not be eligible for use on this project. If this CMAQ is found to be eligible for additional costs, the need for M2 funds will decrease.
- (3) Others include OC Streetcar fares and City of Santa Ana and City of Garden Grove local contributions.

OC Streetcar Capital

A new cost estimate of \$720.705 million was developed, which includes current litigation-related mediation efforts and additional professional service support costs and related project extension costs based on the revised completion date. The current estimate for these costs results in the need for additional funding of \$71.705 million to support the OC Streetcar Project and staff is recommending the use of Measure M2 Project S Transit Extensions to Metrolink funds to meet the funding need.

OC Streetcar Capital							
Existing Funding (\$000s)	CMAQ	FTA 5309	FTA 5307	TIRCP	M2	ARPA CIG	Total
OC Streetcar Capital Project	\$130,132	\$148,955	\$13,599	\$175,427	\$171,480	\$9,407	\$649,000
TOTAL	\$130,132	\$148,955	\$13,599	\$175,427	\$171,480	\$9,407	\$649,000

Proposed Funding (\$000s)	CMAQ	FTA 5309	FTA 5307	TIRCP	M2	ARPA CIG	Total
OC Streetcar Capital Project	\$130,132	\$148,955	\$13,599	\$175,427	\$243,185	\$9,407	\$720,705
TOTAL	\$130,132	\$148,955	\$13,599	\$175,427	\$243,185	\$9,407	\$720,705
CHANGE					\$71,705		\$71,705

FTA 5309 – Federal Transit Administration, Section 5309 Capital Investment Grant

FTA 5307 – FTA Section 5307

TIRCP – Transit and Intercity Rail Capital Program

ARPA CIG – American Rescue Plan Act of 2021, Capital Investment Grants Program

OC Bus Operations Startup – Connections to OC Streetcar Project

This OC Bus Operations Project was developed for the SB 125 Transit Program so that OCTA could use \$6.072 million to pay for OC Bus service that connected to the OC Streetcar over a four-year period. The OC Bus connections that would have been supported through this funding primarily will occur at the Santa Ana Regional Transportation Center and the new transit hub at Harbor Boulevard and Westminster Avenue in the City of Garden Grove. While OC Bus service will provide connections at these locations which could be eligible for this funding, tracking and reporting on just this specific service connection was not manageable. Also, a Bus/Rail Interface Plan indicated that the funding was not necessary. Therefore, staff is recommending that the funds be used for OC Streetcar Operations instead.

Interstate 5 Improvements from County Line to Avenida Pico

Interstate 5 (I-5) San Diego Freeway is the major north-south route that is used for inter-regional, interstate, and international travel and goods movement. It connects Orange County with San Diego County to the south and to Los Angeles County to the north. The I-5 corridor is also the main route to beaches and tourist attractions in the City of San Clemente, San Onofre State Beach, and the United States Marine Corps Base Camp Pendleton. Additionally, I-5 provides critical access to Trestles State Beach, which is scheduled to host surfing events during the 2028 Summer Olympics, further highlighting the corridor's role in supporting regional mobility, tourism, and international event coordination. The project is proposed to extend the existing high-occupancy vehicle (HOV) lane, reestablish existing auxiliary lanes, widen existing under crossings, and replace two existing overcrossings to accommodate the proposed HOV lanes.

Staff is requesting Board approval to reallocate approximately \$6.072 million in CMAQ funding from the OC Streetcar Operations Project to Interstate 5 Improvements from County Line to Avenida Pico Project. The Interstate 5 Improvements from County Line to Avenida Pico Project was selected by the Southern California Association of Governments in the latest STBG/CMAQ call for the plans, specifications, and estimates (PS&E) phase. At the time of submittal, staff indicated that the PS&E phase would require an additional \$6.072 million and would seek funding from a future call for projects. Staff is now recommending reprogramming to expedite the completion of PS&E.

Interstate 5 Improvements from County Line to Avenida Pico				
Existing Funding (\$000s)	STBG	CMAQ	Future Application or Programming of Non-Federal Funds	Total
PSR	\$121	\$450		\$571
PA/ED	\$6,407			\$6,407
PS&E	\$40,000		\$6,072	\$46,072
TOTAL	\$46,528	\$450	\$6,072	\$53,050

Proposed Funding (\$000s)	STBG	CMAQ	Future Application or Programming of Non-Federal Funds	Total
PSR	\$121	\$450		\$571
PA/ED	\$6,407			\$6,407
PS&E	\$40,000	\$6,072	\$-	\$46,072
TOTAL	\$46,528	\$6,522	\$-	\$53,050
Change		\$6,072	(\$6,072)	

PSR – Project Study Report

PA/ED – Project Approval/Environmental Document