

## **AGENDA**

- 1. Welcome**
- 2. Pledge of Allegiance**
- 3. Approval of Minutes/Attendance Report for June 11, 2024**
- 4. Presentation Items**
  - A. Measure M2 Overview  
Francesca Ching, Measure M Program Manager
  - B. Measure M2 Environmental Mitigation Program Update  
Lesley Hill, Environmental Programs Manager
- 5. OCTA Staff Updates (5 Minutes)**
  - A. Finance Directors Workshop Update  
Sean Murdock, Director, Finance and Administration
  - B. M2 Performance Assessment  
Francesca Ching, Measure M Program Manager
  - C. Staff Liaison Update  
Marissa Espino, Section Manager, Public Outreach
- 6. Environmental Oversight Committee Report**
- 7. Committee Member Reports**
- 8. Public Comments\***
- 9. Adjournment**

*The next meeting will be held on December 10, 2024 at 5pm*

Agenda Descriptions: The Agenda descriptions are intended to give notice to members of the public of a general summary of items of business to be transacted or discussed.

Public Comments: At this time, members of the public may address the Taxpayer Oversight Committee (TOC) regarding any items within the subject matter jurisdiction of the TOC, provided that no action may be taken on off-agenda items unless authorized by law. Comments shall be limited to three (3) minutes per person, unless different time limits are set by the Chairman, subject to the approval of the TOC.

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA at (714) 560 5611, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

*Information  
Items*

**INFORMATION ITEMS**

<i>Staff Report Title</i>	<i>Board Meeting Date</i>
<b>1. Measure M2 Quarterly Progress Report for the Period of January 2024 through March 2024</b>	<b>June 10, 2024</b>
<b>2. Measure M2 Taxpayer Oversight Committee New Member Recruitment and Lottery</b>	<b>June 24, 2024</b>
<b>3. Environmental Mitigation Program Endowment Fund Investment Report for March 31, 2024</b>	<b>June 24, 2024</b>
<b>4. Measure M2 Ten-Year Comprehensive Review Survey</b>	<b>July 8, 2024</b>
<b>5. Measure M2 Eligibility Review Recommendations for Fiscal Year 2022-23 Expenditure Reports</b>	<b>July 8, 2024</b>
<b>6. OC Streetcar Project Quarterly Update</b>	<b>July 22, 2024</b>
<b>7. Release 2025 Annual Call for Projects for Measure M2 Comprehensive Transportation Funding Programs</b>	<b>August 12, 2024</b>
<b>8. Measure M2 Community-Based Transit Circulators Program Project V Ridership Report</b>	<b>August 12, 2024</b>
<b>9. Update on the Interstate 5 Improvement Project Between State Route 73 and El Toro Road</b>	<b>August 12, 2024</b>
<b>10. Measure M2 Quarterly Progress Report for the Period of April 2024 through June 2024</b>	<b>August 29, 2024</b>

---

**Measure M2 Taxpayer Oversight Committee**  
**Orange County Transportation Authority**  
**550 S. Main Street, Orange CA, Room 07**  
**June 11, 2024 @ 6:00 p.m.**

## **MEETING MINUTES**

### **Committee Members Present:**

Andrew Hamilton, Chairman  
Ajay Khetani, Fourth District Representative  
Andrew Ramirez, First District Representative  
Kirk Watilo, Third District Representative  
Mark Kizzar, Second District Representative  
Michael Neben, Third District Representative  
Monica Shin, Second District Representative  
Naresh D. Patel, First District Representative  
Shannon O'Toole, Fifth District Representative  
Tim Benson, Fourth District Representative

### **Committee Members Absent:**

Mark W. Eisenberg, Fifth District Representative

### **Orange County Transportation Authority Staff Present:**

Alice Rogan, Director, Marketing and Public Outreach  
Adriann Cardoso, Manager Capital Programs  
Andrew Oftelie, Chief Financial Officer, Finance and Administration  
Charvalen Alacar, Section Manager, Planning  
Francesca Ching, Measure M Program Manager  
Janet Sutter, Executive Director, Internal Audit  
Kia Mortazavi, Executive Director, Planning  
Marissa Espino, Public Outreach Section Manager  
Rose Casey, Director, Highway Programs  
Sean Murdock, Director, Finance and Administration

### **Woodruff & Smart**

James Donich, OCTA General Counsel

## **1. Welcome**

Chair Andrew Hamilton called the Orange County Transportation Authority (OCTA) Taxpayer Oversight Committee (TOC) and the Annual Public Hearing to order.

## **2. Pledge of Allegiance**

Ajay Khetani led the Pledge of Allegiance.



### 3. Annual Public Hearing

- A. Andrew Hamilton introduced new member Tim Benson.
- B. Shannon O'Toole presented a review of the FY2023/24 TOC actions.
- C. Andrew Ramirez presented a review of the Annual Eligibility Review Subcommittee Report.
- D. Andrew Hamilton presented a review of the Audit Subcommittee Report.  
The auditing Firm of Crowe LLP found that OCTA had complied in all material respects with the compliance requirements of Measure M2.
- E. Andrew Hamilton called for public comments. There were no public comments.
- F. Marissa Espino presented a review of the outreach notifications of the hearing and stated they had not received any written comments.

There were no public comments. The Public Hearing was adjourned.

### 4. Approval of Minutes/Attendance Report for March 12, 2024

A motion was made by Ajay Khetani to approve the March 12, 2024, TOC Minutes/Attendance Report. Motion was seconded by Andrew Ramirez. Motion passed unanimously.

### 5. Action Items

- A. Annual Eligibility Review Subcommittee Eligibility Report.  
Andrew Ramirez, Annual Eligibility Subcommittee Chair presented the report.

Committee Member Comments:

There were no comments.

*Michael Neben made a motion to receive and file Action Item 5A.  
Kirk Watilo seconded the motion. Motion passed.*

- B. 2024 Measure M Annual Hearing Follow-Up and Compliance Finding  
Chair Andrew Hamilton, Orange County Auditor Controller presented the report.

Committee Member Comments:

There were no comments.

*Mark Kizzar made a motion to receive and file Action Item 5B.  
Monica Shin seconded the motion. Motion passed.*

- C. M2 Quarterly Revenue & Expenditure Report  
Sean Murdock, Director Finance and Administration presented the report.

Committee Member Comments:

A committee member asked about inflation and construction costs. Sean Murdock responded inflation is still present, and in preparing the budget for FY 25, it was seen that approximately half of the sales tax growth since COVID can be attributed to inflation. There has been growth above inflation in the past, but looking ahead, inflation may be higher than our sales tax growth.

A committee member asked how the Express Lanes are doing compared to what the plan was. Sean Murdock responded right now, trip wise, they are on pace with the forecast.

*Shannon O'Toole made a motion to receive and file Action Item 5C.  
Naresh D. Patel seconded the motion. Motion passed.*

**6. Presentation Items**

A. Measure M2 Quarterly Progress Report – Q3

Francesca Ching, Measure M Program Manager presented the report for the period of January through March 2024. <The full presentation can be found at [TOC-240611-Item6A.pdf \(octa.net\)](#)>

Committee Member Comments:

A committee member asked about what the 7% of cancelled projects exhibited in the pie chart means. Francesca Ching responded that cancelled projects are those cancelled by the local jurisdiction for a variety of reasons; OCTA does not cancel the projects.

A committee member asked if the mobility choices for seniors and persons with disabilities include individuals with autism or only individuals with visible disabilities. James Donich responded the individual would need to qualify for paratransit services through the federal process. It is not limited to physical disability, but they would need to be deemed incapable of riding the fixed-route bus services.

A committee member asked why an individual would have to go through the federal approval rather than working with county partners such as the Regional Center organization. James Donich responded that OCTA is federally required to provide complementary ACCESS paratransit services, as such federal guidelines are required to be followed. The Regional Center is a local entity that has its own eligibility guidelines. Andrew Oftelie commented that OCTA partners with the Regional Center and provides trips for those that qualify for ACCESS services.

A committee member asked how open space and habitat is acquired and what is the plan for it. Kia Mortazavi responded OCTA is done acquiring properties and restoration is ongoing. James Donich responded that the acquired property was required to have a bio-diversity value, not in conjunction with a developer.

The plan has an endowment from Measure M2 that will be used to maintain the properties in their current condition in perpetuity.

A committee member asked for an update on the OC Streetcar and projections. Francesca Ching responded that the anticipated revenue service is August 2025. The committee member asked what is the delay. Rose Casey responded construction is about 86% complete. There have been delays due to utility and other issues that have affected construction and the schedule. They are working with the contractor on how to mitigate some of the delays in construction and they are doing an in-depth review of the remaining risks to the project.

A committee member asked if there was an issue with the streetcars being delivered early and having no place to store them. Rose Casey responded that the streetcars are being stored in Sacramento and waiting for the streetcar maintenance facility to be ready to receive them. James Donich commented that they will require six to nine months of testing as required by the Public Utilities Commission.

A committee member asked if there were any plans to extend the streetcar as part of M2. Francesca Ching responded that would be determined by the Board of Directors. There have been potential corridors studied for a streetcar or connections to Metrolink stations.

A committee member asked if any measures for protection or security against crime were being put in place for the streetcar. Rose Casey responded that an in-depth safety plan is being prepared for the beginning of revenue operations.

B. Comprehensive Transportation Funding Programs (CTFP) – 2024 Project O and Project P Call for Projects Programming Recommendations.

Adriann Cardoso, Manager Capital Programs presented the item. <The full presentation can be found at [TOC-240611-Item6B.pdf \(octa.net\)](#)>

Committee Member Comments:

A committee member asked who maintains the roads. Adriann Cardoso responded they are maintained by local jurisdictions.

A committee member asked who manages traffic lights, Caltrans or the city. Adriann Cardoso responded it depends on the location, some are the city's, and some are Caltrans. OCTA's signal program is designed to have local agencies work together to coordinate on roads that pass through multiple jurisdictions.

A committee member asked about the signs on freeways. Adriann Cardoso responded most freeway signs are controlled by the state, Caltrans, with some being controlled by the Federal government.

A committee member asked if all the requests that have come in could be funded in any given year. Adriann Cardoso responded the presentation reflects all the projects that have been funded since its inception and they have funded all the projects that had completed the application process.

A committee member asked what was the issue with the Ortega Highway expansion. Adriann Cardoso responded there is a gap closure project in design that is funded through construction. There was an environmental concern on the original.

## **7. Audit Subcommittee Report**

Andrew Hamilton called for questions or comments on the report.

### Committee Member Comments:

There were no member comments.

## **8. Selection of Co-Chair**

Andrew Hamilton called for nominations for Co-Chair.

Kirk Watilo was nominated and approved unanimously.

## **9. Subcommittee Selection**

Andrew Hamilton called for nominations for the subcommittees. Marissa Espino gave an overview of the committee assignments.

- Audit
  - Naresh D. Patel
  - Kirk Watilo
- AER
  - Monica Shin
  - Tim Benson
- EOC
  - Micheal Neben

## **10. OCTA Staff Updates**

### **A. Ordinance Compliance Matrix.**

Francesca Ching, Measure M Program Manager presented the item.

### Committee Member Comments:

A committee member commented that the matrix was not in the packet. Marissa Espino responded they would send it to the TOC.

### **B. Staff Liaison Update**

Marissa Espino, Section Manager, Public Outreach presented the update and thanked the outgoing members for their service.

## **11. Committee Members Reports**

Andrew Hamilton thanked the outgoing members.

A committee member reported the next AER meeting is in the fall of 2024.

A committee member thanked Alice Rogan for her service.

## **12. Adjournment**

Chair Andrew Hamilton adjourned the meeting at 7:11 p.m.

The next meeting will be held on September 10, 2024, at 5 p.m.

## Taxpayer Oversight Committee

Fiscal Year 2023-2024

### Attendance Record

X = Present		E = Excused Absence		* = Absence Pending Approval			U = Unexcused Absence			-- = Resigned		
Meeting Date	11 July	Aug.	12 Sept.	Oct.	Nov.	12 Dec	Jan.	Feb.	12 March	Apr.	May	11 Jun.
Naresh D. Patel	X		E			X			X			X
Andrew Ramirez	X		X			E			X			X
Monica Shin	X		X			X			X			X
Mark Kizzar	E		X			X			X			X
Michael Neben	X		X			X			X			X
Kirk Watilo	X		E			X			X			X
Rasik N. Patel	X		E			E			--			--
Ajay Khetani	X		X			E			X			X
Shannon O'Toole	E		X			E			X			X
Mark W. Eisenberg	X		X			X			X			E
Andrew Hamilton	X		X			X			X			X
Tim Benson	N/A		N/A			N/A			N/A			X

***Presentation  
Items***

**ITEM 4A:**  
**Measure M2 Overview**






# Measure M2 Overview

 Purpose and Need for Measure M2

 Process to Pass M2

 Promise to Voters

 Protecting the Promise

 Plans for Delivery

 Progress Made to Date

 Performance of Delivery

 Path Forward

## Purpose:

*“To address current and future transportation needs in Orange County and reflect the best efforts to achieve consensus among varied interest and communities throughout the County”*

## Need for renewal of Measure M1:

- Projected Orange County population, job, and travel increase
- Address local needs
- Supplement existing transportation investments
- Leverage external funding sources

# Process to Pass M2



**Built on trust established through delivery of Measure M1 promises**



**Developed a specific expenditure plan with technical support**



**Secured consensus on expenditure priorities**

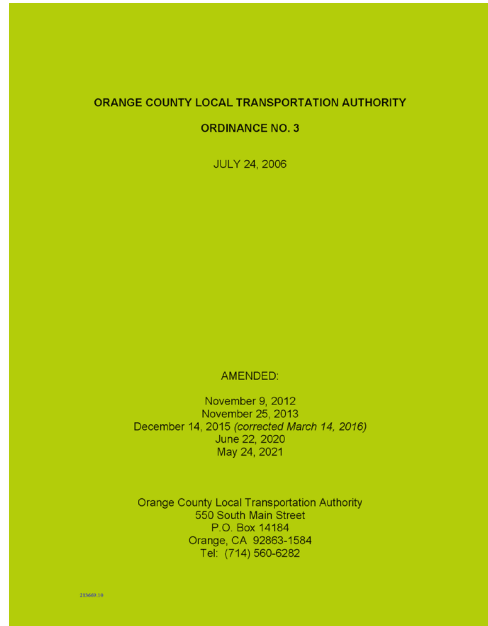


**Expanded strong safeguards**



**Received 69.7 percent voter support in 2006**

## Implementing Ordinance



M2 Ordinance:  
 Attachment A – Renewed Measure M Transportation Investment Plan (M2 Plan)  
 Attachment B – Allocation of Net Revenues  
 Attachment C – Taxpayer Oversight Committee

## Funding Strategy



### ENVIRONMENTAL

- A total of 5% of OC Go Freeway Program funds is allocated to the Freeway Environmental Mitigation Program
- A total of 2% of the overall OC Go Program funds is allocated to the Environmental Cleanup Program

1.5% - California Department of Tax and Fee Administration  
 1% - Administrative Costs

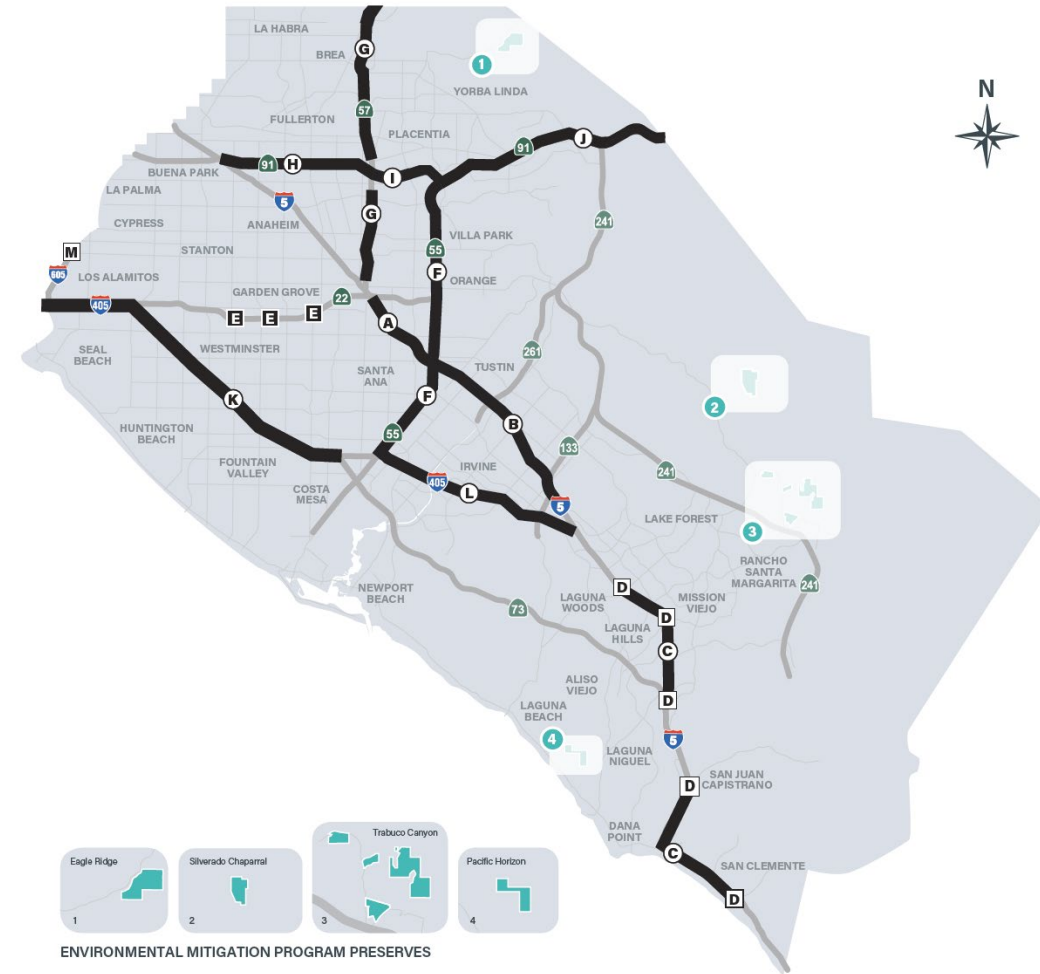
## \$14 Billion Expenditure Plan

MEASURE M M2 Projects and Programs		
<b>Freeway Projects</b>		
I-5	Santa Ana Freeway Interchange Improvements	A
I-5	Santa Ana/San Diego Freeway Improvements	B C D
SR-22	Garden Grove Freeway Access Improvements	E
SR-55	Costa Mesa Freeway Improvements	F
SR-57	Orange Freeway Improvements	G
SR-91	Riverside Freeway Improvements	H I J
I-405	San Diego Freeway Improvements	K L
I-605	Freeway Access Improvements	M
All	Freeway Service Patrol	N
<b>Streets &amp; Roads Projects</b>		
	Regional Capacity Program	O
	Regional Traffic Signal Synchronization Program	P
	Local Fair Share Program	Q
<b>Transit Projects</b>		
	High Frequency Metrolink Service	R
	Transit Extensions to Metrolink	S
	Metrolink Gateways	T
	Expand Mobility Choices for Seniors and Persons with Disabilities	U
	Community Based Transit/Circulators	V
	Safe Transit Stops	W
<b>Environmental Cleanup</b>		
	Clean Up Highway and Street Runoff that Pollutes Beaches	X
<b>Taxpayer Safeguards and Audits</b>		
	Collect Sales Taxes (State charges required by law)	
	Oversight and Annual Audits	

I-5 – Interstate 5 / SR-22 – State Route 22 / SR-55 – State Route 55 / SR-57 – State Route 57 / SR-91 – State Route 91 / I-405 Interstate 405 / I-605 – Interstate 605

# M2 Freeway Programs – \$6.0 B (43%)

- 13 freeway projects → 30 projects/segments
  - I-5 Freeway and Interchanges (Projects A-D)
  - SR-22 Freeway Access Improvements (Project E)
  - SR-55 Freeway Improvements (Project F)
  - SR-57 Freeway Improvements (Project G)
  - SR-91 Freeway Improvements (Projects H-J)
  - I-405 Freeway Improvements (Projects K-L)
  - I-605 Freeway Access Improvements (Project M)
- Freeway Service Patrol Enhancements (Project N)
- 5% for Consolidated Freeway Environmental Mitigation Program





## Regional Capacity Program (Project O)

- Improve busy streets and intersections on Orange County's Master Plan of Arterial Highways
- Receives 10% of net revenues (~\$1.4 B)



## Regional Traffic Signal Synchronization Program (Project P)

- Traffic signal synchronization projects across city boundaries to ensure drivers hit the most green lights during peak traffic hours
- Receives 4% of net revenues (~ \$555 M)



## Local Fair Share (Project Q)

- Formula-based funds to preserve existing streets and roads and provide other transportation improvements based on the priorities and needs of local agencies
- Receives 18% of net revenues (~ \$2.5 B)



# M2 Transit Programs – \$3.5 B (25%)



High-Frequency Metrolink Service (Project R)

~\$1.4 B



Transit Extensions to Metrolink (Project S)

~ \$1.2 B



Metrolink Gateways (Project T)

~\$71 M



Expand Mobility Choices for Seniors and Persons with Disabilities (Project U)

~\$482 M



Community-Based Transit/Circulators (Project V)

~\$278 M



Safe Transit Stops (Project W)

~\$31 M



## Environmental Cleanup Program (Project X)

- Receives 2% of gross revenues (~\$281 M)
- Provides competitive funding to improve water quality from transportation-generated pollution
- Advised by Environmental Cleanup Allocation Committee

## Freeway Environmental Mitigation Program

- 5% of the 43% freeway allocation (~\$298 M)
- Provides comprehensive mitigation of environmental impacts
- Streamlined project approvals
- Advised by Environmental Oversight Committee



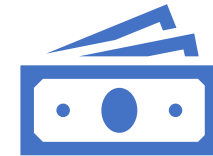
## Foundational Requirements

- ✓ Only approved projects and programs
- ✓ Voters approve major changes
- ✓ Independent Taxpayer Oversight Committee
- ✓ Annual public hearing and certification
- ✓ Regular audits and reviews of expenditures



## Public Reporting Requirements

- ✓ Quarterly reports
- ✓ Annual report
- ✓ Triennial Performance Assessment
- ✓ Ten-Year Review



## Funding Requirements

- ✓ Specific eligibility requirements for local jurisdictions
- ✓ Funds provided shall augment, not replace, existing funds
- ✓ Penalties for misuse of funds
- ✓ Limits on administrative/oversight expenses

# Plans for Delivery

## Board-Adopted M2 Delivery Plans:

- Early Action Plan (2007-2012)
  - M2020 (2012-2016)
  - Next 10 Delivery Plan (2016 – Present)
- Purpose:
    - Validate OCTA's ability to deliver M2
    - Outline near-term workplan
    - Establish common understanding among stakeholders
    - Set baseline upon which future changes are measured
    - Provide basis for preparation of OCTA's annual budgets for capital projects
  - Principles:
    - Confirm promised plan can be delivered
    - Ensure financial sustainability
    - Implement projects and programs expeditiously

Sales Tax  
Revenue  
Forecast



External  
Revenues



Market  
Conditions  
Forecast



Project  
Cost and  
Schedules



# Progress to Date

- Freeways
  - ✓ 14 projects completed
  - ✓ 13 additional projects complete by 2030
  - ✓ 794,000 motorist assists/lane clearances
  - ✓ Acquired 1,300 acres of open space and restoring nearly 350 acres of habitat
  - ✓ Establishing an endowment to protect mitigation properties
- Streets and Roads
  - ✓ 168 street capacity improvement projects
  - ✓ 128 signal synchronization projects
  - ✓ \$736 million in flexible funding distributed
- Transit
  - ✓ Rail station, track, and grade crossing improvements
  - ✓ Expanded Metrolink service
  - ✓ OC Streetcar underway
  - ✓ \$134 million for expanded mobility choices for seniors and persons with disabilities
  - ✓ 23 community-based circulators
  - ✓ 112 transit stop enhancements
- Environmental Cleanup
  - ✓ 226 water quality projects
  - ✓ 69.5 million gallons of trash collected



*Note: Figures reflect only active or completed projects*

## Triennial Performance Assessment

Section 10.6 of the M2 Ordinance: Evaluate the efficiency, effectiveness, economy, and program results of OCTA in satisfying the requirements of M2

## Ten-Year Review

Section 11 of the M2 Ordinance: Comprehensive review of all projects and programs in the M2 Plan to evaluate the performance of the overall program

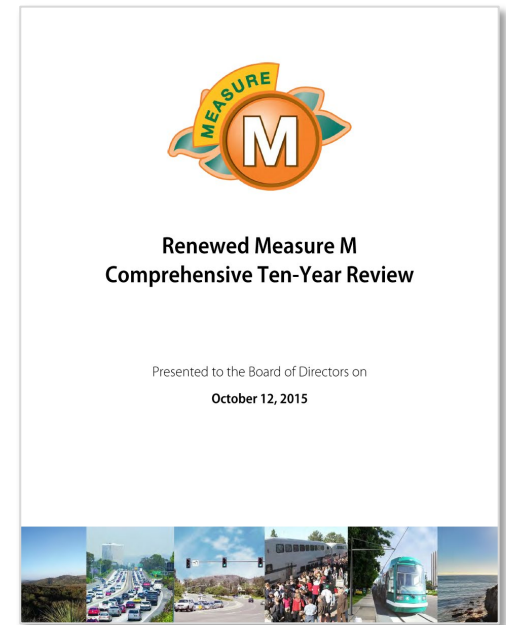
- ✓ Five performance assessments completed
- Sixth performance assessment underway (FY 2021-22 through FY 2023-24)

## Focus Areas:

- Project delivery
- Program management and responsiveness
- Compliance
- Fiscal responsibility
- Transparency and accountability

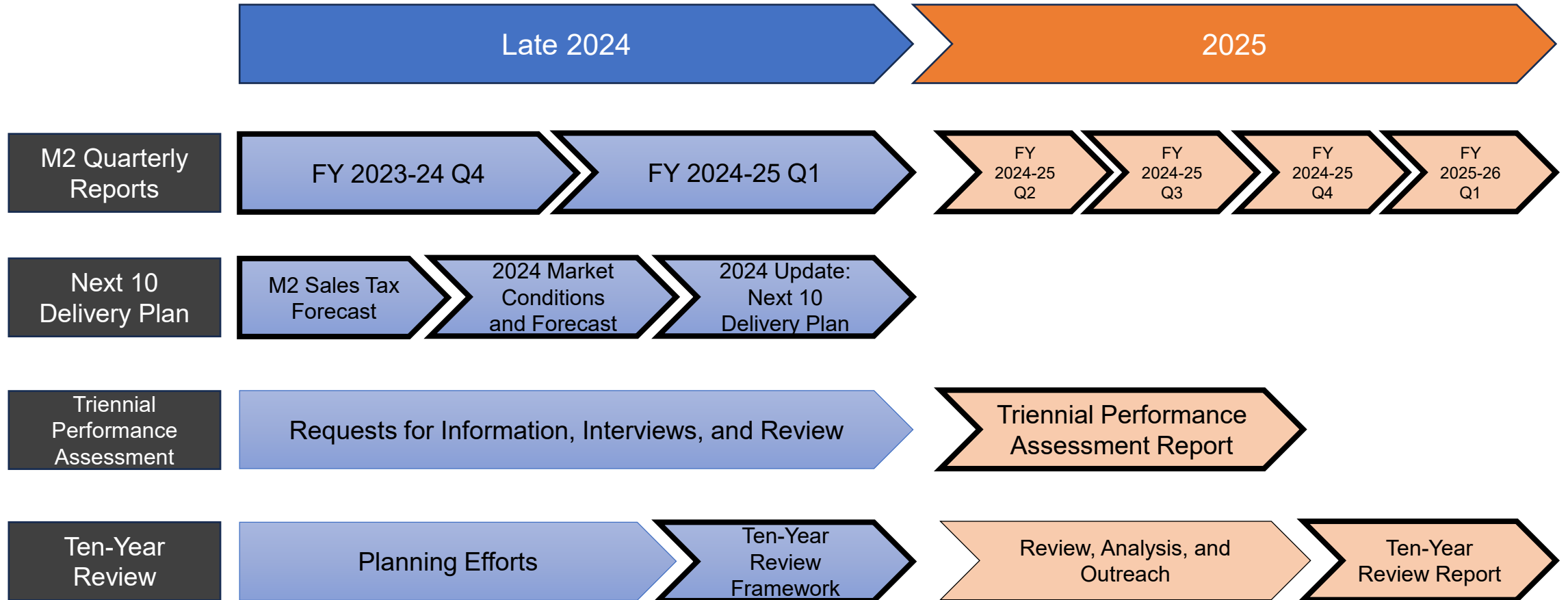


- ✓ Initial review completed in 2015
- Second review underway with target completion in October 2025
- Section 11 of M2 Ordinance - Consideration for changes in:
  - Local, state and federal transportation plans and policies
  - Land use, travel and growth projections
  - Project cost estimates and revenue projections
  - Right-of-way constraints and other project constraints
  - Level of public support for the M2 Plan
  - Progress of OCTA and local jurisdictions in implementing the M2 Plan





# Path Forward



Note: Bolded shapes denote Board items




- M2 is voter-approved and governed by the M2 Ordinance
- Promises made, promises kept is a priority
- M2 continues to provide a reliable, local funding source for transportation improvements in Orange County
- M2 provides for investments to all modes concurrently
- Key M2 reports are underway and will be presented in late 2024 through 2025
- Taxpayer Oversight Committee has determined for 33 years (including 20 years of Measure M1) that Measure M has been delivered as promised to voters
- All M2 documents available on the OCTA website: <https://octa.net/m2documents>



**ITEM 4B:**  
**Measure M2 Environmental  
Mitigation Program Update**



**July 1, 2024**

**To:** Regional Transportation Planning Committee  
**From:** Darrell E. Johnson, Chief Executive Officer   
**Subject:** Measure M2 Environmental Mitigation Program Update

**Overview**

Measure M2 includes a program to deliver comprehensive mitigation for biological impacts of 13 freeway projects in exchange for streamlined project approvals from state and federal resource agencies. The Environmental Mitigation Program has acquired conservation properties and provided funding for habitat restoration projects as part of the Natural Community Conservation Plan/Habitat Conservation Plan. A summary of recent Environmental Mitigation Program activities is provided for information purposes.

**Recommendation**

Receive and file as an information item.

**Background**

Measure M2 (M2) includes the Environmental Mitigation Program (EMP) which is intended to mitigate the biological resource impacts of 13 M2 freeway projects and streamline approval processes with state and federal resource agencies. This was achieved through the development of a Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan), approved by the California Department of Fish and Wildlife and the United States Fish and Wildlife Service (collectively referred to as the Wildlife Agencies). Consistent with the Conservation Plan, the Orange County Transportation Authority (OCTA) has acquired seven conservation properties (Preserves) and funded 12 habitat restoration projects, depicted in Attachment A. To date, six of the restoration projects have been completed and met the requirements of the Wildlife Agencies. Five additional OCTA funded projects are anticipated to be completed by the end of 2025.

In addition, an endowment is being established to fund the long-term management of the Preserves as a provision of the Conservation Plan. On a parallel path, the United States Army Corps of Engineers and the State Water Resources Control Board (commonly referred to as the Regulatory Agencies) have also established a framework to expedite the permitting process.

The EMP accomplishments have largely met the intent of the program. These efforts are the result of years of positive collaboration between OCTA and the aforementioned agencies, stakeholders, and the public. The success of this program has been recognized at the regional and national level. Through these efforts, pre-negotiated permit terms have helped streamline project implementation and reduce the required mitigation needs. Without the EMP's established process, additional mitigation-related requirements could have been incurred, resulting in increased project costs and schedule risks. The established permits and partnerships have also enabled swift response to other OCTA project needs.

### ***Discussion***

#### **OCTA Preserves Fire Management Plans Update**

As required by the OCTA M2 Conservation Plan, fire management plans (Plans) were developed for each of the Preserves. A fire modeling analysis was conducted based on existing vegetation and conditions of the Preserves. The Plans were developed in collaboration with the Wildlife Agencies as well as the applicable responsible fire entity. These Plans provide guidelines for decision-making at all stages including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. In addition, specific maps were developed that highlight Preserve areas containing environmentally sensitive areas to avoid (when feasible) during fire suppression efforts. These Plans are posted on OCTA's website at <https://octa.net/programs-projects/programs/oc-go-measure-m/environmental-programs/environmental-mitigation-program/> and will be incorporated into the Preserve Resource Management Plan (updates are currently underway).

#### **City of Costa Mesa (City) Fairview Park Restoration Project**

In February 2011, OCTA awarded the City \$2 million for a 23-acre habitat restoration project within the City's Fairview Regional Park. This project is depicted in Attachment A and described in Attachment B. Approximately 13 acres of the proposed project have been implemented. Once the restoration is approved by the Wildlife Agencies and permanently protected, OCTA can utilize the restored habitat for mitigation as part of the OCTA M2 Conservation Plan. As shared in the December 2023 staff report, various project concerns have been discussed between the City, OCTA, and the Wildlife Agencies. The project is deficient of

approximately ten acres of the committed restoration habitat types. In addition, the City has yet to record a required conservation easement over the project area. If these project requirements are not completed, OCTA would be out of compliance with the Conservation Plan provisions and the City would be out of compliance with their contractual obligations with OCTA.

During the last few Environmental Oversight Committee (EOC) meetings, the City indicated that they will continue to work with the Wildlife Agencies, OCTA, and their consultant to identify a project area for the outstanding remaining acreage. Currently, the City is developing a final restoration plan for the remaining restoration acreage to be included as part of the OCTA-funded restoration project commitments. The restoration plan will require approvals from the EOC and the Board of Directors (Board), as well as the Wildlife Agencies, before implementation. The proposed project area is adjacent to the existing OCTA-funded project area within Fairview Park, as shown in Attachment C. The City currently has a tentative schedule to complete biological site surveys and finalize the restoration plan by the end of July 2024. Site implementation is anticipated to begin in fall 2024 and potentially continue through 2027-2032, depending on vegetation performance. Updates will continue to be provided to the Board and EOC.

#### Southern California Edison Coordination

As previously shared with the Board, biological impacts occurred at the Pacific Horizon (in the City of Laguna Beach) and Silverado Chaparral (in Silverado Canyon) Preserves as a result of Southern California Edison (SCE) utility powerline maintenance work (Attachment D). OCTA's goal is to ensure that the necessary maintenance needs of SCE are coordinated and completed while also minimizing impacts to protected Preserve habitat. OCTA and SCE are working cooperatively toward these goals. Agreements have been collaboratively developed to define utility access to all of the Preserves and identify expected procedures and information requirements related to any future SCE activities.

SCE does not have easements for the power poles or facilities at either of these Preserves. Consequently, surveys for the utility poles and facilities were completed. The surveys determined that while most of the poles are located on adjacent County-owned land, with one occurring on City of Laguna Beach property, the related access involves the Preserves. Survey information is necessary to develop easements and agreements for the poles and affiliated work areas near and within all of the Preserves. In early 2024, OCTA completed the legal description and depiction of all Preserve property lines and adjacent utilities. The survey documentation and all associated legal documents are currently under review for approval by SCE staff and legal counsel.

### OCTA Live Oak Creek Encroachment

In 2023, American Land Title Association surveys were reviewed and, when necessary, additional surveys were conducted for all of the Preserves. During this process, it was discovered that an adjacent landowner made improvements to an unpermitted accessory structure at 19041 Live Oak Canyon Road which further encroached and impacted the Live Oak Creek Preserve. Figures and photos of the encroachment area are shown in Attachment E. OCTA did not approve these encroachments and is concerned about the resulting damage and risks. OCTA staff has discussed the matter with the County's Planning and Development team and have been informed that there are no existing permits for the accessory structure (or related recent improvements). In December 2023, OCTA sent a letter to the County Planning and Development team pertaining to the encroachment (Attachment E). OCTA has requested updates from the County and has been told that the case is still open and that they are working towards a resolution.

The recent outdoor expansion (and affiliated use) not only impacted the OCTA preserve habitat, but also greatly increased the fire risk to OCTA's Preserve and surrounding area. Specifically, OCTA is highly concerned about the fire risk associated with outdoor open flames within and adjacent to heavily vegetated areas. OCTA sent a separate letter to the property owner requesting they halt all outdoor activities and remove all encroaching improvements. OCTA is eager to resolve these issues through a process that respects property boundaries, restores the damaged habitat by the adjacent property owners, and ensures that future improvements on the adjacent property conform to the County's planning and permitting requirements. OCTA staff and legal counsel are currently coordinating with the landowner to seek removal of the encroachment and restoration of the disturbed habitat in order to remain in compliance with the terms of the Conservation Plan that supports OCTA's ability to deliver the M2 freeway improvements. Updates on this coordination will be shared with the Board, the Regional Transportation Planning Committee, and the EOC.

### EMP Endowment Fund Investment Report

The Conservation Plan requires the establishment of an endowment to fund the long-term management of the Preserves. A separate quarterly investment report summarizing the status of the endowment was provided to the Finance and Administration (F&A) Committee and Board in June 2024. As of March 31, 2024, the endowment balance was \$28,374,041. Based on the performance to date, current projections indicate that OCTA still remains on track to meet the endowment target of \$46.2 million in fiscal year 2027-28 depending on future performance of the endowment fund. Staff will continue to assess market conditions and provide regular endowment updates to the Board, the F&A Committee, and the EOC.

**Summary**

M2 includes an EMP that provides funding for programmatic mitigation to offset certain impacts of the 13 M2 freeway projects. To expedite the delivery of the M2 freeway projects, this program was initiated to implement early project mitigation through preservation and habitat restoration. This program is administered through a Conservation Plan, which was approved by the Wildlife Agencies in mid-2017. To maximize the benefits of the investments, OCTA has utilized some of those same mitigation assets to obtain Clean Water Act permits.

**Attachments**

- A. OCTA Preserves and Funded Restoration Projects
- B. OCTA M2 EMP Funded Restoration Projects Status Table
- C. OCTA Existing and Proposed Restoration Areas at Fairview Park
- D. Pacific Horizon/Southern California Edison Poles and Impacts
- E. Live Oak Creek Preserve Encroachment Figures and December 18, 2023 OCTA Letter to Orange County Development Services

**Prepared by:**



Lesley Hill  
Environmental Mitigation Program  
Project Manager  
(714) 560-5759

**Approved by:**



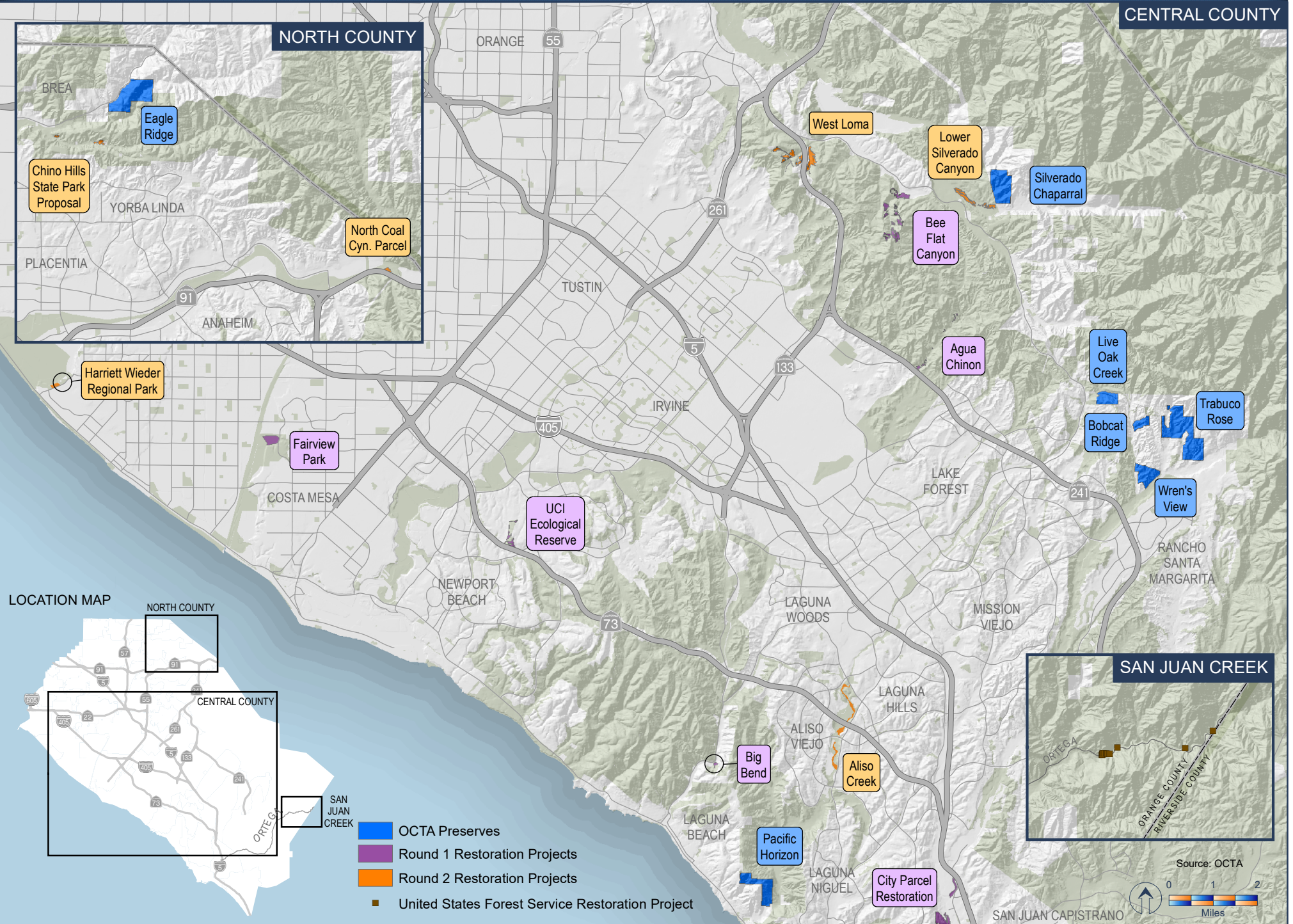
Kia Mortazavi  
Executive Director, Planning  
(714) 560-5741



# OCTA Preserves and Funded Restoration Projects



CENTRAL COUNTY





**OCTA M2 EMP Funded Restoration Projects Status Table**

<b>Project Name</b>	<b>Sponsor/ Geographic Area</b>	<b>Cost</b>	<b>Approximate Acreage and Habitat Types</b>	<b>Land Protection Document Type/Status</b>	<b>Year Began</b>	<b>Project Status</b>
Big Bend	Laguna Canyon Foundation/ Laguna Beach	\$87,500	3.7 Coastal sage scrub (CSS) and riparian woodland	Restrictive Covenant/ Complete	2011	Signed off 2017
City Parcel/2C Ranch	City of San Juan Capistrano/ San Juan Capistrano	\$1,500,000	53 CSS, native grassland, oak woodland, and riparian	Restrictive Covenant/ Complete	2011	Signed off 2018
UCI Ecological Reserve	Natural Community Coalition/ Irvine	\$325,000	8.5 Cactus scrub	Central/Coastal NCCP/HCP Reserve	2011	Signed off 2021
United States Forest Service Dam Removal	United States Forest Service/ San Juan Capistrano and Trabuco Canyon	\$185,000	31* Dams, creek bed and riparian	USFS Protected Lands	2018	Signed off 2022
Bee Flat Canyon	Irvine Ranch Conservancy/ Irvine	\$1,597,860*	90.1* (84 acres Bee Flat/6.1 acres Agua Chinon) chaparral, CSS, native grassland, riparian, and woodland	Restrictive Covenant/Complete	2011	84 acres signed off 2020
Agua Chinon				Central/Coastal NCCP/HCP Reserve  Land Protection Document Pending Corps approval (County area 0.31 acre)	2011	6.1 acres signed off 2023 (Wildlife Agencies)  0.83 acres (The Irvine Company portion) signed off 2023 (Corps) 0.31 acres (County) pending Corps legal requirements
Lower Silverado Canyon	Irvine Ranch Conservancy/County of Orange	\$1,414,435*	28.4* Riparian	Conservation Easement/ Complete	2014	Signed off 2023

## OCTA M2 EMP Funded Restoration Projects Status Table

Project Name	Sponsor/ Geographic Area	Cost	Approximate Acreage and Habitat Types	Land Protection Document Type/Status	Year Began	Project Status
West Loma	Irvine Ranch Conservancy/County of Orange	\$1,454,570*	62.4* CSS and riparian	Conservation Easement/portion covered by a Restrictive Covenant/ Complete	2013	Pending (anticipated 2024)
Harriett Weider Regional Park	Bolsa Chica Conservancy/Huntington Beach	\$475,000	8.2 CSS, native grassland, and riparian	Restrictive Covenant/ Complete	2016	Pending (anticipated 2024)
North Coal Canyon	RECON Environmental/ Yorba Linda	\$247,500	5.5 CSS	Restrictive Covenant/ Conserved by the Land and Water Conservation Fund (LWCF)	2019	Pending (anticipated 2025)
Fairview Park	City of Costa Mesa/ Costa Mesa	\$2,000,000	23 CSS, native grassland, riparian, and wetland	Needed	2011	Pending
Aliso Creek	Laguna Canyon Foundation/ Laguna Niguel	\$1,482,100*	55 Riparian	Restricted Covenant Pending	2015	Pending (anticipated 2025)
Chino Hills State Park	Habitat Restoration Sciences, Inc/ Yorba Linda	\$193,000	11 Cactus scrub	Conserved by the LWCF	2020	Pending (anticipated 2025)

Approximate acreage is subject to change and may be adjusted slightly once the restoration work is completed.

Shaded cells indicate the project is complete and has obtained "sign off" from the Wildlife Agencies.

\*Amounts depicted in the table were revised/amended pursuant to the OCTA Board-approved contracting procedures.

### Acronyms

Corps - United States Army Corps of Engineers

EMP - Environmental Mitigation Program

M2 – Measure M2

NCCP/HCP - Natural Community Conservation Plan/Habitat Conservation Plan

OCTA – Orange County Transportation Authority

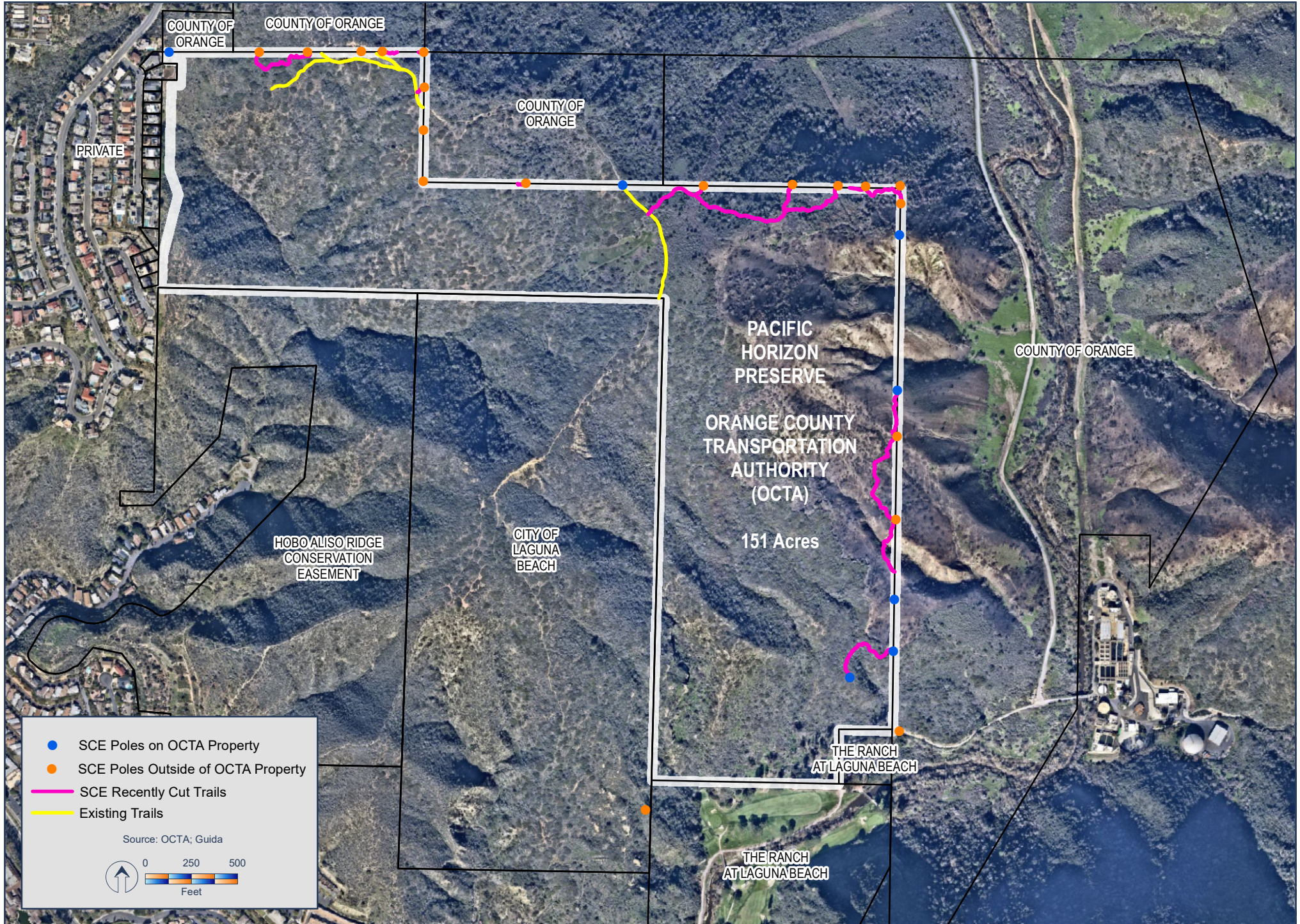
UCI – University of California, Irvine

USFS – United States Forest Service

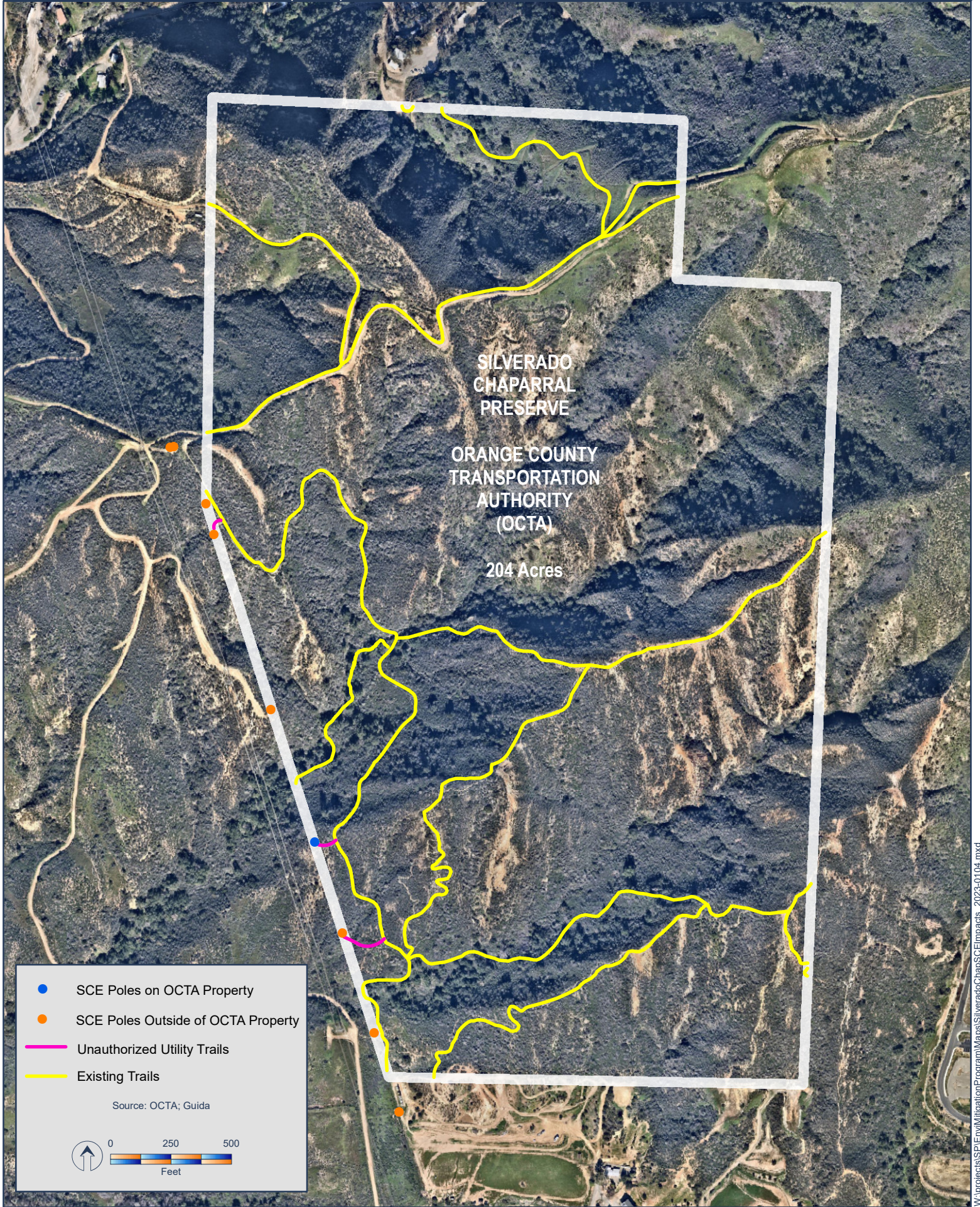




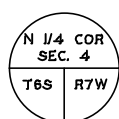




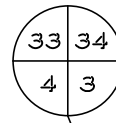




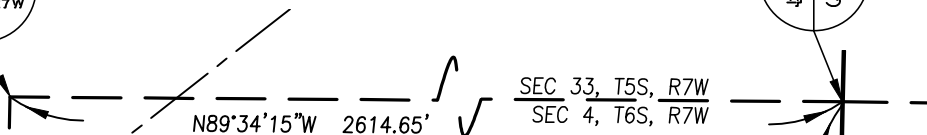




FOUND 2" IRON PIPE WITH O.C.S. 3-3/4"  
ALUMINUM CAP PER R.S.B. 141/5-19



FOUND MAG NAIL SET IN CONCRETE  
PER R.S.B. 141/5-19



RETAINING ROCK GROUND COVER

APN: 856-021-27  
APN: 856-021-26

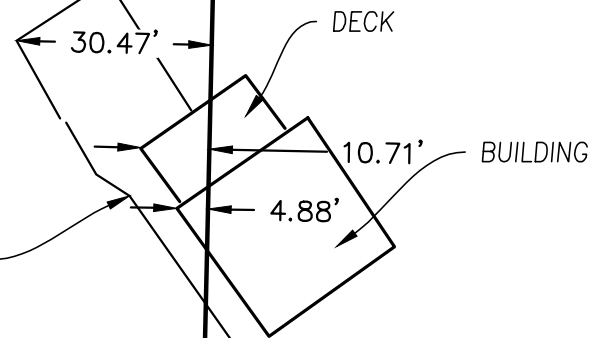
PARCEL 2  
LLA NO. LL-2008-007  
INST. NO. 2008000473333, O.R.  
RECORDED 10/10/2008



SCALE: 1" = 30'

LEGEND & ABBREVIATIONS

- LIVE OAK CREEK PRESERVE BOUNDARY
- SECTION LINE
- CENTERLINE



GROUND COVER ROCK

N01°17'09"E  
1261.95'

SEARCHED FOR MONUMENT  
NOTHING FOUND. REESTABLISHED  
PER R.S.B. 141/5-19 BETWEEN  
FOUND NE CORNER AND SE  
CORNER OF SECTION 4.

PREPARED BY ME OR UNDER MY DIRECTION.

\_\_\_\_\_  
JONATHON J. CORREA  
PLS 8950

DATE: 11/15/2023



**GUIDA SURVEYING INC.**  
220 COMMERCE, SUITE 150  
IRVINE, CALIFORNIA 92602  
TOLL FREE 1.855.90GUIDA  
WWW.GUIDASURVEYING.COM

Project No. 0122-02461 Live Oak Creek\_Building.dwg

**EXHIBIT MAP**  
OCTA LIVE OAK CREEK  
COUNTY OF ORANGE  
STATE OF CALIFORNIA  
NOVEMBER 2023

















*AFFILIATED AGENCIES*

*Orange County  
Transit District*

*Local Transportation  
Authority*

*Service Authority for  
Freeway Emergencies*

*Consolidated Transportation  
Service Agency*

*Congestion Management  
Agency*

December 18, 2023

Mr. Cameron Engelhart  
Orange County Development Services  
Planning and Development, Neighborhood Preservation  
601 N Ross Street  
Santa Ana, CA 92701

Via email: [Cameron.Engelhart@ocpw.ocgov.com](mailto:Cameron.Engelhart@ocpw.ocgov.com)

Subject: **19041 Live Oak Canyon Road and the Live Oak Creek Preserve  
(CE230465)**

Dear Mr. Englehart:

The Orange County Transportation Authority (OCTA) was recently informed of a code enforcement action for an unpermitted business (which includes encroaching structure improvements) at 19041 Live Oak Canyon Road in Trabuco Canyon. OCTA owns the adjoining property, the Live Oak Creek Preserve [Preserve] (APNs 856-021-26 and 856-021-27). An American Land Title Association survey recently conducted by OCTA determined the accessory structure and associated outdoor improvements at 19041 Live Oak Canyon Road crosses into the OCTA Preserve. OCTA did not approve these encroachments and is concerned about the resulting damages and risks.

The recent outdoor expansion (and affiliated use) not only impacted the habitat but also greatly increased the fire risk to OCTA's Preserve and surrounding area. This area is already in a Very High Fire Hazard Severity Zone (CAL FIRE mapping). Specifically, OCTA is highly concerned about the fire risk associated with outdoor open flames (fire pit, hot tub, and outdoor cooking) within and adjacent to heavily vegetated areas.

As background, the 84-acre Preserve is one of seven protected conservation properties owned by OCTA. The Preserve provides essential habitat for sensitive native plants and wildlife. These Preserves are part of a program known as OC Go, OCTA's half-cent transportation sales tax measure to provide mobility solutions and funding for environmental preservation and enhancement programs.

As part of the code enforcement action, OCTA understands the County neighborhood preservation team will require that the unpermitted short-term rental business (and use of the outdoor facilities) be halted until the code violations are resolved. OCTA staff had discussions with the County's planning and development team and have been informed that there are no existing

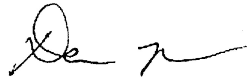


Mr. Cameron Englehart  
December 18, 2023  
Page 2

permits for the accessory structure (or related improvements). The County also indicated that since the structure crosses the property line into the OCTA Preserve, a code enforcement case would be opened against the property owners. OCTA is eager to resolve these issues through a process that respects property boundaries, restores the damaged habitat by the adjacent property owners and ensures future improvements on the adjacent property conform to the County's planning and permitting requirements.

OCTA appreciates the efforts of the County's development services department to restore site compliance with applicable County ordinances. Throughout the development of this code enforcement action, we encourage open communication with OCTA on this matter and would appreciate being updated on this issue. If you have any questions or comments, please contact me at 714-560-5907 or at [dphu@octa.net](mailto:dphu@octa.net) or Lesley Hill at [lhill@octa.net](mailto:lhill@octa.net) or 714-560-5759.

Sincerely,



Dan Phu  
Sustainability Planning Manager

DP:lh

c: Ilene Lundfelt, County of Orange  
Cora Villegas, County of Orange



# Measure M2 Environmental Mitigation Program Update





- Measure M2 (OC Go) approved - November 2006
- A component of the OC Go freeway program
- Comprehensive Freeway Environmental Mitigation Program (EMP)
  - Support of environmental community
  - Offsets biological impacts of 13 OC Go freeway projects
  - Purchase of conservation lands (Preserves)
  - Provides funding for habitat restoration

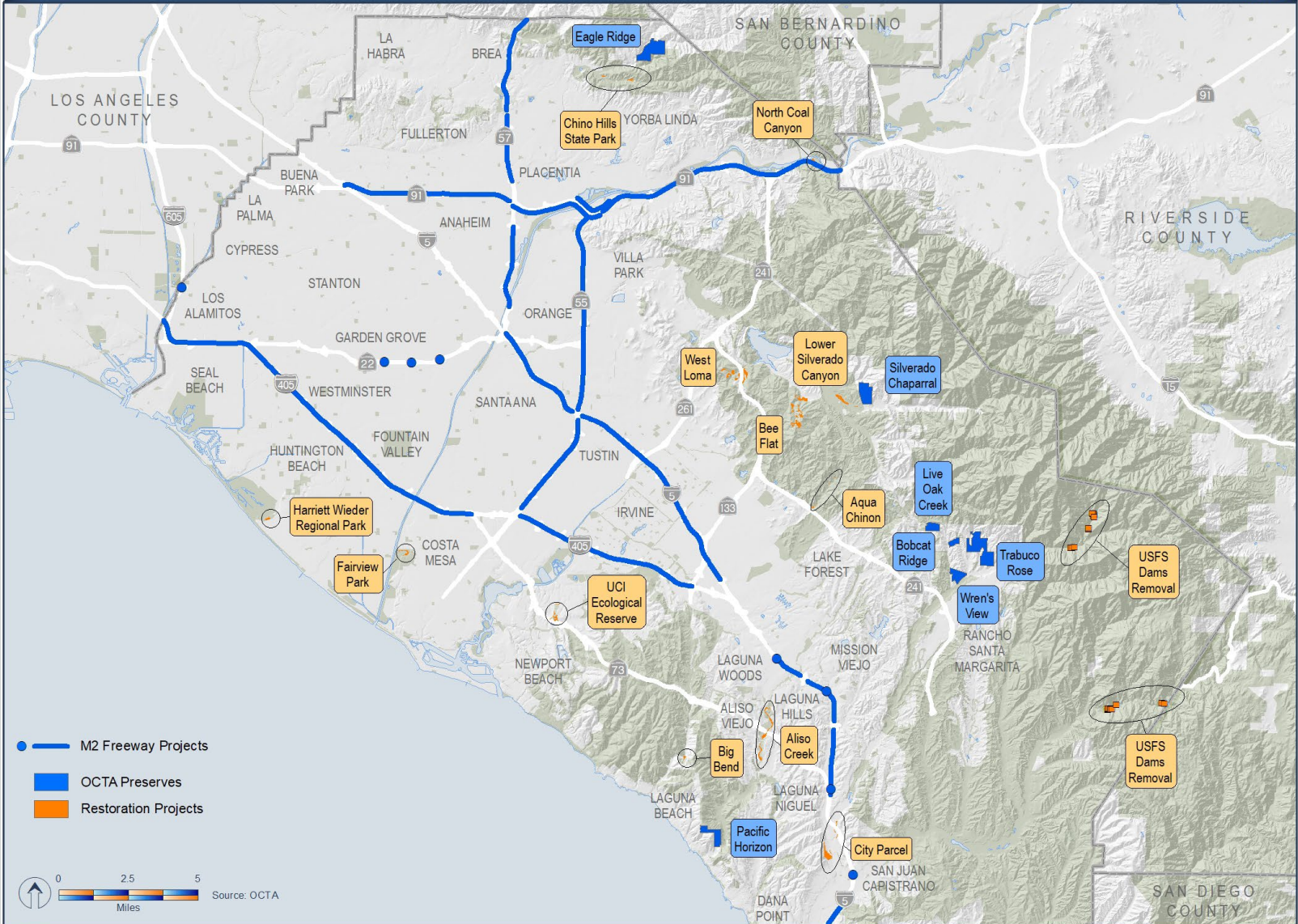




# EMP Projects and Mitigation



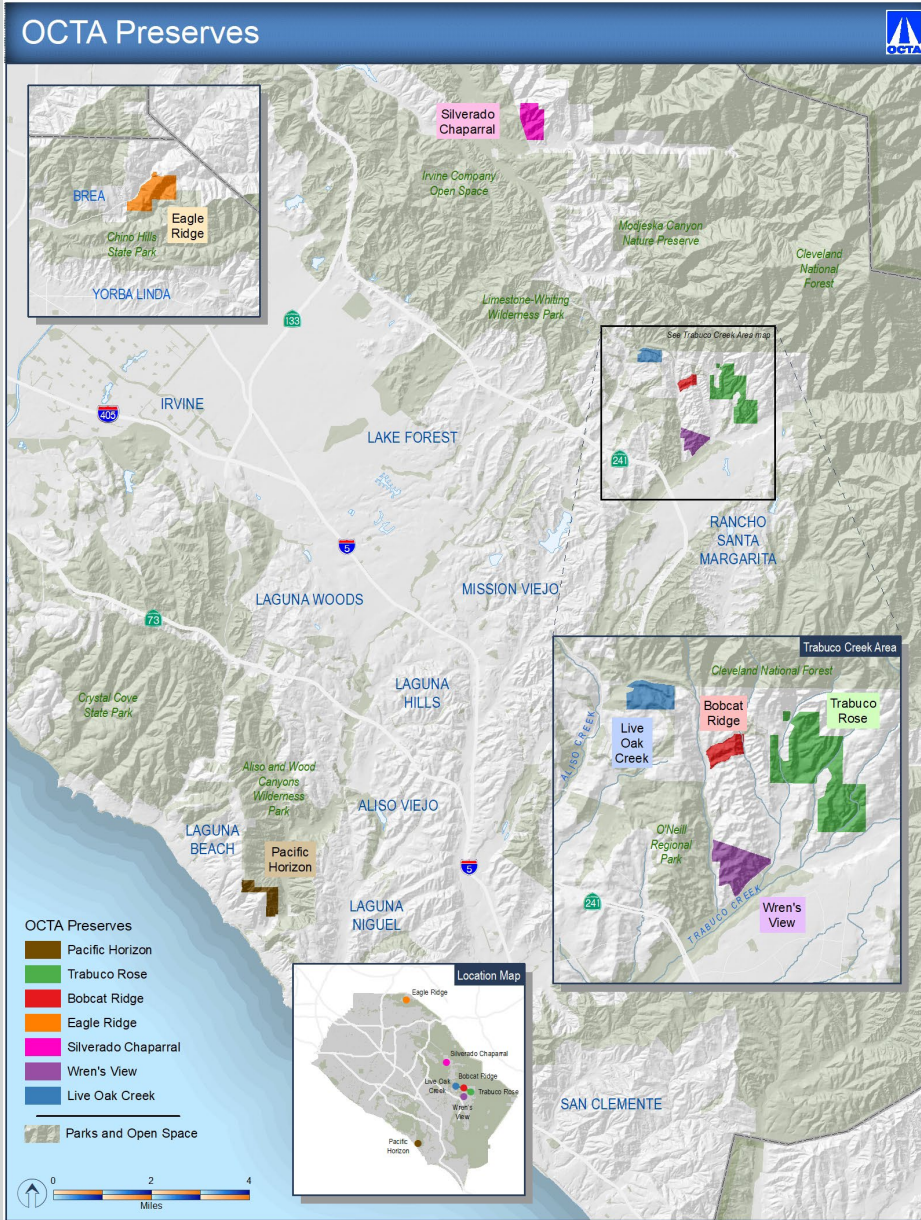
## OCTA Preserves and Funded Restoration Projects







# OCTA Preserves



- Seven properties
- 1300 acres
- Purchased between 2011 and 2014
- Strategic locations





## Wren's View



## Trabuco Rose

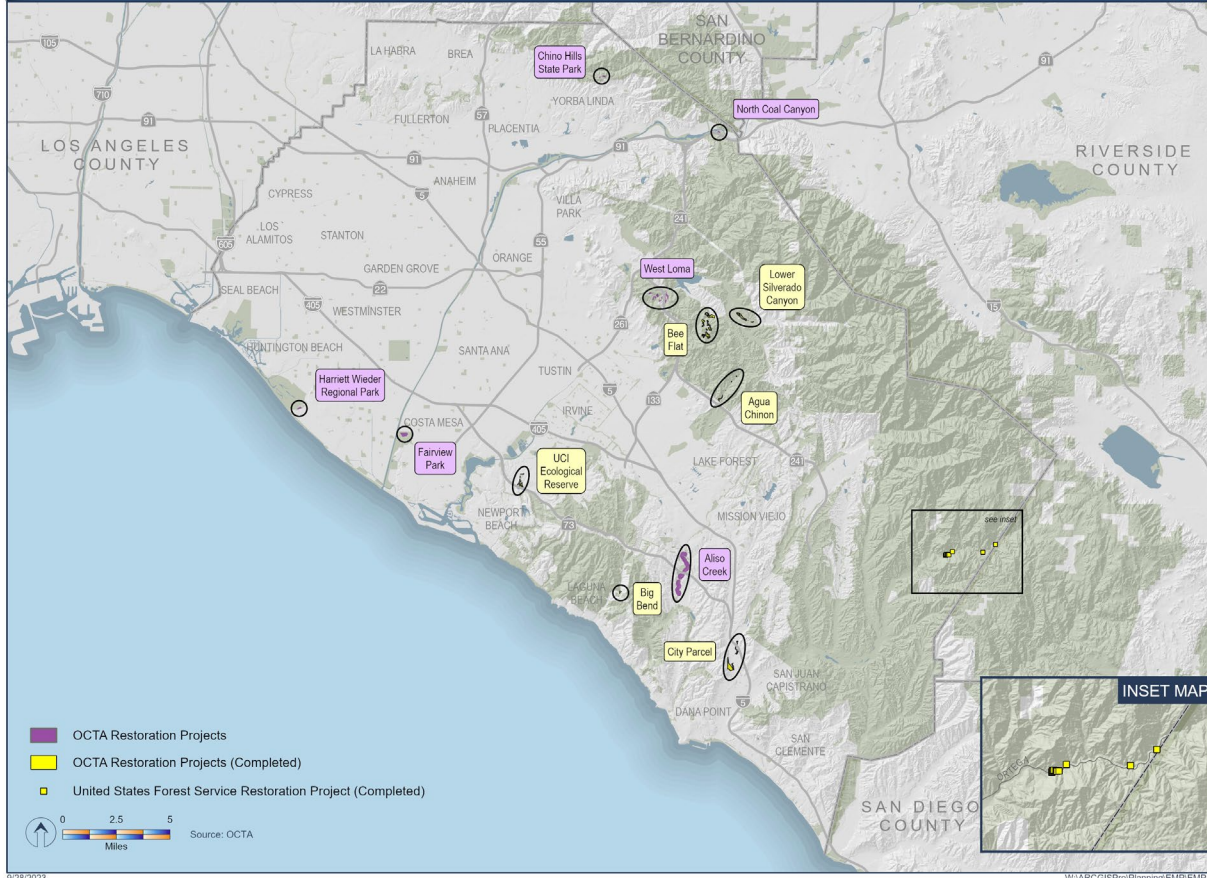




# OCTA Restoration Projects



## Funded Restoration Projects Map



- 12 projects
- About 350 acres
- Funded between 2011 and 2019
- Distributed throughout County





# UCI Restoration Project



UCI – University of California, Irvine







# Conservation Plan Structure



- Natural Community Conservation Plan/Habitat Conservation Plan
- Environmental documents
  - EIR/EIS
- Streamlined permitting through partnerships with:
  - Caltrans
  - State and federal wildlife agencies
- Nationally recognized by FHWA

EIR – Environmental Impact Report

EIS – Environmental Impact Statement

Caltrans – California Department of Transportation

FHWA – Federal Highway Administration



# Clean Water Act Programmatic Permitting



- Clean Water Act permits
- Streamlined permitting through partnerships with:
  - Caltrans
  - State and federal regulatory agencies





# EMP Status Update



- Fire management plans
- Completing restoration projects
- Southern California Edison coordination
- Preserve monitoring and management
- EMP Endowment Fund
- Riding and hiking tours