



AGENDA STAFF REPORT

Control: 26001019

MEETING DATE: 04/28/2026

LEGAL ENTITY TAKING ACTION: Board of Supervisors

BOARD OF SUPERVISORS DISTRICT(S): District 5

SUBMITTING AGENCY/DEPARTMENT: OC Public Works

DEPARTMENT CONTACT PERSON(S): Fiona Man, 714-647-3953
Joe Nguyen, 714-647-3959

SUBJECT: Adopt Resolution for Ortega Highway Widening Improvements Project

CEO CONCUR	COUNTY COUNSEL REVIEW	CLERK OF THE BOARD
Concur	Approve agreement and resolution to form	DISCUSSION
		3 Votes Board Majority

Budgeted: N/A	Current Year Cost: N/A	Annual Cost: FY 2026-27 \$3,000,000
Staffing Impact: No		Sole Source: No
Current Fiscal Year Revenue: N/A	Funding Source: Fund 174: 100%	County Audit in Last 3 years: No
Levine Act Review Completed? N/A		
Prior Board Action: 5/20/2025 #8, 6/22/2021 #57, 10/11/2016 #20		

RECOMMENDED ACTION(S):

1. Make the following CEQA findings:
 - a. The California Department of Transportation (Caltrans), as lead agency under CEQA for the State Route 74 Lower Ortega Highway Widening Project, certified Final Environmental Impact Report (EIR) State Clearing Housing No. (SCH#) 2007071038 on November 30, 2009. The County of Orange, as a responsible agency under CEQA Guidelines Section 15381, has reviewed and considered the Final EIR SCH# 2007071038 prepared by Caltrans, and certifies that it has done so, pursuant to CEQA Guidelines Section 15050(b).
 - b. There are no significant environmental effects within the jurisdiction of the County of Orange that require findings by the County of Orange.
 - c. The circumstances of the project are substantially the same as described in Final EIR SCH# 2007071038 and no substantial changes have been made in the project, no substantial changes have occurred in the circumstances under which the project is being undertaken, and no new information of substantial importance to the project which was not known or could not have been known when Final EIR SCH# 2007071038 was certified has become known.
 - d. There are no feasible alternatives or feasible mitigation measures within the separate authority of the County of Orange to impose, which would substantially lessen or avoid any significant effect

the project would have on the environment, pursuant to CEQA Guidelines section 15096 (g) and (h).

- e. As a responsible agency, the County of Orange is authorized, pursuant to CEQA Guidelines Section 15096, to rely on Final EIR SCH# 2007071038 certified by the California Department of Transportation.
2. Authorize the Director of OC Public Works or designee to execute Cooperative Agreement with Caltrans for the Ortega Highway Widening Improvements Project, effective upon execution of all necessary signatures until Caltrans receives full payment from the County of Orange, in an amount not to exceed \$3,000,000.
3. Authorize the Director of OC Public Works or designee to execute amendments to the Cooperative Agreement with Caltrans for the Ortega Highway Widening Improvements Project that do not materially change the terms or financial obligations of the County of Orange.
4. Adopt the Resolution authorizing the contribution of County of Orange funds pursuant to the California Streets & Highways Code, Section 130.

SUMMARY:

Approval of the Cooperative Agreement and adoption of the Resolution will authorize the County of Orange to contribute funding toward the Ortega Highway Widening Improvements Project to improve traffic flow and reduce congestion along State Route 74.

BACKGROUND INFORMATION:

The California Department of Transportation’s (Caltrans) Ortega Highway Widening Improvements Project (Project) will widen State Route 74 (Ortega Highway) from two lanes to four lanes between Calle Entradero and Reata Road within the City of San Juan Capistrano (City) and unincorporated Orange County. The Project is intended to relieve existing and future traffic congestion along this regional corridor.

Project improvements include constructing a 12-foot-wide striped median, reconstructing existing sidewalks, installing a new traffic signal and constructing shoulders on each side of the roadway to accommodate Class II bicycle facilities.

Ortega Highway serves as a critical regional corridor connecting communities within Orange County and neighboring counties. Improvements to this segment will eliminate an existing bottleneck and enhance mobility, safety and traffic operations for residents, commuters and regional travelers.

Prior Board of Supervisors (Board) actions related to the Project are summarized in the table below.

Board Date	Board Action
10/11/2016	Approved grant application and adopted Resolution No. 16-097 to submit the Project to Orange County Transportation Authority (OCTA) for funding under the Comprehensive Transportation Programs’ Measure M2 Regional Capacity Program (RCP) Arterial Capacity Enhancement (ACE) in the amount of \$1.95 million.
6/22/2021	Approved Funding Assistance Agreement MA-080-21010094 with the City to facilitate the transfer of South County Roadway Improvement Program (SCRIP) funds committed for widening Ortega Highway within the City limits in an amount not to exceed \$1.75 million.

5/20/2025	Approved the Project as part of the OC Public Works 7-year Capital Improvement Program (CIP).
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On December 7, 2017, the County of Orange (County) entered into Cooperative Agreement No. 12-752 with Caltrans for Project Approval & Environmental Document (PA&ED) activities.

On May 4, 2020, the OCTA Board of Directors recommended approval of the City’s grant application for the Project and allocated \$5.25 million of Renewed Measure M funds towards the Project’s Plans, Specifications and Estimate (PS&E) phase. As required by OCTA’s Comprehensive Transportation Funding Programs’ Guidelines, the City was required to provide a local match of \$1.75 million. As a project partner and administrator of SCRIP, the County agreed to transfer Rancho Mission Viejo’s local match contribution to the City.

OC Public Works has peer-reviewed the 35 percent, 65 percent and 95 percent PS&E packages prepared by Caltrans for completing the Project. Caltrans must be ready to list the project for construction advertisement by April 30, 2026. Construction of the Project is expected to begin in January 2027.

Under the proposed Cooperative Agreement MA-080-26011114 (Agreement), Caltrans will serve as the sponsor and implementing agency responsible for completing the Project. The County will contribute a fixed amount of up to \$3 million toward construction costs.

OC Public Works is recommending Board approval of the Agreement with Caltrans to fund the construction phase of the Project, authorize the Director of OC Public Works or designee to execute future amendments to the Agreement that do not materially change the terms or increase the County’s financial obligation and adopt a resolution authorizing the contribution of County funds pursuant to the California Streets & Highways Code, Section 130.

Compliance with CEQA: Caltrans, as lead agency under CEQA for the State Route 74 Lower Ortega Highway Widening Project, certified Final Environmental Impact Report (EIR) State Clearing Housing No. (SCH#) 2007071038 on November 30, 2009. The County, as a responsible agency under CEQA Guidelines Section 15381, has reviewed and considered Final EIR SCH# 2007071038 prepared and certified by Caltrans, and certifies it has done so. There are no significant environmental effects within the jurisdiction of the County of Orange that require findings by the County of Orange. The circumstances of the project are substantially the same as described in Final EIR SCH# 2007071038 and no substantial changes have been made in the project, no substantial changes have occurred in the circumstances under which the project is being undertaken, and no new information of substantial importance to the project which was not known or could not have been known when Final EIR SCH# 2007071038 was certified has become known. There are no feasible alternatives or feasible mitigation measures within the separate authority of the County of Orange to impose, which would substantially lessen or avoid any significant effect the project would have on the environment, pursuant to CEQA Guidelines section 15096 (g) and (h). As a responsible agency, the County is authorized by CEQA Guidelines Section 15096 to rely on Final EIR SCH# 2007071038 certified by Caltrans.

FINANCIAL IMPACT:

Appropriations for the Agreement will be included in Fund 174, OC Road Capital Improvement Projects, FY 2026-27 Budget.

STAFFING IMPACT:

N/A

REVIEWING AGENCIES/DEPARTMENTS:

N/A

ATTACHMENTS:

Attachment A - Resolution

Attachment B - Cooperative Agreement MA-080-26011114 with Caltrans

Attachment C - California Streets & Highways Code Section 130