



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
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Los Angeles, CA 90017
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MEETING NO. 675

REGIONAL COUNCIL

Thursday, September 4, 2025

11:45 a.m. – 1:45 p.m.

**Members of the Public are Welcome to Attend
In-Person & Remotely**

To Attend In-Person:

**SCAG Main Office - Regional Council Room
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017**

To Attend and Participate on Your Computer:

<https://scag.zoom.us/j/83115565458>

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**Call-in Number: 1-669-900-6833
Meeting ID: 831 1556 5458**

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If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Maggie Aguilar at (213) 630-1420 or via email at aguilarm@scag.ca.gov. Agendas & Minutes are also available at: <https://scag.ca.gov/meetings-leadership>.

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Instructions for Members of the Public Attending the Meeting

Attend In-Person: Go to the SCAG Main Office located at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017. The meeting will take place in the Regional Council Meeting Room on the 17th floor starting at 11:45 a.m.

Attend by Computer: Click the following link: <https://scag.zoom.us/j/83115565458>. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically. Select “Join Audio via Computer.” The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.

Attend by Phone: Call (669) 900-6833 to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully. Enter the **Meeting ID:** 831 1556 5458, followed by #. Indicate that you are a participant by pressing # to continue. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.

Instructions for Participating and Public Comments

In Writing: Written comments can be emailed to: ePublicComment@scag.ca.gov. Written comments received by 5pm on **Wednesday, September 3, 2025**, will be transmitted to members of the legislative body and posted on SCAG’s website prior to the meeting. You are **not** required to submit public comments in writing or in advance of the meeting; this option is offered as a convenience should you desire not to provide comments in real time as described below. Written comments received after 5pm on Wednesday, September 3, 2025, will be announced and included as part of the official record of the meeting. Any writings or documents provided to a majority of this committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 or by phone at (213) 630-1420, or email to aguilarm@scag.ca.gov.

Remotely: If participating in real time via Zoom or phone, please wait for the presiding officer to call the item for which you wish to speak and use the “raise hand” function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number.

In-Person: If participating in-person, you are invited but not required, to fill out and present a Public Comment Card to the Clerk of the Board or other SCAG staff prior to speaking. It is helpful to indicate whether you wish to speak during the Public Comment Period (Matters Not on the Agenda) and/or on an item listed on the agenda.

General Information for Public Comments

Verbal comments can be presented in real time during the meeting. Members of the public are allowed a total of 3 minutes for verbal comments. The presiding officer retains discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting, including equally reducing the time of all comments.

For purpose of providing public comment for items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called. Items listed on the Consent Calendar will be acted on with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.



REGIONAL COUNCIL AGENDA

TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS*

Rhocky Rhodes Dolce Vita Hotel 3rd Floor Conference Room 43 Avenue Mwungo Bujumbura, Burundi		
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* Under the teleconferencing rules of the Brown Act, members of the body may remotely participate at any location specified above.



RC - Regional Council ***Members – September 2025***

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- 17. Hon. Rick Denison**
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- 26. Hon. Gary Gardner**
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- 30. Hon. Marqueece Harris-Dawson**
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- 81. Hon. Acquanetta Warren**
Fontana, RC District 8
- 82. Hon. Thomas Wong**
Monterey Park, RC District 34
- 83. Hon. Jeff Wood**
Lakewood, RC District 24
- 84. Hon. Katy Yaroslavsky**
Los Angeles, RC District 52



REGIONAL COUNCIL AGENDA

85. Hon. Frank A. Yokoyama
Cerritos, RC District 23

86. Hon. Jesse Zwick
Santa Monica, RC District 41



REGIONAL COUNCIL AGENDA

Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700 – Regional Council Room
Los Angeles, CA 90017

Thursday, September 4, 2025

11:45 AM

The Regional Council may consider and act upon any of the items on the agenda regardless of whether they are listed as Information or Action items.

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

(The Honorable Cindy Allen, President)

PUBLIC COMMENT PERIOD (Matters Not on the Agenda)

This is the time for public comments on any matter of interest within SCAG's jurisdiction that is *not* listed on the agenda. For items listed on the agenda, public comments will be received when that item is considered. Although the committee may briefly respond to statements or questions, under state law, matters presented under this item cannot be discussed or acted upon at this time.

REVIEW AND PRIORITIZE AGENDA ITEMS

CHAIR'S REPORT

- ***The Honorable David J. Shapiro – Community, Economy, and Human Development Committee***
- ***The Honorable Rick Denison – Energy and Environment Committee***
- ***The Honorable Mike T. Judge – Transportation Committee***

ACTION ITEM

1. Program Development Framework to Support the 2028 Olympic and Paralympic Games 75 Mins. PPG. 11
(Sarah Jepson, Chief Planning Officer)

RECOMMENDED ACTION: Approve the Games Mobility Program Development Framework.

2. Resolution No. 25-675-1 Approving Amendment 1 to the FY 2025-26 Comprehensive Budget, PPG. 24
including the Overall Work Program (OWP)
(Cindy Giraldo, Chief Financial Officer, SCAG)

RECOMMENDED ACTION:

That the Regional Council (RC) adopt Resolution No. 25-675-1 approving a first amendment (Budget Amendment 1) to the Fiscal Year 2025-26 Comprehensive Budget including the Fiscal Year 2025-26 Overall Work Program (FY 2025-26 OWP) Budget in the amount of \$7 million, increasing the FY 2025-26 OWP Budget from \$408,497,515 to \$415,497,515.



CONSENT CALENDAR

Approval Items

- | | |
|---|----------|
| 3. Minutes of the Meeting – June 5, 2025 | PPG. 32 |
| 4. 2025 California Clean Air Day Proclamation | PPG. 46 |
| 5. Amendment to Regional Council Policy Manual | PPG. 50 |
| 6. Contracts \$500,000 or Greater: 25-026-C01, State Advocacy Services | PPG. 54 |
| 7. Contracts \$500,000 or Greater: 26-001-C01, Environmental Systems Research Institute (Esri), Inc. Enterprise License Agreement | PPG. 63 |
| 8. Contracts \$500,000 or Greater: 26-006-C01, Southern California Airport Passenger Surface Transportation Study | PPG. 72 |
| 9. Contract Amendment: 19-065-C01, 457 (b) Deferred Compensation Plan Services | PPG. 84 |
| 10. Acceptance of the 2024 Solutions for Congested Corridors Program (SCCP) Grant Award and Next Steps for the Metrolink Sustainable Locomotive Replacement Project | PPG. 89 |
| 11. INVEST CLEAN (Measure 2.2) LMFP Rebate Program Announcement | PPG. 96 |
| 12. SCAG Memberships and Sponsorships | PPG. 113 |

Receive and File

- | | |
|--|----------|
| 13. September 2025 State and Federal Legislative Update | PPG. 115 |
| 14. 2025 Executive/Administration Committee (EAC) Retreat Update | PPG. 152 |
| 15. Status Update on Transportation Conformity Challenges in SCAG Region | PPG. 157 |
| 16. 2025 Transportation Safety Regional Existing Conditions Report | PPG. 161 |
| 17. 2027 Federal Transportation Improvement Program (FTIP) Guidelines | PPG. 166 |
| 18. Purchase Orders, Contracts and Contract Amendments below Regional Council Approval Threshold | PPG. 174 |
| 19. CFO Monthly Report | PPG. 205 |

INFORMATION ITEM

- | | |
|--|-------------------|
| 20. Economic Roundtable Third Quarter Update
<i>(Wallace Walrod, Tech Coast Consulting)</i> | 15 Mins. PPG. 218 |
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BUSINESS REPORT

(Lucy Dunn, Ex-Officio Member, Business Representative)

PPG. 224

PRESIDENT'S REPORT

(The Honorable Cindy Allen, President)

EXECUTIVE DIRECTOR'S REPORT

(Kome Ajise, Executive Director)

FUTURE AGENDA ITEMS

ANNOUNCEMENTS

ADJOURNMENT



AGENDA ITEM 1

REPORT

Southern California Association of Governments
September 4, 2025

To: Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Sarah Jepson, Chief Planning Officer
213-236-1955, jepson@scag.ca.gov

Subject: Program Development Framework to Support the 2028 Olympic and Paralympic Games

Kome Ajise

RECOMMENDED ACTION:

Approve Games Mobility Program Development Framework.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region. 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

This summer has marked three years until the 2028 Olympic and Paralympic Games begin in Los Angeles, with preparations beginning well before the Olympic Opening Ceremony on July 14, 2028, and the Paralympic Opening Ceremony on August 15, 2028. To prepare the region for the impacts to the transportation system, while identifying opportunities to imagine a new legacy for Southern California, SCAG has prepared a Program Development Framework ("Framework") to coalesce and confirm SCAG's planning priorities and activities. At its June 5, 2025, meeting, the Executive/Administrative Committee recommended that the Regional Council approve the Framework.

Accompanying this item is a discussion on opportunities for non-venue cities to bring the Games to their communities. Councilmember Brian Goodell of Mission Viejo, Culver City Mayor Dan O'Brien, and West Hollywood Mayor Chelsea Byers (invited) join to share examples of hospitality houses brought to their cities for the LA28 Games.

BACKGROUND:

Introduction

In 34 months, the 2028 Olympic and Paralympic Games (LA28 Games or the Games) begin in Los Angeles, taking place July 14 – 30 and August 15 – 27, though preparation will ramp up in the preceding months. Material and equipment for the events will arrive through the region's goods

movement system, and athletes, teams, and visitors will arrive not only to participate in the Games but to experience Southern California. The LA28 Games represent a challenge for the region's transportation system, which must facilitate travel for the region's 19 million residents while also serving demand for goods within the region and across the nation. At the same time, coordinated planning and preparation can ensure that the economic and social impacts of the Games continue to benefit the region.

Staff have engaged the Executive/Administrative Committee (EAC) regularly in the past year with updates on the Games and SCAG's work to prepare the region. On November 7, 2024, staff led a discussion on SCAG's role in mobility planning for the Games at the EAC, detailing the work of SCAG and other agencies of the region (part of the Games Mobility Executives group) to develop mobility plans and pursue state and federal funds for transportation infrastructure and mobility resources before, during, and after the Games. This was followed by an overview of the vision for the Games at the RC. Following that update and discussion, staff shared a draft Program Development Framework ("Framework") to the EAC at the April 3, 2025. This Framework outlines SCAG's work to prepare the region for the impacts to the transportation system, while identifying opportunities for a new legacy. At its June 5, 2025, meeting, the EAC recommended that the Regional Council approve the Framework. In addition to these meetings, at the General Assembly on May 3, 2025, SCAG hosted a panel conversation on preparing for the Games with LA28, City of Los Angeles, LA Metro, and City of Long Beach, moderated by AECOM.

Program Development Framework Overview

The Games Mobility Program Development Framework coalesces and confirms SCAG's planning priorities and activities. Brief highlights of the framework are provided below while the full framework document is included as an attachment.

Program Goal

The program development framework aligns with Connect SoCal 2024 and its pillars of mobility, communities, environment, and economy. As such, the program goal expresses both a vision for the LA28 Games as well as the long-term legacy resulting from the preparations. The goal is:

Southern California will showcase our thriving communities, support local businesses, and invest in the transportation improvements, programs, and policies necessary to leave a lasting legacy in our region.

Objectives and Guiding Principles

The program objectives clarify what SCAG's framework aims to achieve for the LA28 Games. They identify the near-term and measurable actions that both serve the LA28 Games and form the foundation for the new legacy for the region. The guiding principles are the values that shape the

decisions and interactions of the program, setting a consistent approach for internal and external coordination. Together, the guiding principles reflect how the program will achieve its objectives.

Objectives

- Optimize investment in legacy infrastructure.
- Accelerate innovation through pilots.
- Foster alignment of policies and programs to manage demand for the LA28 Games and beyond.
- Showcase communities to support local placemaking and community development opportunities associated with the Games.

Guiding Principles

1. Support Connect SoCal implementation.
2. Create more access to more choices for transportation (mobility).
3. Support opportunities for communities to benefit from the Games and its legacy (community).
4. Increase the resilience of people, places, and infrastructure (environment).
5. Expand access to economic opportunity for local businesses and residents while mitigating potential negative impacts (economy).
6. Leverage new technologies.
7. Strengthen existing and explore new regional partnerships.
8. Prioritize regional connectivity and geographic representation.

Strategies

The strategies define the actions the program will carry out and inform how SCAG will define and measure success. As the program evolves, these strategies can also help guide staff to determine how to onboard new work or to phase out existing work.

1. REGIONAL CONVENING AND INFORMATION SHARING – Convene partners at a regional level to advance projects that support the program goal.
2. REGIONAL PLANNING – Lead regional planning efforts to support a 2028 Games for all of Southern California, including an approach to transportation demand management (TDM).
3. PASS THROUGH FUNDING & TECHNICAL ASSISTANCE – Fund implementation of pilot and permanent projects.
4. FUNDING ADVOCACY – Secure and administer state and federal funding.

Leadership

Staff will organize regular updates to the Regional Council and the Policy Committees that cover the full scope of the Games to facilitate information sharing and coordination across the region. The

Policy Committees will consider and provide more focused input on key challenges and opportunities related to the Games and SCAG's work efforts.

Presenters

Accompanying this item is a discussion on opportunities for non-venue cities to bring the Games to their communities. This item includes presentations from representatives from the following cities.

- **Mission Viejo.** The City of Mission Viejo has signed a general agreement with the Netherlands Olympic Committee (TeamNL) to lease training facilities to the team from 2026 through the Games and will also coordinate with local restaurants and hotels. Councilmember Brian Goodell will provide an update.
- **Culver City.** In May, the Culver City City Council voted to begin negotiations on an MOU with the New Zealand Olympic Committee to host the team's Hospitality House in Downtown Culver City, which would include a New Zealand themed Fan Zone. The partnership would include additional engagement events, including the New Zealand Film Festival at Culver Theater. Mayor Dan O'Brien will provide an update.
- **West Hollywood.** The City of West Hollywood will host Pride House, is a dedicates space during major international sporting events that celebrant and support LGBTQ+ fans, athletes, and allies. Additionally, the city's cultural arts plan, West Hollywood's Creative Triennium: 2025-2028, aims to support the city as a cultural hub during the LA28 Games. Mayor Chelsea Byers will provide an update.

Speaker Bios

Councilmember Brian Goodell, City of Mission Viejo

Brian Goodell is a native Californian who moved to Mission Viejo in 1968 with his family. He graduated from Linda Vista Elementary School, La Paz Intermediate, Mission Viejo High School, and UCLA. Brian was a member of the world-famous Mission Viejo Nadadores swim team and became the first Olympic Gold Medalist from Mission Viejo, breaking two world records while winning two Gold Medals at the 1976 Olympic Games in Montreal. He was inducted into the International Swimming Hall of Fame, the UCLA Athletics Hall of Fame, the Orange County Sports Hall of Fame, and the Saddleback Valley Unified School District Hall of Fame. Brian won the Congressional Gold Medal of Achievement as a member of the 1980 USA Olympic Men's Swimming Team that boycotted the 1980 Moscow Olympics.

The citizens elected Brian to the Mission Viejo City Council in 2016, and he has served as a council member, Mayor Pro Tem, and Mayor in 2020, and he was re-elected to serve as Mayor in 2023.

Mayor Dan O'Brien, Culver City

Dan is a 24-year resident of Culver City, and lives in the Veteran's Park neighborhood with his wife, Beverly. His two children attended Culver City schools and were the inspiration for him to get involved in his community. Dan has served as a member of the city's first Committee on Homelessness, a trustee of the Culver City Education Foundation, and scoutmaster of Boy Scout Troop 108. Known as a community organizer, collaborator, and effective leader, Dan has the unique qualities to lead Culver City through the challenges and opportunities we are faced with today.

Mayor Chelsea Byers, City of West Hollywood

Mayor Chelsea Lee Byers was elected to the West Hollywood City Council on November 8, 2022. Mayor Byers first became connected to the City of West Hollywood through the Women's Leadership Conference. This connection led to many program partnerships with the City, including Women Manifest (2016), the Cannabis Education Forum (2015-2018), and collaborative film screenings, panels, and more. While working with United Way's Everyone In campaign, Mayor Byers engaged with City Social Services and Strategic Initiatives to bring educational programming to the community on homelessness and housing solutions. She currently works as Policy Campaigns Manager for Welcoming Neighbors Network.

Mayor Byers' priorities on the City Council include social service delivery, climate-change mitigation strategies, emergency resiliency efforts, creating more affordable housing and resources for renters, enhancing the streetscape for improved pedestrian and cycling experiences while reducing vehicle-dependency, and community-building and policy implementation to ensure the City of West Hollywood is an inclusive community for all.

New Resources and Next Steps

As SCAG carries out the Games Mobility Program it will develop resources to support local jurisdiction partners. Staff will additionally provide regular updates to Regional Council and the Policy Committees on SCAG projects as well as relevant information provided by LA28 and the GME.

New Resources (to be posted on SCAG's website)

- **LA28 Games Web Page.** SCAG will publish a new LA28 Games-dedicated web page, which will serve as a resource for program information, links, and other resources. The launch of this web page will include the following new resources.
- **LA28 Games Region Map.** This web map depicts data to support SCAG's Games Mobility Program, including LA28 Venues (as of August 2025), transit, mobility improvements, and goods movement infrastructure. This map will be developed on an ongoing basis as data is updated or made available.
- **TDM Resource Guide.** This guide aims to help agencies and organizations to develop TDM approaches for mega-events like the LA28 Games. It outlines strategies that are well-suited

to mega-events while accounting for varying levels of capacity and organizing options based on scalability and cost. Copies of the Resource Guide will also be made available during the Regional Council meeting.

Next Steps

- **Procurement.** Staff anticipate releasing solicitations to procure consultant services that support the Community Hubs and Quick-Build Transportation Safety Projects.
- **Stakeholder Engagement.** Staff will host its next Regional Passenger TDM Forum and Freight TDM Forum in the last quarter of 2025. Staff will additionally continue their engagement with venue cities, non-venue cities, industry stakeholders, and others on an ongoing basis.

FISCAL IMPACT:

Work associated with this item is included in the FY 2026 Overall Work Program (810.0120.20: Planning Policy Development).

ATTACHMENT(S):

1. Games Mobility Program Development Framework

Games Mobility Program Development Framework

In July and August of 2028, Los Angeles will host the Olympic and Paralympic Games—its third time hosting the Olympic Games and its first hosting the Paralympic Games. Both the 1932 Olympics and the 1984 Olympics have left a legacy for the everyday life of people in Los Angeles: the vendors along Olvera Street in downtown Los Angeles make use of structures originally used for the 1932 Olympic Village and the 1984 Olympics formed a foundation for sports, parks, and play for youth in the city. With a more complex and populous region hosting a larger and more complex event, the 2028 Olympic and Paralympic Games, or LA28 Games, represent a challenge for the region's transportation system, which must facilitate travel for the region's 19 million residents while also serving demand for goods within the region and across the nation. More than a third of the nation's containerized goods enter and exit through the Southern California ports and the region. Conditions will be further constrained with thousands of athletes and visitors traveling to the region for a compressed amount of time. At the same time, the impacts and benefits of the LA28 Games may be spread unevenly across the region, with disproportionate burdens placed on communities, some of whom will live, work, and do business at the sites where the Games events take place.

With the extensive regional coordination across the public, private, and nonprofit sectors required to meet this challenge, the LA28 Games present an opportunity to imagine a new legacy for the transportation system in Southern California. In a visionary call to action, Mayor Karen Bass of Los Angeles has called for the LA28 Games to be "transit-first." By 2028 LA Metro looks to double the trips made by methods other than driving alone, and its Mobility Concept Plan identifies the strategies and the project priorities to create long-lasting benefits and more equitable mobility. SCAG joins the city and LA Metro in the one-team approach championed by the Mobility Concept Plan. Turning this vision into action will require multiple, integrated strategies in infrastructure, programs, policies, and culture change. In this spirit, the LA28 Games can create a new legacy for regional planning.

The Games Mobility Program Development Framework, or Framework, establishes an overarching goal, objectives, and guiding principles to direct staff work in support of the LA28 Games and outlines a preliminary set of Strategies and Projects to be further refined with the Regional Council and through the Policy Committees. The effort to shape this new legacy will accelerate progress on the key pillars of the regional plan and vision for Southern California, Connect SoCal, which include mobility, communities, environment, and economy.

PROGRAM GOAL

Southern California will showcase our thriving communities, support local businesses, and invest in the transportation improvements, programs, and policies necessary to leave a lasting legacy in our region.

This aspirational goal of the Games Mobility Program is grounded in Connect SoCal 2024 and its pillars of mobility, communities, environment, and economy ([p. 85](#)). By increasing mobility, access, and connectivity, a regional transportation network can support thriving communities and expanded economic opportunity.

The objectives, guiding principles, and strategies of the program, detailed in the following sections, define the actions SCAG will take to achieve this goal.

OBJECTIVES AND GUIDING PRINCIPLES

The **program objectives** clarify what SCAG’s Games Mobility Program aims to achieve for the LA28 Games. They identify the near-term and measurable actions that both serve the LA28 Games and form the foundation for the new legacy for the region. These actions take place in coordination with local agencies. The **guiding principles** are the values that shape the decisions and interactions of the program, setting a consistent approach for internal and external coordination. Together, the guiding principles reflect how the program will achieve its objectives.

OBJECTIVES

1. Optimize investment in legacy infrastructure.
2. Accelerate innovation through pilots.
3. Foster alignment of policies and programs to manage demand for the LA28 Games and beyond.
4. Showcase communities to support local placemaking and community development opportunities associated with the Games.

GUIDING PRINCIPLES

1. Support Connect SoCal implementation.
2. Create more access to more choices for transportation (*mobility*).
3. Support opportunities for communities to benefit from the Games and its legacy (*community*).
4. Increase the resilience of people, places, and infrastructure (*environment*).
5. Expand access to economic opportunity for local businesses and residents while mitigating potential negative impacts (*economy*).
6. Leverage new technologies.
7. Strengthen existing and explore new regional partnerships.
8. Prioritize regional connectivity and geographic representation.

Support Connect SoCal implementation. While the Games is a once in a generation event, the preparations around mobility have consistently been part of SCAG’s regional planning, which integrates transportation and land use planning to achieve its sustainability goals. Grounded in a rigorous local input process and direction from SCAG’s Regional Council, Connect SoCal guides the development of programs that meet regional goals and priorities. It is a cornerstone for the mobility legacy of the Games.

Create more access to more choices for transportation. The decision of how and when to travel, whether a driver in a single occupancy vehicle, a freight company transporting goods, or a local business making or receiving delivery, is not a choice made in isolation; rather, it is supported or unsupported by their transportation and land use environment. SCAG will support infrastructure improvements, policies, and programs that expand choice and connect people to the transportation network. Part of this guiding principle is the ability to choose not to travel far, where individuals have increased access to key destinations within their community. Placemaking and activations, important for culture and community building for people, will serve as mode shift strategies.

Support opportunities for communities to benefit from the Games and its legacy. The LA28 Games will be a moment for residents of the region and visitors to come together to celebrate. In spaces and places throughout the region, people will form centers for community, both formal and informal. Learning from fan zones developed for the Paris 2024 Games as well as the local practices of the region, SCAG will support the development of community hubs. These community centers will support the social well-being of people in the region.

Increase the resilience of people, places, and infrastructure. The LA28 Games represent a foreseen shock for the region, with this program serving as a resilience planning effort. The Games will also take place during other potential shocks and stressors: heat waves, wildfires, earthquakes, and other sudden and acute events that may compromise immediate safety and well-being. As detailed in Connect SoCal 2024, “When planning for community resilience, it is vital to adopt a comprehensive approach that acknowledges the interdependence of built, social, economic, and natural systems.” (p. 36) SCAG will endeavor to support partners as they plan and prepare for potential issues.

Expand access to economic opportunity for local businesses and residents while mitigating potential negative impacts. The LA28 Games will attract attention, investment, and political will. In the dynamism of this unique moment, SCAG and its partners should feel compelled to pursue new and creative efforts to expand economic opportunity for residents and businesses. As noted in the introduction to this framework, the benefits and burdens of the LA28 Games may be spread unevenly across the region, exacerbating existing disparities.

Leverage new technologies. Southern California has been at the forefront of emerging technologies that expand the way people and goods are moved through the region. Shared e-scooters, e-bikes, autonomous vehicles, and delivery robots represent some new additions to the region’s transportation network. This Program should explore opportunities to pilot or incentivize these and other technologies that have the potential to scale and become permanent. The Guiding Principles for Emerging Technology, published in the Connect SoCal 2024 Mobility Technical Report, should serve as a guide. In addition, SCAG’s Last Mile Freight Program commercial deployments of clean technologies with industry partners should be leveraged where possible.

Strengthen existing and explore new regional partnerships. SCAG’s work depends on collaboration of local jurisdictions, county transportation commissions, and the private and

nonprofit sectors, and it serves as an important liaison with state and federal agencies. Mobility during the LA28 Games require a comprehensive approach, and SCAG's role should be to bring stakeholders together to meet that challenge. SCAG will focus on bridging new collaborations and strengthening existing ones and amplifying the strategies that arise from those partnerships.

Prioritize regional connectivity and geographic representation. SCAG encompasses 191 cities across 6 counties, and its LA28 Games program goal will be carried out by each of these jurisdictions across urban, suburban, and rural settings. The Games will extend beyond the event venues and beyond Los Angeles County. As such, SCAG will ensure broad representation of the region in its work.

LEADERSHIP

The Regional Council is a forum for discussion on policy and local priorities and sets the direction for regional policies and programs. Staff will organize regular updates covering the full scope of the Games to facilitate information sharing and coordination across the region to expand impact at the local level. SCAG Policy Committees will consider and provide more focused input on key challenges and opportunities related to the Games and SCAG's work efforts.

- Transportation Committee. TC will discuss the mobility challenges of the region presented by the Games and mobility strategies planned to address the anticipated local impacts.
- Community, Economic and Human Development. CEHD will seek to understand economic impacts of the Games and explore alignment with the Inclusive Economic Growth Strategy.
- Energy and Environment Committee. EEC will explore resilience strategies advanced by the Games and partners and explore alignment with SCAG's resilience efforts.

Staff will appropriately engage the Executive/Administrative Committee, Regional Council, and each of the Policy Committees throughout the life of the program with action items and information items.

STRATEGIES AND PROJECTS

The strategies define what the program will carry out and will inform how SCAG will define and measure success. As the program evolves, these strategies can also help guide staff to determine how to onboard new work or to phase out existing work.

1. REGIONAL CONVENING AND INFORMATION SHARING -- Convene partners at a regional level to advance projects that support the program goal.

To support this strategy, SCAG will both lead and participate in regional meetings to provide updates and information. SCAG may also explore new partnerships to leverage its resources and extend its impact.

Within this **regional convening and information sharing** strategy, staff will track the convenings led and participated in and the number of partners engaged. The following two (2) SCAG projects will support this strategy.

Games Mobility Executives (GME) Collaboration. Along with other agencies of the region, SCAG is a member of the GME. SCAG and its fellow GME partners participate in several subcommittees that focus on different workstreams related to mobility needs during the games. SCAG participates in the Principals Meeting and other workstreams, including First/Last Mile, Mobility Hubs, Wayfinding, and Communication. SCAG leads the TDM workstream and as a part of this work and to engage more partners, SCAG staff will be convening a series of TDM Forums (both for passenger and freight TDM). SCAG intends to engage public and private sector stakeholders across the SCAG region to facilitate participation in the development of more TDM implementation plans and strategies.

Toolbox Tuesday. This ongoing program offers virtual professional training sessions to local government staff and other stakeholders in support SCAG’s strategic goal to produce innovative solutions that improve the quality of life for people in Southern California. Elected officials, local planners, community organizers, students, and community members can gain practical skills and knowledge on current planning issues. Toolbox Tuesday will provide an opportunity for staff to present topics related to the LA28 Games and serve as a venue for external professionals to bring national and international approaches to Southern California.

2. REGIONAL PLANNING -- Lead regional planning efforts to support a LA28 Games for all of Southern California, including an approach to TDM.

SCAG’s regional planning will focus on passenger and freight TDM to increase the efficiency of the region’s transportation system. Activities aim to fill gaps needed to realize a “transit-first” Games, reducing vehicle miles traveled (VMT), ensuring minimal disruptions to business/logistics operations, and motivating enduring mode shifts. SCAG’s regional TDM planning will be integrated into communication efforts to ensure consistent and efficient messaging, in coordination with regional partners.

Within this **regional planning** strategy, staff will track the incentives identified and deployed, the number of partners engaged, and shifts in travel behavior. SCAG will lead the following two (2) projects:

Games TDM Initiation Plan and Implementation. Building upon SCAG’s 2019 TDM Strategic Plan, this project will create a TDM Implementation Plan, Implementation Roadmap, and Toolbox to identify effective ways to address mega-events. This work will be supported by the implementation of pilot and permanent projects, as well as potentially developing and sustaining transportation management associations and organizations (TMA/TMO). SCAG will work with LA Metro to explore alignments with its TDM Strategic Plan. A comprehensive communications strategy will ensure SCAG connects information and critical updates with public and private partners.

Games Freight TDM Implementation. SCAG will develop a first-of-class Freight TDM Strategy and Implementation Plan to support the anticipated operational impacts associated with the LA28 Games. SCAG will identify opportunities for pilot activities that incentivize more efficient goods movement, including off-peak delivery, micro-distribution consolidation, and others. This strategic approach will serve as a legacy framework to inform pilot projects in advance of full-scale deployment. SCAG will work with industry partners, local jurisdictions, the ports, LA Metro, and other partners in the development of its strategy, and ongoing engagement will facilitate sharing of information, including event related impacts to critical routes so that businesses can make appropriate operational decisions.

3. TECHNICAL ASSISTANCE -- Fund implementation of pilot and permanent projects.

SCAG's technical assistance practice provides funding, administrative capacity, and technical expertise to implementing agencies to carry out projects that both meet local priorities and support regional goals. For Los Angeles County, SCAG will account for the project and program priorities of the Los Angeles Metro Mobility Concept Plan. SCAG's pilot and permanent projects will allow for implementation in time for the LA28 Games and will provide motivation for the region to advance more long-term adoption.

Within this strategy, staff will track the number of projects funded, the total funding distributed, as well as successful interventions. SCAG will lead the following four (4) projects.

TDM Pilot and Permanent Projects. Drawing recommendations from the TDM Initiation Plan and Implementation Roadmap, SCAG will identify public and private partners for pilot and permanent project implementation. Projects may include mobility hubs, first/last mile connections, wayfinding signage and digital tools, incentive programs, marketing campaigns, etc.

Freight TDM Pilot and Permanent Projects. For goods movement, SCAG will identify public and private partners for pilot and permanent project implementation, including off-peak operations including designated hours for deliveries of goods near venue locations last-mile delivery solutions [like the use of micro-hubs to facilitate sorting and distribution](#), and information campaigns along with real-time communication systems

Quick-Build Transportation Safety Projects. Quick-builds allow for rapid changes to streets without the need to excavate or pour concrete or asphalt, using low-cost materials like paint, bollards, and signs to create new configurations to existing street space. SCAG will provide funding and technical assistance to projects selected through a competitive call for application and through a partnership with LADOT.

Community Hub Toolkit and Call for Projects. SCAG will engage local stakeholders to support the development of community hubs for the LA28 Games, facilitating community-led efforts to reduce vehicular trips. This concept allows SCAG and its local partners to reimagine street space as a community space, increasing access in place.

4. FUNDING ADVOCACY – Secure and administer state and federal funding.

SCAG has extensive experience administering federal and state grants and advocating for funding with agencies and elected representatives.

As a funder for the region, SCAG provides fiscal and programmatic oversight over government, private, and nonprofit contractors, leading procurement, contract development and management, subawards to jurisdictions, and financial tracking. Existing funding sources include Safe Streets and Roads for All (SS4A), the Carbon Reduction Program (CRP), the Congestion Mitigation and Air Quality Improvement Program (CMAQ), the Surface Transportation Block Grant (STBG), and the California Active Transportation Program (ATP). In particular, the federal fiscal year 2026-2027 and federal fiscal year 2027-2028 STBG and CMAQ Call for Project Nominations serve as a critical opportunity for partners to seek funding to deliver projects and programs in support of the LA28 Games. SCAG recognizes the importance of the timing of this Call and will continue to encourage partners to apply.

SCAG also advocates for new funding sources, policies, and streamlined processes to expedite delivery of projects that support the Games, including those from the LA Metro Mobility Concept Plan. SCAG will advocate at both the state and federal level, coordinating messaging with LA28 and the other GME partners. SCAG is currently exploring ways to work with Caltrans and the federal agencies on piloting expedited obligation processes for federal funds in support of LA28 Games projects and programs. When seeking additional funding sources, SCAG will evaluate the feasibility of obligating, programming, and expending funds so that projects are in place for the LA28 Games.



AGENDA ITEM 2

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: Resolution No. 25-675-1 Approving Amendment 1 to the FY 2025-26
Comprehensive Budget, including the Overall Work Program (OWP)

Kome Ajise

RECOMMENDED ACTION FOR EAC:

That the Executive/Administration Committee (EAC) recommend that the Regional Council adopt Resolution No. 25-675-1 approving a first amendment (Budget Amendment 1) to the Fiscal Year 2025-26 Comprehensive Budget including the Fiscal Year 2025-26 Overall Work Program (FY 2025-26 OWP) Budget in the amount of \$7 million, increasing the FY 2025-26 OWP Budget from \$408,497,515 to \$415,497,515.

RECOMMENDED ACTION FOR RC:

That the Regional Council (RC) adopt Resolution No. 25-675-1 approving a first amendment (Budget Amendment 1) to the Fiscal Year 2025-26 Comprehensive Budget including the Fiscal Year 2025-26 Overall Work Program (FY 2025-26 OWP) Budget in the amount of \$7 million, increasing the FY 2025-26 OWP Budget from \$408,497,515 to \$415,497,515.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 5: Secure and optimize diverse funding sources to support regional priorities.

EXECUTIVE SUMMARY:

Staff recommends that the EAC and RC adopt Resolution No. 25-675-1 approving a first amendment (Budget Amendment 1) to the Fiscal Year 2025-26 Comprehensive Budget, including the Fiscal Year 2025-26 Overall Work Program (FY 2025-26 OWP) Budget in the amount of \$7 million, increasing the FY 2025-26 OWP Budget from \$408,497,515 to \$415,497,515.

BACKGROUND:

On April 30 and May 1, 2025, the EAC and RC, respectively, approved the FY 2025-26 Final Comprehensive Budget, which included the FY 2025-26 OWP budget in the amount of \$408.5 million. The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) subsequently approved SCAG's FY 2025-26 OWP on June 3, 2025.

On July 30, 2025, the California Department of Transportation (Caltrans) awarded to SCAG \$7 million in FHWA PL funding to carry out Olympics Planning and Resiliency Study. This amendment is to include these projects, totaling \$7 million, into the FY 2025-26 OWP. This grant has an 11.47% match requirement for which Caltrans has approved the use of toll credits.

DISCUSSION:

A. **FY 2025-26 Overall Work Program (OWP)**

Budget Amendment 1 to the FY 2025-26 Comprehensive Budget includes an increase to the FY 2025-26 OWP in the amount of \$7,000,000, increasing the FY 2025-26 OWP budget from \$408.5 million to \$415.5 million. Table 1 shows the changes to the FY 2025-26 OWP Funding Sources:

Table 1. FY 2025-26 OWP Funding Sources			
OWP FUNDING SOURCES	FY26 Final	Change	FY26 BA1
FHWA PL - Metropolitan Planning	26,934,880	-	26,934,880.00
FHWA PL - Metropolitan Planning Toll Credit	500,000	7,000,000	7,500,000.00
FTA 5303 - Metropolitan Planning	14,293,792	-	14,293,792.00
FTA 5303 - Metropolitan Planning Toll Credit	2,459,937	-	2,459,937.00
FTA 5304 - Strategic Partnerships Transit	497,361	-	497,361.00
FHWA SPR - Strategic Partnerships	486,194	-	486,194.00
Carbon Reduction Program (CRP)	27,703,182	-	27,703,182
Congestion Mitigation and Air Quality (CMAQ) Improvement Program	7,154,254	-	7,154,254
Surface Transportation Block Grant (STBG) Program	8,064,104	-	8,064,104
Safe Streets and Roads for All (FY23)	11,700,000	-	11,700,000.00
Safe Streets and Roads for All (FY24)	6,000,000	-	6,000,000.00
Federal Other	3,308,287	-	3,308,287
SB 1 - Sustainable Communities Formula Grants	9,541,621	-	9,541,621
SHA - Climate Adaptation Grant	250,000	-	250,000
State Other	4,706,150	-	4,706,150
Regional Early Action Planning (REAP) 2021 Grants	207,473,502	-	207,473,502
MSRC Last Mile Freight Program (LMFP) Grant	12,130,095	-	12,130,095
TDA	9,662,543	-	9,662,543
In-Kind Commitments	5,764,758	-	5,764,758
Cash/Local Other	49,866,855	-	49,866,855
TOTAL OWP FUNDING SOURCES	408,497,515	7,000,000	415,497,515

1) **\$7 million increase for FHWA PL** based on the award letter received from Caltrans. The breakdown of the project funding is as follows:

- **\$1 Million increase** in FHWA PL under OWP Task No. 130-0162.23 to conduct a Resiliency/Readiness Planning Study, a joint study with Caltrans, which would focus on military access routes for personnel and goods movement during emergencies; and
- **\$6 Million increase** in FHWA PL under OWP Task No. 400-4959.01 to carry out a scalable, regionally coordinated marketing and communications campaign to promote transportation demand management (TDM) strategies in support of the 2028 Olympic

and Paralympic Games. Campaign elements (e.g., digital ads and out-of-home placements, localized outreach, etc.) will be based on SCAG and partner priorities, with flexibility to respond to real-time needs and opportunities.

Table 2 shows the changes to the FY 2025-26 OWP expenditures:

Table 2. FY 2025-26 OWP Expenditures			
OWP EXPENDITURES	FY26 Draft	Change	FY26 Final
Salaries, Allocated Fringe Benefits and Allocated Indirect Costs	59,842,539	-	59,842,539
Consultants	62,710,059	7,000,000	69,710,059
Consultants-Technical Assistance/Pass-Through Payments	210,756,145	-	210,756,145
Non-Profits/IHL	10,500	-	10,500
In-Kind Commitments	5,764,758	-	5,764,758
Cash/Local Other	49,441,855	-	49,441,855
Other Costs	19,971,659	-	19,971,659
TOTAL OWP EXPENDITURES	408,497,515	7,000,000	415,497,515
*Consultants includes Consultants and Consultants Toll Credits			

- 1) **\$7 million increase** in Consultant cost category to carry out the aforementioned Olympics Planning and Resiliency Study projects.

Attachment 2 includes a detailed list of FY 2025-26 Comprehensive Budget changes, including the OWP. The updated FY 2025-26 OWP incorporating Amendment 1 changes will be submitted to Caltrans following the EAC and RC approval and is available online at <https://scag.ca.gov/financial-overall-work-program>.

FISCAL IMPACT:

Budget Amendment 1 increases the FY 2025-26 Comprehensive Budget in the amount of \$7.0 million increasing the FY 2025-26 Comprehensive Budget from \$414.9 million to \$421.9 million, which includes an increase to the FY 2025-26 OWP in the amount of \$7.0 million, increasing the OWP budget from \$408.5 million to \$415.5 million. After approval by the EAC and RC, Amendment 1 to the FY 2025-26 OWP will be submitted to Caltrans for final approval.

ATTACHMENT(S):

1. Resolution No. 25-675-1 Approving Amendment 01 to the FY 2025-26 Comprehensive Budget including the Overall Work Program (OWP)
2. Attachment 2 - List of Budget Changes - FY 2025-26 Comprehensive Budget Amendment 1

REGIONAL COUNCIL OFFICERS

President
Cindy Allen, Long Beach

First Vice President
Ray Marquez, Chino Hills

Second Vice President
Jenny Crosswhite, Santa Paula

Immediate Past President
**Curt Hagman
County of San Bernardino**

COMMITTEE CHAIRS

Executive/Administration
Cindy Allen, Long Beach

Community, Economic, &
Human Development
David J. Shapiro, Calabasas

Energy & Environment
Rick Denison, Yucca Valley

Transportation
**Mike T. Judge, Ventura County
Transportation Commission**

RESOLUTION NO. 25-675-1

A RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) APPROVING AMENDMENT 1 TO THE FISCAL YEAR 2025-26 COMPREHENSIVE BUDGET, INCLUDING THE OVERALL WORK PROGRAM (OWP)

WHEREAS, the Southern California Association of Governments (SCAG) is the Metropolitan Planning Organization, for the six-county region consisting of Los Angeles, Orange, San Bernardino, Riverside, Ventura, and Imperial counties pursuant to 23 U.S.C. § 134 et seq. and 49 U.S.C. § 5303 et seq.; and

WHEREAS, SCAG has developed the Fiscal Year (FY) 2025-26 Comprehensive Budget that includes the following budget components: the Overall Work Program (OWP); the FTA Discretionary and Formula Grant Budget; the TDA Budget; the General Fund Budget; the Indirect Cost Budget; and the Fringe Benefits Budget; and

WHEREAS, the OWP is the basis for SCAG's annual regional planning activities and budget; and

WHEREAS, in conjunction with the OWP Agreement and Master Fund Transfer Agreement, the OWP constitutes the annual funding contract between the State of California Department of Transportation (Caltrans) and SCAG for the Consolidated Planning Grant (CPG), and the Sustainable Transportation Planning Grants; and

WHEREAS, SCAG is also eligible to receive other Federal and/or State grant funds and/or local funds for certain regional transportation planning related activities. For such funding upon award, the funds are implemented through the OWP and SCAG and the applicable Federal or State agency shall execute the applicable grant agreement(s); and

WHEREAS, SCAG's Regional Council approved the FY 2025-26 Comprehensive Budget including the OWP in May 2025, which was subsequently approved by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) in June 2025; and

WHEREAS, Amendment 1 to the FY 2025-26 Comprehensive Budget, including the OWP, will result in: an OWP budget increase of \$7,000,000, from \$408,497,515 to \$415,497,515; and

WHEREAS, Amendment 1 to the FY 2025-26 Comprehensive Budget including the OWP, along with its corresponding staff report and this resolution, has been reviewed and discussed by SCAG's Regional Council on September 4, 2025.

NOW, THEREFORE, BE IT RESOLVED, by the Regional Council of the Southern California Association of Governments, that the Amendment 1 to the FY 2025-26 Comprehensive Budget, and as further described in the recitals above, is approved and adopted.

BE IT FURTHER RESOLVED THAT:

1. The Regional Council hereby authorizes submittal of Amendment 1 to the FY 2025-26 OWP to the participating State and Federal agencies.
2. The Regional Council hereby authorizes submittal of SCAG's approved FY 2025-26 Indirect Cost Rate Proposal (ICRP) to the participating State and Federal agencies.
3. SCAG pledges to pay or secure in cash or services, or both, the matching funds necessary for financial assistance.
4. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby designated and authorized to execute all related agreements and other documents on behalf of the Regional Council.
5. The SCAG Bylaws give the SCAG Executive Director authority to administer the Personnel Rules. In accordance with that authority, the SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby designated and authorized to make administrative amendments to the FY 2025-26 Comprehensive Budget including the OWP to implement the Personnel Rules.
6. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make and submit to the applicable funding agencies, the necessary work program, and budget amendments to SCAG's FY 2025-26 Comprehensive Budget including the OWP, based on actual available funds and to draw funds as necessary on a line of credit or other requisition basis.
7. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to submit grant applications and execute the applicable grant agreements and any amendments with the applicable Federal or State agency and to implement grant funds through SCAG's OWP, and this includes submittal and execution of the required program updates to the Department of Housing and Community Development (HCD) for REAP 2.0 funding, as well as Overall Work Program Agreement (OWPA) and the Master Fund Transfer Agreement (MFTA) with Caltrans, as part of the Caltrans Sustainable Transportation Planning Grant Programs, which includes grant projects entitled:
 - a. The Soboba Tribal Climate Change Adaptation Plan,
 - b. Southern California Airport Passenger Surface Transportation Study, and
 - c. Planning for Main Streets
8. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2025-26 OWP's REAP 2.0 Budget to reflect the program updates and changes approved by HCD. This authorization includes the ability to reallocate funds, including increasing approved project budgets, between approved projects, as well as shift available funding to SCAG administered regional projects and ATP projects as necessary to maximize the utilization of the funds and advance the goals and objectives of REAP 2.0. Such amendments may be made in advance of formal budget

adoption, with any changes included in the next Budget Amendment or Fiscal Year Budget, whichever is sooner.

9. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2025-26 OWP that do not affect the delivery of regional transportation planning tasks, activities, steps, products, or the funding amounts listed on the OWPA.
10. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2025-26 General Fund Budget; the Indirect Cost Budget; the Fringe Benefit Budget; FTA Discretionary and Formula Grant Budget; and the TDA Budget that do not exceed the overall funding amounts approved by the SCAG Regional Council and the participating State and Federal agencies.
11. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2025-26 TDA Budget, including exceeding the TDA Budget approved by the Regional Council, for the purpose of allocating additional funding to projects that are included in the approved OWP, when such exceedance is necessary to execute or implement the OWP approved by the Regional Council.
12. The Executive Administration Committee, if authorized by the General Assembly through the General Fund budget adoption, and to be consistent with such delegation from the General Assembly, is delegated authority and authorized to make amendments to the FY 2025-26 General Fund Budget that do not impact the Membership Assessment Schedule, including amending the General Fund Budget approved by the General Assembly, when such exceedance is necessary to execute or implement the operational activities and the exceedance can be covered by the Unassigned General Fund balance.
13. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to negotiate and execute subrecipient agreements (e.g., memorandum of understanding) and related documents, on behalf of the Regional Council, involving the expenditure of funds programed under the FY 2025-26 Comprehensive Budget including the OWP.
14. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to use available fund balances from future grant awards received after the adoption of this Budget to hire and upgrade limited-term staff, as needed, to implement the grant award funded program in advance of formal budget adoption, with any changes included in the next Budget Amendment or Fiscal Year Budget, whichever is sooner.
15. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to use available fund balances to hire up to 10 limited-term staff, as needed, to support and implement SCAG's Enterprise Resource Planning project, with any changes included in the next Budget Amendment or Fiscal Year Budget, whichever is sooner.

PASSED, APPROVED AND ADOPTED by the Regional Council of the Southern California Association of Governments at its regular meeting this 4th day of September, 2025.

Cindy Allen
President, SCAG
City of Long Beach

Attested by:

Kome Ajise
Executive Director

Approved as to Form:

Jeffery Elder
Chief Counsel

Amendment 1 to the FY 2025-26 Comprehensive Budget, including FY 2025-26 OWP
List of Budget Changes

Director	Project Task No.	Project Task Name	Category	Budget Change	CPG FHWA_PL	FHWA_PL FY25-26	CPG FTA_5303	FHWA SPR	FTA 5304	FY23 SB1 Formula	FY24 SB1 Formula	FY25 SB1 Formula	FY26 SB1 Formula	SHA	In-Kind Commitments	Justification
Jepson	130-0160.23	Resiliency/Readiness Planning Study (2025-26 PL Grant)	Consultant TC	1,000,000		1,000,000										Programming \$1 million in Consultant to carry out the resilient study per the award made by Caltrans.
Jepson	400-4959.01	2028 Games TDM Initiation Plan and Implementation (2025-26 PL Grant)	Consultant TC	6,000,000		6,000,000										Programming \$6 million in Consultant to carry out the Olympic related work per the award made by Caltrans.
			TOTAL	7,000,000	-	7,000,000	-	-	-	-	-	-	-	-	-	



AGENDA ITEM 3

REPORT

Southern California Association of Governments
September 4, 2025

NO. 674
SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL
MINUTES OF THE REGULAR MEETING
THURSDAY, JUNE 5, 2025

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE REGIONAL COUNCIL. A VIDEO RECORDING OF THE ACTUAL MEETING IS AVAILABLE ON THE SCAG WEBSITE AT: <http://scag.iqm2.com/Citizens/>

The Regional Council (RC) of the Southern California Association of Governments (SCAG) held a regular meeting both in person and virtually (telephonically and electronically). A quorum was present.

Members Present

Hon. Cindy Allen, President

Hon. Ray Marquez, 1st Vice President

Hon. Jenny Crosswhite, 2nd Vice President

Sup. Curt Hagman, Imm. Past President

Sup. Don Wagner

Sup. Karen Spiegel

Sup. Vianey Lopez

Hon. Michael Goodsell

Hon. Jan Harnik

Hon. Alan Wapner

Hon. Trish Kelley

Hon. Mike T. Judge

Hon. Gil Rebollar

Hon. Gary Gardner

Hon. Linda Krupa

Hon. Frank Navarro

Hon. Helen Tran

Hon. Acquanetta Warren

Hon. John Dutrey

Hon. Rick Denison

Hon. John Gabbard

Hon. Wendy Bucknum

Long Beach

Chino Hills

Santa Paula

Brawley

Desert Hot Springs

Hemet

Colton

San Bernardino

Fontana

Montclair

Yucca Valley

Dana Point

Mission Viejo

District 30

District 10

District 47

San Bernardino County

Orange County

Riverside County

Ventura County

ICTC

RCTC

SBCTA

TCA

VCTC

District 1

District 2

District 3

District 6

District 7

District 8

District 9

District 11

District 12

District 13

Hon. William Go	<i>Irvine</i>	District 14
Hon. Debbie Baker	<i>La Palma</i>	District 18
Hon. Ryan Balius	<i>Anaheim</i>	District 19
Hon. Joe Kalmick	<i>Seal Beach</i>	District 20
Hon. Marty Simonoff	<i>Brea</i>	District 22
Hon. Frank Yokoyama	<i>Cerritos</i>	District 23
Hon. Jeff Wood	<i>Lakewood</i>	District 24
Hon. Ali Saleh	<i>Bell</i>	District 27
Hon. Andrew Lara	<i>Pico Rivera</i>	District 31
Hon. Thomas Wong	<i>Monterey Park</i>	District 34
Hon. Steve Tye	<i>Diamond Bar</i>	District 37
Hon. Jesse Zwick	<i>Santa Monica</i>	District 41
Hon. David J. Shapiro	<i>Calabasas</i>	District 44
Hon. Laura Hernandez	<i>Port Hueneme</i>	District 45
Hon. Rocky Rhodes	<i>Simi Valley</i>	District 46
Hon. Steve Manos	<i>Lake Elsinore</i>	District 63
Hon. Butch Twining	<i>Huntington Beach</i>	District 64
Hon. Daniel Ramos	<i>Adelanto</i>	District 65
Hon. Steve Sanchez	<i>La Quinta</i>	District 66
Hon. Marsha McLean	<i>Santa Clarita</i>	District 67
Hon. Ulises Cabrera	<i>Moreno Valley</i>	District 69
Hon. Larry McCallon		Air District Representative
Ms. Lucy Dunn		Business Representative

Members Not Present

Sup. Kathryn Barger
 Sup. Hilda Solis
 Sup. Jesus Escobar
 Hon. Carlos Leon
 Hon. Clint Lorimore
 Hon. Zak Schwank
 Hon. Lauren Kleiman
 Hon. Valerie Amezcua
 Hon. Jon Dumitru
 Hon. Fred Jung
 Hon. Claudia Frometa
 Hon. Emma Sharif
 Hon. Mark E. Henderson
 Hon. Suely Saro
 Hon. Margaret Clark

Members Not Present

Eastvale
Temecula
Newport Beach
Santa Ana
Orange
Fullerton
Downey
Compton
Gardena
Long Beach
Rosemead

Members Not Present

Los Angeles County
 Los Angeles County
 Imperial County
 OCTA
 District 4
 District 5
 District 15
 District 16
 District 17
 District 21
 District 25
 District 26
 District 28
 District 29
 District 32

Hon. Shaunna Elias	<i>Glendora</i>	District 33
Hon. Margaret E. Finlay	<i>Duarte</i>	District 35
Hon. Keith Eich	<i>La Cañada Flintridge</i>	District 36
Hon. Tim Sandoval	<i>Pomona</i>	District 38
Hon. Mark Waronek	<i>Lomita</i>	District 39
Hon. Drew Boyles	<i>El Segundo</i>	District 40
Hon. Nikki Perez	<i>Burbank</i>	District 42
Hon. Austin Bishop	<i>Palmdale</i>	District 43
Hon. Eunisses Hernandez	<i>Los Angeles</i>	District 48
Hon. Adrin Nazarian	<i>Los Angeles</i>	District 49
Hon. Bob Blumenfield	<i>Los Angeles</i>	District 50
Hon. Nithya Raman	<i>Los Angeles</i>	District 51
Hon. Katy Young Yaroslavsky	<i>Los Angeles</i>	District 52
Hon. Imelda Padilla	<i>Los Angeles</i>	District 53
Hon. Monica Rodriguez	<i>Los Angeles</i>	District 54
Hon. Marqueece Harris-Dawson	<i>Los Angeles</i>	District 55
Hon. Curren D. Price, Jr.	<i>Los Angeles</i>	District 56
Hon. Heather Hutt	<i>Los Angeles</i>	District 57
Hon. Traci Park	<i>Los Angeles</i>	District 58
Hon. John Lee	<i>Los Angeles</i>	District 59
Hon. Hugo Soto-Martinez	<i>Los Angeles</i>	District 60
Hon. Ysabel Jurado	<i>Los Angeles</i>	District 61
Hon. Tim McOsker	<i>Los Angeles</i>	District 62
Hon. Patricia Lock Dawson	<i>Riverside</i>	District 68
Hon. Karen Bass	<i>Los Angeles</i>	Member-at-Large
Hon. Andrew Masiel, Sr.	<i>Pechanga Dev. Corp.</i>	Tribal Gov't Reg'l Planning Brd.

Staff Present

Kome Ajise, Executive Director
 Darin Chidsey, Chief Operating Officer
 Cindy Giraldo, Chief Financial Officer
 Sarah Jepson, Chief Planning Officer
 Javiera Cartagena, Chief Government and Public Affairs Officer
 Carmen Flores, Chief Human Resources Officer
 Julie Shroyer, Chief Information Officer
 Jeffery Elder, Chief Counsel
 Ruben Duran, Board Counsel
 Maggie Aguilar, Clerk of the Board
 Cecilia Pulido, Deputy Clerk of the Board

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

President Allen called the meeting to order at 12:18 p.m. and asked Regional Council Member Steve Manos, Lake Elsinore, District 63, to lead the pledge of allegiance.

PUBLIC COMMENT PERIOD

President Allen opened the Public Comment Period for persons to comment on any matter pertinent to SCAG's jurisdiction that were not listed on the agenda.

Board Counsel Duran acknowledged there were no public comments before or after the 5:00 p.m. deadline.

Seeing no public comment speakers for items not listed on the agenda, President Allen closed the Public Comment Period.

Board Counsel Duran noted that Mayor Frank Navarro from the City of Colton was participating through an accommodation under the Americans with Disabilities Act, and noted that under the Brown Act, Mayor Navarro was required to have his video active during the meeting.

REVIEW AND PRIORITIZE AGENDA ITEMS

There was no prioritization of agenda items.

CHAIR'S REPORT

David J. Shapiro, Community, Economic, and Human Development Committee (CEHD) Chair, reported that the Committee heard two informational items. First, the Committee heard from Eduardo Santana, the Chief Communications Officer from Impact Housing, who shared information on factory-built housing, and how this strategy can deliver high quality attainable housing through a scalable modular development model. He indicated that they also received a presentation from Jennifer Lilly, Director of Community and Economic Development for the city of Riverside, who reported on how placemaking can support local economic development efforts. He explained that placemaking was a complementary strategy to the traditional infrastructure investment and business development programs. The presentation also addressed efforts taken in the city of Riverside to advance placemaking and economic development. Lastly, he welcomed new Regional Council Member Jesse Zwick from the city of Santa Monica.

There were no comments on the CEHD Chair report.

Rick Denison, Energy and Environment Committee (EEC) Chair, reported they had three information items at EEC. He indicated the first item was an update on the progress being made advancing Connect SoCal 2024 Implementation Strategies. He noted that staff discussed the State's acceptance of the Sustainable Communities Strategy and the SB 375 target update process. He also reported that they received a briefing on the Water Action Resolution White Paper, which included a summary of current and emerging issues that affect regional water resilience and potential strategies to address them. He indicated that this also included a panel discussion on the water management challenges stemming from wildfire impacts and best practices to address them. It featured representatives from the Moulton Nigel Water District, Heal the Bay, and the San Bernardino Valley Municipal Water District.

There were no comments on the EEC Chair report.

Mike T. Judge, Transportation Committee (TC) Chair, reported that TC heard four short informational presentations from staff and stakeholder partner agencies. He indicated these items were critical programs which SCAG supports and facilitates on behalf of their membership to continue to meet the goals of their regional plan Connect SoCal by funding numerous mobility projects and study efforts throughout the region. He shared that LaDonna DiCamillo, the Southern California Regional Director from the California High Speed Rail Authority, provided an update on the state's high speed rail project. He indicated that the committee took the opportunity to hear and discuss the progress, environmental considerations, and ongoing federal implications affecting the state's high speed rail program. He noted that to compliment the discussion around the state's passenger rail efforts, the committee was also provided an informational presentation from Asha Jones, Vice President of Governmental Affairs from Brightline West. He also reported that SCAG staff provided project updates on two efforts which had been concluded, the SCP Smart Cities & Mobility Innovations Program Conclusion and the Southern California Zero Emissions Truck Infrastructure Study Findings & Final Report.

There were no comments on the TC Chair report.

ACTION ITEM

1. Approval of Amendment No. 4 to Executive Director's Employment Agreement

Ruben Duran, Board Counsel, indicated that before them was the consideration of Amendment No. 4 to the Executive Director's employment agreement. He explained that the amendment came before the Executive Administration Committee (EAC) and resulted in a positive performance evaluation by the committee in April 2025, in accordance with his employment agreement and SCAG's Bylaws. He reported that the EAC unanimously recommended that the agreement be amended in the following manner: 1) to adjust the Executive Director's [Kome Ajise] base salary to a total of \$413,133 annually, representing a 3% merit increase, plus a 2% cost of living adjustment;

and Section 3.06, Employee Benefits, would be amended as noted in the staff report [that SCAG contribute to the Executive Director's 457(b) deferred compensation plan in an amount equal to the maximum annual contribution limit established by the Internal Revenue Service (IRS) for each applicable calendar year].

There were no Public Comments on Item 1.

A MOTION was made (Hagman) that the Regional Council approve the attached Amendment No. 4 to the Employment Agreement between SCAG and Kome Ajise to adjust the Executive Director's compensation in response to positive performance review, and approve the Annual Work Plan for 2025-26. Motion was SECONDED (Marquez) and passed by the following roll call votes.

AYES: Allen, Baker, Balius, Bucknum, Cabrera, Crosswhite, Dutrey, Gardner, Gabbard, Go, Goodsell, Hagman, Harnik, Hernandez, Judge, Kalmick, Kelley, Krupa, Lara, Lopez, Manos, Marquez, McCallon, McLean, Navarro, Ramos, Rebollar, Rhodes, Saleh, Sanchez, Shapiro, Simonoff, Spiegel, Twining, Wagner, Wapner, Wong, Wood, Yokoyama, and Zwick (40)

NOES: None (0)

ABSTAIN: None (0)

2. Resolution No. 25-674-1 Resilience Recommendations & Next Steps

Elizabeth Carvajal, Deputy Director of Land Use, reported that the action before them was for the Regional Council to approve Resolution No. 25-674-1 to advance SCAG's regional resilience recommendations for planning for resilient communities. She indicated that following the Eaton and Pacific Palisades fires and under the leadership of immediate past President Hagman, the Regional Council and the Policy Committees, convened a series of discussions between February and April to build awareness and expand their collective understanding of how-to best plan for and build resilient communities. She explained that based on their learnings from the convenings, the resolution before them included eight activities for SCAG to pursue as follows: 1) for SCAG to confirm its commitment to plan for and build resilient communities as an imperative that is core to its role in supporting jurisdictions in realizing the goals and vision of Connect SoCal; 2) continue to advocate for dedicated resources at the State and Federal level to support their region to access what they need to do this critical work; 3) leverage existing planning resources and pursue new ones to help their communities plan, prepare, and recover; 4) develop tax increment financing resources, around Enhanced Infrastructure, Financing Districts and climate resilience districts to support jurisdictions in their planning and building of resilient communities and taking steps to tackle on the impacts of insurance on housing; 5) learning from their Regional Utility Supporting Housing program to support infrastructure, planning, and investments that are critical to meeting

their goals with a climate and resilience lens; 6) explore opportunities to support transportation system vulnerabilities assessments that can lead to more resilient infrastructure; 7) continue to collaborate with the Los Angeles County office of emergency management and identify potential resources to support rebuilding and recovery; and 8) report back with an assessment of progress and potential refinements in early 2026.

There were no Public Comments on Item 2.

A MOTION was made (Shapiro) that the Regional Council approve Resolution No. 25-674-1 to advance SCAG's regional resilience recommendations for planning for and building resilient communities. Motion was SECONDED (Hagman) and passed by the following roll call votes.

AYES: Baker, Balius, Bucknum, Cabrera, Crosswhite, Denison, Dutrey, Gabbard, Go, Goodsell, Hagman, Harnik, Hernandez, Judge, Kalmick, Kelley, Krupa, Lara, Lopez, Manos, Marquez, McCallon, McLean, Navarro, Ramos, Rebollar, Rhodes, Saleh, Sanchez, Shapiro, Simonoff, Spiegel, Tran, Twining, Tye, Wagner, Wong, Wood, Yokoyama, and Zwick (40)

NOES: None (0)

ABSTAIN: None (0)

CONSENT CALENDAR

There were no Public Comments on the Consent Calendar.

Approval Items

3. Minutes of the Meeting – May 1, 2025
4. Contracts \$500,000 or Greater: 24-012-MRFP 06, Los Angeles County Affordable Housing Solutions Agency (LACAHS) Strategic Plan
5. Contracts \$500,000 or Greater: 25-025-C01, Planning for Main Streets
6. Contracts \$200,000 or Greater: 25-029-C01, Go Human Safety Strategies & Research
7. Housing Bills
8. Resolution AB 98 Cleanup Bills

Receive and File

9. June 2025 State and Federal Legislative Update

10. Purchase Orders, Contracts and Contract Amendments below Regional Council Approval Threshold

11. CFO Monthly Report

A MOTION was made (Bucknum) that the Regional Council approve Consent Calendar Items 3 through 8 and Receive and File Items 9 through 11. Motion was SECONDED (Ramos) and passed by the following roll call votes.

AYES: Baker, Balius, Bucknum, Cabrera, Crosswhite, Denison, Dutrey, Gardner, Gabbard, Go, Goodsell, Hagman, Harnik, Hernandez, Judge, Kalmick, Kelley, Krupa, Lara, Lopez, Manos, Marquez, McCallon, Navarro, Ramos, Rhodes, Saleh, Sanchez, Shapiro, Simonoff, Spiegel, Tran, Tye, Warren, Wong, Wood, Yokoyama, and Zwick (38)

NOES: None (0)

ABSTAIN: McLean (1)

INFORMATION ITEM

12. Resilience Toolkit Overview and Panel Discussion

Sarah Jepson, Chief Planning Officer, stated that following the adoption of the resilience resolution, they wanted to spend a little more time diving into one of the first resources that they will be releasing in support of the Regional Council's enhanced commitment to support their local agencies, which was the resilience toolkit. She reported that over the course of the last several months, they had heard in presentations across the various policy committees about the importance of being prepared. She indicated that they had also heard over the last several months from various agencies who had experienced catastrophic events about what being prepared looks like and the tools that they were now applying in their communities to mitigate the impacts in the future. She expressed that their hope was that this resilience toolkit would give all their cities a place to start or advance upon their path to becoming more resilient. For the presentation, she noted that Ryan Wolfe, Department Manager of Sustainable and Resilient Development at SCAG, was going to provide information on the tool that would be available to the cities. Then they would hear from two of the agencies that were featured in the case studies of their toolkit about their experience strengthening their communities and their infrastructure to be more resilient to hazards. She introduced Lisa Colicchio, Director of Sustainability at Metrolink, the 3rd largest regional rail service in the nation. She shared that Ms. Colicchio was leading the path to a more sustainable and resilient system through her work leading the development of the agency's 2030

climate action plan and advancing its Climate Vulnerability Assessment and Adaptation Plan (CVA). She explained that the CVA evaluates future climate change and extreme weather events, event vulnerabilities, a variety of strategies to address them, and provides a roadmap for implementation. She also introduced Mason Thurmond, Programs Manager at Ventura Regional Fire Safe Council, who oversees wildlife prevention programs, including community outreach and education, home wildlife assessments, chipping services, fuels reduction, the Resident Grant program, and much more. She indicated that Ms. Thurmond served as the Coordinator of the Ventura County Wildfire Collaborative (VCWC) since January 2023 and was previously a Coordinator with partner agency Ventura County Resource Conservation District. In her tenure at the district, she secured multiple wildfire prevention grants for countywide efforts and hosted the CA Wildfire Conference in 2023. Prior to her work in wildfire locally, she served as an inaugural CA Climate Action Corps Fellow with the California Fire Safe Council in 2021, developing methods for evaluating social and wildfire vulnerability. She thanked Elizabeth Carvajal, Ryan Wolfe, Sebastian Shetty, the planning team, and the agency for really pivoting their work over the last couple of months in response to the fires. Lastly, she expressed appreciation for the work on their committees and for the chairs who worked to reframe the conversations in response to the catastrophes.

Mr. Wolfe explained the toolkit's purpose and contents, emphasizing its flexibility and scalability for cities of various sizes and capacities. He indicated the toolkit would include tools, guidance, and case studies to help cities assess vulnerabilities, set goals, implement strategies, and monitor progress. He also emphasized the importance of community engagements and partnerships in building social resilience and trust. He also noted the tool included information on funding and financing sources. He also reported that the toolkit would be released in the summer.

Immediate Past President Curt Hagman emphasized the importance of consistent maintenance in neighborhoods for fire mitigation and the need for flexibility in resilience finance districts.

Ms. Colicchio presented on the climate vulnerability assessment of Metrolink's rail system, which was conducted from 2020 to 2022 using a Caltrans grant. She indicated that the assessment identified vulnerable areas across 550 rail miles, particularly in disadvantaged communities, and highlighted extreme heat as the greatest system-wide vulnerability. She indicated that the project resulted in over 100 adaptation strategies, including replacing wooden ties with concrete, updating design standards, and creating an interactive dashboard for ongoing reference.

Ms. Thurmond provided a presentation on wildfire planning and collaboration, and outlined key principles such as defensible space, fuels reduction, and home hardening. She discussed VCWC's efforts, including their Community Wildfire Protection Plan, and emphasized the importance of aligning wildfire prevention with climate resilience goals. She explained that VCWC relies on partnerships with local agencies, fire safe councils, and community leaders to enhance outreach and implementation.

Regional Council Member Wendy Bucknum, Mission Viejo, District 13, raised concerns about delays in wildfire mitigation due to environmental regulations. Ms. Mason provided insights into navigating these challenges.

The panel discussion concluded with a call for continued support and collaboration to advance wildfire resilience planning across the region.

There were no Public Comments on Item 12.

13. Legislative Update

Javiera Cartagena, Chief Government and Public Affairs Officer, provided a legislative update, highlighting key developments in Sacramento and Washington, DC. In Sacramento, she discussed the Governor's May Revision budget, which maintains the transportation budget and proposes a new California housing and homelessness agency, though without new funding for the homeless housing assistance program. She also noted that the Governor expressed support for the Legislature's pending \$10 billion housing bond (AB 736), and for the extension of the Cap-and-Trade program, which he proposes renaming to Cap-and-Invest, until 2045. As part of the Cap-and-Trade extension, she explained that the Governor announced he would work with the Legislature to create an expenditure plan but emphasized the need to provide \$1 billion annually for the High-Speed Rail project, which currently receives 25 percent of all Cap-and-Trade revenues. In Washington, she reported on the recent reconciliation bill passed by a narrow margin, which includes funding for the 2026 World Cup and 2028 Olympic and Paralympic Games, as well as proposed changes to electric vehicle tax credits and a budget request for the metropolitan planning program. She also highlighted the proposal by the Trump Administration to cancel nearly \$5.7 billion in funding for the National Electric Vehicle Infrastructure (NEVI) program, initiated under the Biden Administration to help build out electric vehicle charging stations.

There were no Public Comments on Item 13.

BUSINESS REPORT

Regional Council member Lucy Dunn reported that her business report was on page 155. She presented a business report highlighting the volatile economy and shared that Randall Lewis encouraged city and county leaders to anticipate the future by looking at soft data as much as hard data in their cities to get a sense of what was happening in their economy. She also expressed the need for CEQA reform as discussed in the SCAG Economic Roundtable Update on May 22. She indicated that a link would be shared with the members regarding the Economic Roundtable Update.

PRESIDENT'S REPORT

President Allen welcomed the following new Regional Council Members: Austin Bishop, RC District 43, Palmdale; Ulises Cabrera, RC District 69, Moreno Valley; John Dutrey, RC District 9, Montclair; Marsha McLean, RC District 37, Santa Clarita; Mark Waronek, RC District 39, Lomita; and Jesse Zwick, RC District 41, Santa Monica. She also reported that the 2025 Regional Conference and General Assembly was a success, raising \$435,000 and attracting nearly 900 attendees. She also highlighted the organization's advocacy efforts in DC and Sacramento, which were successful and included meetings with Congressional members and participation in Latina Action Day. She also reported there would be no Policy Committee or Regional Council Meetings in July due to the 4th of July holiday and instead there would be a special EAC meeting on July 2nd. She also informed the members that there would be no meetings in August as it was traditionally dark. Lastly, she reported the next Regional Council meeting was on September 4th.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Ajise reported that last month the California Air Resources Board accepted SCAG's determination that the Connect SoCal 2024 Regional Transportation Plan/Sustainable Communities Strategy met CARB's greenhouse gas (GHG) emission reduction targets. He indicated that this allows for the SCAG region to remain eligible for SB1 funding. He also shared that they have been working with the California Air Resources Board on SB 375 reform. He also reported that they started work on the Transportation Demand Management activities for the Olympic and Paralympic games. He explained that they had discussed this at the EAC meeting earlier that day and would be having more discussion about it at the September Regional Council meeting. He also reported that as of May 30, they shut SCAG's San Bernardino County Regional Office in the San Bernardino County Transportation Authority (SBCTA) building and would be operating out of the Riverside County Regional Office. Lastly, he took a moment to recognize Dr. Frank Wen, who had worked with SCAG for 37 years and would be retiring. He was recognized for his contributions to the organization.

There were no public comments on the Business, President's or Executive Director's reports.

FUTURE AGENDA ITEMS

There were no future agenda items.

ANNOUNCEMENTS

There were no announcements

ADJOURNMENT

There being no further business, President Allen adjourned the meeting of the Regional Council at 1:43 p.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE REGIONAL COUNCIL]

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Regional Council Attendance Report																	
2025-2026																	Total Mtgs Attended To Date
MEMBERS	Representing	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May				
Allen, Cindy	Long Beach, RC District 30	1															1
Amezcuca, Valerie	Santa Ana, RC District 16	0															0
Baker, Debbie	La Palma, RC District 18	1															0
Balius, Ryan	Anaheim, RC District 19	1															0
Barger, Kathryn	Los Angeles County	0															0
Bass, Karen	Los Angeles, (Member at Large)	0															0
Blumenfield, Bob	Los Angeles, RC District 50	0															0
Boyles, Drew	El Segundo, RC District 40	0															0
Bucknum, Wendy	Mission Viejo, RC District 13	1	D	D													1
Cabrera, Ulises	Moreno Valley, RC District 69	1															1
Clark, Margaret	Rosemead, RC District 32	0															0
Crosswhite, Jenny	Santa Paula, RC District 47	1															1
Denison, Rick	Yucca Valley, RC District 11	1															1
Dumitru, Jon	Orange, RC District 17	0															0
Dunn, Lucy	Business Representative	1															1
Dutrey, John	Montclair, RC District 9	1															1
Eich, Keith	La Cañada Flintridge, RC District 36	0															0
Elias, Shaunna	Glendora, RC District 33	0															0
Escobar, Jesus	Imperial County	0															0
Finlay, Margaret E.	Duarte, RC District 35	0	A	A													0
Frometa, Claudia M.	Downey, RC District 25	0															0
Gardner, Gary	Desert Hot Springs, RC District 2	1															1
Gabbard, John	Dana Point, RC District 12	1															1
Go, William	Irvine, RC District 14	1															1
Goodsell, Mike	ICTC Representative	1															1
Hagman, Curt	San Bernardino County	1															1
Harnik, Jan C.	RCTC Rpresentative	1															1
Harris-Dawson, Marqueece	Los Angeles, RC District 55	0															0
Henderson, Mark E.	Gardena, RC District 28	0															0
Hernandez, Eunisses	Los Angeles, RC District 48	0															0
Hernandez, Laura	Port Hueneme, RC District 45	1															1
Hutt, Heather	Los Angeles, RC District 57	0	R	R													0
Judge, Mike T.	VTCT Representative	1															1
Jung, Fred	Fullerton, RC District 21	0															0
Jurado, Ysabel	Los Angeles, RC District 61	0															0
Kalmick, Joe	Seal Beach, RC District 20	1															1
Kelley, Trish	TCA Representative	1															1
Kleiman, Lauren	Newport Beach, RC District 15	0															0
Krupa, Linda	Hemet, RC District 3	1	K	K													1
Lara, Andrew	Pico Rivera, RC District 31	1															1
Lee, John	Los Angeles, RC District 59	0															0
Leon, Carlos A.	OCTA Representative	0															0
Lock Dawson, Patricia	Riverside, RC District 68	0															0
Lopez, Vianey	Ventura County	1															1
Lorimore, Clint	Eastvale, RC District 4	0															0
Manos, Steve	Lake Elsinore, RC District 63	1															1
Marquez, Ray	Chino Hills, RC District 10	1															1
Masiel, Andrew	Pechanga Band of Luiseno Indians Tribal Gov. Reg. Plng. Brd.	0															0
McCallon, Larry	Air District Representative	1															1
McLean, Marsha	Santa Clarita, RC District 67	1															1
McOsler, Tim	Los Angeles, RC District 62	0															0
Navarro, Frank J.	Colton, RC District 6	1															1
Nazarian, Adrin	Los Angeles, RC District 49	0															0
Padilla, Imelda	Los Angeles, RC District 53	0															0
Park, Traci	Los Angeles, RC District 58	0															0
Perez, Nikki	Burbank, RC District 42	0															0
Price, Curren D.	Los Angeles, RCDistrict 56	0															0
Raman, Nithya	Los Angeles, RC District 51	0															0
Ramos, Daniel	Adelanto, RC District 65	1															1
Rebollar, Gil	Brawley, RC District 1	1															1

[illegible]



AGENDA ITEM 4

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Lijin Sun, Principal Planner
213-236-1804, sunl@scag.ca.gov

Subject: 2025 California Clean Air Day Proclamation

Kome Ajise

RECOMMENDED ACTION FOR EAC:

Recommend that the Regional Council approve and adopt proclamation in support for and declaration of 2025 California Clean Air Day.

RECOMMENDED ACTION FOR RC:

Approve and adopt proclamation in support for and declaration of 2025 California Clean Air Day.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

EXECUTIVE SUMMARY:

SCAG's regional policies and planning efforts as reflected in the agency's regional transportation plan and sustainable communities strategy and federal transportation improvement program have contributed to the significant air quality improvements and public health benefits over the past decades. However, the region still suffers from the worst air quality in the nation with serious public health impacts. California Clean Air Day is built on the idea that shared experiences unite people to take actions and create new habits to improve air quality. By joining together for a unified day of action, people can create and nurture new habits to clear the air for all members of California's diverse communities. Across the state, individuals, communities, and organizations pledge each year to commute by carpool, vanpool, transit, biking, or walking on the first Wednesday in October. Because there will be no RC meeting in October 2025, staff is seeking the EAC's recommendation that the RC approve and adopt SCAG's California Clean Air Day proclamation and then the RC approve and adopt the proclamation at today's meetings in support of the upcoming 8th Annual California Clean Air Day on October 1, 2025, about one month from now. This allows time for SCAG to make an organizational pledge, to encourage the 197 member jurisdictions to explore actions, to encourage SCAG staff to make individual pledges, and to plan for actions that will help make a difference in the region's air quality on Clean Air Day and beyond.

BACKGROUND:

Air pollution contributes to higher rates of cancer and heart and lung diseases, adversely affects public health, and contributes to climate change. Millions of Southern Californians, particularly those living in disadvantaged communities, experience air quality that ranks among the nation's worst. California and the SCAG region are facing significant air quality planning and regulatory challenges that are threatening transportation investments vital to the balancing of the region's mobility needs, economic development, and environmental goals. It is vital to protect health, well-being, and safety of our residents, workforce, and visitors. Emissions from vehicles, industry, and even household sources significantly affect the air quality and well-being of residents, employees, and visitors of the SCAG region. Every organization and every individual can play a part in addressing air pollution.

SCAG is responsible for developing the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), the Federal Transportation Improvement Program (FTIP) that implements the RTP/SCS, the socio-economic growth forecast, as well as the integrated land use and transportation strategies (Appendix IV-C) for the South Coast Air Quality Management District's air plans. The RTP/SCS, FTIP, and their amendments are required to demonstrate transportation conformity to be consistent with or conform to the purposes of applicable air plans in the SCAG region as required by the federal Clean Air Act and the U.S. Environmental Protection Agency's Transportation Conformity Regulations. Therefore, SCAG's regional planning policies, programs, strategies, and initiatives, as reflected in the adopted 2024 RTP/SCS (Connect SoCal 2024) and the 2025 FTIP as amended, have played and will continue to play an important role in achieving significant air quality improvements and protecting public health in the SCAG region.

California Clean Air Day is a project of the Coalition for Clean Air, a nonprofit organization that was founded in 1971 and is California's only statewide organization working exclusively on air quality issues <https://www.ccair.org/about/>. The purpose of California Clean Air Day is to allow individuals and organizations to commit to do their part to clear the air, through actions big and small. According to the Coalition for Clean Air, more than 16,500 Californians made 125,000+ clean air action pledges, 22 transit agencies provided free rides on buses, trains, bike share programs & even ferries, and 121 California Clean Air Day events were held virtually and in person in previous years.

SCAG continues to participate in the annual California Clean Air Day through an organizational pledge and by encouraging SCAG staff to take the California Clean Air Day pledge. Because the 2025 California Clean Air Day will take place on October 1, and there will be no RC meeting on October 2, 2025, staff is seeking the EAC's recommendation that the RC approve and adopt SCAG's California Clean Air Day proclamation and then the RC approve and adopt the proclamation at today's meetings in support of the upcoming 8th Annual California Clean Air Day on October 1, 2025, about one month from now. This allows time for SCAG to make an organizational pledge, to encourage the 197 member jurisdictions to explore actions, to encourage SCAG staff to make individual

pledges, and to plan for actions that will help make a difference in the region's air quality on Clean Air Day and beyond.

FISCAL IMPACT:

Work associated with this item is included in the current FY 2025-26 Overall Work Program (25-025.0164.01: Air Quality Planning and Conformity).

ATTACHMENT(S):

1. Clean-Air-Day-2025-Proclamation-8.5x14-Final

PROCLAMATION

SUPPORT FOR AND DECLARATION

CALIFORNIA CLEAN AIR DAY

Whereas, air pollution contributes to higher rates of cancer and heart and lung diseases, which adversely affect public health and contributes to climate change; and

Whereas, the six-county SCAG region has among the worst air pollution in the United States, and millions of Southern Californians, particularly those living in the disadvantaged communities, experience air quality among the nation's worst; and

Whereas, California and the SCAG region are facing significant air quality planning and regulatory challenges that threaten transportation investments vital to balance of the region's mobility needs, economic development, and environmental goals; and

Whereas, it is vital that we protect the health, well-being, and safety of our residents, workforce, and visitors; and

Whereas, emissions from vehicles, industry, and even household sources significantly affect the air quality and well-being of residents, employees, and visitors of the SCAG region; and

Whereas, individual actions such as working at home, taking bus or train, walking or biking, carpooling, not idling vehicles, and conserving energy can directly improve air quality in the region; and

Whereas, every organization and every individual can play a role in improving air quality in the region; and

Whereas, education about air quality can raise community awareness, encourage communities to develop better habits and improve public health; and

Whereas, Californians are joining together across the state to clear the air on Oct. 1, 2025; and

Whereas, SCAG's long-range transportation plan, known as Connect SoCal Regional Transportation Plan/Sustainable Communities Strategy, and the short-term Federal Transportation Improvement Program (FTIP) that implements Connect SoCal, have played an important role in achieving significant air quality improvements and public health benefits in the SCAG region over the past decades.

Therefore, Be It Proclaimed, that SCAG is pleased to join the Coalition for Clean Air and hundreds of other public and private entities in taking action to make our air healthier by participating in California Clean Air Day on Oct. 1, 2025.

And, Be It Further Proclaimed, that SCAG is taking the organizational pledge committing to its various clean air and sustainable planning policies, programs, strategies, and initiatives to improve air quality in Southern California as reflected in the agency's adopted Connect SoCal 2024 and 2025 FTIP as amended.

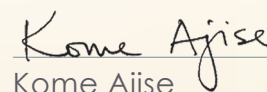
And, Be It Further Proclaimed, that SCAG encourages the six counties and 191 cities within the SCAG region to explore how their jurisdictions can make organizational pledges to improve air quality.

And, Be It Further Proclaimed, that SCAG encourages its employees to make individual pledges to improve air quality.

Sept. 4, 2025



Cindy Allen
Regional Council President



Kome Ajise
Executive Director





AGENDA ITEM 5

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

From: Jeffery Elder, Chief Counsel/Director of Legal Services
(213) 630-1478, elder@scag.ca.gov

Subject: Amendment to Regional Council Policy Manual

EXECUTIVE DIRECTOR'S
APPROVAL

Kome Ajise

RECOMMENDED ACTION FOR EAC:

That the Executive/Administration Committee (EAC) recommend that the Regional Council (RC) adopt an amendment to the Regional Council Policy Manual (Policy Manual) amending the conflict of interest provisions of the Policy Manual.

RECOMMENDED ACTION FOR RC:

That the RC adopt an amendment to the Policy Manual, amending its conflict-of-interest provisions.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 4: Build a unified culture anchored in the pursuit of organizational excellence.

EXECUTIVE SUMMARY:

From June 19 to June 20, 2025, President Cindy Allen convened a retreat for the EAC to discuss strategic priorities for the upcoming year. The agenda included a presentation and discussion of proposed amendments to the Regional Council Policy Manual ("Policy Manual"), including an amendment to the Policy Manual's conflict of interest provisions to update the language to follow current laws and regulations.

As a result of the conversation, SCAG staff has finalized the proposed amendment to the conflict of interest provisions for consideration by the EAC and approval by the RC.

BACKGROUND:

Article III of the Policy Manual sets forth the conflict of interest policies applicable to SCAG Representatives. "SCAG Representatives" is defined as all elected and appointed officials and representatives who serve in the SCAG organization as Officers, Official Representatives and Alternates to the General Assembly, representatives of Regional Council Members, District

Representatives, ex officio members of any SCAG body, and members of SCAG committees and task forces.

Under Article III.A., SCAG Representatives may accept gifts and political contributions up to the limits established by state law, provided such acceptance does not otherwise violate applicable state or federal conflict of interest rules and regulations.

While this language generally reflects existing legal compliance obligations, it does not explicitly address SCAG Representatives' obligations under the Levine Act. The Levine Act (Cal. Gov. Code § 84308) is a state law that prohibits public officials from accepting, soliciting, or directing a contribution of more than \$500 from a party or participant (or their agents) while a proceeding involving a license, permit, or other entitlement for use, including most contracts, is pending before the agency and for 12 months after a decision. The law contains disclosure, recusal, and other requirements applicable to public officials who have received such contributions, and similar requirements applicable to parties, participants, and their agents. To provide greater clarity and ensure consistency with current state law, staff recommends adding express references to Levine Act obligations in both Article III.A. and Article III.D., the latter of which governs prohibitions and disqualifications in contract and decision-making.

Staff also recommends additional technical revisions throughout Article III to improve clarity and consistency, including updates to statutory references to reflect changes in the law since the policies were originally adopted.

Proposed language implementing these changes is presented in Attachment 1.

FISCAL IMPACTS:

None.

ATTACHMENT(S):

1. Conflict of Interest Policies

ARTICLE III
CONFLICT OF INTEREST

...

A. Gift and Political Contribution Prohibitions and Limitations - SCAG Representatives may accept gifts and political contributions but only up to the limits established by state law and only without violation of SCAG's Conflict of Interest Code and any state or federal conflict of interest rules and regulations. In accordance with Government Code Section 84308 ("Levine Act"), SCAG Representatives may not accept campaign contributions from a party or its agent(s) totaling more than \$500 if the party or its agent(s) is involved in a proceeding involving a license, permit, or other entitlement for use, including a contract, that is pending before SCAG or for 12 months following the final decision. SCAG Representatives shall disclose and recuse themselves from any proceeding involving a license, permit, or other entitlement for use, including a contract, if the SCAG Representative has received campaign contributions totaling more than \$500 from a party or its agent(s) involved in the proceeding within the previous 12 months. The Levine Act does not apply to contracts: under \$50,000; where no party receives financial compensation; between two or more public agencies; or competitively bid if required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.

...

D. Contract and Decision-Making Prohibitions and Disqualifications

(1) In accordance with California Government Code Section 1090 et seq., SCAG Representatives shall not participate in making any contract or type of agreement involving SCAG if they are financially interested in the contract or agreement. To "participate in making a contract" includes decisions to create, modify, extend or renegotiate a contract. Most importantly, if a ~~n individual~~ SCAG Representative is "financially interested" in a contract, Section 1090 prohibits the entire legislative body of which that individual is a member from taking action on a contract in which said individual has a financial interest. Thus, if a representative of a Member of the Regional Council has a financial interest in a contract, the Regional Council cannot consider or take action on that contract and it is not possible for the representative to simply disqualify themselves himself from any vote. For this reason, if SCAG contracting staff or legal counsel determine that a representative of a Member of the Regional Council has a financial interest in a bid or proposal for a contract, such bid or proposal will be disqualified from consideration by SCAG. Determining financial interest questions can be complicated and guidance from SCAG legal counsel should be obtained if any concerns exist regarding the applicability of ~~Government Code~~ Section 1090 to a contract, proposal or bid.

(2) In accordance with ~~2 CFR Part 200, Title 49 of the Code of Federal Regulations, Section 18.36~~ SCAG Representatives shall not participate in the selection, ~~or~~ award, or administration of a contract supported by federal funds if a conflict of interest, real or apparent, would be involved. A real or apparent conflict of interest could arise not only in connection with SCAG Representatives themselves, but also if immediate family members are involved in a contract or because of the employment or potential employment of SCAG Representatives. The requirements of ~~2 CFR Part 200 Section 18.36~~ are complicated and guidance from SCAG legal counsel should be obtained regarding the applicability of ~~2 CFR Part 200 Section 18.36~~ to a contract supported by federal funds.

(3) In accordance with California Government Code Section 87100 *et seq.* (the “PRA”), SCAG Representatives shall not make, participate in making or attempt to use their official position to influence a decision affecting SCAG when a conflict of interest, real or apparent, would be involved. Such a conflict of interest would arise because of a personal financial interest in a decision affecting SCAG. A financial interest would exist if it is reasonably foreseeable that the decision will have a material financial effect, distinguishable from its effect on the public generally, on an individual or his/her immediate family. If any SCAG Representative has a financial interest in a decision affecting SCAG within the meaning of ~~the PRA Section 87100~~, that individual should recuse himself or herself from making or participating in such a decision and not use his or her position to influence or attempt to influence such a decision. Guidance on the proper recusal procedures to follow should be obtained from SCAG legal counsel who should also be consulted about questions regarding ~~the PRA Section 87100~~.

(4) ~~In accordance with the Levine Act, SCAG Representatives should recuse themselves from participating in decision-making processes that involve a party or participant from whom the SCAG Representative has received campaign contributions over \$500 within the previous 12 months. This requirement does not apply to contracts: under \$50,000; where no party receives financial compensation; between two or more public agencies; or competitively bid if required by law, agency policy, or agency rule to be awarded pursuant to a competitive process.~~



AGENDA ITEM 6 REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Erika Bustamante, Deputy Director
(213) 236-1892, Bustamante@scag.ca.gov

Subject: Contracts \$500,000 or Greater: 25-026-C01, State Advocacy Services

Kome Ajise

RECOMMENDED ACTION:

Approve Contract No. 25-026-C01 in an amount not to exceed \$720,000 with Cruz Strategies LLC, to provide State Advocacy Services, for up to five (5) years. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 2: Be a cohesive and influential voice for the region.

EXECUTIVE SUMMARY:

Under this agreement, Cruz Strategies LLC will serve as SCAG's State Lobbyist and, among other services, support the development of SCAG's annual Legislative Program for review by the Legislative/Communications and Membership Committee and the Regional Council.

BACKGROUND:

Staff recommends executing the following contract \$500,000 or greater:

<u>Consultant/Contract #</u>	<u>Contract Purpose</u>	<u>Contract Amount</u>
Cruz Strategies, LLC 25-026-C01	The consultant will develop strategies for the successful attainment of SCAG's Legislative Program.	\$720,000

FISCAL IMPACT:

The total cost for this contract is \$720,000 over a five-year period. The cost for the first year of \$96,000 is available in the Fiscal Year (FY) 2025-26 General Fund Budget in project number 800.0160.02. The cost for subsequent years will be included in future annual budgets, subject to budget availability and budget approval.

ATTACHMENT(S):

1. Contract 25-026-C01 Summary
-



2. Contract 25-026-C01 Conflict of Interest Form

CONSULTANT CONTRACT NO. 25-026-C01

Recommended Consultant:	Cruz Strategies LLC
Background & Scope of Work:	<p>In November 2020, SCAG contracted with Cruz Strategies LLC to provide legislative advocacy services in the state capital. SCAG has a compelling need to continue these legislative advocacy services without interruption. SCAG is officially designated by various federal and state laws as a Council of Governments, a Multi-County Designated Transportation Planning Agency, and the Metropolitan Planning Organization for the Southern California region. The responsibilities associated with these designations require effective advocacy with the state legislature, the administration, and various regulatory agencies in Sacramento.</p> <p>Under this agreement, the consultant shall provide state legislative advocacy services and support the development of SCAG's annual Legislative Program for review by the Legislative/Communications and Membership Committee and the Regional Council, for up to five (5) years.</p>
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Support the development of SCAG's annual Legislative Program for review by the Legislative/Communications and Membership Committee (LCMC) and the Regional Council (RC);• Assist with the initiation of legislation sponsored or supported by SCAG, including the necessary actions to prepare draft legislation, obtain legislative sponsorship, influence legislative analyses, determine and organize testimony, and influence appropriate officials to develop and pass such legislation;• Provide logistical support for Sacramento and district office visits. This includes developing a proposed agenda and scheduling meetings with legislators, legislative staff, and members of the Administration to further the goals of SCAG's Legislative Program;• Assist SCAG in developing extensive and bipartisan relationships with members of the Legislature, specifically members of legislative leadership and the Southern California delegation, and other key figures in the Assembly and State Senate;• Assist SCAG in developing relationships with members of the Administration, including but not limited to representatives of and appointees to the California State Transportation Agency, California Transportation Commission, California Air Resources Board, and Strategic Growth Council;• Identify, secure, and coordinate opportunities for SCAG to testify at legislative or administrative hearings on policies and programs that impact SCAG; and• Actively participate in appropriate state coalitions and working groups to further the goals of SCAG's Legislative Program.
Strategic Plan:	This item supports SCAG's Strategic Plan Priority 2: Be a cohesive and influential voice for the region.

Contract Amount:	Total not to exceed \$720,000
	Cruz Strategies LLC \$720,000
Contract Period:	Notice to Proceed through June 30, 2030
Project Number(s):	800-0160.02 \$720,000 Funding source: General Fund. The total cost for this contract is \$720,000 over a five-year period. The cost for the first year is \$96,000, which is available in the Fiscal Year (FY) 2025-26 General Fund Budget in project number 800.0160.02. The cost for subsequent years will be included in future annual budgets, subject to budget availability and budget approval.
Request for Proposal (RFP):	SCAG staff notified 1,366 firms of the release of RFP 25-026-C01 via SCAG's Solicitation Management System website. A total of 23 firms downloaded the RFP. Staff received one (1) proposal in response to RFP 25-026-C01. Note staff advertised the RFP for a three (3) week period. Staff subsequently moved forward with reviewing the one (1) offer. Staff believes that resoliciting for a second time was not likely to yield a different result and needed to maintain the project's schedule and therefore proceed to evaluate the one (1) offer.
Selection Process:	The Proposal Review Committee (PRC) evaluated the proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposal, the PRC did not conduct interviews because the proposal contained sufficient information on which to base a contract award. The PRC consisted of the following individuals: Javiera Cartagena, SCAG Chief Government and Public Affairs Officer Kevin Gilhooley, SCAG Legislation Department Manager Francisco Barajas, SCAG Senior Legislative Affairs Analyst
Basis for Selection:	The PRC recommended Cruz Strategies LLC for the contract award because the consultant: <ul style="list-style-type: none"> • Demonstrated a solid understanding of SCAG's needs as outlined in the scope of work. Specifically, the firm emphasized developing relationships with state legislators early, securing opportunities for SCAG to increase its visibility in the State Capital, working to advance sponsored legislation, and impacting the outcome of legislative deliberations; • The firm offered to identify opportunities for SCAG to provide expert witness testimony at legislative hearings to impact the direction of a legislative deliberation, in advance of legislation even being crafted; • Explained how its experience with the home builders, labor organizations, local elected officials, and other regional agencies and organizations give it special insights and expertise concerning SCAG's core transportation, land use planning, and housing legislative priorities;

	<ul style="list-style-type: none"> • Provided an excellent overall value for the level of effort proposed with a proposal that accomplished all goals outlined in the scope of work at a price lower than originally estimated; and • Proposed a realistic price to perform all the scope of work.
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**Conflict of Interest (COI) Form - Attachment
For September 4, 2025 Regional Council Approval**

Approve Contract No. 25-026-C01 in an amount not to exceed \$720,000 with Cruz Strategies LLC to provide State Advocacy Services, for up to five (5) years.

The consultant team for this contract includes:

Consultant Name	Did the consultant disclose a conflict in the Conflict of Interest Form they submitted with its original proposal (Yes or No)?
Cruz Strategies LLC (prime consultant)	No - form attached

Attachment: Contract 25-026-C01 Summary (Contracts \$500,000 or Greater: 25-026-C01, State Advocacy Services)

SCAG CONFLICT OF INTEREST FORM

RFP No./Contract No. 25-026-C01

SECTION I: INSTRUCTIONS

All persons or firms seeking contracts must complete and submit a SCAG Conflict of Interest Form along with the proposal. This requirement also applies to any proposed subconsultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

In order to answer the questions contained in this form, please review SCAG's Conflict of Interest Policy, the list of SCAG employees, and the list of SCAG's Regional Council members. All three documents can be viewed online at <https://scag.ca.gov>. The SCAG Conflict of Interest Policy is located under "GET INVOLVED", then "Contract & Vendor Opportunities" and scroll down under the "Vendor Contracts Documents" tab; whereas the SCAG staff may be found under "ABOUT US" then "OUR TEAM" then "Employee Directory"; and Regional Council members can be found under "MEETINGS", then scroll down to "LEADERSHIP" then select "REGIONAL COUNCIL" on the left side of the page and click on "Regional Council Officers and Member List."

Any questions regarding the information required to be disclosed in this form should be directed to SCAG's Legal Division, especially if you answer "yes" to any question in this form, as doing so MAY also disqualify your firm from submitting an offer on this proposal

Name of Firm: Cruz Strategies
 Name of Preparer: Steve Cruz
 Project Title: State Advocacy Services
 RFP Number: 25-026-C01 Date Submitted: 5-22-2025

SECTION II: QUESTIONS

1. During the last twelve (12) months, has your firm provided a source of income to employees of SCAG or members of the SCAG Regional Council, or have any employees or Regional Council members held any investment (including real property) in your firm?

☐ YES ☒ NO

If "yes," please list the names of those SCAG employees and/or SCAG Regional Council members and the nature of the financial interest:

Name	Nature of Financial Interest
_____	_____
_____	_____
_____	_____
_____	_____

2. Have you or any members of your firm been an employee of SCAG or served as a member of the SCAG Regional Council within the last twelve (12) months?

☐ YES ☒ NO

If "yes," please list name, position, and dates of service:

Name	Position	Dates of Service

3. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to an employee of SCAG or member of the SCAG Regional Council that is considering your proposal?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship

4. Does an employee of SCAG or a member of the SCAG Regional Council hold a position at your firm as a director, officer, partner, trustee, employee, or any position of management?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship

5. Have you or any managers, partners, or officers of your firm ever given (directly or indirectly), or offered to give on behalf of another or through another person, campaign contributions or gifts to any current employee of SCAG or member of the SCAG Regional Council (including contributions to a political committee created by or on behalf of a member/candidate)?

☐ YES ☒ NO

If "yes," please list name, date gift or contribution was given/offered, and dollar value:

Name	Date	Dollar Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION III: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

DECLARATION

I, (printed full name) Steve Cruz, hereby declare that I am the (position or title) Partner of (firm name) Cruz Strategies, and that I am duly authorized to execute this Validation Statement on behalf of this entity. I hereby state that this SCAG Conflict of Interest Form dated 5-22-2025 is correct and current as submitted. I acknowledge that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of my contract proposal.




Signature of Person Certifying for Proposer (original signature required) Date

NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this SCAG Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.



AGENDA ITEM 7

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Erika Bustamante, Deputy Director
(213) 236-1892, Bustamante@scag.ca.gov

Subject: Contracts \$500,000 or Greater: 26-001-C01, Environmental Systems
Research Institute (Esri), Inc. Enterprise License Agreement

Kome Ajise

RECOMMENDED ACTION:

Approve Contract No. 26-001-C01, with Environmental Systems Research Institute (Esri), Inc. in an amount not to exceed \$3,020,000, to provide SCAG with its proprietary Geographic Information System (GIS) software. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

In 2019, SCAG kicked off the Regional Data Platform (RDP) project – a transformative project to provide GIS data and applications to local jurisdictions across the region. In support of this development, as well as SCAG's legacy and ongoing GIS work and data sharing to the region, SCAG entered into an enterprise license agreement for Esri software licenses to gain efficiency, scalability, and modernize SCAG's GIS infrastructure and workflows. The Enterprise License Agreement is now up for renewal. SCAG will need to continue with these licenses to support current and future use of the RDP and SCAG's ongoing GIS work and data visualization needs.

BACKGROUND:

Staff recommends executing the following contract \$500,000 or greater:

<u>Consultant/Contract #</u>	<u>Contract Purpose</u>	<u>Contract Amount</u>
Esri, Inc. 26-001-C01	The consultant shall provide Esri GIS software to support the RDP and SCAG's GIS projects.	\$3,020,000

FISCAL IMPACT:



Funding of \$588,000 is available in the FY 2025-26 Overall Work Program (OWP) Budget in Project Number 045-0142A.12, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.

ATTACHMENT(S):

1. Contract 26-001-C01 Summary
2. Contract 26-001-C01 Conflict of Interest Form

CONSULTANT CONTRACT NO. 26-001-C01

Recommended Consultant:	Environmental Systems Research Institute (Esri), Inc.
Background & Scope of Work:	In 2019, SCAG kicked off the Regional Data Platform (RDP) project – a transformative project to provide geographic information system (GIS) data and applications to local jurisdictions across the region. In support of this development, as well as SCAG’s legacy and ongoing GIS work and data sharing to the region, SCAG entered into an enterprise license agreement for Esri software to gain efficiency, scalability, and modernize SCAG’s GIS infrastructure and workflows. The original RDP Contract 18-040 was for the development phase of the project. It included the purchase of a three-year Esri Enterprise License Agreement to support the development of the RDP. The contract for initial development work on the RDP has been live since 2022. Following the launch of the RDP, SCAG processed a three-year sole source contract to continue GIS work and maintenance. With the current contract coming to an end in October, SCAG negotiated a five-year contract to continue supporting the current and future use of the RDP and SCAG’s ongoing GIS work and data visualization.
Project’s Benefits & Key Deliverables:	The project’s benefits and key deliverables include continued delivery of SCAG’s enterprise GIS program and applications including RDP and broad regional data visualization outreach.
Strategic Plan:	Strategic Plan Priority 3: Spur innovation and action through leadership in research, analysis and information sharing.
Contract Amount:	<p>Total not to exceed \$3,020,000</p> <p>Esri (prime consultant)</p> <p>Note: Esri originally proposed \$3,051,000, but staff negotiated the price down to \$3,020,000. Negotiations included scaling back the Esri proposed software license package to better reflect actual usage.</p>
Contract Period:	Notice to Proceed through October 20, 2030.
Project Number(s):	<p>045-0142A.12 \$588,000</p> <p>Funding source(s): Federal Highway Administration (FHWA) PL.</p> <p>Funding of \$588,000 is available in the FY 2025-26 Overall Work Program (OWP) Budget in Project Number 045-0142A.12, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.</p>
Request for Proposal (RFP):	Not Applicable – Sole Source
Selection Process:	Not Applicable – Sole Source

Attachment: Contract 26-001-C01 Summary (Contracts \$500,000 or Greater: 26-001-C01, Esri Enterprise License Agreement)

Basis for Selection:	<p>Esri is the single source provider for Esri software licenses and Esri Enterprise License Agreements. While Esri does have a partner program of service providers – namely consulting in specific industries, needs, or product implementations – the licensing is provided by Esri. If SCAG does not successfully process this sole source contract, all mapping, GIS applications and data, and the Regional Data Platform would need to be decommissioned should the Esri software licenses not be renewed. This would have an immediate impact on SCAG staff productivity, development of Connect SoCal 2028, and 197 local jurisdictions that leverage SCAG GIS data and resources.</p>
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**Conflict of Interest (COI) Form - Attachment
For September 4, 2025 Regional Council Approval**

Approve Contract No. 26-001-C01, with Environmental Systems Research Institute, Inc., a Professional Corporation, to provide SCAG with its proprietary GIS software, in an amount not to exceed \$3,020,000. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

The consultant team for this contract includes:

Consultant Name	Did the consultant disclose a conflict in the Conflict of Interest Form they submitted with its original proposal (Yes or No)?
Esri	No- form attached

SCAG CONFLICT OF INTEREST FORM

RFP No./Contract No. 26-001-C01

Form Dated: August 15, 2025

SECTION I: INSTRUCTIONS

All persons or firms seeking contracts must complete and submit a SCAG Conflict of Interest Form along with the proposal. This requirement also applies to any proposed subconsultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

In order to answer the questions contained in this form, please review SCAG's Conflict of Interest Policy, the list of SCAG employees, and the list of SCAG's Regional Council members. All three documents can be viewed online at <https://scag.ca.gov>. The SCAG Conflict of Interest Policy is located under "GET INVOLVED", then "Contract & Vendor Opportunities" and scroll down under the "Vendor Contracts Documents" tab; whereas the SCAG staff may be found under "ABOUT US" then "OUR TEAM" then "Employee Directory"; and Regional Council members can be found under "MEETINGS", then scroll down to "LEADERSHIP" then select "REGIONAL COUNCIL" on the left side of the page and click on "Regional Council Officers and Member List."

Any questions regarding the information required to be disclosed in this form should be directed to SCAG's Legal Division, especially if you answer "yes" to any question in this form, as doing so **MAY** also disqualify your firm from submitting an offer on this proposal

Name of Firm: Environmental Systems Research Institute, Inc. ("Esri")
Name of Preparer: Not applicable
Project Title: ESRI Enterprise Agreement Software
Date Submitted: On or about 8/15/2025

SECTION II: QUESTIONS

1. During the last twelve (12) months, has your firm provided a source of income to employees of SCAG or members of the SCAG Regional Council, or have any employees or Regional Council members held any investment (including real property) in your firm?

☐ YES ☒ **NO to the best of Esri's knowledge and belief.**

If "yes," please list the names of those SCAG employees and/or SCAG Regional Council members and the nature of the financial interest:

Name	Nature of Financial Interest
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>

2. Have you or any members of your firm been an employee of SCAG or served as a member of the SCAG Regional Council within the last twelve (12) months?

☐ YES ☒ **NO to the best of Esri’s knowledge and belief.**

If “yes,” please list name, position, and dates of service:

Name	Position	Dates of Service
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to an employee of SCAG or member of the SCAG Regional Council that is considering your proposal?

☐ YES ☒ **NO to the best of Esri’s knowledge and belief.**

If “yes,” please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

4. Does an employee of SCAG or a member of the SCAG Regional Council hold a position at your firm as a director, officer, partner, trustee, employee, or any position of management?

☐ YES ☒ **NO to the best of Esri’s knowledge and belief.**

If “yes,” please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

5. Have you or any managers, partners, or officers of your firm ever given (directly or indirectly), or offered to give on behalf of another or through another person, campaign contributions or gifts to any current employee of SCAG or member of the SCAG Regional Council (including contributions to a political committee created by or on behalf of a member/candidate)?

☐ YES ☒ NO

If "yes," please list name, date gift or contribution was given/offered, and dollar value:

Name	Date	Dollar Value
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION III: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

DECLARATION

Environmental Systems Research Institute, Inc. ("Esri") hereby states to the best of its knowledge and belief that this SCAG Conflict of Interest Form dated August 15, 2025 is correct and current as submitted. Esri acknowledges that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of the contract proposal.

ENVIRONMENTAL SYSTEMS RESEARCH INSTITUTE, INC.



Aug 18, 2025

Signature of Person on behalf of Proposer

(original signature required)

Annette Kazandjian

Managing Business Attorney

NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this SCAG Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.






SCAG - Conflict of Interest

Final Audit Report

2025-08-18

Created:	2025-08-18
By:	Joe Collins (jcollins@esri.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAAiGAC-YFS9GexwPmjuzvpVGvxLd1a7DG

"SCAG - Conflict of Interest" History

-  Document created by Joe Collins (jcollins@esri.com)
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-  Document e-signed by Annette Kazandjian (akazandjian@esri.com)
Signature Date: 2025-08-18 - 4:55:48 PM GMT - Time Source: server- IP address: 98.37.165.30
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AGENDA ITEM 8 REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: Contracts \$500,000 or Greater: 26-006-C01, Southern California Airport
Passenger Surface Transportation Study

Kome Ajise

RECOMMENDED ACTION:

Approve Contract No. 26-006-C01 in an amount not to exceed \$547,988 with ICF International Inc. for the Southern California Airport Passenger Surface Transportation Study. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

SCAG is undertaking a comprehensive passenger and airport employee survey across major commercial passenger service and select reliever airports in Southern California. The project aims to collect and analyze data on airport access behavior, preferences, and travel patterns to improve planning and management of the region's surface transportation systems. Covering eight (8) commercial airports, multiple reliever airports, and a complex network of connecting highways, transit lines, and access points, the study will assess factors such as safety, security, public health, and the limited use of transit for airport trips. Survey design, administration, and analysis will include in-person and online methods, with targeted outreach to underrepresented groups. Findings will inform airport ground access planning, congestion reduction strategies, multimodal connectivity improvements, and preparations for major events, including the 2028 Olympic and Paralympic Games.

BACKGROUND:

Staff recommends executing the following contract \$500,000 or greater:

Consultant/Contract #	Contract Purpose	Contract Amount
ICF International Inc. 26-006-C01	The consultant will provide a robust dataset on passenger and employee	\$547,988

travel behavior, enabling SCAG and partners to make informed decisions on airport access improvements and congestion management.

FISCAL IMPACT:

Funding of \$547,988 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number 145.4956.01 (Caltrans Strategic Partnerships – Transit Grant). Any unused funds are expected to be carried forward into future fiscal year budget(s), subject to budget availability.

ATTACHMENT(S):

1. Contract 26-006-C01 Summary
2. Contract 26-006-C01 Conflict of Interest Forms

CONSULTANT CONTRACT NO. 26-006-C01

Recommended Consultant:	ICF International Inc.	
Background & Scope of Work:	<p>SCAG is undertaking a comprehensive passenger and airport employee survey across major commercial passenger service and select reliever airports in Southern California. The project aims to collect and analyze data on airport access behavior, preferences, and travel patterns to improve planning and management of the region's surface transportation systems. Covering eight commercial airports, multiple reliever airports, and a complex network of connecting highways, transit lines, and access points, the study will assess factors such as safety, security, public health, and the limited use of transit for airport trips. Survey design, administration, and analysis will include in-person and online methods, with targeted outreach to underrepresented groups. Findings will inform airport ground access planning, congestion reduction strategies, multimodal connectivity improvements, and preparations for major events, including the 2028 Olympic and Paralympic Games.</p>	
Project's Benefits & Key Deliverables:	<p>The project will provide a robust dataset on passenger and employee travel behavior, enabling SCAG and partners to make informed decisions on airport access improvements and congestion management. Benefits include better integration of transit and active transportation options, insights into mode choice factors, and enhanced preparedness for anticipated passenger growth and major events. Key deliverables include:</p> <ul style="list-style-type: none"> • Existing Conditions Analysis, • Survey Questionnaires and Sampling Methodology, • Survey Instruments, • Survey Pretest and Implementation Plans, • Data Processing and Weighting Documentation, • Final Datasets, • Final Report, • Outreach Plans, • Stakeholder Meeting Materials, and • Interim Updates for Advisory Committees. <p>The project culminates in a final plan and report synthesizing findings, recommendations, and implementation steps, accompanied by presentations to SCAG, Caltrans, airports, and regional committees.</p>	
Strategic Plan:	This item supports SCAG's Strategic Plan Priority 3: Spur innovation and action through leadership in research, analysis, and information sharing.	
Contract Amount:	Total not to exceed	\$547,988
	ICF International Inc. (prime consultant)	\$331,054
	Ebony Marketing Systems (subconsultant)	\$189,992

Contract Period:	The contract period will span the full lifecycle of the project, from initial research and survey design to data collection, analysis, stakeholder engagement, and final reporting through June 30, 2027.														
Project Number(s):	145.4956.01 \$547,988 Funding sources: Caltrans Strategic Partnerships–Transit Grant Funding of \$547,988 is available for Fiscal Years (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number 145.4956.01. Additionally, as part of SCAG’s FY 2025-2026 OWP Budget Amendment 1 process, \$7,000 is being requested to support survey incentives. Upon approval, this amount will be incorporated into the project. Any unused funds are expected to be carried forward into future fiscal year budget(s), subject to budget availability.														
Request for Proposal (RFP):	SCAG staff notified 1,496 firms of the release of RFP 26-006 via SCAG’s Solicitation Management System. A total of eight (8) firms downloaded the RFP. SCAG received the following seven (7) proposals in response to the solicitation: <table> <tr> <td>ICF International Inc. (1 subconsultant)</td><td>\$547,988</td></tr> <tr> <td>InterVISTAS Consulting USA LLC – (2 subconsultants)</td><td>\$520,659</td></tr> <tr> <td>The RAND Corporation – (1 subconsultant)</td><td>\$1,028,193</td></tr> <tr> <td>Resource Systems Group, Inc. – (1 subconsultant)</td><td>\$1,649,463</td></tr> <tr> <td>Sensis Inc. – (no subconsultant)</td><td>\$2,261,231</td></tr> <tr> <td>WSP USA, Inc – (3 subconsultants)</td><td>\$2,209,879</td></tr> <tr> <td>Zenith Economics, LLC – (1 subconsultant)</td><td>\$601,940</td></tr> </table>	ICF International Inc. (1 subconsultant)	\$547,988	InterVISTAS Consulting USA LLC – (2 subconsultants)	\$520,659	The RAND Corporation – (1 subconsultant)	\$1,028,193	Resource Systems Group, Inc. – (1 subconsultant)	\$1,649,463	Sensis Inc. – (no subconsultant)	\$2,261,231	WSP USA, Inc – (3 subconsultants)	\$2,209,879	Zenith Economics, LLC – (1 subconsultant)	\$601,940
ICF International Inc. (1 subconsultant)	\$547,988														
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The RAND Corporation – (1 subconsultant)	\$1,028,193														
Resource Systems Group, Inc. – (1 subconsultant)	\$1,649,463														
Sensis Inc. – (no subconsultant)	\$2,261,231														
WSP USA, Inc – (3 subconsultants)	\$2,209,879														
Zenith Economics, LLC – (1 subconsultant)	\$601,940														
Selection Process:	The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award. The PRC consisted of the following individuals: Alexis Murillo Felix, Senior Regional Planner, SCAG Echo Zheng, Senior Regional Planner, SCAG Prithvi Deore, Associate Regional Planner, SCAG														
Basis for Selection:	The PRC recommended ICF International Inc. for the contract award because the consultant: <ul style="list-style-type: none"> • Demonstrates a highly structured, methodical approach that integrates multiple data sources—existing plans, technical reports, and direct survey collection—into a cohesive analytical framework. • Developed a survey plan that shows a strong emphasis on inclusivity and representativeness, using zone-based sampling, multilingual survey tools, and targeted outreach. • Demonstrates deep subject-matter expertise in airport ground access and transportation demand management, with proven experience in complex survey design and execution at large, multi-site facilities. 														

	<ul style="list-style-type: none"> • Shows technical proficiency in applying advanced survey methodologies— sampling, leveraging geofencing technology, and using real-time dashboards for quality control. • Demonstrates familiarity with SCAG’s planning framework • Demonstrates experience with prior airport and large-event studies and demonstrates an ability to adapt methods to high-profile, operationally complex contexts. • Conveys the capacity to deliver robust, actionable insights while managing the practical challenges of data collection in active airport environments. <p>Although other firms proposed lower prices, the PRC did not recommend those firms for contract award because those firms:</p> <ul style="list-style-type: none"> • Proposed budget was not in alignment with Caltrans Strategic Partnerships– Transit Grant allocation. • The consultant’s proposal did not satisfy the DBE participation requirement outlined in the solicitation, falling short of the minimum percentage mandated.
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**Conflict of Interest (COI) Form - Attachment
For September 4, 2025 Regional Council Approval**

Approve Contract No. 26-006-C01 in an amount not to exceed \$547,988 with ICF International Inc. for the Southern California Airport Passenger Surface Transportation Study.

The consultant team for this contract includes:

Consultant Name	Did the consultant disclose a conflict in the Conflict of Interest Form they submitted with its original proposal (Yes or No)?
ICF International Inc. (prime consultant)	No – Form Attached
Ebony Marketing Systems, Inc. (Subconsultant)	No – Form Attached



Attachment 6

SCAG CONFLICT OF INTEREST FORM**RFP No. 26-006****SECTION I: INSTRUCTIONS**

All persons or firms seeking contracts must complete and submit a SCAG Conflict of Interest Form along with the proposal. This requirement also applies to any proposed subconsultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

In order to answer the questions contained in this form, please review SCAG's Conflict of Interest Policy, the list of SCAG employees, and the list of SCAG's Regional Council members. All three documents can be viewed online at <https://scag.ca.gov>. The SCAG Conflict of Interest Policy is located under "GET INVOLVED", then "Contract & Vendor Opportunities" and scroll down under the "Vendor Contracts Documents" tab; whereas the SCAG staff may be found under "ABOUT US" then "OUR TEAM" then "Employee Directory"; and Regional Council members can be found under "MEETINGS", then scroll down to "LEADERSHIP" then select "REGIONAL COUNCIL" on the left side of the page and click on "Regional Council Officers and Member List."

Any questions regarding the information required to be disclosed in this form should be directed to SCAG's Legal Division, especially if you answer "yes" to any question in this form, as doing so **MAY** also disqualify your firm from submitting an offer on this proposal

Name of Firm: ICF Incorporated, L.L.C. doing business in the State of California as ICF Consulting L.L.C.

Name of Preparer: Jesse Longoria, Contracts Manager

Project Title: Southern California Airport Passenger Surface Transportation Study

RFP Number: 26-006 **Date Submitted:** 6/27/2025

SECTION II: QUESTIONS

1. During the last twelve (12) months, has your firm provided a source of income to employees of SCAG or members of the SCAG Regional Council, or have any employees or Regional Council members held any investment (including real property) in your firm?

☐ YES ☒ NO

If "yes," please list the names of those SCAG employees and/or SCAG Regional Council members and the nature of the financial interest:

Name	Nature of Financial Interest
N/A	N/A



Attachment 6

2. Have you or any members of your firm been an employee of SCAG or served as a member of the SCAG Regional Council within the last twelve (12) months?

☐ YES ☒ NO

If "yes," please list name, position, and dates of service:

Name	Position	Dates of Service
N/A	N/A	N/A

3. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to an employee of SCAG or member of the SCAG Regional Council that is considering your proposal?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
N/A	NA

4. Does an employee of SCAG or a member of the SCAG Regional Council hold a position at your firm as a director, officer, partner, trustee, employee, or any position of management?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
N/A	N/A



Attachment 6

5. Have you or any managers, partners, or officers of your firm ever given (directly or indirectly), or offered to give on behalf of another or through another person, campaign contributions or gifts to any current employee of SCAG or member of the SCAG Regional Council (including contributions to a political committee created by or on behalf of a member/candidate)?

☐ YES ☒ NO

If "yes," please list name, date gift or contribution was given/offered, and dollar value:


Name	Date	Dollar Value
N/A	N/A	N/A

SECTION III: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

DECLARATION

I, (printed full name), hereby declare that I am the (position or title) Karolyn Gardner of (firm name) ICF Incorporated, L.L.C., and that I am duly authorized to execute this Validation Statement on behalf of this entity. I hereby state that this SCAG Conflict of Interest Form dated is correct and current as submitted. I acknowledge that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of my contract proposal.


Signature of Person Certifying for Proposer (original signature required) 6/24/2025 Date

NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this SCAG Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.



Attachment 6

SCAG CONFLICT OF INTEREST FORM**RFP No. 26-006****SECTION I: INSTRUCTIONS**

All persons or firms seeking contracts must complete and submit a SCAG Conflict of Interest Form along with the proposal. This requirement also applies to any proposed subconsultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

In order to answer the questions contained in this form, please review SCAG's Conflict of Interest Policy, the list of SCAG employees, and the list of SCAG's Regional Council members. All three documents can be viewed online at <https://scag.ca.gov>. The SCAG Conflict of Interest Policy is located under "GET INVOLVED", then "Contract & Vendor Opportunities" and scroll down under the "Vendor Contracts Documents" tab; whereas the SCAG staff may be found under "ABOUT US" then "OUR TEAM" then "Employee Directory"; and Regional Council members can be found under "MEETINGS", then scroll down to "LEADERSHIP" then select "REGIONAL COUNCIL" on the left side of the page and click on "Regional Council Officers and Member List."

Any questions regarding the information required to be disclosed in this form should be directed to SCAG's Legal Division, especially if you answer "yes" to any question in this form, as doing so **MAY** also disqualify your firm from submitting an offer on this proposal

Name of Firm: Ebony Marketing Systems, Inc.**Name of Preparer:** Kai K. Fuente**Project Title:** Southern California Airport Passenger Surface Transportation Study:**RFP Number:** 26-006**Date Submitted:** 6/24/25**SECTION II: QUESTIONS**

1. During the last twelve (12) months, has your firm provided a source of income to employees of SCAG or members of the SCAG Regional Council, or have any employees or Regional Council members held any investment (including real property) in your firm?

☐ YES ☒ NO

If "yes," please list the names of those SCAG employees and/or SCAG Regional Council members and the nature of the financial interest:

Name	Nature of Financial Interest
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>
<hr/>	<hr/>



Attachment 6

2. Have you or any members of your firm been an employee of SCAG or served as a member of the SCAG Regional Council within the last twelve (12) months?

☐ YES ☒ NO

If "yes," please list name, position, and dates of service:

Name	Position	Dates of Service
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to an employee of SCAG or member of the SCAG Regional Council that is considering your proposal?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

4. Does an employee of SCAG or a member of the SCAG Regional Council hold a position at your firm as a director, officer, partner, trustee, employee, or any position of management?

☐ YES ☒ NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____



Attachment 6

5. Have you or any managers, partners, or officers of your firm ever given (directly or indirectly), or offered to give on behalf of another or through another person, campaign contributions or gifts to any current employee of SCAG or member of the SCAG Regional Council (including contributions to a political committee created by or on behalf of a member/candidate)?

☐ YES ☒ NO

If "yes," please list name, date gift or contribution was given/offered, and dollar value:


Name	Date	Dollar Value

SECTION III: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

DECLARATION

I, (printed full name), hereby declare that I am the (position or title) Kai K. Fuente of (firm name) Ebony Marketing Systems, Inc., and that I am duly authorized to execute this Validation Statement on behalf of this entity. I hereby state that this SCAG Conflict of Interest Form dated is correct and current as submitted. I acknowledge that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of my contract proposal.



Signature of Person Certifying for Proposer (original signature required) 6/24/2025
Date

NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this SCAG Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.



AGENDA ITEM 9 REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Erika Bustamante, Deputy Director
(213) 236-1892, Bustamante@scag.ca.gov

Subject: Contract Amendment: 19-065-C01, 457 (b) Deferred Compensation Plan
Services

Kome Ajise

RECOMMENDED ACTION:

Approve Contract Amendment 1 to Contract No. 19-065-C01 with Great-West Trust Company, LLC (Empower Retirement) to extend the term for five (5) years for the administration of the 457 (b) Deferred Compensation Plan. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract amendment on behalf of SCAG.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 4: Build a unified culture anchored in the pursuit of organizational excellence.

EXECUTIVE SUMMARY:

SCAG sponsors a 457 (b) Deferred Compensation Plan to provide employees with an additional retirement savings option. To enhance the quality of services available to participants and ensure the Plan is administered efficiently and cost-effectively, SCAG entered into an agreement with the current bundled services provider on December 11, 2020, to serve as trustee in a custodial capacity, holding plan assets and executing investment transactions such as purchasing, selling, exchanging, or transferring securities and other approved investment vehicles, as instructed by SCAG. . The provider has also managed the conversion of participant accounts, delivered financial education and on-site presentations, and made available licensed professionals to provide individualized financial planning and counseling. Collectively, these services ensure participants have access to high-quality resources, comprehensive investment choices, and ongoing support in meeting their retirement savings goals. SCAG now seeks to extend the term of the existing agreement to continue these services without interruption.

BACKGROUND:

Staff recommends amending the initial agreement with Great-West Trust Company, LLC (Empower Retirement) to continue to administer the 457 (b) Deferred Compensation Plan on behalf of SCAG for an additional five (5) years. The contract period will be extended from December 1, 2025 through November 30, 2030.



FISCAL IMPACT:

Funding is available in the Fiscal Year (FY) 2025-26 Fringe Benefits Budget in Project Number 900-0290.01. The average quarterly fee for administration of the 457 (b) Deferred Compensation Plan for SCAG is \$10,173.

ATTACHMENT(S):

1. Contract 19-065-CO1 Summary

CONSULTANT CONTRACT NO. 19-065-C01 Amendment 1

Recommended Consultant:	Great-West Trust Company, LLC (Empower Retirement)
Background & Scope of Work:	SCAG sponsors a 457 (b) Deferred Compensation Plan to provide employees with an additional retirement savings option. To enhance the quality of services available to participants and ensure the Plan is administered efficiently and cost-effectively, SCAG entered into an agreement with the current bundled services provider on December 11, 2020, to serve as trustee in a custodial capacity, holding plan assets and executing investment transactions such as purchasing, selling, exchanging, or transferring securities and other approved investment vehicles, as instructed by SCAG. The provider has also managed the conversion of participant accounts, delivered financial education and on-site presentations, and made available licensed professionals to provide individualized financial planning and counseling. Collectively, these services ensure participants have access to high-quality resources, comprehensive investment choices, and ongoing support in meeting their retirement savings goals. SCAG now seeks to extend the term of the existing agreement to continue these services without interruption.
Project's Benefits & Key Deliverables:	Since December 2020, the agreement has provided SCAG with a reliable and cost-effective solution for administering its 457 (b) Deferred Compensation Plan. In addition to ensuring compliance and operational efficiency, the agreement has strengthened SCAG's investment program by offering a diversified menu of mutual funds and other investment vehicles, maintaining competitive fee structures, and ensuring seamless fund mapping and transitions. These benefits have allowed SCAG to provide a stable, well-managed plan that enhances the value of its overall employee benefits program. Extending the agreement is necessary to maintain these investment advantages, preserve continuity of services, and avoid the risks and disruptions that could arise from changing providers.
Strategic Plan:	This item supports SCAG's Strategic Plan Priority 4: Build a unified culture anchored in the pursuit of organizational excellence.
Contract Amendment Amount:	Funding is available in the Fiscal Year (FY) 2025-26 Fringe Benefits Budget in Project Number 900-0290.01. The quarterly average fee for administration of the 457 (b) Deferred Compensation Plan for SCAG is \$10,173.
Contract Period:	The contract period will be extended beginning December 1, 2025, through November 30, 2030
Project Number(s):	900-0290.01 Funding sources: Fringe Benefits

Request for Proposal (RFP):	<p>In the original FY19 RFP, SCAG staff notified 542 firms of the release of RFP 19-065 via SCAG's Solicitation Management System. A total of seventeen (17) firms downloaded the RFP. SCAG received proposals from the following six (6) firms:</p> <p>Great-West Trust Company, LLC (Empower Retirement) AXA Retirement 360 ICMA-RC Lincoln Financial Group Nationwide Retirement Plans, Inc. Voya Financial</p>
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations.</p> <p>The PRC consisted of the following individuals:</p> <p>Carmen Flores, SCAG Nicole Katz, SCAG Basil Panas, SCAG Andre Douzdjian, SANDAG</p>
Basis for Selection:	<p>The PRC recommended Great-West Trust Company, LLC (Empower Retirement) for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Demonstrated a strong understanding of the project, including the importance of effectively engaging employees to participate in the 457 (b) Plan and achieve long-term financial stability. • Offered a user-friendly website with intuitive navigation and features that enhance the participant's experience. • Provided comprehensive support to participants to help them make informed investment decisions. • Showed deep expertise in investment analysis, portfolio management, and the importance of diversification, while avoiding unnecessary complexity or excessive investment options. • Provided a robust disaster recovery and business continuity plan for the 457 Plan. • Received positive references from other public sector municipalities, confirming reliable performance. • Offered the best overall value relative to the scope and quality of services provided.

**Conflict of Interest (COI) Form - Attachment
For September 4, 2025 Regional Council Approval**

Approve Amendment 1 to Contract No. 19-065-C01 with Great-West Trust Company, LLC (Empower Retirement) to extend the term for five (5) years for the administration of the 457 (b) Deferred Compensation Plan. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract amendment on behalf of SCAG.

The consultant team for this contract includes:

Consultant Name	Did the consultant disclose a conflict in the Conflict of Interest Form they submitted with its original proposal (Yes or No)?
Great-West Trust Company, LLC (Empower Retirement) (prime consultant)	No – Form Attached



AGENDA ITEM 10

REPORT

Southern California Association of Governments
September 4, 2025

To: Transportation Committee (TC)
Regional Council (RC)

From: Mariana Pulido, Senior Regional Planner
(213) 236-1881, pulido@scag.ca.gov

Subject: Acceptance of the 2024 Solutions for Congested Corridors Program (SCCP) Grant Award and Next Steps for the Metrolink Sustainable Locomotive Replacement Project

EXECUTIVE DIRECTOR'S
APPROVAL

Kome Ajise

RECOMMENDED ACTION FOR TC:

Recommend that the Regional Council approve receipt of the 2024 Solutions for Congested Corridors Program (SCCP) Grant Award and authorize the Executive Director, or his designee, to execute all necessary agreements and other documents related to supporting the Metrolink Sustainable Locomotive Replacement Project.

RECOMMENDED ACTION FOR RC:

Approve receipt of the 2024 Solutions for Congested Corridors Program (SCCP) Grant Award and authorize the Executive Director, or his designee, to execute all necessary agreements and other documents related to supporting the Metrolink Sustainable Locomotive Replacement Project.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 5: Secure and optimize diverse funding sources to support regional priorities.

EXECUTIVE SUMMARY:

The Solutions for Congested Corridors Program (SCCP) was established under Senate Bill 1 (SB 1, Beall, Chapter 5, Statutes of 2017) to fund projects designed to achieve a balanced set of transportation, environmental, and community access improvements to reduce congestion throughout the state. Projects must make specific performance improvements, be included in a corridor plan, and demonstrate cost-effectiveness.

The California Transportation Commission (CTC) has awarded \$52.6 million in 2024 SCCP funds to SCAG, serving as the project applicant, in partnership with Metrolink (Southern California Regional Rail Authority, SCRRA), serving as the implementing agency. This award represents the full amount requested in the grant application.

The awarded Sustainable Locomotive Replacement Project will replace twelve Tier 2 diesel locomotives with Tier 4 locomotives, the cleanest diesel technology currently available, with the capability to transition to hybrid operations. These replacements will improve service reliability, reduce criteria pollutant emissions, and support long-term regional mobility, air quality, and sustainability goals.

BACKGROUND:

In November 2022, the Executive/Administration Committee authorized submittal of an SCCP grant application for the Sustainable Locomotive Replacement Project in partnership with Metrolink. Following an unsuccessful award cycle in 2022, SCAG and Metrolink resubmitted the application in 2024. The project was subsequently awarded full funding in the 2024 SCCP cycle.

The SCCP is a competitive statewide program designed to reduce congestion through multimodal, integrated corridor investments that improve mobility, safety, access, and sustainability. The awarded project advances SCAG's Connect SoCal 2024 goals by reducing transportation-related emissions, improving passenger rail service reliability, and supporting mode shift from single-occupancy vehicles to rail transit. By replacing aging Tier 2 locomotives with Tier 4 units, the project will achieve significant reductions in nitrogen oxide (NOx) and particulate matter emissions, improving air quality in Southern California communities along Metrolink corridors.

NEXT STEPS:

Upon Regional Council's approval, SCAG will coordinate with Metrolink and Caltrans to execute a baseline agreement, and SCAG will work with Metrolink to develop a memorandum of understanding (MOU) defining roles and responsibilities. Approval of these agreements, and any further revisions and administrative amendments, is delegated to SCAG's Executive Director or his designee.

FISCAL IMPACT:

Work associated with this item is included in the FY 2025-2026 Overall Work Program (OWP) budget under project number 130.0162.02, Regional Partner Agency Collaboration. The SCCP grant is for \$25,606,000.

ATTACHMENT(S):

1. 2024 SCCP_Staff Recommendations
2. PowerPoint Presentation - Tier 4 Procurement Plan



SENATE BILL 1 PROGRAMS – STAFF RECOMMENDATIONS

2024 SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM

June 26-27, 2025 Commission Meeting

California Transportation Commission (Commission) staff recommends funding seven projects for a total of \$483 million in the 2024 Solutions for Congested Corridors Program (*project list attached*). These investments leverage an additional \$13.5 billion in local, state, and federal funds. The proposed investments will create over 180,000 jobs and advance the Commission's goals to support a vibrant economy, elevate community voices, move people and goods efficiently, ensure a healthy environment for all, and partner for success.

Supporting a Vibrant Economy

- \$483 million in Senate Bill 1 funds
- \$13.5 billion in leveraged funds
 - 180,000 jobs created
- Expand low-cost travel options

The investments recommended in the 2024 Program provide communities with multimodal options to safely and efficiently drive, bike, walk, and take transit to their destinations. Investments include a new passenger rail extension, bike and pedestrian safety improvements, bus rapid transit expansion, and system technology and mobility hub upgrades. From transit network upgrades to investments that reduce greenhouse gas emissions by allowing travelers to opt out of congestion, these projects demonstrate cross-agency collaboration, investment in cleaner and multimodal infrastructure, and the evolution of transportation systems across the state that respond to moving people efficiently and safely.

Moving People Efficiently

- High-frequency transit and rail
- Bike and pedestrian improvements
 - Mobility hub development
 - Technology upgrades

The seven recommended projects uphold the Commission's focus on community involvement and collaboration with the Interagency Equity Advisory Committee and the California Department of Housing and Community Development. Recommended projects will expand low-cost travel options and will support workforce housing and mixed-use development with added high-frequency transit stops and access to safe biking and walking options. These projects will increase the quality of life for Californians by expanding cleaner bus and rail service, complete streets transitions, and strategic solutions to reduce congestion.

Ensuring a Healthier Environment for All

- Projects supporting efficient land use
- Investments that allow people to opt out of congestion
- Rail upgrades that reduce GHGs and air pollutants

Created by Senate Bill 1 (SB 1), the Commission's Solutions for Congested Corridors Program funds targeted improvements to reduce congestion in key bottlenecks across the state. Each project underwent a comprehensive review to assess corridor-level impact, environmental readiness, public engagement, land use and housing alignment, leveraged fund commitments, and consistency with adopted comprehensive multimodal corridor plans and regional transportation plans. Together, the seven recommended projects build upon the momentum of past funding cycles towards a transportation system that is community-centered, multimodal, sustainable, innovative, and resilient.

2024 SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM
STAFF RECOMMENDATIONS
(\$1,000s)

	CALTRANS PRIORITY	COUNTY	NOMINATING AGENCY	PROJECT TITLE	CONGESTED CORRIDOR	SCCP REQUEST	SCCP RECOMMENDATION	RECOMMENDED FY 2025-26	RECOMMENDED FY 2026-27	TOTAL PROJECT COST	CONSENSUS RATING
RECOMMENDED FOR FUNDING		Santa Clara	Metropolitan Transportation Commission (MTC) Santa Clara Valley Transportation Authority (SCVTA)	BART Silicon Valley Phase II Extension (BSVII) Project	Route 80 Route 101	\$ 75,000	\$ 75,000	\$ 75,000	\$ -	\$ 12,745,607	High
	Tier 1	Santa Cruz	California Department of Transportation (Caltrans) Santa Cruz County Regional Transportation Commission (SCCRTC)	Watsonville-Santa Cruz Multimodal Corridor Program *	Route 1	\$ 98,100	\$ 103,700	\$ -	\$ 103,700	\$ 283,210	Medium-High (+)
		Various	Southern California Association of Governments (SCAG)	Metrolink Sustainable Locomotives Project	Various	\$ 52,606	\$ 52,606	\$ 52,606	\$ -	\$ 150,779	Medium-High (+)
	Tier 1	Santa Barbara	Caltrans Santa Barbara County Association of Governments (SBCAG)	Santa Barbara U.S. 101 Multimodal Corridor Project *	Route 101	\$ 100,020	\$ 109,020	\$ 55,862	\$ 53,158	\$ 216,092	Medium-High
	Tier 1	Sonoma	Caltrans MTC Sonoma-Marín Area Rail Transit (SMART)	SMART Healdsburg Extension Project	Route 101	\$ 62,000	\$ 62,000	\$ 62,000	\$ -	\$ 191,750	Medium-High
	Tier 2	San Francisco	Caltrans MTC San Francisco Municipal Transportation Agency (SFMTA)	SFMTA Train Control Upgrade Project (TCUP) - Phase 1	Route 101 Route 280	\$ 41,000	\$ 41,000	\$ -	\$ 41,000	\$ 155,175	Medium-High (-)
	Tier 2	San Diego	Caltrans San Diego Association of Governments (SANDAG)	I-805 South Managed Lanes Conversion Project (HOV to HOT)	Route 805	\$ 39,600	\$ 39,600	\$ -	\$ 39,600	\$ 131,000	Medium-High (-)

A project fact sheet is linked to each project recommended for funding.

\$ 468,326 \$ 482,926 \$ 245,468 \$ 237,458 \$ 13,873,613

\$ 480,956 2024 SCCP Funding Capacity
\$ (1,970) Recommendation Oversubscribed

*Staff recommends the amount requested for all projects except:
Watsonville-Santa Cruz Multimodal Corridor Program: SCCP recommendation fully funds the project by covering \$62.9 million requested from SCCP and \$5.6 million originally requested from Trade Corridor Enhancement Program (TCEP).
Santa Barbara U.S. 101 Multimodal Corridor Project: SCCP recommendation fully funds the project by covering \$45.2 million requested from SCCP and \$9 million originally requested from TCEP.

	CALTRANS PRIORITY	COUNTY	NOMINATING AGENCY	PROJECT TITLE	CONGESTED CORRIDOR	SCCP REQUEST	SCCP RECOMMENDATION	RECOMMENDED FY 2025-26	RECOMMENDED FY 2026-27	TOTAL PROJECT COST	CONSENSUS RATING
NOT RECOMMENDED FOR FUNDING		Los Angeles	Los Angeles County Metropolitan Transportation Authority (LA Metro)	Los Angeles River Greenway, West Fernando Valley Gap Closure Project (Segments 1 & 2)	Route 405	\$ 17,080	\$ -	\$ 17,080	\$ -	\$ 73,394	Medium (+)
		Placer Sacramento	Placer County Transportation Planning Agency (PCTPA) Sacramento Area Council of Governments (SACOG)	Placer-Sacramento Gateway (PSGC) - Phase 3 **	Route 80	\$ 68,299	\$ -	\$ 31,000	\$ 19,900	\$ 95,504	Medium (+)
	Tier 1	Alameda San Francisco	Caltrans MTC	Multimodal Bay Skyway	Route 80	\$ 71,006	\$ -	\$ 71,006	\$ -	\$ 233,532	Medium (+)
	Tier 1	Solano Sonoma	MTC	State Route 37 Sears Point to Mare Island Improvement Project - Phase 2	Route 37	\$ 73,000	\$ -	\$ -	\$ 73,000	\$ 251,000	Medium (+)
	Tier 2	Los Angeles	Caltrans LA Metro	Los Angeles Link Union Station (LinkUS) Project	Route 5 Route 101	\$ 105,000	\$ -	\$ -	\$ 105,000	\$ 1,596,859	Medium
	Tier 1	San Bernardino	Caltrans San Bernardino County Transportation Authority (SBCTA)	Ontario International Airport (ONT) Connector	Route 10 Route 15	\$ 80,000	\$ -	\$ -	\$ 80,000	\$ 695,991	Medium
		San Francisco	Caltrans MTC	BART Powell Street Traction Power Substation (TPSS)	Route 80	\$ 50,000	\$ -	\$ -	\$ 50,000	\$ 72,970	Medium
	Tier 2	Contra Costa	Contra Costa Transportation Authority (CCTA)	Innovate 680	Route 680	\$ 48,541	\$ -	\$ -	\$ 48,541	\$ 305,234	Medium (-)
	Tier 1	San Joaquin	Caltrans	Valley Rail Expansion Program: North Lathrop Transfer Station	Route 5 Route 99	\$ 55,000	\$ -	\$ -	\$ 55,000	\$ 119,790	Medium (-)
		Orange	Caltrans	Interstate 5 (I-5) Managed Lanes	Route 5	\$ 100,000	\$ -	\$ -	\$ 100,000	\$ 432,404	Medium (-)
		San Diego	SANDAG	Metropolitan Transit System Zero-Emission Fleet Conversion Project**	Route 805	\$ 28,800	\$ -	\$ -	\$ -	\$ 32,000	Medium (-)
		Riverside	Riverside County Transportation Commission (RCTC)	Interstate 15 Express Lanes Project Southern Extension (ELPSE)	Route 15	\$ 85,000	\$ -	\$ 85,000	\$ -	\$ 544,800	Medium (-)

\$ 781,726 \$ - \$ 204,086 \$ 531,441 \$ 4,453,478

** PSGC - Phase 3: Totals listed in columns K and L for this project do not add up to the total SCCP request because \$17.4 million was requested in fiscal years 2027-28 and 2028-29, which are not programmed in the 2024 SCCP.
** Metropolitan Transit System Zero-Emission Fleet Conversion Project: Totals listed in columns K and L for this project do not add up to the total SCCP request because \$28.8 million was requested in fiscal year 2027-28, which is not programmed in the 2024 SCCP.

Rolling Stock Fleet Procurement Plan

METROLINK



SCAG Transportation Committee
September 4, 2025



Metrolink's Rolling Stock | Locomotive Fleet



40 Progress Rail EMD
F125 Diesel
Locomotives (Tier 4)
Delivered 2017-2021

METROLINK



15 Motive Power MPI
MP36 Diesel
Locomotives (Tier 2)
Delivered 2008-2009



5 Electro-Motive Diesel
EMD F59PHR Diesel
Locomotives
(Repowered Tier 2)
Delivered 2009

New Tier 4 Locomotive Procurement

METROLINK



II. New Tier 4 Locomotive Procurement – Funding

Funding Source	Amount	Status
Member Agency	\$10.7M	F23 & FY24 approved. Available for use.
AQMD (Air Quality Management District)	up to \$87.4M	Staff working with AQMD to determine availability of funds on backup list
SCCP (Solutions for Congested Corridors Program)	\$52.6M	Awarded. Expect allocation in December.
Total	\$150.7M	

Note:

- Staff anticipates the awarded funding of \$150M to cover the cost of up to 12 locomotives.

METROLINK

II. New Tier 4 Locomotive Procurement – Schedule

Tasks	2025	2026	2027	2028	2029	2030	2031	2032
CTC Funding Allocation								
Work Scope & Specification								
Procurement(Board Award▼)								
NTP(▼) to 1 st Loco Delivered								
Locos #2 – #11 Delivered								

- California Transportation Commission (CTC) Funding to be allocated by June 2026.
- Procurement process, 13 months – Board Award projected in May 2028.
- NTP to 1st locomotive delivered = 20 months.
- Locomotive delivery from April 2030 – February 2032.

METROLINK



METROLINK

Thank you.



AGENDA ITEM 11

REPORT

Southern California Association of Governments
September 4, 2025

To: Transportation Committee (TC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Ryan Laws, Associate Regional Planner
(213) 630-1470, laws@scag.ca.gov

Subject: INVEST CLEAN (Measure 2.2) LMFP Rebate Program Announcement

Kome Ajise

RECOMMENDED ACTION FOR TC:

Recommend that the Regional Council approve the Last Mile Freight Program Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist, allowing SCAG to proceed with releasing the Program Announcement, including collection of applications and selection of participants for the program, pending the execution of an agreement with the South Coast Air Quality Management District (SCAQMD).

RECOMMENDED ACTION FOR RC:

Approve the Last Mile Freight Program Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist, allowing SCAG to proceed with releasing the Program Announcement, including collection of applications and selection of participants for the program, pending the execution of an agreement with the South Coast Air Quality Management District (SCAQMD).

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

On September 5, 2024, SCAG Executive Director Kome Ajise reported to the Regional Council on the South Coast Air Quality Management District's (SCAQMD's) successful application for a \$500 million U.S. Environmental Protection Agency (U.S. EPA) Climate Pollution Reduction Grant (CPRG). As a subrecipient to SCAQMD's application for the Infrastructure, Vehicles, and Equipment Strategy for Climate, Equity, Air Quality and National Competitiveness (INVEST CLEAN) project, SCAG is set to receive \$51,500,000 (including \$1,500,000 for administrative costs to support program implementation). On April 3, 2025, the Regional Council approved Resolution No. 25-672-2 to authorize acceptance of \$51,500,000 from the U.S. EPA to support the commercial deployment of Class 4/5 battery electric vehicles through SCAG's Last Mile Freight Program.

In coordination with the SCAQMD, SCAG has developed an LMFP Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist. An agreement between SCAG and the SCAQMD for the Rebate Program is currently being developed. SCAG staff is seeking approval and authorization from the Regional Council to proceed with releasing the Program Announcement, including collection of applications and selection of participants for the program, pending execution of an agreement with the SCAQMD.

BACKGROUND:

SCAG partnered on SCAQMD's application for INVEST CLEAN, proposing to leverage SCAG's current Last Mile Freight Program (LMFP), focused on the commercial deployment of zero-emission and near-zero-emission (ZE/NZE) heavy and medium duty on-road trucks and supporting infrastructure. The INVEST CLEAN application was submitted on April 1, 2024, and outlines a coordinated, large-scale regional effort for zero-emission vehicles and fueling infrastructure improvements to support the regional goods movement network.

In July 2024, U.S. EPA awarded SCAQMD a Climate Pollution Reduction Grant of nearly \$500 million for INVEST CLEAN. This grant includes \$51,500,000 to expand SCAG's LMFP, specifically targeting Class 4 and 5 trucks through a rebate-based program. The award was recognized by the SCAQMD Board in September 2024 and authorization to execute contracts related to the grant was approved by the SCAQMD board on January 10, 2025. On April 3, 2025, the Regional Council approved Resolution No. 25-672-2 to authorize acceptance of \$51,500,000 from the U.S. EPA to support the commercial deployment of Class 4/5 battery electric vehicles through SCAG's Last Mile Freight Program.

As part of this authorization, SCAG is tasked with implementing items listed under Measure 2.2, Battery Electric Freight Vehicle Deployment Incentive Program, including:

- Administration of a rebate program to fund Class 4/5 battery-electric vehicles (issuing rebates with a maximum of \$67,000 per vehicle);
- Development of an implementation plan, with SCAQMD and U.S. EPA involvement, to detail how the rebate program will be administered;
- Engagement with local communities regarding how project priorities will be incorporated in the implementation plan; and
- Inclusion of vehicle scrappage to achieve the emission reduction goals.

As part of developing an Implementation Plan for Measure 2.2, SCAG staff has incorporated feedback from SCAQMD and U.S. EPA to finalize the Rebate Program's Program Announcement and Application Checklist. Concurrently, SCAG and SCAQMD are in the process of finalizing an agreement for Measure 2.2. Given the ongoing coordination on the agreement, SCAG staff is seeking approval and authorization from the Regional Council to release the Program

Announcement for the LMFP Measure 2.2 INVEST CLEAN Rebate Program contingent upon the execution of an agreement with SCAQMD.

FISCAL IMPACT:

SCAG will receive \$51,500,000 in grant funding for vehicle deployment and for administrative support from the U.S. EPA, as a sub-recipient to the SCAQMD. The funds will be utilized for supporting commercial deployment of Class 4/5 battery electric vehicles through a rebate program. The funds will be programmed in a future amendment of the FY 2025-26 and/or FY 2026-27 Overall Work Program (OWP).

ATTACHMENT(S):

1. INVEST CLEAN (Measure 2.2) LMFP Rebate Program Announcement
2. INVEST CLEAN (Measure 2.2) Application Checklist
3. PowerPoint Presentation - Approval of LMFP Rebate Program Announcement 2spp

Southern California Association of Governments (SCAG) Last Mile Freight Program (LMFP) – INVEST CLEAN Measure 2.2 Program Announcement & Solicitation

LMFP Rebate Program for Battery-Electric Class 4 and Class 5 Commercial Vehicles

SCAG, in partnership with the South Coast Air Quality Management District (South Coast AQMD), will be administering INVEST CLEAN incentive Measure 2.2. This incentive measure offers a rebate program open to fleets involved in last mile freight through the commercial deployment of Class 4 and 5 vehicles and will be administered as a separate component through SCAG's existing LMFP. The rebate program supports the purchase, conversion, and deployment of battery-electric Class 4 and Class 5 commercial vehicles operating within the Los Angeles – Long Beach – Anaheim and Riverside – San Bernardino – Ontario Metropolitan Statistical Areas (MSAs).

Program Funding Source

This LMFP rebate program is funded through a \$50 million sub-award to SCAG from the South Coast AQMD, made possible by funding from the U.S. Environmental Protection Agency (EPA). SCAG's funding supports the deployment of medium-duty zero-emission vehicles across the region, with a focus on last mile freight operations.

Who Should Apply

Fleet owners and operators using medium-duty commercial vehicles (Class 4-6) for last mile freight, including and not limited to business-to-business distributors, business-to-consumer delivery providers, and other local and regional logistics operators. Class 4, 5, and 6 diesel vehicles are eligible for replacement with a battery-electric vehicle through this program. However, any new battery-electric vehicle or conversion of an existing vehicle must be Class 4 or 5, exclusively.

Rebate Amount

On September 4, 2025, SCAG's Regional Council approved the Program Announcement & Solicitation for the LMFP Rebate Program including \$50 million for battery-electric Class 4 and 5 vehicles. Each eligible Class 4 and 5 vehicle approved under this program may receive up to \$67,000 in rebate funding. Funds will be issued post-purchase upon vehicle delivery and are contingent upon submission of complete documentation and verification of compliance with all LMFP rebate program requirements. See Attachment 1 for Online Application Requirements Checklist.

Cash for Replacement

Applicants may receive a maximum of \$67,000 for each battery-electric Class 4 and 5 vehicle rebate by providing an existing vehicle(s) to a dealership, OEM, or dismantler

approved by CARB or the local air district. Each existing vehicle must be diesel powered and fall within Class 4, 5, or 6 vehicle classes with an engine model year from 2010 or newer. Additionally, 12 previous rolling months of vehicle registration, insurance documentation, and usage records (at least two odometer readings with date of readings) will be required. Additional documentation, including but not necessarily limited to documentation of operation within one or both of the MSAs, may be required. The program will ensure that a majority (51 percent minimum) of purchases are replacements or conversions of existing diesel vehicles. As such, priority consideration will be given to applicants offering a one-to-one replacement of diesel vehicles/engines for each new battery electric vehicle (BEV) purchased.

Vehicle Conversion Option

In addition to new vehicle purchases, the program also supports the conversion of existing Class 4 and 5 diesel-powered vehicles with an engine model year of 2010 or newer to battery-electric power. The conversion of an existing diesel-powered vehicle to battery-electric power constitutes a one-to-one diesel vehicle replacement. Note that, although the program allows for Class 6 diesel vehicles to be replaced through the purchase of new Class 4 and 5 battery-electric vehicles, only Class 4 and 5 diesel vehicles can opt into the vehicle conversion option.

Applicants opting for vehicle conversion will receive rebates of up to \$67,000 per vehicle. Documentation including 12 previous rolling months of vehicle registration, insurance documentation, and usage records with at least two dated odometer readings will be required for each existing vehicle. Additional documentation including, but not necessarily limited to, documentation of operation within one or both of the MSAs may be required

As a condition of funding, the original diesel engine must be permanently removed and destroyed as part of the conversion process. Engines may either be dismantled by the conversion provider or delivered to a certified dismantler approved by CARB or the local air district. Documentation such as photos of engine destruction or a formal certificate of dismantling must be provided.

Participant Commitments

- Enter into a formal written contract or partnership agreement with SCAG
- Be available for a follow-up inspection, if requested
- Register the new vehicle(s) with the State Department of Motor Vehicles
- Maintain required insurance during the rebate term, consistent with the program duration
- Operate the vehicle a minimum of 5,000 miles per year within the Los Angeles–Long Beach–Anaheim and Riverside–San Bernardino–Ontario MSAs for a minimum of 60 months from delivery date
- Not use program-funded vehicles to claim regulatory compliance extensions or credits

- Ensure vehicle is operated and maintained with proper maintenance during the rebate term
- Submit semi-annual progress reports for 60 months after receiving the rebate
- Data collection requirements (to be completed through formal agreement):
 - Requires selected applicants to ensure the necessary environmental information and other data to evaluate project performance is provided.
 - The data will be collected in real-time or through telematic equipment.
 - Selected applicants must ensure performance data is properly provided and equates to the usage requirements in the agreement.
 - The right is reserved to verify information provided.
- Award & Rebate Process
 - If the rebate does not cover the entire cost of the vehicle, the rebate program beneficiary can use other funds to complete the purchase. These funds must be non-federal funds.

Application & Selection Process

Online applications will be accepted beginning September 30, 2025 at 2:00 pm PT and will run through December 30, 2025. To be eligible for rebate selection, applicants must provide and comply with all items listed in Attachment 1 – Online Application Requirements Checklist.

Applications will be reviewed on a rolling basis throughout the submission period. Applications will be assessed based on compliance with program requirements, project feasibility, and potential to achieve regional air quality and emissions reduction benefits. SCAG staff will notify applicants if their applications are incomplete or require clarification so that applicants have an opportunity to provide missing information before the submission period closes.

Once the submission window has closed, SCAG will reevaluate applications collectively to ensure that a majority (51 percent minimum) of purchases are replacements/conversions of existing diesel vehicles.

All eligible applicants will be considered, but SCAG will use a tiered system to rank projects based on vehicle replacement levels, “shovel-ready” vehicle acquisition plans, projected emissions benefits, and geographic funding balance. Funding preference will be given to higher-tier projects to maximize regional air quality outcomes.

The tiered system is designed to provide transparency and consistency in the selection process while ensuring that rebate awards achieve the greatest possible impact. Projects are grouped into three tiers, with Tier 1 representing those that most closely align with program priorities, such as replacing higher-mileage vehicles with newer battery-electric technologies, demonstrating readiness for immediate deployment, and supporting balanced distribution of funding across the region. Tier 2 projects exceed baseline standards exceeding key air quality objectives and maintaining geographic equity, while Tier 3

projects meet all minimum program requirements but may be awarded funding only after higher-tier projects have received higher priority awards.

This structure allows SCAG to prioritize investments in projects with the strongest attributes to meet program requirements for regional emissions reductions.

<p><u>Tier 1 – High Priority</u></p> <ul style="list-style-type: none"> - Vehicle Replacement: One-to-one replacement of diesel vehicles/engines for each new BEV purchased/converted. - Replaced Vehicle Age + Mileage: <ul style="list-style-type: none"> o 2010-2014 vehicles with ≥ 20,000 annual miles o 2015+ vehicles with ≥ 30,000 annual miles - Project Readiness: Demonstrated shovel-ready acquisition (infrastructure in place or documented to be in place at vehicle delivery). - Geographic Distribution: Supports geographic balance by filling underrepresented domicile counties/MSA.
<p><u>Tier 2 – Medium Priority</u></p> <ul style="list-style-type: none"> - Vehicle Replacement: 70%-99.9% diesel replacement documented. - Replaced Vehicle Age + Mileage: <ul style="list-style-type: none"> o 2010-2014 vehicles with 10,000-19,999 annual miles o 2015+ vehicles with 15,000-29,999 annual miles - Project Readiness: Acquisition plans progressing but infrastructure still pending or conditional. - Geographic Distribution: Applications from areas with moderate representation.
<p><u>Tier 3 – Baseline Priority</u></p> <ul style="list-style-type: none"> - Vehicle Replacement: Meets minimum 51% diesel scrappage threshold. - Replaced Vehicle Age + Mileage: <ul style="list-style-type: none"> o Any 2010+ vehicle with 5,000-9,999 annual miles - Project Readiness: Acquisition timeline uncertain; infrastructure still under development. - Geographic Distribution: From overrepresented areas but still eligible if funds remain.

If an application meets only a portion of the requirements for placement within a particular Tier, it will be placed in the highest Tier for which it meets or exceeds all the requirements.

SCAG may also consider elements to prioritize projects and award rebates for applicants demonstrating higher degrees of performance based upon the proposed new vehicle(s), manufacturer(s), and dealership(s) as discussed in Attachment 1 – Online Application Requirements Checklist.

There is a possibility that, due to large program interest, applicants may be offered partial funding. In this scenario, to ensure that a majority (51 percent minimum) of purchases are replacements/conversions of existing diesel vehicles, applicants requesting diesel vehicle replacements below a one-to-one level may be asked to reduce the number of battery-electric vehicles to receive funding. If the program is oversubscribed, not all eligible applications may be funded.

Rebate recipients will be publicly announced no later than January 30, 2026. The program may reopen in July 2026 if funding remains available.

Rebate Process

Participants will be eligible to receive rebate funds after new/converted battery-electric vehicle(s) have been delivered into commercial operations, and (if applicable) corresponding existing vehicle(s) have been delivered and accepted by an approved dealer, OEM, or dismantler and documentation of dismantling of existing vehicles/engines has been provided to SCAG from the dealer, OEM or dismantler. Required documentation shall include but not be limited to the following:

- Inspection forms and digital photos for existing vehicle ready for dismantler documenting the following:
 - Vehicle from front (license plate, if available)
 - Vehicle Identification Number (VIN)
 - Engine serial number (ESN)
 - Cut in frame rails, if frame rails present
 - Hole in engine block
- Inspection forms and digital photos for replacement vehicle documenting the following:
 - Make and model
 - Vehicle from left side or right side
 - Vehicle front and back
 - Vehicle Identification Number (VIN)
 - Gross Vehicle Weight Rating (GVWR)
 - Odometer Reading
 - Engine tag
- Location of dismantler yard where the existing vehicle/engine will be destroyed
- Date the existing vehicle is delivered to or picked up by a dismantler
- Completed REG 42 (Report of Vehicle to Be Dismantled) with DMV-stamped validation or other completed DMV forms used to validate vehicle dismantling and junking.

Each application will have a four (4) month window from the effective date of their contract with SCAG to deliver a new Class 4 or 5 battery-electric vehicle entering commercial operations or the rebate will be rescinded and re-entered into the program for a subsequent online application process. Selected applicants will have a one-time two (2) month extension option in the event extenuating circumstances arise that justify the need for extra time. Notification to extend must be made a month in advance of the initial 4-month window.

Upon completion, the participant will submit an invoice to SCAG using an approved form with supporting documentation. Further directions for invoicing will be provided to

recipients once they have been selected. As part of the submittal, the participant will submit the following documentation:

- Purchase invoices and/or signed sale agreements for the new vehicle(s) verifying that the eligible battery-electric unit(s) was sold to the program participant
- Copies of checks, wire transfers and/or financing documents documenting all payments for the invoiced amount charged by the dealership or equipment manufacturer
- (If applicable) Documentation verifying each existing vehicle/engine was delivered to an approved dismantler and destroyed
- Proof of new vehicle registration, insurance, and warranty information. Vehicle conversion projects are not required to provide new vehicle registration.

For more information, please email LMFP@scag.ca.gov.

Attachment 1. Online Application Requirements Checklist

Online applications will be accepted beginning September 30, 2025, at 2:00 pm PT and will run through December 30, 2025. Rebate recipients will be publicly announced no later than January 30, 2026. The program may reopen in July 2026 if funding remains available.

All application requirements must be met to be considered.

1. General Vehicle Information

- ✓ Vehicle Class
- ✓ Vehicle identifier (unit name/number used by applicant)
- ✓ Vocation/use type (e.g., last-mile delivery, freight, public fleet operations)
- ✓ Number of vehicles requested for rebate
- ✓ Number of vehicles offered for trade-up/replacement

2. Diesel Vehicle Documentation

- ✓ Vehicle Class
 - Must be Class 4, 5, or 6 for replacement
 - Must be Class 4 or 5 for conversion
- ✓ Vehicle Identification Number (VIN) and license plate number
- ✓ Truck model year, engine model year (2010 or newer), and fuel type
- ✓ Truck Usage
 - Odometer readings documenting mileage for the previous 12 months (documenting at least 5,000 miles of use in that period)
 - Current odometer reading
- ✓ 12 months of registration and insurance records (continuous, as required by California law)
- ✓ Photos of vehicle (front, side, license plate, VIN/GVWR tag, engine tag)
- ✓ Proof of ownership (title with no liens)
- ✓ Proof of domicile and operation within either or both of the two MSAs

3. New Vehicle / Conversion Documentation

- ✓ Vehicle Class (must be Class 4 or 5)
- ✓ Vendor quote (dated within 90 days of application) showing:
 - Quoted date
 - Total cost (including eligible taxes and fees) – itemized
 - Warranty terms
- ✓ Make, model, model year, and GVWR of the new or converted vehicle
- ✓ CARB Executive Order or verification of CARB approval for battery-electric configuration

4. Geographic Eligibility

- ✓ Proof of business location in Los Angeles, Orange, Riverside, or San Bernardino County

5. Operational Use Case Verification

- ✓ Brief description of intended use and how these operations qualify as last mile freight, including:
 - Primary type of goods/materials moved
 - Typical operating environment (e.g., urban last-mile, regional freight)
 - Estimated trips or miles per week in eligible Metropolitan Statistical Areas (MSAs)

6. OEM / Dealership Vetting (Optional but Highly Recommended)

While SCAG will not require Original Equipment Manufacturers (OEMs) or dealerships to undergo a formal vetting process as part of the LMFP rebate program, applicants are strongly encouraged to conduct due diligence to ensure they are working with reliable partners who can deliver their vehicles on time and meet performance expectations. SCAG may use its discretion to prioritize awarding rebates for applications demonstrating higher degrees of performance across the areas listed below to reduce the risk of delays, unmet performance commitments, or other issues. Please reach out to SCAG for any questions or clarifications needs throughout the online application open period.

Applicants are encouraged to consider the following when selecting an OEM or dealership:

OEM Standards

- ✓ Demonstrated experience producing and delivering Class 4–5 battery-electric vehicles in the U.S.
- ✓ Adequate warranty coverage (minimum of 3 years) for battery and drivetrain components
- ✓ Evidence of operational and financial stability to support delivery and service obligations
- ✓ CARB certification (Executive Orders) for vehicles offered

Vehicle Performance & Safety Standards (FMVSS / NHTSA)

- ✓ Verified compliance with Federal Motor Vehicle Safety Standards (FMVSS) and National Highway Traffic Safety Administration (NHTSA) safety requirements
- ✓ Performance testing results demonstrating reliable range, safety, and durability under typical operating conditions

Dealership Standards

- ✓ At least 2 years in business selling medium-duty commercial vehicles
- ✓ Ability to handle necessary trade-up/replacement vehicle documentation (if applicable)

- ✓ Capacity to provide service or coordinate warranty repairs within a reasonable distance of the applicant's operations

7. Public Records Act

- The application is subject to the provisions of the California Public Records Act (California Government Code §7920.000 et seq.).
- Applicant must state whether the application contains proprietary information that constitutes a trade secret pursuant to California Civil Code section 3426.1. Trade secrets may be marked as confidential only to the extent they meet the requirements of section 3426.1.
- If the application includes trade secret data that applicant does not want disclosed for any purpose other than the application process, the title page must include the following language:

USE AND DISCLOSURE OF DATA

The trade secret information in this application shall not be duplicated, used, or disclosed in whole or in part for any purpose other than the application process; provided, that if a contract or partnership agreement is executed with applicant as a result of or in connection with submission of this data, SCAG and South Coast AQMD shall have the right to duplicate, use, or disclose the data to the extent provided in the contract. This restriction does not limit South Coast AQMD or SCAG's right to use information contained in the data if it is obtainable from another source without restriction. The data subjected to this restriction are contained in Page(s) [insert page numbers] of the offer.

- The applicant also shall mark each restricted page with the following:
Use or disclosure of data in sections or paragraphs [insert section or paragraph numbers] on this page is trade secret and is therefore subject to the restriction on the title page of this offer.
- Applications will be returned if marked with a different disclaimer than that provided above. To the extent that the application is marked in its entirety as confidential or a trade secret, such designations will not be effective. The applicant will be informed that the application cannot be reviewed because it is impracticable for SCAG to comply with the applicant's requirements. The applicant shall also be informed, however, that the application may be considered if it is resubmitted with the language provided above.
- Application material protected by law from public disclosure will not be disclosed by SCAG if clearly marked as described above. Only information claimed to be a trade secret at the time of submittal to SCAG and marked as required will be treated as a trade secret. SCAG will use its best efforts to inform the applicant of any request for any financial records or documents marked "Trade Secret," "Confidential" or "Proprietary" provided by applicant to SCAG. SCAG will not advise as to the nature or content of documents entitled to protection from disclosure under the California Public Records Act.
- Notwithstanding the foregoing, any information provided to SCAG will be shared with South Coast AQMD and SCAG cannot control how South Coast AQMD uses the information. Please note that South Coast AQMD is bound by its own Guidelines for Implementing the

California Public Records Act, which can be found here: [South Coast AQMD PRA Guidelines](#) (2013). Please refer to Section D of these Guidelines for instructions regarding the procedures required by South Coast AQMD to claim exemption from the Public Records Act.

- To the extent that an applicant marks any information as either confidential or a trade secret, the applicant thereby agrees to defend and indemnify SCAG and/or South Coast AQMD in the event that their non-disclosure is challenged in any legal action. In the event of litigation concerning the disclosure of any records, SCAG and South Coast AQMD's sole involvement will be as stakeholders, retaining the records until otherwise ordered by a court. The applicant, at its sole expense and risk, shall be fully responsible for any and all fees for prosecuting or defending any action concerning the records and shall indemnify and hold SCAG and South Coast AQMD harmless from all costs and expenses, including attorney's fees, in connection with, any such action.

8. Disclaimer

Applicant certifies that the information contained in this application is true and correct to the best of their knowledge. Any information provided that is found to be false, incomplete or misrepresented in any respect, will be sufficient cause to eliminate applicant from further consideration for rebate(s) or any other benefit(s) and may result in immediate and future exclusion from this and other program(s).

Submission of an application does not guarantee funding. SCAG cannot promise or ensure a specific positive outcome or result.

Applications are subject to review and approval and shall be conditioned on executing a formal written agreement with SCAG. In no event shall SCAG be liable or held responsible for any applicants' damages, injuries, reliance, expectations, or any claims if intended outcomes are not achieved.

Approval of LMFP Rebate Program Announcement

September 4, 2025

WWW.SCAG.CA.GOV

1

South Coast AQMD INVEST CLEAN

- SCAG partnered on the South Coast AQMD's INVEST CLEAN application for Climate Pollution Reduction Grant (CPRG)
- U.S. EPA awarded South Coast AQMD nearly \$500 million for INVEST CLEAN
- SCAG to administer incentives for LMFP as sub-recipient under INVEST CLEAN Measure 2.2
 - \$51,500,000 (\$50M for incentives) to expand SCAG's LMFP specifically targeting Class 4 and 5 trucks



INVEST CLEAN – Measure 2.2 Class 4 & 5 Vehicle Replacement

- SCAG will administer a rebate program to fund Class 4/5 battery-electric vehicles
- Develop an implementation plan and program announcement for how the rebate program will be administered
- Include stakeholder engagement and outreach seeking input from public agency, industry, and local communities
- Require vehicle replacement through scrappage to achieve the emission reduction goals



INVEST CLEAN – Measure 2.2 Class 4 & 5 Vehicle Replacement

Eligible Entities:

- Private and Public Fleet Owners

Operating Location:

- Vehicles must be domiciled in one of the two MSAs

Existing Equipment Requirements:

- Diesel-fueled mobile vehicles
- Class 4, 5, & 6 vehicles used in goods movement

Replacement Equipment Requirements:

- New Battery Electric Class 4 and Class 5 vehicles used in goods movement



- Rebates to not exceed \$67,000 per vehicle
- The majority of vehicles (\geq 51%) must be replacements for existing vehicles

Where We Are Now

- On April 3rd, 2025, the Regional Council authorized SCAG to accept funds from the U.S. EPA's grant in the amount of \$51,500,000 to support the commercial deployment of Class 4/5 battery electric vehicles through SCAG's LMFP
- SCAG staff has developed an LMFP Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist to be utilized for the Program Announcement in September (contingent on contract completion with SCAQMD)

Where We Are Now

- SCAG is developing a Memorandum of Understanding (MOU) template to be signed by program participants
- SCAG staff is working with SCAQMD to develop an Implementation Plan detailing how the rebate program will be administered, due to EPA in October 2025
- An agreement between SCAG and SCAQMD will be completed prior to the September 30, 2025 deadline

Recommended Actions

Transportation Committee:

- Recommend that the Regional Council approve the Last Mile Freight Program Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist, allowing SCAG to proceed with releasing the Program Announcement, including collection of applications and selection of participants for the program, pending the execution of an agreement with SCAQMD.

Regional Council:

- Approve the Last Mile Freight Program Measure 2.2 INVEST CLEAN Rebate Program Announcement and Application Checklist, allowing SCAG to proceed with releasing the Program Announcement, including collection of applications and selection of participants for the program, pending the execution of an agreement with SCAQMD.



AGENDA ITEM 12

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Jorge Zavala, Legislative Affairs Analyst
213-630-1414, zavala@scag.ca.gov

Subject: SCAG Memberships and Sponsorships

Kome Ajise

RECOMMENDED ACTION:

Approve up to \$7,500 to sponsor 1) CoMotion LA '25.

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 2: Be a cohesive and influential voice for the region.

EXECUTIVE SUMMARY:

At its August 19, 2025, meeting, the Legislative/Communications and Membership Committee (LCMC) approved up to \$7,500 to sponsor 1) CoMotion LA '25.

BACKGROUND:

Item 1: CoMotion LA '25

Type: Sponsorship **Amount:** \$7,500

The CoMotion LA '25 Conference will be held from November 12-13, 2025, at the Japanese American National Museum in Los Angeles. The event will bring together key public and private stakeholders shaping the future of mobility to emerge with new policy and innovation mandates for a more connected, innovative, and sustainable urban future by discussing the future of cities and the vehicles and systems that power them. CoMotion will offer a curated two-day conference full of immersive and interactive talks, pitches, demos, and workshops to find a path forward for cities and mobility systems.

CoMotion LA is the leading global conference and expo focused on New Mobility. It is an initiative of the NewCities Foundation, the Montreal-based nonprofit institution dedicated to improving the quality of life and work in 21st-century cities worldwide. CoMotion LA has the support of Los Angeles County Metropolitan Transportation Authority (Metro), the International Organization for Public Transport Authorities (UITP), and other leading city, state, national, and international organizations, both public and private. Speakers at the 2024 conference included then SCAG Vice President Cindy Allen, SCAG Executive Director Kome Ajise, ITS America CEO Laura Chace, LADOT

General Manager Laura Rubio-Cornejo, and other top officials across the public, private, and nonprofit sectors.

Over a thousand international leaders, including mayors, policymakers, CEOs, leading researchers, innovators, nonprofit, and civil society leaders, will again gather at this year's conference to discuss reimagining infrastructure, designing seamless journeys, connecting communities, and powering sustainable mobility.

SCAG sponsored this event from 2017 to 2019 and from 2022 to 2024. The feedback was very positive, especially due to the integration of the agency's *GoHuman* campaign. At the August 19 LCMC meeting, SCAG staff recommended sponsorship of this event at \$7,500, which represents at \$2,500 reduction relative to 2024, but will provide SCAG with the same benefits as last year, including the following:

- SCAG to be branded as a CoMotion LA '25 Partner, which includes branding on websites, print, marketing materials, social media channels, and on-site signage;
- SCAG Executive Director or President invited to speak on a CoMotion Panel at the conference (whether virtual or in-person);
- Ten (10) admission passes for senior SCAG executives and leadership and/or clients to the event;
- List of CoMotion LA '25 participants;
- Opportunity to share SCAG content on the CoMotion LA newsletter; and
- Exhibitor Space.

PRIOR COMMITTEE ACTION:

Staff presented a recommendation for up to \$7,500 to sponsor 1) CoMotion LA '25 to the LCMC at its meeting on August 19, 2025. The LCMC approved this item unanimously as part of the consent calendar.

FISCAL IMPACT:

\$7,500 to sponsor CoMotion LA '25 is included in the approved FY 2025-26 Indirect Cost budget.



AGENDA ITEM 13

REPORT

Southern California Association of Governments
September 4, 2025

To: Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Jorge Zavala, Legislative Affairs Analyst
213-630-1414, zavala@scag.ca.gov

Subject: September 2025 State and Federal Legislative Update

Kome Ajise

RECOMMENDED ACTION:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 2: Be a cohesive and influential voice for the region.

STATE

Governor Newsom Signs 2025-26 State Budget Into Law

On June 27, 2025, Governor Gavin Newsom signed SB 101, the main budget bill, and AB 102, a “budget junior bill” that amended SB 101 to reflect a three-party agreement with Assembly Speaker Robert Rivas (D-Salinas) and senate President Pro Tem Mike McGuire (D-North Coast). The \$321 billion state budget for FY 2025-2026 includes \$228 billion in General Funds, \$88.9 billion in special funds, and \$3.9 billion in bonds. To close an estimated \$20 billion deficit, the final budget includes \$2.8 billion in spending cuts, \$7.8 billion in revenue and borrowing solutions, and \$1.2 billion in fund shifts.

Governor Newsom Signs Housing- and Transportation-Related Budget Trailer Bills into Law

In addition to signing the budget into law, Governor Newsom signed several budget trailer bills – measures that amend state law to implement budget policies. Among them were two housing-related bills, AB 130 and SB 131, signed on June 30, 2025. These bills included numerous policy changes related to legislation on which SCAG has taken a formal position. A full list of these positions is available in the attached bill tracker and on SCAG’s website at www.scag.ca.gov/legislation, under the “Bill Position Tracker” tab.

Governor Newsom and California State Legislature Move Forward with Redistricting Efforts

On August 14, 2025, Governor Newsom announced that California lawmakers would pursue a congressional redistricting plan to counter similar efforts in states like Texas and Florida. By August 18, 2025, the Legislature acted on three legislative measures to set into motion a mid-decade redistricting plan in California through a Special Election.

The three bills are: ACA 8 on Congressional Redistricting. If approved by voters on a November 4, 2025 special election, it would provide the California State Legislature with the necessary authority to redraw congressional districts for the 2026, 2028, and 2030 elections. AB 604 is the second bill and represents the actual maps that would be used for the 2026, 2028, and 2030 election cycles. Lastly, SB 280 would initiate the November 4, 2025 Special Election, would provide funding to local counties for the election's costs, and would prohibit the use of "incumbent" as a ballot designation for the 2026 election.

FEDERAL

Republican Reconciliation Package

H.R. 1, the One Big Beautiful Bill Act, was passed by the House of Representatives on Thursday, July 3, 2025, and signed by President Trump the following day on Friday, July 4, 2025. Structured as a budget reconciliation package to circumvent traditional filibuster requirements, the bill integrates policy priorities from across 10 Senate committees into a single piece of legislation designed to realign federal priorities with the administration's economic and social vision. A comprehensive overview of key provisions within the bill developed by Holland & Knight, SCAG's lobbyists in Washington, D.C., has been included in this report.

Key provisions of interest to SCAG and our region include:

- **SALT Deduction:** Increase the State and Local Tax (SALT) deduction to \$40,000 (from \$10,000) for households with incomes less than \$400,000 per annum for 5 years.
- **Low-Income Housing Tax Credit:** First, for calendar years 2026 through 2029, the "9% of LIHTC" is restored to just below its 2021 level with a 12 percent allocation increase. Second, it lowers the bond-financing threshold to 25 percent for projects financed by bonds beginning in 2026.
- **Municipal Bonds Remain Tax Exempt:** Makes no changes to the tax status of municipal bonds as considered in previous versions of the legislation.
- **Permanent renewal and enhancement of Opportunity Zones (OZs):** Makes the OZ program permanent and creates a second round of OZs for census tracts that have a poverty rate of at least 20 percent or a median family income that does not exceed 70 percent of the AMI.
- **Rescinds Unobligated Funds from Inflation Reduction Act (IRA) Clean Transportation and Vehicle Programs:** Rescinds unobligated funds from the Neighborhood Access and Equity and Clean Ports grant programs, among others.

- **EV and Hybrid Fees Not Included:** The final bill does not include a proposal to levy an annual fee on electric or hybrid electric vehicles as considered in early drafts of the legislation.

Federal FY 2025-2026 Appropriations

With the enactment of the One Big Beautiful Bill Act, Congress has pivoted its attention to serious negotiations on the FY 2025-26 appropriations. Each year, the Congress negotiates appropriations to all federal agencies and departments through 12 individual spending bills. The bill most relevant to SCAG is the Transportation-Housing Urban Development (THUD) bill, which provides funding for all transportation and housing related programs in the United States.

The current fiscal year was funded through September 30, 2025, by a continuing resolution (CR) that largely extended FY 2024 funding levels with minimal changes. Therefore, there is a strong desire among House Republicans for a comprehensive appropriations package that aligns more closely with the Trump administration's policies. While appropriations bills may be passed by a simple majority in the House, they require 60 votes in the Senate.

On July 17, 2025, the House Appropriations Committee advanced its FY 2026-27 appropriations bill for THUD (H.R. 4522) in a party-line vote of 35-28. In total, House appropriators propose a total discretionary allocation of \$89.910 billion for THUD programs, representing \$4.458 billion (4.7%) below the FY 2025 enacted level. The House THUD Appropriations bill significantly cuts public transit and passenger rail investment. It cuts public transit investment by \$1.7 billion and passenger rail investment by \$2.6 billion from FY 2025 funding levels.

Conversely, the Senate THUD Appropriations bill (S. 2465) increases public transit investment and maintains passenger rail funding. The Senate bill increases public transit investment by \$203.3 million from FY 2025 funding levels and maintains current passenger rail funding. The Senate THUD Appropriations bill passed on an overwhelming bipartisan vote of 27-1 on July 24, 2025.

SCAG Submits Priorities to USDOT Surface Transportation Request for Information (RFI)

On July 17, 2025, Secretary Sean Duffy of the U.S. Department of Transportation (USDOT) inaugurated the Surface Transportation Reauthorization initiative with a press conference to foster collaboration between Congress, State Departments of Transportation (DOTs), and infrastructure stakeholders ahead of the reauthorization process. The current authorization for surface transportation expires on September 30, 2026.

The reauthorization process determines funding levels, policy guidelines, and program requirements for agencies such as the Federal Highway Administration (FHWA), Federal Motor Carrier Safety Administration (FMCSA), Federal Railroad Administration (FRA), Federal Transit

Administration (FTA), National Highway Traffic Safety Administration (NHTSA), and the Pipeline and Hazardous Materials Safety Administration (PHMSA). House Transportation and Infrastructure Committee Chairman Sam Graves (R-MO) shared that his goal is to pass a reauthorization bill by the end of the year after processing over 11,000 requests received from members and stakeholders.

As part of the process to gather feedback, the USDOT released a Request for Information (RFI) titled “Advancing a Surface Transportation Proposal that Focuses on America’s Most Fundamental Infrastructure Needs,” which is open for the public to provide comments until September 8, 2025.

SCAG submitted our agency’s previously adopted surface transportation reauthorization priorities in response to the DOT’s RFI. Those seven priorities are listed as follows:

- (1) Preserving Metropolitan Planning (PL), FTA Section 5303, and Surface Transportation Block Grant (STBG) funding, with inflation adjustments,
- (2) Protecting Congestion Mitigation and Air Quality (CMAQ) Improvement Program funding, with inflation adjustments,
- (3) Creating a freight planning pilot program for MPOs and local governments with populations above 1 million,
- (4) Providing funding for the federal Safe Streets and Roads for All (SS4A) program,
- (5) Enacting a California Environmental Quality Act for National Environmental Policy Act (CEQA-for-NEPA) Reciprocity Program,
- (6) Simplifying the Simplify the NEPA Categorical Exclusion process, and
- (7) Requiring a singular, consistent format for NEPA environmental review documents. Both letters are attached.

A copy of the RFI response submitted through the USDOT portal has been included in this report.

Letters of Support

Since the beginning of this year, SCAG has supported 93 applications from our member jurisdictions and stakeholders by providing letters of support for various state and federal grant programs. These letters have supported local applications for the Caltrans Sustainable Transportation Planning Grant program, Affordable Housing and Sustainable Communities grant, Better Utilizing Investments to Leverage Development (BUILD, formerly known as RAISE), and Safe Streets and Roads for All (SS4A), among others.

These funding opportunities support projects that advance the goals of Connect SoCal, including housing, air quality and transportation goals. SCAG will continue to support local jurisdictions in securing funding for transformative transportation and infrastructure projects.

President Trump Signs Executive Order Overhauling Federal Grant Process

On August 7, 2025, the Trump Administration issued an executive order, "Improving Oversight of Federal Grantmaking," to significantly reform the federal grant process. Key changes include:

- Heightened Oversight and Accountability: Agencies must appoint senior officials to review all new funding opportunities and grant awards for alignment with agency and national priorities. A rigorous multi-step review process with expert input and interagency coordination is now required. Funding announcements must be in plain language, and scientific grants require subject-matter expert participation. Annual reviews of discretionary awards will assess progress and consistency, and pre-issuance discussions with senior appointees are mandated.
- Stricter Criteria for Grant Awards: All discretionary grants must directly support the President's policy priorities. Certain activities are explicitly prohibited from funding, including racial preferences, denial of the sex binary, support for illegal immigration, and promotion of "anti-American" values. Preference will be given to institutions with lower indirect cost rates and a broader range of recipients. Scientific research grants will prioritize demonstrable rigorous scholarship ("Gold Standard Science").
- Changes to Application and Review Processes: Application processes will be streamlined and simplified using plain language to increase accessibility. While peer review remains advisory, senior appointees are now required to exercise independent judgment in final funding decisions, ensuring alignment with agency and national objectives.

All discretionary federal grants will now include "termination for convenience" clauses, allowing agencies to end grants at any time, even without cause, to redirect funds based on shifting policy objectives. Agencies are directed to amend existing grants to include these provisions. New controls on grant fund drawdowns will require affirmative agency authorization and detailed justifications for each request. Restrictions on the use of federal grant funds for facilities and administrative (F&A) expenses will also be implemented.

Federal Notices of Funding Opportunities (NOFOs) Update

The Infrastructure Investment and Jobs Act (IIJA) was signed into law in 2021, providing \$1.2 trillion in total spending over five years, with \$110 billion allocated through competitive grant funding.

These historic levels of investment in transportation grant programs have allowed areas in the SCAG region to apply for funding for critical infrastructure improvement projects.

Below is a current list of open NOFOs issued for SCAG-related competitive programs:

Program	Deadline	Agency
Rural and Tribal Assistance Pilot Program	October 8, 2025	Build America Bureau
Port Infrastructure	September 25, 2025	Maritime Administration (MARAD)
Bridge Investment Program, Bridge Project Grant	November 1, 2025	Federal Highway Transportation

FISCAL IMPACT:

Work associated with the September 2025 State and Federal Legislative Update is within the Indirect Cost budget, Legislation 810-0120.10.

ATTACHMENT(S):

1. SCAG_USDOT_RFI_Surface Transportation Reauthorization Priorities (1)
2. one big beautiful bill comprehensive analysis



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Transportation Commission**

Response to Docket No. DOT-OST-2025-0468

RE: Request for Information – Advancing a Surface Transportation Proposal that Focuses on America’s Most Fundamental Infrastructure Needs

Submitted by:

Kevin Gilhooley
State & Federal Legislative Affairs Manager
Southern California Association of Governments
900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017
(213) 236-1878
gilhooley@scag.ca.gov

Dear U.S. Department of Transportation,

Thank you for the opportunity to submit comments in response to the Request for Information (Docket No. DOT-OST-2025-0468) on the development of the next surface transportation reauthorization.

Founded in 1965, the Southern California Association of Governments (SCAG) serves as the unified voice of the Southern California region, empowering local jurisdictions to work toward regional solutions. The SCAG region encompasses six counties (Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura) and 191 cities in an area covering more than 38,000 square miles. Guided by an 86-member board of directors known as the Regional Council and supported by a professional planning staff, we ensure federal dollars are invested strategically to deliver transformative projects to the Southern California area.

Metropolitan Planning Organizations (MPOs) are federally required regional policy-making bodies responsible for developing the long-range transportation blueprints that guide critical infrastructure investments. By law, MPOs coordinate multimodal transportation plans using Congressionally mandated performance measures, in collaboration with local governments, transit agencies, state DOTs, and the public. This ensures that federal investments are cost-effective, locally informed, and nationally aligned.

As the designated MPO for Southern California, we support the following legislative priorities for the upcoming surface transportation reauthorization. These priorities reflect the shared needs of our region and will strengthen our ability to deliver future-ready, resilient, and reliable transportation systems while aligning with the four major themes outlined in the RFI:

Preserve Metropolitan Planning (PL), FTA Section 5303, and Surface Transportation Block Grant (STBG) funding, adjusted for inflation:

These critical funding streams allow MPOs to create consensus on a list of regional projects, making it smoother to deliver complex infrastructure projects. In the SCAG region, PL and Section 5303 funding pay for our Regional Transportation Plan, which includes and models more than 2,000 local projects, valued at nearly one trillion dollars of investment, vetted through a comprehensive public participation process. Equally as important, STBG funding helps regions identify and prioritize local transportation priorities, providing critical funding to plan, construct, or program local transportation projects. These programs are inextricably linked and are essential to ensuring the value of the federal government's investments in infrastructure.

Protect Congestion Mitigation and Air Quality Improvement Program funding, adjusted for inflation:

Southern California's geography presents opportunities and challenges as air gets trapped between our coastal and mountain regions, leading to some of the poorest air quality in the country. Created in 1991, the CMAQ program funds transportation projects that reduce congestion and improve air quality for areas that do not meet National Ambient Air Quality Standards for ozone, carbon monoxide, or particulate matter. These pollutants have been proven to lead to respiratory illnesses and disrupt agricultural ecosystems. SCAG urges the Congress to prioritize the CMAQ program for continued funding, adjusted for inflation.

Create a freight planning pilot program for MPOs and local governments with a population over 1 million:

Goods movement is a critical component of the SCAG region's economy and quality of life. Over the past decade, global supply chains have been heavily impacted by historic events, such as COVID-19, which have disrupted freight movement and dramatically shaped consumption patterns. Reauthorization should include a pilot planning program to allow regions with the most complex goods movement systems to develop a master plan demonstrating the most value and stability for this critical component of the economy. A master plan would ensure federal and state resources are prioritized for projects that would eliminate bottlenecks, identify efficiencies, improve safety and air quality, and contribute to the nation's economic growth. Setting the target to those agencies with a population of one million or greater would ensure enough local consumption to ensure the need for more sophisticated freight planning. The estimated cost per study would be approximately \$15 million, with \$12 million in federal cost share and \$3 million in local match.

Reauthorize the Safe Streets and Roads for All Program:

Established under the bipartisan Infrastructure, Investments and Jobs Act, the Safe Streets and Roads for All (SS4A) program was the first-ever discretionary grant program to fund regional, local, and tribal initiatives to prevent deaths and serious injuries on local streets and roads. Since its authorization, SCAG has received two SS4A grant awards, making critical investments in our region to reduce the

rates of fatalities and serious injuries. This includes the development of our "Regional Safety Action Plan" and expansion of our open streets model that will create reliable and safe routes of travel during high-volume events and civic gatherings, including the upcoming 2026 FIFA World Cup, the 2027 Super Bowl, and the 2028 Summer Olympic and Paralympic Games.

Enact a CEQA-for-NEPA Reciprocity Program in California to streamline the delivery of federally funded projects:

Federally funded projects in California undergo two environmental review processes: the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA). While these two processes share the same goals, CEQA is the more stringent, applying to a broader range of projects and often requiring a more detailed environmental analysis, robust measures to mitigate impacts, and greater opportunities for public involvement. While the reciprocity program already exists, it is set to expire soon. SCAG supports its reauthorization, working to make improvements as needed to aid local governments who continue to face challenges associated with duplication, increased costs, and delays related to the overlapping requirements of state and federal laws.

Simplify the NEPA Categorical Exclusion process:

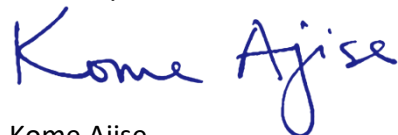
SCAG supports the creation of Programmatic Categorical Exclusion agreements for adoption by states and municipalities to standardize and simplify the NEPA process across various jurisdictions to ensure consistent, fast-tracked, and timely applications of Categorical Exclusions (CEs). Further, the process for pursuing CEs should be simplified by developing a program that provides CE or NEPA approval at the time of a federal grant award.

Require a singular, consistent format for NEPA environmental review documents for all federal agencies and departments:

SCAG supports establishing a lead agency and requiring preparation of a single, coordinated environmental document for projects requiring action from multiple federal agencies. Implementing this action would expedite permitting approvals to deliver projects faster and more efficiently.

We appreciate your leadership and consideration of these proposals and welcome the opportunity to share additional information or discuss them further. Please contact Kevin Gilhooley, State and Federal Legislative Affairs Manager, at (213) 236-1878 or Gilhooley@scag.ca.gov if you have any questions issue.

Sincerely,



Kome Ajise
Executive Director



The One Big Beautiful Bill Act: Comprehensive Holland & Knight Analysis

By Nancy Anderson, Christopher J. Armstrong, Robert H. Bradner, Jordan K. Brossi, Molly Broughton, Elizabeth Leoty Craddock, Nicole M. Elliott, Miranda Franco, Rich Gold, Lisa Hawke, Isabel Lane, Misha Lehrer, Lauren M. Maddox, David H. Mann, Taite R. McDonald, Jim Noe, Elizabeth M. Noll, Joe O'Brien, Joshua David Odintz, Joel E. Roberson, Dan Sennott, Paul Stimers, Peter Tabor, Beth A. Viola, Mike R. Wakefield and Shawna Francis Watley

The One Big Beautiful Bill Act achieved a significant legislative milestone on July 1, 2025, when it cleared the U.S. Senate through a dramatic tiebreaking vote cast by Vice President JD Vance. This landmark legislation, representing the cornerstone of President Donald Trump's second-term domestic agenda, emerged from months of intensive negotiations and strategic legislative maneuvering. Structured as a budget reconciliation package to circumvent traditional filibuster requirements, the bill integrates policy priorities from across 10 Senate committees into a unified legislative framework designed to fundamentally realign federal priorities with the administration's economic and social vision. The extraordinary breadth and ambition of this package make it one of the most consequential pieces of legislation in recent congressional history.

The bill now heads to the U.S. House of Representatives, where Republican leadership is racing to secure final passage ahead of the July 4th holiday. If successful, the legislation will deliver more than \$1.5 trillion in deficit reduction and reshape federal policy across nearly every major sector of the American economy.

With its expansive scope spanning thousands of pages, this landmark legislation will impact virtually every industry and household in the U.S. through significant policy shifts, funding reallocations and regulatory changes.

This Holland & Knight alert breaks down the key provisions of the One Big Beautiful Bill Act by sector, highlighting the most consequential policy changes, funding shifts and regulatory implications across multiple domains, including:

- healthcare and public health initiatives
- tax reforms and incentives
- energy policy and environmental regulations
- defense and national security provisions
- education funding and policy changes
- agricultural supports and rural development
- transportation and infrastructure investments
- immigration and border security

For each section, Holland & Knight's [Public Policy & Regulation Group](#) provides detailed analysis for organizations navigating these changes. The goal is to equip you with actionable insights that will help position your organization to respond effectively to this transformative legislation as it moves through the final stages of the legislative process and toward implementation.

Healthcare and Public Healthcare Initiatives

Changes to Federal Healthcare Programs



H.R. 1 makes significant changes to the Medicaid/Children's Health Insurance Program (CHIP), Medicare and Affordable Care Act (ACA). Changes include new requirements states must meet to maintain federal support for the Medicaid programs, as well as more strict criteria beneficiaries must meet to qualify for and maintain enrollment in federal healthcare programs.

Medicaid/CHIP

- **"Community Engagement" Requirements.** Able-bodied adults must affirm monthly that they spend no less than 80 hours per month working, participating in a work program, completing community service, participating in an educational program or participating in a combination of those activities. Exceptions are made for certain individuals including those under 19 years of age and individuals experiencing certain short-term hardship events.
- **Limits Certain Noncitizen Access to Federal Health Services.** Prevents certain non-citizens from enrolling in or receiving benefits under Medicaid/CHIP.
- **Enrollment Changes.** Requires states to complete quarterly reviews of Death Master Files to verify deceased beneficiaries and providers do not remain enrolled in Medicaid programs.
- **Eligibility Redeterminations.** To be conducted every six months, starting on or after Dec. 31, 2026.
- **Preventing Dual Enrollment.** States are required, beginning not later than Oct. 1, 2029, to submit to the U.S. Department of Health and Human Services (HHS) secretary information to determine whether an enrollee continues to be eligible for Medicaid and prevent dual enrollment of individuals in multiple Medicaid programs. Funding of \$30 million for implementation is provided, including \$10 million for fiscal year (FY) 2026 to establish the system and an additional \$20 million for FY 2029 to maintain the system.
- **Limits Payments to "Prohibited Entities."** No federal funding may be used to make payment to prohibited entities, including 501(C)(3) nonprofit organizations, essential community providers primarily engaged in providing family planning services, reproductive health or related services, or entities that provide abortions except under certain circumstances.
- **Federal Matching Assistance Percentage (FMAP) Reductions.** Sunsets the FMAP incentive offered to states that elect to expand their Medicaid programs after Jan. 1, 2026.
- **Increased Cost-Sharing.** Beginning Oct. 1, 2028, requires states to impose cost-sharing requirements or levy similar charges totaling no more than \$35 for certain services, care or items furnished to Medicaid enrollees, excluding primary care, mental health, substance use disorder services, or services provided by federally qualified health centers (FQHCs), certified community behavioral health centers (CCBHCs) or rural health clinics. Cost-sharing may not exceed 5 percent of a family's income.
- **Medicaid State Directed Payment Programs (DPPs).** Currently, a Medicaid DPP program can pay providers up to average commercial rates (ACR). The bill establishes a new cap on these rates at 100 percent of Medicare payment rates for ACA expansion states and 110 percent for ACA non-expansion states. However, the bill has language that would grandfather DPP programs that meet certain submission/approval deadlines:
 - those approved (or applied for in good faith) before May 1, 2025
 - those for rural hospitals submitted before the enactment date and as added at the last minute
 - those submitted before the date of enactment

If approved, such timely submitted programs would be grandfathered and the reduction in payment limits would not begin until the Jan. 1, 2028, rating period. Programs would also be phased in through a 10 percent annual reduction in the DPP program total payment amount until the required percentage of Medicare rate is reached.



- **State Provider Taxes.** Current law allows provider taxes up to 6 percent of provider revenues. Starting in 2028, the bill limits provider taxes in ACA expansion states (that have an enacted provider tax as of the date of enactment of the bill) through a gradually decreasing cap – from 5.5 percent of net patient revenues in 2028 down to 3.5 percent by 2032. Non-expansion states will be prohibited from imposing new provider taxes in certain situations but are not subject to the graduated step down to a 3.5 percent cap. The bill also contains provisions preventing states from designing tax structures that are based on unit measures of Medicaid revenues. This directly impacts seven states that have enacted provider taxes that are assessed based on managed care organization (MCO) managed care revenues and will likely prohibit future approaches based on Medicaid revenue metrics.
- **Budget Neutrality for Medicaid Demonstration Projects.** Beginning Jan. 1, 2027, the secretary may not approve an application to begin or renew a demonstration project under Section 1115 unless it is budget-neutral.

Medicare

- **Limits Certain Noncitizen Access to Federal Health Services.** Prevents certain noncitizens from receiving premium tax credits to reduce the cost under Medicare.
- **Temporary "Doc Fix."** Includes a temporary "doc fix" with a 2.5 percent increase under the Medicare Physician Fee Schedule for 2026. This increase is a one-time adjustment as in not being implemented as an inflationary adjustment.
- **Exemption of Orphan Drugs from Medicare Drug Price Negotiation.** The Inflation Reduction Act (IRA) exempted orphan drugs – medicines designed to treat rare diseases – from being subject to the Medicare Drug Price Negotiation Program if the drug was intended to treat only a single indication or condition. H.R. 1 expands the exemption to include orphan drugs approved for more than one rare disease starting in 2028. The language also extends the time that orphan drugs may be exempt from Medicare Negotiation if a non-rare disease indication is added to a drug.

ACA

- **Limits Certain Noncitizen Access to Federal Health Services.** Limits the availability of premium tax credits (PTCs) for plans through the ACA marketplaces to certain noncitizens, disallows the availability of PTCs during the time certain noncitizens are not eligible for Medicaid and requires monthly verification of eligibility for receipt of PTCs.
- **Enhanced Advanced Premium Tax Credits.** The bill does not extend enhanced advanced premium tax credits (APTCs) that are currently set to expire at the end of 2025.

Rural Health Transformation Program

The bill establishes a Rural Health Transformation Program that will provide \$50 billion over five years to hospitals and other providers. To qualify for funding, states must submit a rural health transformation plan by Dec. 31, 2025, outlining how the plan will improve access to care, patient outcomes, and the long-term success and financial viability of rural hospitals. Applications will be approved or denied by Dec. 31, 2025. The annual funding distribution will be as follows:

- 50 percent of funds split equally among all approved states.
- 40 percent of funds allocated based on factors including:
 - percentage of the state population living in rural census tracts
 - proportion of rural health facilities within the state



- financial status of state hospitals
- additional factors as determined by the Centers for Medicare & Medicaid Services

Delay of Rules Finalized by Previous Administration

Three rules and amendments finalized by the previous administration will not be enforced, implemented, or administered until Sept. 30, 2034, rather than blocking the rules entirely as originally proposed. The three rules include Streamlining Medicaid: Medicare Savings Program Eligibility Determination and Enrollment (88 Fed. Reg. 65230); Medicaid Program: Streamlining the Medicaid, CHIP and Basic Health Program Application, Eligibility Determination, Enrollment, and Renewal Processes (89 Fed. Reg. 22780); and Medicare and Medicaid Programs; Minimum Staffing Standards for Long-Term Care Facilities and Medicaid Institutional Payment Transparency Reporting (89 Fed. Reg. 40876).

Expanded Access to Health Savings Accounts (HSAs)

H.R. 1 expands access to HSAs for patients with high-deductible health plans (HDHPs) and patients with bronze and catastrophic-level plans through the ACA marketplaces. HSAs allow individuals to put pre-tax dollars into an HSA for use in paying for qualified medical expenses. Unused HSA may be rolled over year over year. Under H.R. 1, patients with HSAs under newly eligible plans may also now use HSAs to pay for direct primary care, which is when patients pay a set monthly or annual fee to their primary care physician instead of having care reimbursed through their health insurance plan. In addition, H.R. 1 includes a provision allowing telehealth services to be covered on a pre-deductible basis for individuals enrolled in HDHPs.

Provisions Struck from the Senate Substitute Amendment

Several provisions included in prior versions of H.R. 1, including versions passed by the U.S. House of Representatives and released by the U.S. Senate Committee on Finance were ultimately struck from the bill before passing the Senate. Provisions no longer included in the legislation are:

- prohibition federal financial participation under Medicaid and CHIP for individuals without verified citizenship, nationality or satisfactory immigration status
- removal the federal medical assistance percentage (FMAP) penalty for states that use state funding to provide access to Medicaid for certain immigrants
- banning spread pricing in Medicaid
- ACA Cost-Sharing Reduction payments
- prohibiting federal funding for gender affirming care

Tax Reforms and Incentives

Individual Tax Provisions

- Makes permanent existing tax rates and brackets; increases the standard deduction by \$750 (\$1,500 for married joint filers) and makes higher amounts permanent (subject to inflation adjustments)
- **State and Local Tax Deductions.** Capped at \$40,000 for married joint filers for the next five years
- **No Tax on Tips and Overtime.** Provides temporary above-the-line deductions for tips (\$25,000) and overtime pay (\$12,500); phases down based income levels



- **Deduction for Car Loans.** Provides temporary deduction – up to \$10,000 – for car loan interest associated with vehicles, the final assembly of which occurred in the U.S.; phases down based on income levels
- **Child Tax Credit.** Increases the child tax credit by \$200 but requires Social Security numbers; makes provision and changes permanent
- **Business Income Deduction – Section 199A.** Permanently extends at 20 percent
- Limits the benefit of itemized deductions for the top bracket (37 percent), providing a benefit at only 35 percent

Business Tax Provisions

- **Bonus Depreciation – Section 168.** Permanently extends 100 percent bonus depreciation for qualified property acquired and placed in service after Jan. 19, 2025; an additional first year depreciation deduction is available for manufacturing, production and refining property
- **Research and Development – Section 174.** Restores the ability to permanently deduct research or experimental expenditures paid or incurred after Dec. 31, 2024, but only if domestic; small businesses (revenue of \$30 million or less) can apply this change retroactively to expenditures after Dec. 31, 2021, and others can accelerate remaining deductions
- **Limitation on Business Interest Expense – Section 163(j).** Reinstates the limitation on Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) after Dec. 31, 2024 (see further below)
- **Enhancement of Advanced Manufacturing Investment Credit – Section 48D.** Creating Helpful Incentives to Produce Semiconductors for America (CHIPS) Act tax credit increased from 25 percent to 35 percent for property placed in service after Dec. 31, 2025. The amendment does not extend the credit's termination date of Dec. 31, 2026, and does not expand eligibility of the credit.

International Tax

- **Does Not Include Section 899, the So-Called "[Revenge Tax](#)"**
- **Global Low-Taxed Income (GILTI):**
 - renames GILTI to "Net CFC Tested Income"
 - effective rate is 14 percent after Dec. 31, 2025
 - eliminates most expense apportionment other than direct expenses and reduces Foreign Tax Credit (FTC) limitation to a 10 percent haircut
 - repeals Qualified Business Asset Investment (QBAI), applying the 14 percent rate to all Net CFC Tested Income
- **Foreign-Derived Intangible Income (FDII):**
 - renames FDII to "Foreign-derived Deduction Eligible Income"
 - effective rate is 14 percent after Dec. 31, 2025
 - makes modifications to Deemed Intangible Income (DII), excluding certain items
 - repeals QBAI, applying the 14 percent rate to all qualifying income
- **Base Erosion Anti-Abuse Tax (BEAT):**
 - applies a 10.5 percent rate (permanently)
 - permanently extends use of specified tax credits
 - no high tax exception, as contained in the initial Senate finance bill
- **Controlled Foreign Corporation (CFC) Look Through – Section 954(c)(3):** Made permanent
- **Limitation on Business Interest Expense - Section 163(j):** Adjusted Taxable Income computed using EBITDA (permanently) but definition modified to *exclude* CFC income exclusions under Sections 951(a), 951A and 78
- **Restoration of Limitation on Downward Attribution – Section 958(b):** Restores former Section 958(b)(4), which limits downward attribution; adds Section 951B, which would apply downward attribution from foreign persons



in selected cases and apply the Subpart F and global intangible low-taxed income (GILTI) rules to persons denominated as "foreign controlled US foreign corporation" as if the former foreign person were a U.S. shareholder and the latter corporate entity were a CFC

- **Remittance Tax, Section 4475 – New Provision:** Imposes a 1 percent excise tax on all remittance senders of money; does not apply when withdrawn from an account at a financial institution or funded by a U.S. debit or credit card

Health and Taxes

- Premium Tax Credits
 - does not extend the enhanced credit (set to expire at the end of 2025)
 - eliminating eligibility for certain lawfully present aliens, namely those lawfully admitted for permanent residence
 - disallows lawfully present aliens who are ineligible for Medicaid due to their status ineligible
 - increases verification requirements that must be conducted by health insurance exchanges, eliminates eligibility for individuals who enroll during a special enrollment period (triggered only by a change in income), allows full recapture of advanced payments unless actual income is less than 100 percent of the federal poverty level (FPL)

Energy Tax Provisions

- See Holland & Knight's previous alert, "[Senate Passes Bill to Scale Back Clean Energy Tax Credits Under Inflation Reduction Act](#)," June 30, 2025.

Housing and Community Development

Expansion of the Low-Income Housing Tax Credit

- Permanently increases the state allocation ceiling by 12 percent
- Lowers the bond-financing threshold to 25 percent for projects financed by bonds beginning in 2026

Green Retrofit Program Rescission

- Rescinds all remaining unobligated balances of the U.S. Department of Housing and Urban Development's (HUD) Green and Resilient Retrofit Program (GRRP)

Preservation of Municipal Bonds' Tax-Exempt Status

- Protects a critical tool for local governments by maintaining the tax status of municipal bonds – localities rely on municipal bonds to help finance various transportation, housing, energy and water projects

College and University Endowments

Modification of Excise Tax on Investment Income of Certain Private Colleges and Universities:

- Limits the application of the endowment tax to educational institutions with at least 3,000 full-time students (increased from 500) in the preceding tax year and retains the student-adjusted endowment (full-time students/endowment) floor of \$500,000
 - Change is estimated to raise \$800 million over 10 years



- Modifies the tax rate based on the student-adjusted endowment as follows:

Student-Adjusted Endowment	Excise Tax on Endowment Investment Income
\$500,000 to \$750,000	1.4 percent
\$750,000 to \$2 million	4 percent
Less than \$2 million	8 percent

Community Development

Permanent renewal and enhancement of Opportunity Zones (OZs):

- Creates a second round of OZs for census tracts that have a poverty rate of at least 20 percent or a median family income that does not exceed 70 percent of the area median income
- Excludes any census tract where the median family income is 125 percent or greater of the area median family income
- Requires that at least 33 percent of designated OZs must be comprised entirely of a rural area; in the case that there are fewer than 33 percent of rural qualified OZs, all eligible rural areas must be designated
- Adds significant reporting requirements for participants in the OZ program

Energy Policy and Environmental Regulations

Title V, Subtitle A: Oil and Gas Leasing

Subtitle A requires minimum oil and gas lease sales on public lands and offshore waters, repeals certain provisions of the Inflation Reduction Act (IRA) relating to minimum royalties and largely reinstates the frequency of oil and gas leases on public lands and waters held prior to the Biden Administration

Section 50101: Onshore Oil and Gas Leasing. The bill requires the U.S. Department of Interior's (DOI) Bureau of Land Management (BLM) to renew holding quarterly oil and gas lease sales on public lands in nine Western states (including Alaska) for the next 10 years, including requiring BLM to offer not less than 50 percent of available parcels nominated by in the industry for development. The bill increases the validity of drilling permits issued by the BLM to four years and amends the Mineral Leasing Act to allow for the public leasing of all eligible public lands. The bill reinstates BLM's authority to issue noncompetitive leases that was removed by the IRA, reverting to the "first-come, first-served" system of leasing public lands for oil and gas development. BLM is required to allow comingling or pooling of production from multiple leases if certain standards are satisfied to ensure appropriate allocation of royalty obligation of the various lessees. The bill also restores the royalty rate of 12.5 percent, reversing the 16.67 percent previously established by the IRA.

Section 50102: Offshore Oil and Gas Leasing. The bill requires DOI's Bureau of Ocean Energy Management (BOEM) to hold no fewer than two lease sales every year for 15 years in the Central and Western planning areas of the Gulf of America (GOA), comprising at least 80 million acres for each lease sale or all unleased acres if there are fewer than 80 million acres that are unleased and available, including at least one lease sale by Dec. 15, 2025, with all lease sales being conducted pursuant to the terms and conditions of Lease Sale 254 (85 Fed. Reg. 8010 (Feb. 12, 2020)) (as amended by the bill). The bill requires BOEM to hold at least six offshore oil and gas lease sales in the Cook Inlet Planning Area in Alaska, with a minimum of one lease sale in each calendar year from 2026 to 2032, with each sale offering at least 1 million acres. The offshore lease sales in Alaska are required to be conducted in accordance with the terms and conditions of Lease Sale 244 (82 Fed. Reg. 23291).



The bill proscribes the royalty rate for GOA to be 12.5 percent and not greater than 16.67 percent. Commencing in 2034, revenue sharing for Alaska lease sales is set at 70 percent paid to the state of Alaska and 30 percent deposited in the U.S. Treasury.

The bill directs DOI's Bureau of Safety and Environmental Enforcement (BSEE) to allow comingling or pooling of offshore leases unless the comingling will reduce safety or result in a decline in production, with the aim of increasing the value of future tracks offered in lease sales.

The Gulf of Mexico Energy Security Act of 2006 (GOMESA) is amended to increase the amount of proceeds generated from GOA oil and gas activity that is distributed to coastal states that is used for conservation and coastal restoration projects. The bill increases the share available to coastal states from \$500 million to \$650 million annually for each year through 2034, but subject to sequestration commencing in 2027, which reduces the spending to \$500 million cap over the 2027-2032 period.

Section 50103: Royalties on Extracted Methane. The bill repeals the IRA's requirement for the payment of royalties on all methane extracted from federal onshore and offshore oil and gas leases.

Section 50104: Alaska Oil and Gas Leasing. The bill requires BLM to hold at least four lease sales over the next 10 years in the Coastal Plain Oil and Gas Leasing program, comprising at least 400,000 acres in each sale and commencing with a sale not later than one year following the enactment of bill, with the balance of the lease sales conducted over the 10 year period. The bill also directs 50 percent of the bonus, rental, and royalties income generated from the oil and gas program to be paid to the state of Alaska for 2025 through 2033 and 70 percent paid to Alaska beginning in 2034.

Section 50105: National Petroleum Reserve – Alaska. The bill requires at least five lease sales over the next 10 years in the National Petroleum Reserve, comprising at least 4 million acres in each sale with 70 percent of the proceeds of the activity being paid to the state of Alaska beginning in 2034.

Subtitle B: Mining

Subtitle B restores coal leasing activities conducted prior to the Biden Administration, reduces the royalty rate from 12.5 percent to 7 percent, and requires the Secretary of Interior to make available for leasing at least 4 million acres of public lands with known coal reserves in the 48 contiguous states and Alaska within 90 days of the bill's enactment, excluding certain protected public lands such as National Monuments and National Parks.

Subtitle C: Lands

Section 50301: Timber Sales and Long-Term Contracting for the Forest Service and Bureau of Land Management. The bill requires the U.S. Forest Service to annually sell at least 250 million board feet greater than the timber sold in the previous fiscal year through 2034 on forest reserves created from the public domain, subject to the maximum sale quantity of timber included in the applicable forest plan. The Forest Service is required to enter into at least 40 long-term timber sales with private entities for timber sales in the National Forest System between 2025 and 2034, with the contract length of the sales of at least 20 years. The funds generated on the sales are directed to be deposited in the general fund of the U.S. Treasury. The bill also requires the BLM to sell an annual quantity of timber that is 20 million board feet greater than was sold in the previous fiscal year through 2034. The BLM is also required to enter into at least five long-term contracts with private entities for the disposal of vegetative materials on public lands, with the proceeds being deposited in the general fund of the U.S. Treasury.



Section 50302: Renewable Energy Fees on Federal Land. The bill adjusts the rents and fees for wind and solar projects on public lands, including revising the fees charged for rights of way and acreage rents, and includes new formulas for public charges for these renewable projects.

Section 50303: Renewable Energy Revenue Sharing. The bill requires that 25 percent of rentals, fees and charges for renewable energy projects on public lands to be paid from the U.S. Treasury to the state where the project is located and another 25 percent to the counties where the revenue was generated (based on the percentage of country land used by the project).

Section 50304: Rescission of National Park Service and Bureau of Land Management Funds. The section rescinds the remaining funds created by the IRA and made available to the National Parks and Public Lands Conservation and Resilience, National Parks and Public Lands Conservation and Ecosystem Restoration, and National Parks Service employees.

Section 50305: Celebrating America's 250th Anniversary. The bill provides up to \$150 million for events and celebrations in observance of the country's 250th anniversary held on public lands.

Subtitle D: Energy

Section 50401: Strategic Petroleum Reserve. The bill appropriates \$28 million for maintenance of the Strategic Petroleum Reserve (SPR) and \$171 million for the acquisition of petroleum products for storage in the SPR, which shall remain available for use until 2029.

Section 50402: Repeals, Recissions. The bill repeals and rescinds unobligated funds from the following programs established in the IRA:

- **IRA Section 50123.** State-Based Home Efficiency Contractor Training Grants
- **IRA Section 50141.** Funding for Department of Energy Loan Office
- **IRA Section 50144.** Energy Infrastructure Reinvestment Financing issued by the Loan Program Office
- **IRA Section 50145.** Tribal Energy Loan Guarantee Program
- **IRA Section 50151.** Transmission Facility Financing
- **IRA Section 50152.** Grants to Facilitate the Siting of Interstate Electricity Transmission Lines
- **IRA Section 50153.** Interregional and Offshore Wind Electricity Transmission Planning, Modeling, and Analysis
- **IRA Section 50161.** Advanced Industrial Facilities Deployment Program

Section 50403: Energy Dominance Financing. The section amends the U.S. Department of Energy (DOE) loan program to fund traditional energy projects and critical mineral projects that advanced American energy dominance and appropriates \$1 billion to the revised program.

Section 50404: Transformational AI Models. The bill requires the DOE to partner its National Laboratories with U.S. industry to curate the DOE's existing scientific data to ensure that the data is structured and processed in way suitable for use by AI and initiate efforts for self-improving AI for science and engineering applications. The AI models developed by the program are directed to be provided to the scientific community. The section appropriates \$150 million for the effort.



Subtitle E: Water

Section 50501: Water Conveyance and Surface Water Storage Enhancement. The section appropriates \$1 billion to the DOI for the construction and related activities that restore or increase the capacity or use of existing water conveyance and storage facilities constructed by the Bureau of Reclamation.

DOE Loan Programs Rescinded and Refocused

The reconciliation package repeals several IRA loan authorities and rescinds billions in unobligated credit subsidy, including \$3.6 billion for DOE's Title 17 loan guarantee program, \$3 billion for the Advanced Technology Vehicles Manufacturing (ATVM) loan program and \$5 billion for the Energy Infrastructure Reinvestment (EIR) program under Section 1706. The package also eliminates remaining IRA funding for the Tribal Energy Loan Guarantee Program and multiple DOE grant programs for transmission deployment and siting.

In their place, the bill revises and reauthorizes Section 1706 of the Energy Policy Act as a new Energy Dominance Financing authority. The updated 1706 program is capitalized with \$1 billion and enables the DOE to guarantee loans that repower, repurpose or expand existing energy infrastructure – including fossil, nuclear and critical minerals projects. The revised authority also includes projects that improve grid reliability or increase capacity and output but explicitly bars support for projects receiving other forms of direct federal financial assistance.

EPA

- **Section 60012.** Pauses the EPA methane emissions fee for 10 years. The fee would have started at \$900 per ton of methane in 2024, gradually ramping to \$1500 per ton in 2026.
- **Section 60026.** Creates an optional permitting fee mechanism whereby projects can access expedited timelines for National Environmental Policy Act (NEPA) reviews by paying a fee of 125 percent of the costs to prepare the review. An environmental impact statement (EIS) must be completed within one year, and an environmental assessment (EA) must be completed within six months.
- **Section 60025.** Provides \$257 million for repair, restoration and maintenance at the Kennedy Center for the Performing Arts in Washington, D.C.

The bill also rescinds all unobligated funding from EPA IRA clean energy and vehicles programs, listed here in descending order based on original program size under the IRA:

- **Section 60002.** Greenhouse Gas Reduction Fund (originally \$27 billion) – also repeals authorization for this program
- **Section 60013.** Climate Pollution Reduction Grants (originally \$5 billion)
- **Section 60016.** Environmental and Climate Justice Block Grants (originally \$3 billion)
- **Section 60012.** Methane Emissions Reduction Program (originally \$1.55 billion)
- **Section 60001.** Clean Heavy-Duty Vehicle Program (originally \$1 billion)
- **Section 60004.** Plus-ups to various EPA air pollution programs to support air pollution, with an emphasis on monitoring and testing (originally \$280 million)
- **Section 60011.** Environmental Production Declaration Assistance (originally \$250 million)
- **Section 60017.** Endangered Species Act (ESA) Recovery Plans (originally \$125 million)
- **Section 60015.** Low-embodied carbon labeling for construction materials (originally \$100 million)
- **Section 60006.** Low-Emissions Electricity Program (originally \$87 million)
- **Section 60003.** Plus-up for the Diesel Emissions Reductions Act (DERA) program for low-income and disadvantaged communities (originally \$60 million)
- **Section 60014.** Plus-up for timely environmental reviews (originally \$40 million)



- **Section 60005.** Plus-up for addressing air pollution at schools (originally \$40 million)
- **Section 60008.** Plus-up for implementation of the American Innovation and Manufacturing (AIM) Act (originally \$38.5 million)
- **Section 60009.** Enforcement technology and public information (originally \$25 million)
- Methane monitoring (originally \$20 million)
- **Section 60010.** GHG Corporate Reporting Program (originally \$5 million)
- **Section 60007.** Plus-up for Renewable Fuel Standard lifecycle and environmental impact testing (originally \$5 million)

The White House

The bill rescinds all unobligated funding from White House IRA clean energy and vehicles programs, including:

- **Section 60021.** GSA Low-Carbon Materials for Federal Buildings (originally \$2.15 billion)
- **Section 60022.** GSA Emerging Technologies plus-up for sustainability (originally \$975 million)
- **Section 60020.** GSA plus-up for green buildings conversion for federal buildings (originally \$250 billion)
- **Section 60018.** CEQ – environmental and climate data collection (originally \$32.5 million)

DOT

Section 40006. The bill repeals all civil penalties for violating National Highway Traffic Safety Administration (NHTSA) Corporate Average Fuel Economy (CAFE) standards upon enactment. It also rescinds all unobligated funding from Federal Highway Administration (FHWA) IRA clean transportation and vehicles programs, including:

DOT/FHWA

- **Section 60019.** FHWA Neighborhood Access and Equity Grant Program (originally \$3 billion)
- **Section 60024.** FHWA Low-Carbon Transportation Materials Grants (originally \$2 billion)
- **Section 60023.** FHWA Environmental Review Implementation Funds (originally \$100 million)

Defense and National Security

DOD Funding

The U.S. Armed Services Committees' portion of the reconciliation legislation provides significant funding increases for strategic capability areas within the U.S. Department of Defense (DOD) and National Nuclear Security Administration (NNSA). It includes more than \$150 billion in funding, divided across 11 major sections focused on enhancing military capabilities, strengthening the defense industrial base, improving military readiness, enhancing deterrence against near-peer competitors and supporting quality of life for service members and their families. Should Congress pass a full-year funding bill for FY 2026, the additional investment included in the Armed Services Committees' portion of the reconciliation bill would put the total DOD budget for FY 2026 over \$1 trillion for the first time in history.

The defense portion of the reconciliation bill addresses critical capability gaps identified by the Trump Administration, military leadership and members of Congress. It includes significant investment across multiple domains, with particular emphasis on shipbuilding, supply chain resilience, low-cost weapons and munitions production, DOD cybersecurity, nuclear modernization, Indo-Pacific Command capabilities and readiness initiatives. The legislation also provides an initial investment in the president's Golden Dome initiative, which is a comprehensive layered missile defense architecture.



The legislation allocates resources strategically to support immediate operational needs while also making long-term investments in capabilities essential for future conflicts. It provides substantial resources to accelerate development and production of key weapons systems, modernize aging infrastructure, invest in emerging technologies such as hypersonics, autonomous systems and artificial intelligence (AI), and support defense innovation to ensure the U.S. maintains its military technological edge. Several sections include significant industrial base investments aimed at expanding capacity and addressing supply chain vulnerabilities, particularly for critical minerals and other urgent operational needs identified by the DOD's Industrial Base Fund.

In its FY 2026 budget submission, the Trump Administration assumed approximately \$119 billion of the national defense resources provided in this legislation will be spent in FY 2026.

Summary by Section

Section 20001: Enhancement of DOD Resources for Improving the Quality of Life for Military Personnel (\$9 Billion). This section addresses the critical need to improve living conditions and support services for military personnel and their families. It recognizes that quality-of-life issues directly impact military readiness and retention. The \$9 billion investment focuses on housing, healthcare, education and family support programs. It also includes items such as:

- \$2.9 billion to supplement basic allowance for housing for service members, addressing the gap between housing allowances and actual housing costs in many military communities
- \$2 billion for the Defense Health Program to improve medical care and services for military personnel and their families
- \$1 billion for sustainment, restoration and modernization of military unaccompanied housing to improve living conditions for service members
- \$590 million to increase Temporary Lodging Expense Allowance from 10 to 21 days, providing financial relief for service members during permanent change of station moves
- \$230.48 million for restoration and modernization under the Marine Corps Barracks 2030 initiative, addressing deteriorating conditions in Marine Corps housing
- \$100 million for tuition assistance programs to support continuing education for service members
- \$10 million for the Defense Activity for Non-Traditional Education Support's Online Academic Skills Course program

The section also includes policy changes to enhance military housing options, such as temporarily increasing the percentage of authorized investment in certain privatized military housing projects and expanding authority for acquisition or construction of privatized military unaccompanied housing.

Section 20002: Enhancement of DOD Resources for Shipbuilding (\$29 Billion). This section provides substantial funding to increase the size and capability of the U.S. naval fleet while also strengthening the domestic shipbuilding industrial base. It represents one of the largest investments in the bill and addresses both conventional and unmanned naval capabilities. This includes investments of:

- \$5.4 billion for two Guided Missile Destroyers (DDG), expanding the surface fleet with modern multi-mission vessels
- \$4.6 billion for a second Virginia-class submarine in FY 2026, enhancing undersea warfare capabilities
- \$2.1 billion for development, procurement and integration of purpose-built medium unmanned surface vessels, expanding distributed maritime operations capabilities
- \$1.8 billion for procurement of Landing Ship Medium to enhance amphibious operations



- \$1.53 billion for expansion of small unmanned surface vessel production, strengthening distributed naval presence capabilities
- \$1.47 billion for implementation of a multi-ship amphibious warship contract to achieve procurement efficiencies
- \$1.3 billion for expansion of unmanned underwater vehicle production, expanding subsurface intelligence, surveillance and reconnaissance (ISR) capabilities

The section also makes substantial investments in the shipbuilding industrial base:

- \$750 million for supplier development across the naval shipbuilding industrial base
- \$600 million for lease or purchase of new ships through the National Defense Sealift Fund
- \$500 million for advanced manufacturing techniques in the shipbuilding industrial base
- \$500 million for additional drydock capability to address maintenance backlogs
- \$500 million for cost to complete for rescue and salvage ships
- \$492 million for next-generation shipbuilding techniques to improve productivity
- \$450 million for maritime industrial workforce development programs
- \$450 million for application of autonomy and AI to naval shipbuilding
- \$450 million for U.S. additive manufacturing for wire production and machining capacity
- \$400 million for expansion of collaborative campus for naval shipbuilding

Additional investments support specialized vessels and technologies:

- \$300 million for production of ship-to-shore connectors for amphibious operations
- \$295 million for development of a second Landing Craft Utility shipyard
- \$250 million for expansion of U.S. Navy corrosion control programs to extend vessel service life
- \$250 million for wave-powered unmanned underwater vehicles
- \$188.36 million for maritime robotic autonomous systems and enabling technologies
- \$174 million for Test Resource Management Center robotic autonomous systems proving ground
- \$150 million for retention of inactive reserve fleet ships to preserve surge capacity

Section 20003: Enhancement of DOD Resources for Integrated Air and Missile Defense (\$25 Billion). This section allocates substantial resources to develop and deploy advanced missile defense capabilities, with emphasis on space-based systems and protection against emerging hypersonic threats. It supports what has been referred to as the "Golden Dome for America" concept, which is President Trump's vision for a comprehensive, layered missile defense shield. This funding includes:

- \$7.2 billion for military space-based sensors to detect and track missile threats globally
- \$5.6 billion for space-based and boost phase intercept capabilities, developing the ability to destroy missiles in their most vulnerable phase
- \$2.55 billion for development, procurement, and integration of military missile defense capabilities
- \$2.2 billion for acceleration of hypersonic defense systems to counter advanced missile threats
- \$2 billion for air moving target indicator military satellites to enhance tracking capabilities
- \$1.98 billion for improved ground-based missile defense radars to enhance detection capabilities
- \$800 million for accelerated development and deployment of next-generation intercontinental ballistic missile defense systems
- \$530 million for Missile Defense Agency missile instrumentation range safety ship to support testing
- \$500 million for national security space launch infrastructure to ensure reliable access to space
- \$408 million for U.S. Army space and strategic missile test range infrastructure restoration and modernization in the Indo-Pacific region
- \$400 million for Multi-Service Advanced Capability Hypersonic Test Bed program
- \$250 million for directed energy capabilities development and testing as an alternative intercept method



Collectively, these investments aim to establish a more robust, multilayered missile defense architecture capable of defending against a wide range of threats from cruise missiles to hypersonic weapons and intercontinental ballistic missiles.

Section 20004: Enhancement of DOD Resources for Munitions and Defense Supply Chain Resiliency (\$25 Billion). This section focuses on expanding munitions production capacity, strengthening supply chain resilience and addressing critical mineral dependencies. It represents a systematic approach to ensure the U.S. has sufficient stockpiles for sustained combat operations and a resilient industrial base:

- \$5 billion for investments in critical minerals supply chains through the Industrial Base Fund
- \$3.3 billion for grants and purchase commitments through the Industrial Base Fund to expand defense manufacturing
- \$2 billion for improving U.S. stockpile of critical minerals through the National Defense Stockpile
- \$1 billion for development of next-generation automated munitions production factories
- \$688 million for long-range multiservice cruise missiles to enhance long-range precision strike
- \$630 million for long-range Navy air defense and anti-ship missiles to counter naval threats
- \$500 million for maritime mines to enhance sea denial capabilities
- \$500 million for expansion of defense advanced manufacturing techniques
- \$500 million for expansion of the Defense Exportability Features program
- \$500 million for counter-unmanned aerial systems programs to address emerging drone threats

The section includes substantial investments in various munitions and counter-drone programs:

- \$400 million for heavyweight torpedoes for naval underwater warfare capabilities
- \$400 million for acceleration of hypersonic strike programs
- \$380 million for production capacity expansion for long-range antiship missiles
- \$350 million for non-kinetic counter-unmanned aerial systems programs
- \$350 million for Navy long-range air and missile defense interceptors
- \$325 million for production capacity improvements for air-launched anti-radiation missiles
- \$250 million for medium-range air-to-air missiles
- \$250 million for development of land-based counter-unmanned aerial systems
- \$250 million for penetrating munitions production
- \$225 million for medium-range air-to-air missiles production capacity expansion
- \$200 million for lightweight torpedoes
- \$200 million for acceleration of Army medium-range air and missile defense interceptors
- \$200 million for ship-based counter-unmanned aerial systems

Multiple investments target supply chain vulnerabilities:

- \$400 million for emerging solid rocket motor industrial base investments
- \$200 million for solid rocket motor industrial base investments
- \$150 million for additive manufacturing for propellant
- \$42 million for second sources for large-diameter solid rocket motors for hypersonic missiles

This section also appropriates \$1 million to establish the Joint Energetics Transition Office to coordinate energetics research and development across the DOD.

Section 20005: Enhancement of DOD Resources for Scaling Low-Cost Weapons into Production (\$16 Billion). This section focuses on accelerating the development and deployment of innovative weapons systems,



particularly low-cost "attritable" platforms and advanced technologies that can be rapidly fielded. It emphasizes the transition from prototypes to production:

- \$2 billion for Defense Innovation Unit (DIU) scaling of commercial technology for military applications and an additional \$50 million for DIU OnRamp Hubs to expand regional engagement
- \$1.69 billion for military cryptographic modernization activities to enhance communications security
- \$1.5 billion for low-cost cruise missiles to expand precision strike capacity at reduced cost
- \$1.4 billion for small unmanned aerial system industrial base expansion
- \$1 billion for qualification activities and technical data management to enhance competition
- \$1 billion for Office of Strategic Capital credit subsidy to support critical technology investments
- \$1 billion for programs to accelerate procurement of innovative technologies
- \$750 million for innovative military logistics and energy development
- \$650 million for Mission Capabilities office joint prototyping and experimentation
- \$600 million for Strategic Capabilities Office programs to develop asymmetric capabilities
- \$500 million for attritable autonomous military capabilities
- \$500 million for advanced 5G/6G technologies for military use
- \$400 million for Joint Fires Network and battle management capabilities
- \$400 million for advanced command-and-control tools for combatant commands

The section also includes investments in emerging technology areas:

- \$250 million for quantum computing through the Quantum Benchmarking Initiative
- \$250 million for AI ecosystem advancement
- \$250 million for Cyber Command AI capabilities
- \$250 million for Test Resource Management Center digital test environment
- \$145 million for AI to enable one-way attack unmanned systems
- \$125 million for small, portable modular nuclear reactors for military use
- \$124 million for Test Resource Management Center AI capabilities
- \$120 million for long-endurance unmanned aerial systems for surveillance
- \$100 million for shared secure facilities for the defense industrial base
- \$90 million for APEX Accelerators and the Mentor-Protege Program to support small businesses
- \$90 million for reusable hypersonic technology for military strikes

Section 20006: Enhancement of DOD Resources for Improving Efficiency and Cybersecurity (\$380

Million). This section addresses long-standing challenges with DOD financial management and cybersecurity, with emphasis on using advanced technologies to improve efficiency. These investments aim to help DOD achieve a clean audit, improve financial transparency and enhance cybersecurity against evolving threats. They include:

- \$200 million for deployment of automation and AI to accelerate DOD financial audits
- \$150 million for business systems replacement to improve financial management and accelerate audits
- \$20 million for DARPA defense cybersecurity programs to develop cutting-edge security technologies
- \$10 million for improvement of Office of the U.S. Secretary of Defense budgetary and programmatic infrastructure

Section 20007: Enhancement of DOD Resources for Air Superiority (\$9 Billion). This section provides substantial funding to maintain and enhance U.S. air dominance through a mix of legacy platform sustainment, next-generation aircraft development and unmanned systems:

- \$3.15 billion for F-15EX aircraft production, accelerating the replacement of aging F-15C/D aircraft
- \$750 million to accelerate the FA/XX aircraft program, the Navy's next-generation air dominance platform



- \$678 million to accelerate the Collaborative Combat Aircraft program, developing autonomous wingman aircraft
- \$600 million for development of U.S. Air Force long-range strike aircraft capabilities
- \$500 million for development of Navy long-range strike aircraft capabilities
- \$474 million to increase EA-37B electronic warfare aircraft production
- \$440 million to increase C-130J tactical airlift production
- \$400 million to accelerate F-47 aircraft production
- \$361 million to prevent the retirement of F-22 advanced fighter aircraft
- \$270 million for U.S. Marine Corps unmanned combat aircraft development
- \$187 million for F-16 electronic warfare capability enhancements
- \$127 million to prevent the retirement of F-15E Strike Eagle aircraft

Additional investments support mobility and other specialized capabilities:

- \$160 million to accelerate V-22 nacelle improvements for enhanced reliability
- \$116 million for C-17A Mobility Aircraft Connectivity
- \$100 million for MQ-25 carrier-based unmanned tanker aircraft production
- \$100 million for Advanced Aerial Sensors production
- \$96 million for infrared search and track pods to enhance fighter detection capabilities
- \$84 million for KC-135 Mobility Aircraft Connectivity
- \$50 million for F-15EX conformal fuel tanks to extend range capabilities

Section 20008: Enhancement of Resources for Nuclear Forces (\$15 Billion). This section provides substantial funding to modernize all three legs of the nuclear triad and supporting infrastructure, ensuring the continued credibility of the U.S. strategic deterrent:

- \$4.5 billion for B-21 Raider long-range bomber aircraft production expansion
- \$2.5 billion for Sentinel intercontinental ballistic missile program risk reduction
- \$2 billion for nuclear-armed sea-launched cruise missile development
- \$1 billion for NNSA facility construction to modernize aging nuclear infrastructure
- \$750 million for NNSA primary capability modernization for nuclear warhead components
- \$750 million for NNSA secondary capability modernization for nuclear warhead components
- \$540 million for NNSA deferred maintenance and repair at critical nuclear facilities
- \$500 million for Minuteman III ICBM system improvements to maintain reliability until replacement
- \$400 million for warhead development for the nuclear-armed sea-launched cruise missile
- \$400 million for Trident D5LE2 submarine-launched ballistic missile development
- \$210 million for MH-139 helicopter production to replace aging UH-1N helicopters for ICBM security
- \$200 million for NNSA Phase 1 studies for future nuclear weapon systems
- \$168 million for Survivable Airborne Operations Center program to replace aging E-4B aircraft
- \$150 million for military nuclear weapons delivery programs
- \$148 million for D5 missile motor production for submarine-launched ballistic missiles
- \$120 million for domestic uranium enrichment centrifuge deployment
- \$115 million for AI applications in nuclear national security missions
- \$100 million for ICBM reentry vehicle enhancements
- \$65 million for nuclear command, control and communications modernization
- \$62 million for Ohio-class submarine tube conversion to increase missile capacity
- \$10 million for evaluation of spent fuel reprocessing technology



Section 20009: Enhancement of DOD Resources to Improve Capabilities of United States Indo-Pacific Command (\$12 Billion). This section focuses on strengthening U.S. military posture and capabilities in the Indo-Pacific region to counter China's growing military power and ensure regional stability in the Western Pacific:

- \$3.65 billion for U.S. military satellites development and protection
- \$1.1 billion for infrastructure development in INDOPACOM area of responsibility
- \$1 billion for offensive cyber operations capabilities
- \$1 billion for the X-37B military spacecraft program
- \$850 million for replenishment of military articles to support regional partners
- \$533 million for the Pacific Air Force biennial large-scale exercise
- \$528 million for DARC and SILENTBARKER space situational awareness programs
- \$500 million for personnel and operations costs for INDOPACOM forces
- \$500 million for economic competition effects within DOD to counter Chinese influence
- \$450 million for airfields development in INDOPACOM to enhance operational flexibility
- \$365 million for Army exercises in Western Pacific to improve readiness and interoperability
- \$350 million for military space command and control systems
- \$300 million for mesh network communications for SOCOM Pacific
- \$200 million for Guam Defense System program to protect this critical territory

Additional readiness and deterrence initiatives include:

- \$143 million for anti-submarine sonar arrays to enhance undersea warfare capabilities
- \$125 million for military space communications development
- \$115 million for Arctic infrastructure exploration and development
- \$100 million for Air Force regionally based cluster pre-position base kits
- \$90 million for non-kinetic capabilities development
- \$80 million for Navy Operational Support Division
- \$60 million for combined surveillance and reconnaissance capabilities for AFRICOM and INDOPACOM
- \$53 million for Special Operations Command exercises in Western Pacific
- \$47 million for Marine Corps exercises in Western Pacific
- \$35 million for military additive manufacturing capabilities in INDOPACOM
- \$30 million for economic competition workforce development
- \$20 million for INDOPACOM military exercises
- \$19 million for naval small craft capabilities development

Section 20010: Enhancement of DOD Resources for Improving Readiness (\$16 Billion). This section focuses on addressing maintenance backlogs, improving facilities and enhancing the operational readiness of U.S. military forces across all services:

- \$2.5 billion for Air Force facilities sustainment, restoration and modernization
- \$2.12 billion for Air Force aircraft mission capability maintenance and spares
- \$2 billion for Navy depot and shipyard modernization to address maintenance backlogs
- \$1.64 billion for Special Operations Command equipment, readiness and operations
- \$1.5 billion for Army depot modernization and capacity enhancement
- \$1.5 billion for increased depot and shipyard maintenance activities
- \$1.4 billion for maritime spares and repair rotatable pool to improve fleet readiness
- \$700 million for maritime spares for amphibious ships
- \$500 million for U.S. National Guard unit readiness enhancements
- \$400 million for Marine Corps readiness and capabilities
- \$320 million for Joint Special Operations Command
- \$310 million for next-generation vertical lift aircraft development



- \$250 million for Army tracked combat transport vehicles
- \$250 million for Air Force depot modernization and capacity enhancement
- \$241 million for Marine Corps amphibious vehicles
- \$230 million for Army wheeled combat vehicles

Smaller but critical readiness initiatives include:

- \$98 million for Army light rotary-wing capabilities
- \$93 million for Robotic Combat Vehicle prototyping completion
- \$75 million for antilock braking systems for Army wheeled transport vehicles
- \$63 million for advanced rotary-wing engines development
- \$20 million for Marine Corps utility helicopter upgrades
- \$10 million for Air Force Concepts Development Office

Section 20011: Improving DOD Border Support and Counter Drug Missions (\$1 Billion). This section provides \$1 billion specifically for DOD support to border security operations, which includes activities such as deployment of military personnel, operations and maintenance, counter-narcotics and counter-transnational criminal organization mission support activities. It also funds activities that support the administration's temporary detection of migrants on DOD installations.

Section 20012: DOD Oversight (\$10 Million). This section allocates funding to ensure proper oversight to the DOD Inspector General of the substantial appropriations in the bill. This section also directs special attention to programs with mutual technological dependencies, requires oversight of programs with related data management and data ownership considerations, and focuses on programs particularly vulnerable to supply chain disruptions and long lead components.

Section 20013: Military Construction Projects Authorized. This section authorizes appropriations for military construction, land acquisition and military family housing across all service branches. It establishes a 30-day timeline for each military department secretary to submit detailed spending plans to the Armed Services Committees, requiring project-by-project breakdowns of all military construction funded through this legislation.

This provision ensures proper authorization for construction activities while creating transparency and accountability in how these funds will be used. By requiring specific project details, Congress maintains visibility into infrastructure investments and creates a mechanism for tracking implementation progress.

Education Funding and Policy Changes

Student Loan Repayment Plans

- Ends existing Income-Contingent Repayment (ICR) Plans for new borrowers beginning July 1, 2026, and replaces them with a single Repayment Assistance Plan (RAP)
- New borrowers will choose between the following:
 - **Standard Repayment Plan:** Fixed monthly payments over 10 to 25 years based on total principal
 - **Repayment Assistance Plan (RAP):** Income-based repayment based on adjusted gross income, with a minimum payment of \$10 per month. Payments continue until the loan balance is \$0 or the borrower makes 360 qualifying monthly payments, whichever is earlier
 - Borrowers ineligible for RAP may be placed in the existing Income-Based Repayment (IBR) Plan, which determines payment amounts based on discretionary income
 - Payments under RAP count toward Public Service Loan Forgiveness (PSLF) eligibility



- U.S. Department of Education (ED) will transition existing borrowers on an ICR to RAP or IBR no later than July 1, 2028
- Eligibility for RAP or IBR will be recertified annually, with procedures to be developed by ED

Termination of Grad PLUS Loans

- Ends the Federal Direct Graduate PLUS Loan Program for graduate/professional students beginning July 1, 2026

Student Loan Limits

- Adjusts annual and lifetime loan limits for graduate and professional student borrowers and parent borrowers beginning July 1, 2026. The amounts below are in addition to any amount borrowed for non-graduate education:
 - Graduate Students:
 - Annual limit: \$20,500
 - Aggregate lifetime limit:
 - If never a professional student: \$100,000
 - If also a professional student: \$200,000 (minus any amount borrowed for professional programs)
 - Professional Students:
 - Annual limit: \$50,000
 - Aggregate lifetime limit:
 - If never a graduate student: \$200,000
 - If also a graduate student: \$200,000 (minus any amount borrowed for graduate programs)
 - Parent PLUS Borrowers:
 - Annual limit: \$20,000 for each dependent student
 - Aggregate lifetime limit: \$65,000 for each dependent student
 - Lifetime Maximum Aggregate for All Students (Other Than Parent PLUS loans): \$257,500
- Caps for part-time student borrowers are reduced in direct proportion to enrollment
- Borrowers with loans for programs that are in process as of June 30, 2026, may be exempt
- Institutions can impose their own loan limits, as long as they are applied consistently to all students

Loan Student Loan Deferment and Forbearance

- Ends unemployment and economic hardship deferments for Direct Loans issued after July 1, 2027
- Caps forbearance for Direct Loans at nine months over two years
- Allows two opportunities to rehabilitate defaulted Direct, Federal Family Education Loan (FFEL) or Perkins loans beginning July 1, 2027, instead of the existing one opportunity

Student Aid Eligibility Adjustments

- Need Analysis:
 - Beginning with the 2026-2027 award year, excludes certain family-owned assets when determining student need for federal student aid, including:
 - A family farms on which the family resides
 - Family-owned and controlled small businesses with fewer than 100 full-time equivalent (FTE) employees
 - Family-owned fishing businesses and related expenses
- Pell Grant Eligibility:
 - Includes foreign income in adjusted gross income for purposes of determining Pell Grant eligibility beginning July 1, 2026



- Students with a Student Aid Index (SAI) that equals or exceeds twice the amount of the maximum Pell Grant will be deemed ineligible for the Pell Grant for that academic year
- Students are ineligible for the Pell Grant if they receive non-federal grants exceeding the cost of attendance

Workforce Pell Grants

- Expands Pell Grant Program to students in short-term workforce programs at accredited postsecondary institutions beginning July 1, 2026
- Program eligibility requirements:
 - 150-600 clock hours or equivalent credit hours over 8 to 15 weeks
 - Determined by states to align with high-skill, high-wage, or in-demand sectors or occupations, and meet the hiring requirements of potential employers in those sectors and occupations
 - Leads to a recognized credential and prepares students for certificate or degree programs at institutions of higher education
 - One-year operational history with:
 - A 70 percent completion rate within 150 percent of the normal time for completion
 - A 70 percent job placement rate, measured 180 days after completion
 - Tuition and fees that do not exceed the "value-added earnings," measured based on the median earnings of student completers in the program relative to the poverty line

Institutional Risk-Sharing and Accountability

- Institutions cannot award federal student aid for programs with "low-earning outcomes."
- Programs have low-earning outcomes if the median earnings of a specified graduate cohort are less than the median earnings of a working adult with a lesser credential or no credential for the corresponding year, measured in accordance with the statutory formula.
- Institutions must warn students if a program does not satisfy the earning outcomes requirements for one year during the covered period.
- Programs that lose eligibility under this section may not apply to regain eligibility for two years.

Further Delay of Student Loan Discharge Rules

- Further delays implementation of the Biden-era borrower defense to repayment (BDR) and closed school discharge (CSD) regulations, which were already delayed due to a court challenge.
- Restores the BDR and CSD regulations that took effect July 1, 2020.

Agricultural Supports and Rural Development

Nutrition

Reevaluates the Thrifty Food Plan. Section 10101 requires all future updates to the Thrifty Food Plan (TFP) to be cost-neutral and that the cost of the plan to reflect changes in the Consumer Price Index for All Urban Consumers published by the Bureau of Labor Statistics. This section also adjusts the percentages of a four-person household allotment received by households falling outside of this number.

- **SNAP Reforms.** The bill revises supplemental Nutrition Assistance Program (SNAP) eligibility requirements, tightens utility considerations and benefits and, after undergoing challenges from the Senate parliamentarian, the Senate reworked language to require states to match and share costs for administering the program as well as funding the benefits themselves



- Section 10102 expands existing work requirements under SNAP Work Requirements to include able-bodied adults ages 55 to 65 and parents or guardians of children over the age of 14. This section also removes the U.S. Department of Agriculture (USDA) secretary's discretionary authority to issue work requirement waivers based on insufficient job openings to areas with an unemployment rate of more than 10 percent.
- Section 10103 revises the automatic eligibility for SNAP Standard Utility Allowance (SUA) program through Low-Income Home Energy Assistance Act (LIHEAP) participation to apply only to households with elderly or disabled members. For households without elderly or disabled members, the section also counts state assistance as household income when calculating federal benefits eligibility.
- Section 10104 prohibits households from including internet costs in the calculation of excess shelter deductions, a primary mechanism for determining benefit amounts.
- Section 10105 requires states to contribute a percentage of the cost of SNAP benefits based on their payment error rate beginning in FY 2028. In the first year of implementation, FY 2028, the state may use either its FY 2025 or FY 2026 error rate, but in subsequent years beginning in FY29, the state must use the error rate calculated using the payment error rate that is three fiscal years prior.
 - States with a payment error rate below 6 percent would pay zero percent of the SNAP benefit costs.
 - States with a payment error rate between 6 percent and 8 percent would pay a 5 percent share.
 - States with a payment error rate between 8 percent and 10 percent would pay a 10 percent share.
 - States with a payment error rate equal to or greater than 10 percent would pay a 15 percent share.
- Section 10106 reduces the federal cost share of administering SNAP from 50 percent to 25 percent beginning FY 2027, effectively increasing state cost sharing requirements by 25 percent.
- Section 10107 eliminates the National Education and Obesity Prevention Grant Program, commonly known as SNAP-Ed.
- Section 10108 revises SNAP-eligible populations to effectively bar undocumented immigrants from utilizing the program.

Forestry

Rescission of IRA Program Funds. Section 10201 rescinds unobligated IRA funds intended to create new policies for old-growth forests, establish new grants for climate projects and support urban tree planting.

Commodities

Increases Reference Prices for Row Crops. Section 10301 increases reference prices for all covered commodities beginning in the 2025 crop year. Beginning in 2031, these reference prices, which are used to calculate crop insurance benefits, will be increased to the previous crop year reference price multiplied by 1.005 with the caveat that it cannot exceed 113 percent of the reference price.

- **Extends Base Acre Coverage.** Section 10302 maintains all current base acres and provides a one-time voluntary allocation of 30 million new base acres for farm owners who currently do not have base acres.
- **Extends the PLC and ARC Programs through 2031.** Section 10303 requires landowners to elect to obtain either the Agriculture Risk Coverage (ARC) or Price Loss Coverage (PLC) on a commodity-by-commodity basis through crop year 2031.
 - Section 10304 extends PLC through 2031.
 - Section 10305 extends ARC through 2031.
- **Expands the definition of "Qualified Pass-Through Entity."** Section 10306 expands the definition of "qualified pass-through entity" to include a wider range of partnerships and joint ventures.



- **Increases the Limit to Title I Payments.** Section 10307 increases the payment limitation under Section 1001 of Title I of the Food Security Act of 1985 from \$125,000 to \$155,000.
- **Expands Access to Disaster and Conservation Programs.** Section 10308 expands access to disaster and conservation programs by expanding eligibility to producers who derive 75 percent or more of their income from farming, ranching, or forestry.
- **Increases Marketing Assistance Loans and Sets Repayment Rates.** Section 10309 increases Marketing Assistance Loan rates for all loan commodities and extends the availability of a series of commodity-specific loans through 2031. Section 10310 establishes assorted repayment rates for cotton commodities.
- **Supports Economic Assistance Programs for specific industries.** Section 10311 increases the Economic Adjustment Assistance for Textile Mills payment rate from 3 cents per pound to 5 cents.
 - Section 10312 makes updates to the sugar program, extending the updated program through 2031.
 - Section 10313 updates the Dairy Margin Coverage program and extends the program through 2031.
- **Funds Program Implementation and Streamlining.** Section 10314 provides \$50 million to the Farm Service Agency (FSA) to improve implementation programs through streamlining processes, surveys, studies and educational tools.

Disaster Assistance Programs

- **Establishes and Updates Supplemental Agricultural Disaster Assistance Programs.** Section 10401 increases reimbursement rates for losses due to predation (100 percent) and adverse weather events (75 percent) of market value of the loss and updates eligibility and definitions in the following disaster assistance programs:
 - Livestock Indemnity program
 - Livestock Forage Program
 - Emergency Assistance for Livestock, Honeybees, and Farm Raised Fish
 - Tree Assistance Program

Crop Insurance

- **Extends Beginning Farmer and Rancher Benefit.** Section 10501 extends the Beginning Farmer and Rancher Benefit established under the Federal Crop Insurance Act
- **Increases Coverage Levels.** Section 10502 increases the overall level for the Whole Farm Revenue Protection Plan, Supplemental Coverage Option plan and other area-based insurance policies.
- **Provides State Administrative and Operational Expense Assistance.** Section 10503 introduces a new mechanism for states with high loss ratios to receive additional administrative and operating expense reimbursements beginning in the 2026 reinsurance year.
- **Increases Premium Support.** Section 10504 increases premium support for individual-based crop insurance policies across all coverage levels by 3 percent to 5 percent. Section 10502 also increases premium support for the Supplemental Coverage Option to 80 percent.
- **Poultry Insurance Pilot Program.** Section 10507 launches a pilot program for contract poultry growers access insurance policies that protect against extreme weather-related events.

Additional Investments in Rural America

- **Funding for Conservation Programs and Reallocation of IRA Funds.** Section 10601 provides additional baseline mandatory funding for the Environmental Quality Incentives Program (EQIP), Conservation Stewardship Program (CSP), Agricultural Conservation Easement Program (ACEP) and Regional



Conservation Partnership Program (RCPP) by repurposing unobligated IRA funding for these programs. In addition, funds the following working lands programs until FY 2031:

- Grassroots Source Water Protection Program
- Voluntary Public Access and Habitat Incentive Program
- Watershed Protection and Flood Program
- Feral Swine Eradication and Control Pilot Program
- **Funds the Supplemental Agricultural Trade Promotion Program.** Section 10602 provides \$285 million for FY 2026 and each fiscal year thereafter for the Supplemental Agricultural Trade Promotion Program.
- **Extends The Emergency Food Assistance Farm to Food Bank Projects.** Section 10603 extends mandatory funding for Farm to Food Bank Projects under the Emergency Food Assistance Program (TEFAP) by \$4 million for FY 2025 through 2031.
- **Extends Research Funding.** Section 10604 provides millions in mandatory funding for the following research projects:
 - Urban, Indoor, and Other Emerging Agricultural Production Research, Education, and Extension Initiative (extends program until FY 2031)
 - Foundation for Food and Agriculture Research (\$37 million, until expended)
 - Scholarships for Students at 1890 Institutions (\$60 million for FY 2026)
 - Assistive Technology Program for Farmers With Disabilities (\$8 million for FY 2026)
 - Specialty Crop Research Initiative (\$175 million for FY 2026)
 - Research Facilities Act (\$125 million for FY 2026)
- **Extends Funding for Advanced Biofuels.** Section 10605 extends mandatory funding of \$7 million for each fiscal year through 2031 for the Bioenergy Program for Advanced Biofuels as established by Section 9005 of the Farm bill.
- **Funds Horticulture Programs.** Section 10606 extends and for some programs increases mandatory funding for the following horticulture programs:
 - Plant Pest and Disease Management and Disaster Prevention Program (\$90 million for FY 2026)
 - Specialty Crop Block Grants (\$100 million for FY 2026)
 - Organic Production and Market Data Initiative (\$10 million for FY 2026 through 2031)
 - Modernization and Improvement of International Trade Technology Systems and Data Collection (\$5 million for FY 2026)
 - National Organic Certification Cost-Share Program (extends program until FY 2031)
 - Multiple Crop and Pesticide Use Survey (additional \$5 million for FY 2026 until expended)
- **Funds Miscellaneous Grant Programs.** Section 10607 extends mandatory funding and increases amounts for some additional agricultural programs not otherwise covered in the bill, including:
 - Animal Disease Prevention and Management (\$233 million for FY 2026 through 2030)
 - Sheep Production and Marketing Grant Program (\$3 million for FY 2026)
 - Pima Agriculture Cotton Trust Fund (extends program through FY 2031)
 - Agriculture Wool Apparel Manufacturers Trust Fund (extends program through FY 2031)
 - Wool Research and Promotion (extends program through FY 2031)
 - Emergency Citrus Disease Research and Development Trust Fund (extends program through FY 2031)

Transportation and Infrastructure Investments

The budget reconciliation bill includes significant new investments in transportation and infrastructure projects, including air traffic control (ATC) modernization, U.S. Coast Guard mission readiness and NASA priorities, while rolling back numerous climate and sustainability-focused programs championed by the Biden Administration.



New Spending. The bill includes a \$12.5 billion down payment on President Trump's \$31 billion ATC modernization focusing on improvements to federal infrastructure to bring the U.S. air traffic management in to the 21st century. The bill includes \$24.6 billion in Coast Guard funds to support mission readiness, including procurement of new cutters, aircraft and shore infrastructure. The bill also contains \$10 billion for NASA priorities, including funds for a Mars Telecommunications Orbiter, the Artemis program's Lunar Gateway, Space Launch System and Orion multipurpose crew vehicle, and the International Space Station.

Revenue Raisers. The bill rescinds unobligated funds from a number of programs funded through the IRA to the:

- Federal Aviation Administration (FAA) alternative fuel grant programs
- Federal Highway Administration (FHWA) Neighborhood Access and Equity (NAE) grants
- FHWA environmental review implementation funds
- FHWA Low-Carbon Transportation Materials grants
- U.S. Environmental Protection Agency (EPA) Clean Ports grants
- National Oceanic and Atmospheric Administration (NOAA) climate change and environmental projects

The bill restores Federal Communications Commission (FCC) authority to auction spectrum, which is expected to raise more than \$85 billion. The bill requires the U.S. Department of Transportation (DOT) secretary to renegotiate its lease for both the Washington-Dulles International Airport (IAD) and Ronald Reagan Washington National Airport (DCA) to bring the Metropolitan Washington Airports Authority (MWAA) leases up to market rate, which is expected to raise more than \$62 million.

The bill also rescinds the unobligated balances of the Public Wireless Supply Chain Innovation Fund from the CHIPS and Science Act (P.L. 117-167) for National Telecommunications and Information Administration (NTIA) advanced communications research grants, which is expected to save \$803 million.

What the Bill Does *Not* Include. Notably, the final bill does not include \$500 million for AI infrastructure spending that was in the House-passed version of the bill and remained in the Senate version until a late night amendment stripped the language out. This provision became controversial because it required state recipients of federal AI funds to agree not to enact or enforce certain state laws that would regulate AI. A deal brokered between Sen. Marsha Blackburn (R-Tenn.) and Senate Commerce Committee Chair Ted Cruz (R-Texas) very publicly fell apart during the Senate floor consideration, resulting in an amendment being adopted 99-1 to remove the AI infrastructure funding altogether.

The final bill also does not include language from the House-passed budget reconciliation bill that would have established an annual fee for electric vehicles (EV) and hybrid vehicles that would have increased revenue to the Federal Highway Trust Fund. The Highway Trust Fund currently is funded by the federal gas tax and House Transportation and Infrastructure Committee Chairman Sam Graves (R-Mo.) had supported the annual fee for EVs and hybrid vehicles as a way to ensure all roadway users were paying into the Trust Fund. However, the Senate ultimately stripped out the House-passed language.

The following provides a summary of the key transportation and infrastructure provisions in the Senate Commerce Committee's title (Title IV) of the bill.

Aviation and Air Traffic Control

Modernizing the ATC System. The Trump Administration has made ATC modernization a key priority for its second term. ATC modernization was thrust onto Trump Administration's priority list after the crash on Jan. 29, 2025, of an Army Black Hawk and American Airlines Flight 5342 on approach to DCA. This crash occurred nine



days after President Trump was inaugurated and had a significant impact shaping his priority placed on ATC modernization. Congress has committed to enact legislation to provide funding and authority to implement the ATC modernization plan, which will provide members of Congress an opportunity to put their own imprint on ATC modernization and related aviation safety issues.

On May 8, 2025, DOT Secretary Sean Duffy announced the administration's ATC modernization plan with the goal to build "a new, state-of-the-art, air traffic control system in three years." Secretary Duffy did not publicly provide an estimated cost associated with the administration's ATC modernization plan, but it is understood from contacts at DOT that it is estimated to cost \$31 billion in FY 2025-2028.

The bill includes \$12.52 billion in total federal spending for ATC modernization spending that includes spending in the following buckets:

- \$4.75 billion for telecommunications infrastructure modernization and system upgrades to transition the 1960s-era Federal Telecommunications Infrastructure (FTI) to modern internet protocol (IP) technology
- \$3 billion in radar systems to replace the FAA's radar fleet that detects airborne targets
- \$1.9 billion for construction of a new Air Route Traffic Control Center (ARTCC) after the FAA divests three aging ARTCCs
- \$1 billion for Terminal Radar Approach Control (TRACON) recapitalization and consolidation
- \$500 million to install Surface Awareness Initiative (SAI) systems at 200 airports that do not have Surface Movement Radars, replace the existing 44 Surface Movement Radars that are essential to runway safety systems and upgrade runway lighting systems
- \$350 million to fund unstaffed infrastructure sustainment and replacement
- \$300 million to replace the FAA's outdated information technology that relies on obsolete hardware, such as floppy disks
- \$300 million to fund completion of three key next-generation programs that will make air traffic more efficient, as directed in Section 619 of the FAA Reauthorization Act of 2024 (P.L. 118-63)
- \$100 million for the ARTCC Realignment Effort, which will involve consolidating at least 10 existing ARTCCs to facilitate the recapitalization of aging en route centers
- \$100 million for the FAA's Tower Simulation System (TSS), which is a modern training tool for air traffic controllers that replicates real-world airport layouts
- \$80 million to install no fewer than 50 Automated Weather Observing Systems (AWOS), no fewer than 60 Visual Weather Observing Systems (VWOS) and no fewer than 64 weather camera sites, along with weather stations
- \$50 million to fund the FAA's Center for Advanced Aviation Technologies (CAAT) established in Section 961 of the FAA Reauthorization Act of 2024 (P.L. 118-63) and located in Dallas
- \$50 million to fund the FAA's deployment of Remote Tower (RT) technology at currently airports without towers
- \$40 million to carry out certain aviation safety projects in the Don Young Alaska Aviation Safety Initiative (44745 of title 49, U.S.C.)

Rescinding IRA Sustainable Aviation Funds. The bill rescinds unobligated funds for FAA alternative fuel and low-emission aviation technology programs authorized under Section 40007(a) of the IRA. This includes unobligated spending for the Biden Administration's Fueling Aviation's Sustainable Transportation (FAST) grant program. The Congressional Budget Office (CBO) estimates the rescission will save \$208 million over the 10-year budget window.

Renegotiating the Dulles and DCA Airport Lease. The bill requires the DOT secretary to renegotiate DOT's lease for both IAD and DCA to bring the leases up to market rate. The bill requires MWAA to pay not less than



\$15 million per year and require the DOT secretary to renegotiate the lease every 10 years thereafter. This provision is expected to raise more than \$62 million.

Reducing Brand USA Travel Promotion Fund. The bill reduces the Brand USA travel promotion fund transfers from \$100 million to \$20 million. Brand USA markets travel to the U.S. to international travelers and receives its funding from the collection of Electronic System for Travel Authorization (ESTA) fees paid by international travelers visiting the U.S. for short durations. The CBO estimates this transfer would save \$150 million over the 10-year budget window.

Surface Transportation

Rescinding IRA Sustainability Funds. The bill rescinds unobligated funding from several IRA surface transportation programs, including FHWA Neighborhood Access and Equity (NAE) grants, FHWA environmental review implementation funds, FHWA Low-Carbon Transportation Materials grants and EPA Clean Ports grants.

Eliminating NHTSA CAFE Civil Penalties. The bill eliminates the NHTSA CAFE civil monetary penalties against automakers.

EV and Hybrid Fees Not Included. The bill does *not* include the House-passed annual fee for EVs and hybrid vehicles that would have increased revenue to the Federal Highway Trust Fund. This is likely a topic that will return when Congress considers the surface transportation reauthorization, which is required by September 2026 when the Infrastructure Investment and Jobs Act, also known as the bipartisan infrastructure law, expires.

Space Launch and Reentry Fees

The bill requires the DOT secretary to impose fees for space launches and reentries based on payload weight. The fees, which increase annually, are to be paid into a new Office of Commercial Space Transportation Launch and Reentry Licensing Fund, to be used to fund the licensing activities of the Federal Aviation Administration's (FAA) Office of Commercial Space Transportation. These funds will be available without further appropriation.

NASA Missions

The bill adds \$9.995 million, available until the end of FY 2032, as follows:

- \$700 million for a Mars Telecommunications Orbiter
- \$2.6 billion for the Artemis program's Lunar Gateway
- \$4.1 billion for the Space Launch System for Artemis missions IV and V
- \$20 million for the Orion multipurpose crew vehicle for Artemis mission IV and subsequent missions
- \$1.25 billion for the International Space Station
- \$1 billion for infrastructure improvement at NASA manned spaceflight centers
- \$325 million for the International Space Station deorbit vehicle

The bill also includes a provision intended to transfer the Space Shuttle Discovery orbiter from its current location on display at the National Air and Space Museum's Udvar-Hazy Center in Virginia to Houston for display at NASA's Johnson Space Center.



Coast Guard

The bill provides a generational investment in the Coast Guard with an appropriation of \$24.6 billion for Coast Guard mission readiness that includes spending in the following buckets:

- \$1.142 billion for the procurement and acquisition of fixed-wing aircraft (six C-130J aircraft), training simulators, related equipment and program management for such aircraft
- \$2.283 billion for the procurement and acquisition of rotary-wing aircraft (over 40 MH-60 rotor craft), training simulators, related equipment and program management for such aircraft
- \$266 million for the procurement and acquisition of long-range unmanned aircraft, base stations and related equipment
- \$4.3 billion for the procurement of approximately nine Offshore Patrol Cutters, related equipment and program management for such cutters
- \$1 billion for the procurement of approximately 10 Fast Response Cutters, related equipment and program management for such cutters
- \$4.3 billion for the procurement of two Polar Security Cutters for heavy polar ice breaking, related equipment and program management for such cutters
- \$3.5 billion for the procurement of Arctic Security Cutters for medium polar ice breaking, related equipment and program management for such cutters; this funding would provide three Arctic Security Cutters
- \$816 million for the procurement of more than 10 light and medium domestic icebreaking cutters, related equipment and program management for such cutters
- \$162 million for the procurement of three Waterways Commerce Cutters, related equipment and program management for such cutters
- \$4.379 billion for targeted investments in shore facilities; this funding would help to address a multibillion-dollar shore infrastructure backlog that is impeding mission accomplishment and detracting from service member quality of life; of the amount appropriated by this section:
 - \$425 million for the enlisted boot camp barracks and multiuse training center
 - \$500 million for construction, improvement and dredging at the Coast Guard Yard and acquisition of a floating drydock at the Coast Guard Yard
 - \$2.729 billion is provided for homeports and hangars for cutters and aircraft for which new funds are appropriated
 - \$300 million for homeporting of the existing polar icebreaker commissioned into service in 2025
- \$2.2 billion for aviation, cutter and shore facility depot maintenance and maintenance of command, control, communication, computer and cyber assets
- \$170 million for the improvement of maritime domain awareness on the maritime border, at U.S. ports, at land-based facilities and in the cyber domain
- \$75 million to contract for the services of, acquire or procure and rapidly integrate autonomous maritime systems

Telecommunications and Spectrum Auctions

Restoring FCC Spectrum Auctions. The bill restores FCC authority to auction federal spectrum through 2034. The bill requires the FCC to auction at least 800 MHz – 500 MHz of federal and 300 MHz of non-federal spectrum. The CBO estimates that the net auction proceeds would raise \$85 billion over the 10-year budget window.

Rescinding NTIA Public Wireless Supply Chain Funds. The bill rescinds the unobligated balances of the Public Wireless Supply Chain Innovation Fund from the CHIPS and Science Act (P.L. 117-167), which requires the National Telecommunications and Information Administration (NTIA) to distribute as grants for advanced



communications research. The CBO estimates the rescission would save \$803 million over the 10-year budget window.

NOAA

Eliminating IRA Climate Funds. The bill rescinds any unobligated balances of amounts appropriated or otherwise made available for NOAA climate and environmental projects under Sections 40001, 40002, 40003 and 40004 of the IRA. The CBO estimates these rescissions would save \$193 million over the 10-year budget window.

Immigration and Border Security

Fee Increases

- imposes new or higher fees for asylum, visas, temporary protected status (TPS) and certain employment authorizations
- new fees include a \$100 fee for any individual applying for asylum, \$1,000 for individuals paroled into the U.S., \$500 for individuals applying for TPS and a \$550 employment authorization application fee for any TPS recipient seeking employment authorization

Immigration Enforcement and Border Security Funding

- appropriates billions for the U.S. Department of Homeland Security (DHS), U.S. Immigration and Customs Enforcement (ICE), U.S. Department of Justice (DOJ) and border wall infrastructure
- \$45 billion is included to expand U.S. detention capacity for those whose removal is pending
- includes over \$29 billion to expand ICE activities, including hiring and retention of agents, facility upgrades and transportation costs
- approximately \$3.3 billion to expand DOJ capacity to hire new immigration judges and related staff to prosecute and advance immigration cases; funding will also be used for Byrne JAG and COPS grants for state and local law enforcement and to reimburse local entities for detention costs

State and Local Assistance

- \$10 billion to reimburse state and local governments for border security efforts conducted on or after Jan. 20, 2021; eligible activities include but are not limited to work necessary to prepare for the establishment of a border barrier system, efforts to detect the transport of illicit substances and the relocation of individuals found to be illegally present in the U.S.
- \$3.5 billion to issue grants to state and local governments for immigration enforcement activities on or after Jan. 20, 2021; eligible activities include locating and apprehending individuals, conducting investigations to counter gang or other criminal activity, court operations and the temporary detention of individuals
- \$2.5 billion through the State Homeland Security Grant Program for state and local readiness and event security; includes \$625 million for planning and security costs for the 2026 FIFA World Cup, \$1 billion for the 2028 Olympics in Los Angeles and \$450 million for the Operation Stonegarden grant program

Next Steps

Clients should assess potential impacts and prepare for regulatory and funding shifts. Holland & Knight's [Public Policy & Regulation Group](#), along with other attorneys in relevant practices, stand ready to assist clients who have questions about potential impacts to your business. Holland & Knight will issue additional alerts and analysis in the coming days regarding specific implications to various sectors.



AGENDA ITEM 14

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Sarah Jepson, Chief Planning Officer
213-236-1955, jepson@scag.ca.gov

Subject: 2025 Executive/Administration Committee (EAC) Retreat Update

Kome Ajise

RECOMMENDED ACTION:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region.

EXECUTIVE SUMMARY:

From June 19 to 20, 2025, President Cindy Allen convened a retreat for the Executive/Administration Committee (EAC) to discuss administrative policies and strategic planning priorities for the upcoming year. This report provides an update on action items identified during the retreat. It also includes a Regional Council (RC) Outlook (Attachment 1) and a meeting schedule for the EAC, RC, and policy committees that incorporate direction provided by the EAC.

BACKGROUND:

During the annual EAC Retreat convened by President Allen from June 19 to 20, the EAC discussed the changing federal and state policy landscape and implications to SCAG, received a report back on administrative policies to be amended in the Regional Council Policy Manual, and discussed highlights from the last fiscal year, as well as, priorities for the President's term. All meeting materials and the meeting minutes are posted on SCAG's website. While no formal actions were taken at the retreat, staff received input and were asked to follow-up on several issues highlighted below.

Presidential Priorities & Regional Council Outlook

Building on accomplishments of previous years and overarching policy direction established Connect SoCal, President Allen, in discussion with the EAC, has identified three key priorities for her term: Clean Transportation Technology, Housing Production, and Regional Planning in support of the 2028 Olympic & Paralympic Games. With the uncertainty and disruption in the global economy, President Allen is also focused on leveraging planning work across her priorities to stabilize markets and ensure the region remains economically vibrant. The agenda outlook (Attachment 1) for the

Regional Council has been updated to reflect these priorities and the President's interest in continuing to leverage the RC as a forum to engage with state leaders to advanced shared goals.

Regional Council Policy Manual

Jeffery Elder, Chief Counsel, presented two potential amendments to the Regional Council Policy Manual (Policy Manual) to the EAC. He discussed the two amendments and answered questions from members. Based on the discussion, staff recommend moving forward with one of the proposed amendments, updating the Policy Manual's conflict of interest provisions to align with current laws and regulations. The amendment would add language addressing SCAG Representatives' obligations under the Levine Act and make technical revisions to improve clarity and consistency. The staff report for the amendment, included as an action item on the consent calendar, provides additional information and explanation of the changes.

Revised Regional Council Meeting Schedule & Attendance Requirements

EAC members discussed the format of Regional Council and Policy Committee meetings. Following discussion and consideration, President Allen decided to adjust meeting schedules and participation guidelines moving forward. The purpose of these changes is to maintain the strong collaboration and engagement demonstrated over the past year during in-person meetings, while also recognizing travel demands and supporting fuller participation. These changes were announced at the July EAC meeting and communicated to RC and Policy Committee members shortly thereafter. As a reminder, the updated meetings schedule for the remainder of President Allen's term is as follows:

Executive/Administration Committee

- First Wednesday of the month, 3:00pm-4:00pm
- Hybrid format
- Members may participate remotely without limitation, following SCAG and Brown Act remote and/or just cause meeting requirements.

Policy Committees

- First Thursday of the month, 9:30am-11:15am
- Hybrid format
- Members may participate remotely without limitation, following SCAG and Brown Act remote and/or just cause meeting requirements.

Regional Council

- First Thursday of the month, 11:45am-1:45pm
- In-person, with limited remote participation
- Each member may participate remotely once during the term, for any reason. This single instance must comply with the Brown Act and may be under the standard remote provisions

or, if applicable, the just cause provisions defined under the Brown Act. No additional remote participation will be allowed beyond this one-time exception.

Attachment 2 is the revised 2025 meeting schedule for the EAC, Policy Committees, and Regional Council.

FISCAL IMPACT:

None.

ATTACHMENT(S):

1. RC Outlook
2. Revised - 2025 Meeting Schedule of the Executive Administration Committee, Policy Committees, and Regional Council

Regional Council Agenda Outlook for FY26

Date	Discussion	Business
September	<ul style="list-style-type: none"> Economic Update SCAG Games Program Development Framework (Action) & Local Perspectives on Regional Planning 	
October	No Meetings	
November	<ul style="list-style-type: none"> CALSTA: Transit Transformation Taskforce Recommendations 	<ul style="list-style-type: none"> REAP 2 Update
December	<ul style="list-style-type: none"> Clean Transportation Technology Games Update JPC: Economic Update 	<ul style="list-style-type: none"> Project Selection: CMAQ/STBG (Action)
January	No Meetings	
February	<ul style="list-style-type: none"> California Housing and Homelessness Agency 	<ul style="list-style-type: none"> REAP 2 Update
March**	<ul style="list-style-type: none"> Resilience Resolution Update Economic Update JPC: Connect SoCal 2028 Development Kick-off 	
April	<ul style="list-style-type: none"> CARB: California Climate Policy & Investments Games Update 	<ul style="list-style-type: none"> Connect SoCal 2028: DRAFT Policy Development Framework (Action) Active Transportation Program Regional Guidelines (Action)

**2025 Schedule of Regular Meetings**

Revised 7/2/2025

All regular meetings of the Executive/Administration Committee are scheduled on the 1st Wednesday of each month, and all regular meetings of the Regional Council and Policy Committees are scheduled on the 1st Thursday of each month. ***Dates are subject to change***

WEDNESDAY		
Executive/Administration Committee (EAC) - Hybrid (In Person and Remote)	3:00 PM - 4:00 PM	Policy Room B
THURSDAY		
Community, Economic and Human Development (CEHD) Committee - Hybrid (In Person and Remote)	9:30 AM - 11:15 AM	Policy Room B
Energy and Environment Committee (EEC) - Hybrid (In Person and Remote)	9:30 AM - 11:15 AM	Policy Room A
Transportation Committee (TC) - Hybrid (In Person and Remote)	9:30 AM - 11:15 AM	Board Room
Regional Council (RC) - In Person	11:45 PM - 1:45 PM	Board Room

Executive/Administration Committee	Regional Council and Policy Committees
August 6, 2025 - No Meetings (DARK)	August 7, 2025 - No Meetings (DARK)
September 3, 2025	September 4, 2025
October 1, 2025 (Tentative)	October 2, 2025 - No Meetings (DARK) due to Yom Kippur
November 5, 2025	November 6, 2025
December 3, 2025	December 4, 2025 - Economic Summit (Joint Policy Committee and Regional Council Meetings)



AGENDA ITEM 15

REPORT

Southern California Association of Governments
September 4, 2025

To: Energy & Environment Committee (EEC)
Transportation Committee (TC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Lijin Sun, Principal Planner
213-236-1804, sunl@scag.ca.gov

Subject: Status Update on Transportation Conformity Challenges in SCAG Region

Kome Ajise

RECOMMENDED ACTION FOR EEC, TC, AND RC:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 5: Secure and optimize diverse funding sources to support regional priorities.

EXECUTIVE SUMMARY:

SCAG develops the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) every four years, the Federal Transportation Improvement Program (FTIP) every two years, and their amendments from time to time. SCAG's RTP/SCS, FTIP, and their amendments are required to demonstrate regional transportation conformity and receive federal approval of conformity determination. As part of the federal conformity regulations, SCAG is required to use the vehicle emission factors (EMFAC) model developed by the California Air Resources Board (CARB) and approved by the U.S. Environmental Protection Agency (EPA).

On June 12, 2025, the President signed into law three joint resolutions (H.J. Res. 87, H.J. Res 88, and H.J. Res. 89) passed by Congress under the authority of the Congressional Review Act (CRA). This action revoked California's three EPA-approved Clean Air Act (CAA) waivers and nullified the State's ability to adopt and enforce stricter vehicle emissions standards than federal requirements, subject to EPA approval. The revocation rendered the latest EPA-approved version of the EMFAC model (EMFAC2021) unusable for federal transportation conformity purposes because the waivers revocation invalidated key planning assumptions underlying that model. As such, California and the SCAG region are currently under the so-called transportation conformity lockdown – meaning no new regional transportation conformity determinations can be made until the lockdown is lifted. Currently, there is no clear indication of when the lockdown would be lifted.

The conformity lockdown will potentially impact SCAG's next scheduled regional transportation conformity determination for the 2027 FTIP and Connect SoCal 2024 Amendment 2, including any projects associated with the Los Angeles 2028 Olympic and Paralympic Games needing new transportation conformity analyses. SCAG staff at all levels take the conformity lockdown very seriously and will continue to provide the Policy Committees and RC with status updates in the future.

BACKGROUND:

1. California's Clean Air Act Waivers

The CAA requires the EPA to set federal emission standards for air pollutants from new motor vehicles or new motor vehicle engines that cause or contribute to air pollution that endangers public health or welfare. The CAA broadly preempts state governments from adopting independent emissions standards for motor vehicles but specifically allows California to set independent and more stringent emissions standards upon application to the EPA for a waiver (based on California's preexisting emissions regulations and the unique topography of the state). Historically, EPA granted California more than 75 preemption waivers for updates to the State's new motor vehicle emissions control program. These waivers have allowed California to improve its vehicle emissions program, significantly influenced clean air efforts, and allowed the State to adopt and enforce stricter vehicle emissions standards than the federal government, subject to EPA approval.

More recently, Congress passed and then on June 12, 2025 the President signed three joint resolutions that revoked California's three CAA waivers: (i) the Advanced Clean Cars II (ACC II) Regulation (phasing out the sale of new, gas-powered cars by 2035), (ii) the Advanced Clean Trucks (ACT) Regulation (mandating an increased mix of zero-emission trucks for sale in the state); and (iii) the Omnibus Low NOx (Low NOx) Regulation (implementing the state's updated nitrogen oxide emission standards). The revocation was enacted using the CRA, a legislative tool that enables Congress to overturn recently finalized federal regulations. On the same day (June 12, 2025), California—joined by 10 other states— sued the administration in U.S. District Court for the Northern District of California, challenging the resolutions on the grounds that the waivers are not subject to the CRA, and that revocation of the waivers violates several provisions of the Constitution.

2. Conformity Lockdown

Transportation conformity is required under the CAA to ensure that federally supported transportation activities conform to or are consistent with the purpose of the applicable air quality management plan (AQMP) or State Implementation Plan (SIP). Conformity for the purpose of the SIP means that federally supported transportation plans, programs, and projects are required to not

create new violations of the federal air quality standards, worsen the existing violation, or delay the timely attainment of the applicable federal air quality standards. The Transportation Conformity Regulations apply nationwide to areas that are designated nonattainment, those redesignated to attainment after 1990, and maintenance areas, with plans developed for the specific transportation-related criteria air pollutants (40 CFR Section 93.102). The SCAG region is subject to transportation conformity requirements for three criteria air pollutants: Carbon Monoxide, Ozone, and Particulate Matter (PM_{2.5} and PM₁₀) and has 25 federally designated nonattainment and maintenance areas.

The nullification of California's ability to set its own vehicle emissions standards has led to a statewide conformity lockdown, causing potential delays in transportation investments and delivery across the state, including the SCAG region because SCAG cannot add new projects or make certain changes to existing projects under the lockdown.

It is important to note that the conformity lockdown is a result of anticipated significant changes in CARB's emission model (EMFAC2021) triggered by the revocation, not due to relaxation in regulations, policies, measures, programs, or projects of CARB or SCAG. On the contrary, we have been doing more. The State and the SCAG region have invested billions of dollars and developed policies in accelerating the development and deployment of clean transportation technologies and infrastructure.

With the nullification of these standards, SCAG cannot receive federal approval of regional transportation conformity determination for a major RTP/SCS amendment or FTIP until one of the following occurs: new emissions assumptions are incorporated into the EMFAC2021 model, the federal government issues interim guidance or a transitional grace period, or the court intervenes as part of California's litigation.

During the conformity lockdown, transportation conformity determinations of the current RTP/SCS and FTIP (Connect SoCal 2024 and 2025 FTIP) are still valid, but no new transportation conformity determinations that need new regional emissions analysis using the EMFAC2021 model may be made. As a result, only projects in the current conforming Connect SoCal 2024 and 2025 FTIP can move forward. No new projects or no new project changes requiring new regional emissions analysis are allowed except for exempt projects. However, during the conformity lockdown, not all transportation projects face delays. SCAG's Connect SoCal 2024 includes projects that are exempt from regional emissions analysis already. Such projects may make certain changes to scope and schedule although they may face some limitations. Projects that are included in SCAG's 2024 Plan and that need project-level conformity determinations may continue to obtain the project-level determinations under the lockdown.

Aside from the limitations identified in the preceding paragraph, the SCAG region is not facing immediate impacts from the conformity lockdown. However, if the conformity lockdown is not lifted by spring 2026, the lockdown could impact SCAG's next scheduled regional transportation conformity determination for the 2027 FTIP and Connect SoCal 2024 Amendment 2, including transit projects, several critical high-value investments needed to support the Los Angeles 2028 Olympic and Paralympic Games, as well as other near-term transformative investments in the region. If the lockdown is protracted, it has the potential to set in motion far-reaching consequences on critical aspects of regional transportation planning, programming, and project delivery, and the regional economy and jobs.

SCAG staff at all levels take the conformity lockdown very seriously. Staff has and will continue to urge CARB and EPA to work together to approve necessary updates to the EMFAC2021 model that can expeditiously resolve the conformity lockdown to avoid the serious consequences in the SCAG region. Staff also continue to monitor the situation at both federal and state levels and are engaging with staff from all levels of governments and other MPOs statewide. Staff will continue to update the Policy Committees and RC on status and return with more information as it becomes available.

FISCAL IMPACT:

SCAG staff's work associated with this item is included in the current FY 2025-26 Overall Work Program (25-025.0164.01: Air Quality Planning and Conformity). If the conformity lockdown is not lifted by in time for SCAG's 2027 FTIP and Connect SoCal 2024 Amendment 2, the lockdown could create short-term financial impacts on transportation projects in the SCAG region. The duration and magnitude of these impacts depend on largely how quickly California and the federal government resolve the current situation.



AGENDA ITEM 16

REPORT

Southern California Association of Governments
September 4, 2025

To: Transportation Committee (TC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Jeannie Ma, Assistant Regional Planner
213-630-1517, ma@scag.ca.gov

Subject: 2025 Transportation Safety Regional Existing Conditions Report

Kome Ajise

RECOMMENDED ACTION FOR TC AND RC:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

EXECUTIVE SUMMARY:

The 2025 Transportation Safety Regional Existing Conditions Report, scheduled for release in October to align with Walktober, analyzes traffic safety trends from 2014 to 2024 across the region. This staff report provides a preview of the report. The 2025 Transportation Safety Regional Existing Conditions Report is intended to guide future transportation safety improvements and actions for local jurisdictions. The report examines existing regional safety conditions by identifying patterns and trends in historical roadway collision data, including pedestrian- and bicyclist-involved collisions and fatalities. It seeks to answer key questions: who the victims are, and where, when, and why collisions occur. Additionally, the report features maps displaying datapoints on reported crashes, including pedestrian- and bicyclist-involved collisions and fatalities and serious injuries. It also contains multiple figures representing a wide range of safety indicators, from the total number of fatalities to primary collision factors. Overall, this resource is designed to support local jurisdictions in developing targeted, data-informed transportation safety policies and improvements.

BACKGROUND:

In 2021, SCAG's Regional Council adopted resolution 21-629-1, affirming its regional leadership role and commitment to advancing transportation safety, and adopting a Regional Safety Policy. This action was driven by a growing urgency to address the region's disproportionate share of traffic-related fatalities and serious injuries. From 2014 to 2024, the region accounted for a significant portion of California's traffic-related fatalities and serious injuries. Approximately 18,000 fatalities and 71,000 serious injuries occurred within the region during this period. In comparison, the state of California experienced around 42,000 fatalities and approximately 170,000 reported serious

injuries during the same period. The SCAG region nearly accounted for half of all traffic fatalities (43%) and reported serious injuries (42%), reflecting a disproportionate share of the statewide burden. During the peak COVID-19 pandemic years (2020-2022), traffic fatalities in the U.S. increased by seven percent, revealing a troubling trend: more people were killed in traffic collisions even though fewer drivers were on the road. California mirrored this pattern with fatal and serious injury crash rates rising by 25 percent.

In response to alarming trends, SCAG is updating the Transportation Safety Regional Existing Conditions Report. This report guides future planned transportation safety improvements and actions for local jurisdictions. The report analyzes existing regional safety conditions, identifying patterns and trends in historical roadway collision data, including pedestrian- and bicyclist-involved collisions and fatalities.

The report provides a historical overview of transportation safety data from 2014 to 2024 for the SCAG region and its six counties. It is designed to guide users such as local jurisdictions and agencies in developing transportation safety-related policies and implementation strategies based on data-driven approaches. Additionally, the report outlines the criteria for the Regional Safety Targets set by the FHWA and Caltrans including:

- Total number of fatalities
- Rate of fatalities per 100 Vehicle Miles Traveled (VMT)
- Total number of serious injuries
- Rate of serious injuries per 100 million VMT
- Total (combined) number of non-motorized fatalities and serious injuries

This report includes data that helps answer key transportation safety questions and is organized around the following themes:

- Where collisions are occurring.
- When collisions are occurring.
- Who are the victims.
- Why collisions are occurring.

Additionally, the report includes figures displaying multiple safety indicators, such as the total number of fatalities.

Figure 1: SCAG Region, Total Number of Fatal Victims (2014-2024)

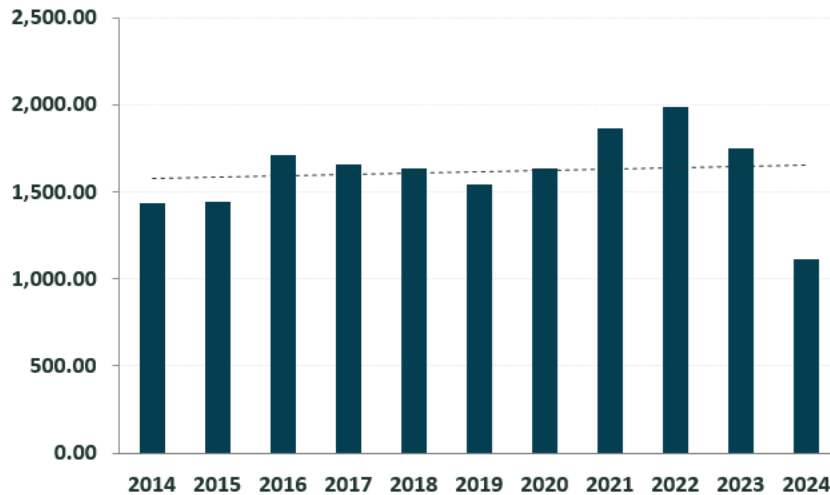


Figure 1 from the report serves as an example of the type of analysis featured throughout the report. This figure specifically illustrates the trend in reported traffic fatalities in the SCAG region from 2014 to 2024. Over this 10-year period, an average of approximately 1,616 people died in traffic collisions each year. Beginning in 2019, the number of fatalities began to rise, peaking in 2022 with approximately 1,900 deaths. Since then, the number of fatal victims has gradually declined. This indicator is analyzed across all six counties covered in the report, offering a regional overview of traffic safety trends.

Figure 18: SCAG Region, Fatal Victims by Age and Gender (2014-2024)

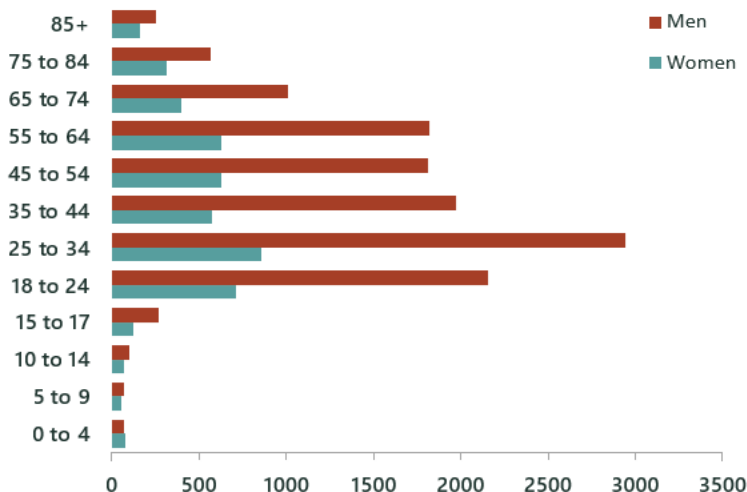
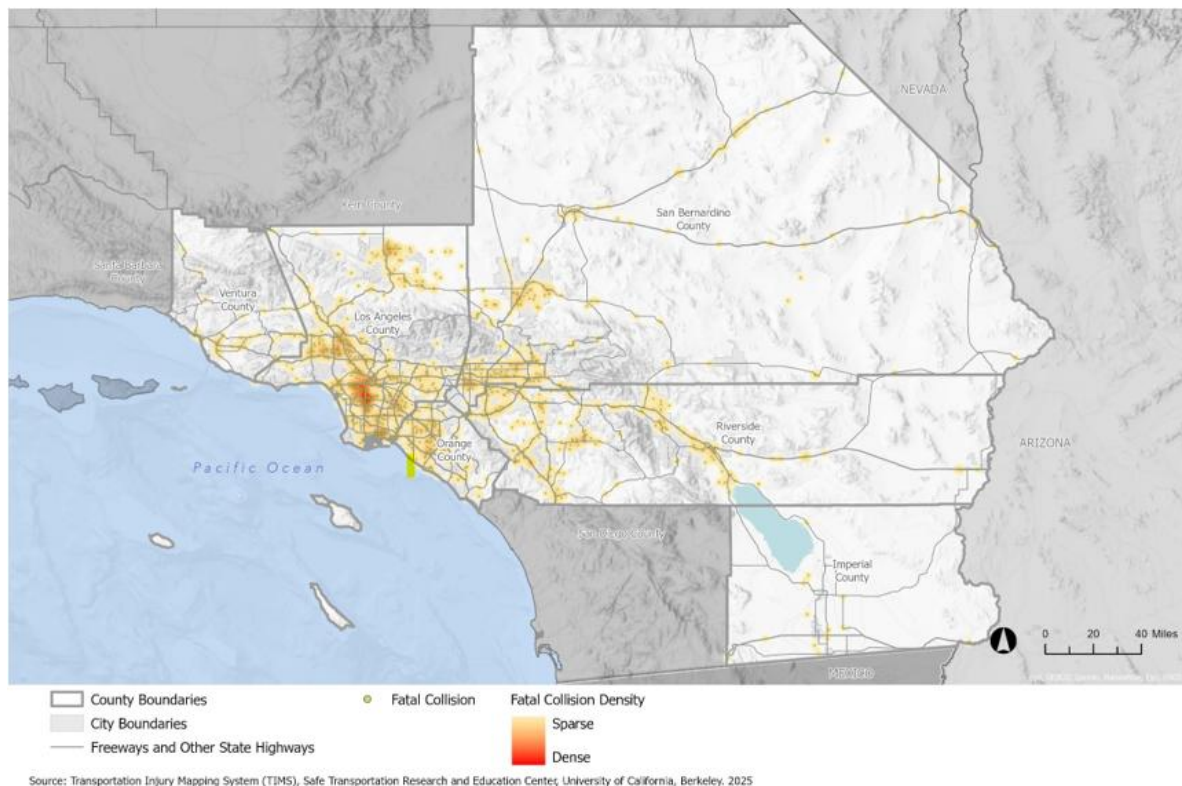


Figure 18 displays victims the number of fatal collisions victims from 2014 to 2024, stratified by age group and gender. The largest number of fatal victims occurred among ages 24 to 34. Across the region, significantly more men than women were killed in traffic-related collisions.

The report also features a total of six maps each, for the SCAG region and for each of the six counties, using reported fatal and serious injury collisions. These maps also analyze pedestrian- and bicyclist-involved collisions.

Map 1: SCAG Region Fatal Collisions (2024)



Map 1 displays reported fatal collisions in 2024 across the SCAG region, showing hotspots and concentrations in denser population and roadway networks such as Los Angeles County.

The report includes a comprehensive set of traffic safety indicators amounting to 24 for each of the SCAG region and the six counties. Beginning with the total number of fatal victims and serious injury victims, followed by counts specific to pedestrian and bicyclist fatal victims and serious injuries. The data also includes fatal and serious injury victims rates per 100,000 population, and per 100 million vehicle miles traveled (VMT) from 2014 to 2023, noting that 2024 VMT data is not yet available from HPMS. Temporal patterns are examined through fatal and serious injury collisions by time of

day, day-of-week, and monthly trends which are all broken down by victims, pedestrians, and bicyclists. Demographic analyses include fatal and serious injury victims by age and gender, along with breakdowns by mode types. Additionally, fatalities and serious injuries are analyzed by race and ethnicity. Finally, the report provides the primary collision factors for fatal and serious injury collisions, as well as for pedestrian- and bicyclist-involved collisions.

The 2025 Transportation Safety Regional Existing Conditions Report is scheduled for release in October to better highlight pedestrian-involved collision data. The release will coincide with Walktober, a month-long initiative that promotes walking and active transportation.

FISCAL IMPACT:

Funding for staff work on this program is included in OWP Task #310.4883.01 (Complete Streets: Transportation Safety).



AGENDA ITEM 17

REPORT

Southern California Association of Governments
September 4, 2025

To: Transportation Committee (TC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Pablo Gutierrez, Planning Supervisor
(213) 236-1929, gutierre@scag.ca.gov

Subject: 2027 Federal Transportation Improvement Program (FTIP) Guidelines

Kome Ajise

RECOMMENDED ACTION FOR TC:

Recommend that the Regional Council approve the 2027 Federal Transportation Improvement Program (FTIP) Guidelines.

RECOMMENDED ACTION FOR RC:

Receive and File

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

EXECUTIVE SUMMARY:

SCAG is required under both federal and state laws to develop and update the Federal Transportation Improvement Program (FTIP) periodically. The FTIP is the short-range program that effectively implements the transportation component of SCAG's Regional Transportation Plan/Sustainable Communities Strategies (RTP/SCS), also known as Connect SoCal. The FTIP is a federally mandated four-year program of all surface transportation projects that will receive federal funding, are subject to federal approval, and/or that are regionally significant.¹ The Guidelines are updated prior to the FTIP update to ensure that all current legal, administrative, and technical requirements are met. These Guidelines serve as a tool for the county transportation commissions in developing and submitting their county Transportation Improvement Programs (TIPs) for inclusion into SCAG's FTIP.

SCAG staff has completed the update of the 2027 FTIP Guidelines, including appropriate coordination with the county transportation commissions. The proposed 2027 FTIP Guidelines document including the required transportation conformity analysis and modeling portion is

¹ "Regionally significant" refers to projects defined in the U.S. EPA's Transportation Conformity regulations as projects having an impact on regional travel, emissions, and air quality.

available online at: https://scag.ca.gov/sites/default/files/2025-08/25-412-FTIP-0204-Final-2027-FTIP-Guidelines-Final_0.pdf

The proposed Guidelines reflect the latest federal and state statutes, including the Infrastructure Investment and Jobs Act (IIJA). Any future changes or modifications to federal or state policies that affect the SCAG region, will be brought to the attention of the Transportation Committee and the Regional Council for potential action.

BACKGROUND:

SCAG is required under both federal and state laws to develop and update the FTIP periodically. The FTIP is the short-range program that effectively implements the transportation component of SCAG's RTP/SCS, also known as Connect SoCal. Federal law requires that the FTIP be updated at a minimum of every four years, adopted by SCAG, and sent to the Governor for approval. Consistent with state statute, SCAG, along with the other Metropolitan Planning Organizations (MPOs) in California, update the FTIP every two years to coincide with the development of the Federal Statewide Transportation Improvement Program (FSTIP). The Guidelines are updated prior to the FTIP update by SCAG staff working in collaboration with federal funding agencies, the California Department of Transportation (Caltrans), the county transportation commissions, and the Transportation Conformity Working Group (TCWG) to ensure that all current legal, administrative, and technical requirements are met. These guidelines serve as a tool for the county transportation commissions in developing and submitting their county TIPs for inclusion into SCAG's FTIP.

SCAG staff, working in collaboration with federal funding agencies, Caltrans, the county transportation commissions, and the TCWG, completed its update of the 2027 FTIP Guidelines including the required transportation conformity analysis and modeling portion (which are accessible at the link above). SCAG staff met with the county transportation commissions on July 28, 2025, to review Guideline changes. SCAG received minor comments from the county transportation commissions, Caltrans, and our federal partners during the months of July and August 2025, and revised the document to reflect and address the comments received.

These Guidelines reflect the current process for transportation programming in the region and serve as guide to the county transportation commissions in preparing their respective county TIPs for submittal to SCAG for incorporation into the 2027 FTIP. The following are the key updates to these Guidelines:

Added information on splitting Transportation Control Measure (TCM) projects. Any committed TCM project needing to be split due to phasing or separate contracts needs to be evaluated and approved by SCAG conformity staff prior to submitting the split projects to the FTIP or FTIP amendment. Careful considerations are needed when evaluating a request to split a committed TCM project, including consideration of the completion date and project scope for the TCM

component and its subsequent split projects. For example, the completion dates for the split committed TCM projects are required to remain the same as the completion date for the original committed TCM project unless a schedule delay is approved by SCAG conformity staff.

Referenced Caltrans's changing policy on Toll Credits and Transportation Development Credits. Caltrans' policy related to the use of Toll Credits and Transportation Development Credits is currently under development and will not be finalized in time for inclusion in this version of the Guidelines. Once the policy is approved, it will be reflected in future updates to the Guidelines. Due to the limited availability of Toll Credits and Transportation Development Credits, county transportation commissions are encouraged to use local funds to meet match requirements.

Added information on the Highway Infrastructure Program (HIP). For federal fiscal year (FFY) 2022-23, \$3.4 billion was allocated for the Highway Infrastructure Programs. Of that amount, \$1.9 billion was allocated to state Departments of Transportation. These funds must be obligated by September 30, 2026. The Coronavirus Response and Relief Supplemental Appropriations Act, 2021 (CRRSAA) appropriated an additional \$10 billion to the program. These HIP-CRRSAA funds are available for obligation through September 30, 2024, and must be expended by September 30, 2029.

For purposes of the FTIP/FSTIP financial constraint and programming, SCAG staff recommend the following:

- HIP apportionment must be displayed in the MPOs FTIP as REVENUE in the FTIP Financial Table.
- HIP apportionment can be shown as "Revenue" and "Programmed" in one FFY or be divided into multiple years.

Added new table summarizing required match for FTA funds. See page 132 of 2027 FTIP Guidelines.

Equity in the eFTIP Database. The Equity fields allow SCAG and county transportation commissions to assess how and where investments are being made across the region and if there are equity issues with the balance of transportation improvements in Disadvantaged Communities and/or Priority Equity Communities. SCAG's Equity platform is in full compliance with Title VI of the Civil Rights Act.

Instructions for the financial plan report updated due to database functionality. The FTIP financial plan is now called the CTC Financial Constraints report in the eFTIP database. Since SCAG now tracks STBG and CMAQ on a regional basis and counties no longer have their own apportionments, the financial plan process has changed.



The guidelines will be modified if policies or funding programs are modified, added, and/or deleted to be consistent with applicable laws. Any changes or modifications that affect SCAG's policy will be brought to the Transportation Committee and the Regional Council for potential action.

FISCAL IMPACT:

Work associated with this item is included in the current FY 2025-26 Overall Work Program 030.0146.02 Federal Transportation Improvement Program (FTIP).

ATTACHMENT(S):

1. 2027 FTIP Guidelines and FTIP Overview

2027 Federal Transportation Improvement Program (FTIP) Guidelines and FTIP Overview

September 4, 2025

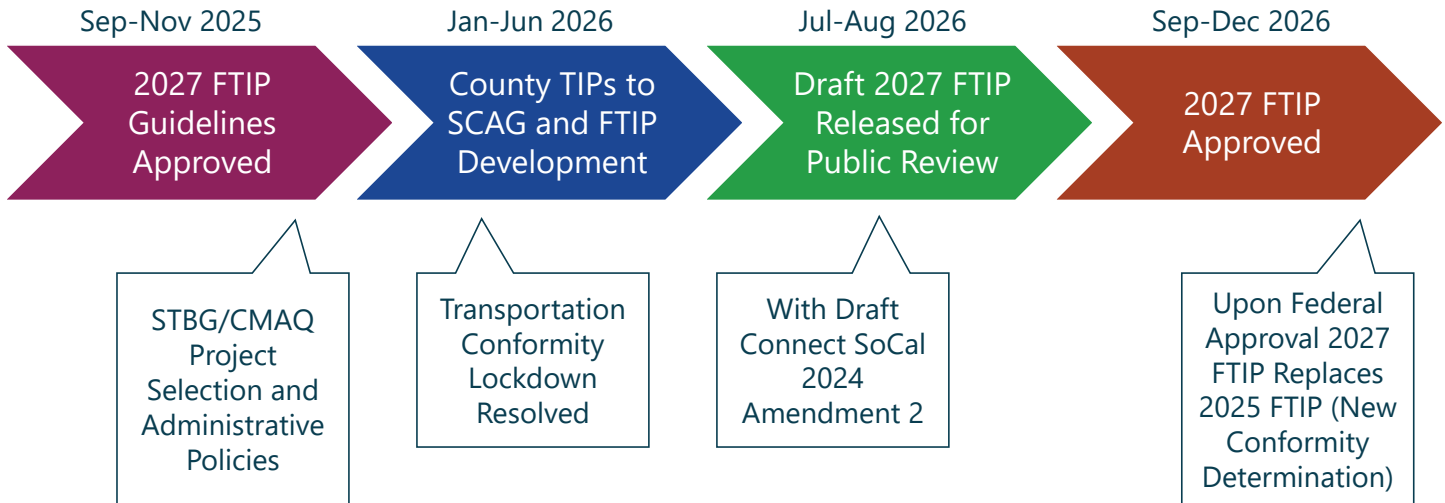
WWW.SCAG.CA.GOV

1

What is the FTIP?



Notable Milestones in 2027 FTIP Development



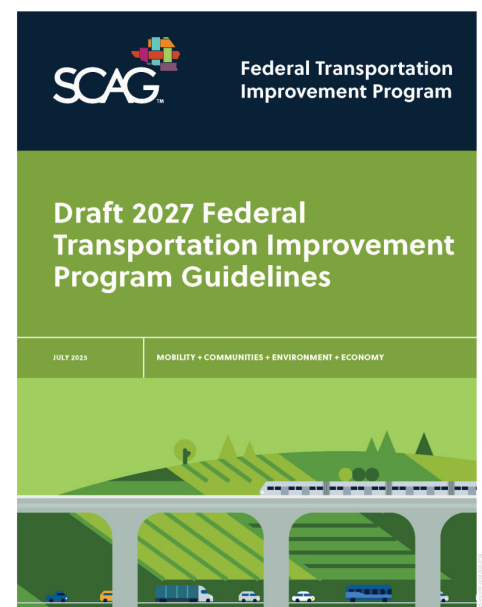
STBG/CMAQ: Surface Transportation Block Grant/Congestion Mitigation and Air Quality Improvement

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

3

2027 FTIP Guidelines

- First step in updating from 2025 to 2027 FTIP
- Developed collaboratively with federal funding agencies, Caltrans, the county transportation commissions, and the Transportation Conformity Working Group
- Ensures that all current legal, administrative, and technical requirements are met
- Primary tool for the county transportation commissions in developing and submitting their county TIPs for inclusion into SCAG's FTIP



[Draft 2027 FTIP Guidelines](#)

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

4

What is New in the 2027 FTIP Guidelines?

- Details on splitting Transportation Control Measure projects
- References pending changes to Caltrans' policy on use of Toll Credits and Transportation Development Credits to match federal funds
- Details on Highway Infrastructure Program and matching requirements for Federal Transit Administration funds
- Clarifies SCAG's Equity approach within the FTIP, including compliance with Title VI of the Civil Rights Act
- Updates FTIP financial plan instructions to reflect SCAG's role on the selection of projects funded with Surface Transportation Block Grant and Congestion Mitigation and Air Quality Improvement Program funds

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

5

Recommended Action

- Recommend that the Regional Council approve the 2027 Federal Transportation Improvement Program (FTIP) Guidelines

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

6



THANK YOU!

For more information, please visit:

<https://www.scag.ca.gov/ftip>

Questions? Contact:

ftip@scag.ca.gov



AGENDA ITEM 18

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

From: Erika Bustamante, Deputy Director
(213) 236-1892, Bustamante@scag.ca.gov

Subject: Purchase Orders, Contracts, and Contract Amendments below the
Regional Council's Approval Threshold

EXECUTIVE DIRECTOR'S
APPROVAL

Kome Ajise

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 1: Establish and implement a regional vision for a sustainable future. 2: Be a cohesive and influential voice for the region. 3: Spur innovation and action through leadership in research, analysis and information sharing. 4: Build a unified culture anchored in the pursuit of organizational excellence. 5: Secure and optimize diverse funding sources to support regional priorities.

BACKGROUND:

SCAG executed the following Purchase Orders (POs) for more than \$5,000 but less than \$500,000 in June 2025:

Vendor	Description	Amount
DELTA DENTAL OF CALIFORNIA	DENTAL PPO INSURANCE RENEWAL	\$312,562
STANDARD INSURANCE CO.	LIFE INSURANCE RENEWAL	\$178,545
COUNTY OF RIVERSIDE	RIVERSIDE OFFICE RENT	\$115,400
AMERICAN GUARD SERVICES INC	ARMED SECURITY GUARD AT SCAG OFFICE	\$100,000
VISION SERVICE PLAN (VSP)	VISION SERVICE PLAN RENEWAL	\$87,751
VCCF NON-PROFIT CENTER LLC	VENTURA OFFICE RENT	\$35,000
STANDARD INSURANCE CO.	SUPPLEMENTAL INSURANCE RENEWAL	\$25,000
CARROT FERTILITY, INC.	FERTILITY BENEFITS RENEWAL	\$25,000
OFFICE DEPOT BUSINESS SRVCS.	OFFICE SUPPLIES	\$15,000
IMPERIAL COUNTY TRANSP. COMMISSION	IMPERIAL OFFICE RENT	\$12,000
CORO SOUTHERN CALIFORNIA	PROF. DEVELOPMENT TUITION	\$10,720



SCAG executed the following Purchase Orders (POs) for more than \$5,000 but less than \$500,000 in June 2025:

Vendor	Description	Amount
SEI INC DBA SERVICE EXPRESS INC	SERVICE EXPRESS	\$7,079
DELTA DENTAL INSURANCE CO	DENTAL INSURANCE HMO RENEWAL	\$7,000
FEDEX	COURIER/SHIPPING SERVICE	\$7,000
SOLID SURFACE CARE INC	LA OFFICE CARPET CLEANING	\$7,000
QUADIENT LEASING USA INC	MAIL MACHINE LEASE	\$7,000
BMO BANK NA	LINE OF CREDIT FEES	\$6,500
VITAL RECORDS HOLDINGS LLC	OFF-SITE RECORDS STORAGE	\$5,000
L.A. PLANT CO.	PLANT SERVICE & MAINTENANCE	\$5,000
US POSTAL SERVICE	POSTAGE FOR MAIL MACHINE	\$5,000
KELLY SPICERS STORES	COPIER PAPER	\$5,000

SCAG executed the following Purchase Orders (POs) for more than \$5,000 but less than \$500,000 in July 2025:

Vendor	Description	Amount
CALPERS FISCAL SERVICES	CALPERS HEALTH PREMIUM (RETIREEES)	\$110,000
PUBLIC AGENCY RETIRE SERVICES	PARS RETIREMENT PLAN QTRLY	\$90,000
GREAT WEST TRUST CO LLC	EMPOWER QUARTERLY ADMIN FEE	\$90,000
JW MARRIOTT RESORT	GA 2026 VENUE: 1ST DEPOSIT	\$60,001
CALCOG	CALCOG MOA SERVICES	\$51,460
CALCOG	CALCOG MEMBERSHIP RENEWAL	\$50,520
SABA SOFTWARE CANADA INC	SABA SOFTWARE RENEWAL	\$48,079
CORNERSTONE ONDEMAND INC	CORNERSTONE SUBSCRIPTION	\$47,000
REGIONAL ECONOMIC MODELS	REMI LICENSE RENEWAL	\$36,500
EMPLOYMENT DEVELOP. DEPT.	EMP DEV DEPT CHARGES	\$35,000
LAW OFFICES OF JIM KAHNG	IMMIGRATION LAW SERVICES	\$30,000
CA JPIA	PROPERTY PREMIUM	\$15,969

SCAG executed the following Purchase Orders (POs) for more than \$5,000 but less than \$500,000 in July 2025:

Vendor	Description	Amount
ACCUSOURCE HR, INC.	ACCUSOURCE RENEWAL	\$10,000
STRONGER TOGETHER NOW	JUNETEENTH OTS TRAFFIC SAFETY EVENT	\$9,000
THE ADVANTAGE GROUP	TAG FSA ADMINISTRATIVE FEE	\$8,400
GOVERNMENTJOBS.COM	NEOGOV SUBSCRIPTION	\$8,336
GOVERNMENTJOBS.COM	NEOGOV SUBSCRIPTION	\$6,827
CALIF. CONTRACT CITIES ASSOC.	MEMBERSHIP	\$6,500
MOBILITY 21	MOBILITY 21 - 2025 SUMMIT	\$6,500
AMERICAN PUBLIC TRANSP ASSOC.	MEMBERSHIP DUES	\$5,772
ACTIVE SAN GABRIEL VALLEY	OTS TRAFFIC SAFETY BOOTH	\$5,500
PET BENEFIT SOLUTIONS	PET BENEFITS	\$5,000

SCAG executed the following contracts for more than \$25,000 but less than \$500,000:

Consultant/Contract No.	Description	Amount
CSG Consultants 24-012-MRFP 07	The consultant will develop a Program Environmental Impact Report (PEIR) for Phase II of the City of Laguna Beach Downtown Specific Plan.	\$367,016
MIG, Inc. 24-012-MRFP 09	The consultant will develop a Downtown Overlay Zone with updated zoning designations and objective design standards to encourage sustainable growth in the City of Westmorland.	\$168,000
Harris & Associates 24-012-MRFP 12	The consultant will support the Unlocking Land for Housing in Ventura County project, including regionally approaching the concept of scaling up infill sites for project readiness to increase the availability and readiness of land for affordable housing.	\$451,273
Kosmont Companies 24-012-MRFP 14	The consultant will explore the feasibility of establishing an Enhanced Infrastructure Financing District (EIFD) for the study areas encompassed by the three commercial corridors within the City of Montebello.	\$189,869

SCAG executed the following contracts for more than \$25,000 but less than \$500,000:

Consultant/Contract No.	Description	Amount
H.W. Lochner, Inc. 25-004-C01	The consultant will support the City of Pomona Complete Streets Ordinance and Quick Build project, specifically establishing a citywide complete streets network developed through robust community engagement across a diverse range of institutional and community stakeholders.	\$494,680
ICF Incorporated, LLC 25-012-C01	The consultant will support the Innovative Clean Transit Regional Assessment project, including assessing the ongoing efforts aimed at transitioning to clean transit solutions throughout the region.	\$99,922
Arup US, Inc. 25-036-C01	The consultant shall support the Connect SoCal Exploratory Scenario Planning (XSP) project, specifically helping SCAG staff shape and facilitate exploratory scenario planning activities to engage a diverse and representative group of key SCAG stakeholders.	\$338,927
DocuSign, Inc. 26-004-C01	The annual purchase of DocuSign Electronic Signatures improves the streamlining of SCAG's workflow processes for the Contracts, Human Resources, Budget and Grants, and Legal Departments.	\$64,253
26-007-C01 Liebert Cassidy Whitmore (LCW)	LCW will continue to provide legal consulting services on an as-needed basis to support compliance, personnel policy development, training, risk review, and other employment-related matters.	\$255,000
26-014-C01 Carahsoft Technology Corporation	The purchase of data center services will serve as a backup to SCAG's primary data center, ensuring continuity of operations in the event of system failure, disaster, or other disruptions.	\$346,817



SCAG executed the following contract amendments for less than \$150,000 and 30% of the original contract value:

Consultant/Contract No.	Description	Amount
Benefits Financial Services Group (BFSG) 20-039-C01, Amendment 5	BFSG will continue to provide comprehensive advisory, monitoring, and reporting services for the SCAG's Section 457 (b) Deferred Compensation Plan.	\$32,785
Cambridge Systematics, Inc. 21-009-C01, Amendment 8	The consultant will continue to provide ongoing hosting, application maintenance, and technical support for SCAG's implementation of the TransAM platform.	\$34,464

ATTACHMENT(S):

1. Contract Summary 24-012-MRFP 07 Information Item
2. Contract Summary 24-012-MRFP 09 Informational Item
3. Contract Summary 24-012-MRFP 12 Informational Item
4. Contract Summary 24-012-MRFP 14 Informational Item
5. Contract Summary 25-004-C01 Information Item
6. Contract Summary 25-012-C01 Information Item
7. Contract Summary 25-036-C01 Information Item
8. Contract Summary 26-004-C01 Information Item
9. Contract Summary 26-007-C01 Informational Item
10. Contract Summary 26-014-C01 Informational Item
11. Contract Summary 20-039-C01 Informational Item
12. Contract Summary 21-009-C01 Informational Item

CONSULTANT CONTRACT NO. 24-012-MRFP 07

Recommended Consultant:	CSG Consultants														
Background & Scope of Work:	Consistent with the requirements of the REAP 2.0 planning grant that funds this project, the consultant shall develop a Program Environmental Impact Report (PEIR) for Phase II of the City of Laguna Beach Downtown Specific Plan. The project is anticipated to result in the creation of 200 to 400 additional residential units, improve housing supply, choice, and affordability, and reduce vehicle miles traveled. This project is a Co-Applicant Partnership with The Kennedy Commission.														
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Diversify the City's housing stock in terms of cost, size, and type to meet the needs of present and future households • Address regulatory barriers to promote affordable housing and the development of smaller multifamily units that are more affordable by design • Reduce auto dependency in favor of greater pedestrian accessibility by placing housing near most daily necessities and services. • Encourage human-scale development and engaging architecture that will maintain the special character of the Downtown. 														
Strategic Plan:	<p>This item supports SCAG's Strategic Plan Goal:</p> <ol style="list-style-type: none"> 1. Establish and implement a regional vision for a sustainable future. 														
Contract Amount:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Total not to exceed</td><td style="text-align: right;">\$367,016</td></tr> <tr> <td>CSG Consultants(prime consultant)</td><td style="text-align: right;">\$129,766</td></tr> <tr> <td>Michael Baker Int'l (subconsultant)</td><td style="text-align: right;">\$133,485</td></tr> <tr> <td>CRM Tech (subconsultant)</td><td style="text-align: right;">\$13,660</td></tr> <tr> <td>Linscott Law & Greenspan Engr. (subconsultant)</td><td style="text-align: right;">\$55,447</td></tr> <tr> <td>Fuscoe Engineering (subconsultant)</td><td style="text-align: right;">\$34,659</td></tr> <tr> <td colspan="2">Note: CSG Consultants originally proposed \$374,829, but staff negotiated the price down to \$367,016 without reducing the scope of work.</td></tr> </table>	Total not to exceed	\$367,016	CSG Consultants(prime consultant)	\$129,766	Michael Baker Int'l (subconsultant)	\$133,485	CRM Tech (subconsultant)	\$13,660	Linscott Law & Greenspan Engr. (subconsultant)	\$55,447	Fuscoe Engineering (subconsultant)	\$34,659	Note: CSG Consultants originally proposed \$374,829, but staff negotiated the price down to \$367,016 without reducing the scope of work.	
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Fuscoe Engineering (subconsultant)	\$34,659														
Note: CSG Consultants originally proposed \$374,829, but staff negotiated the price down to \$367,016 without reducing the scope of work.															
Contract Period:	July 15, 2025 through June 30, 2026														
Project Number(s):	<p>305-4927Y1.03</p> <p>Funding source(s): REAP 2.0 Program</p> <p>Funding of \$189,000 is available in the Fiscal Year (FY) 2025-2026 Overall Work Program Budget (OWP) in Project Number 305-4927Y1.03. The City of Laguna Beach has committed \$178,016 towards this project.</p>														
Request for Proposal (RFP):	SCAG staff notified 1,976 firms of the release of MRFP 24-012-MRFP 07 via SCAG's Solicitation Management System website. A total of 77 firms downloaded the MRFP. SCAG received the following two (2) proposals in response to the solicitation:														

	CSG Consultants (five subconsultants) \$367,016 Gruen Associates (three subconsultants) \$319,812
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the MRFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award.</p> <p>The PRC consisted of the following individuals: Anikka Van Eyl, Associate Regional Planner, SCAG Cesar Covarrubias, Executive Director, Kennedy Commission Jennifer Savage, Sr. Management Analyst, City of Laguna Beach</p>
Basis for Selection:	<p>The PRC recommended CSG Consultants for the contract award because they:</p> <ul style="list-style-type: none"> • Demonstrated the best understanding of the project, specifically, the consultant team had a clear understanding of the project intent to prepare an Environmental Impact Review (EIR). The prime, as an environmental planning firm, demonstrated great experience, providing clear examples of managing similar EIR projects for comparable downtown and specific plan efforts. In addition, subconsultants demonstrated they are qualified for their technical fields in noise, air quality, and traffic. The prime and subconsultants had prior experience working together, providing for effective collaboration to ensure the environmental analysis is completed as required. • Proposed a price that is more realistic and suitable to perform the technical approach that fully met the RFP scope, while providing the flexibility to adjust the scope as needed to meet the City's needs. The consultant also demonstrated a clear understanding of the City's history and needs. <p>Although another firm proposed a lower price, the PRC did not recommend this firm for contract award because:</p> <ul style="list-style-type: none"> • Did not propose a technical approach that fully met the RFP scope. Proposal included a broad technical approach that included a description of services, including zoning updates, infill studies, landscape design that are not required as part of the requested EIR work. The firm did not demonstrate a clear understanding that the project intent was an EIR. In addition, the consultant team did not provide examples of their work with 3D modeling, which PRC members looked for to ensure the consultant could perform the required visual stimulation tasks. • Did not demonstrate the familiarity and breadth of experience as did the selected consultant, particularly in that they did not demonstrate specific prior experience managing an EIR project. In addition, the firm did not demonstrate a clear understanding of the approach to the EIR, instead provided an approach to build an EIR off the City's previous Negative Declaration, which the PRC members deemed an undesirable approach.

CONSULTANT CONTRACT NO. 24-012-MRFP 09

Recommended Consultant:	MIG, Inc.
Background & Scope of Work:	<p>This project is funded by the Regional Early Action Planning Grant of 2021 (REAP 2.0) and is consistent with the program's requirements, including the objectives of accelerating infill development that facilitates housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT.</p> <p>The Consultant will develop a Downtown Overlay Zone with updated zoning designations and objective design standards to encourage sustainable growth in the City of Westmorland. The project will also include a review and update to the City's development process for housing developments in areas meeting the REAP 2.0 infill definition, ensuring a more efficient approval process for housing projects.</p> <p>The project outcomes will enhance housing opportunities and affordability in the City of Westmorland by addressing barriers to development, promoting equitable housing policies, and ensuring compliance with State housing laws. The work will be accomplished through broad and equitable community engagement supporting inclusivity and sustainable growth.</p> <p>Overall project objectives include:</p> <ul style="list-style-type: none"> • Complete a zone designation review to determine the best use to encourage inclusivity and sustainable growth, which will result in an approved updated zoning map. • Complete and implement a Downtown Overlay Zone to allow residential land use in currently restricted areas, increase development capacity for housing on underutilized or vacant infill sites, streamline the review process, and comply with the latest state housing laws. • Review and update the City's development process for housing developments to ensure potential barriers that may hinder housing construction in areas meeting the REAP 2.0 definition for infill are removed and a smoother and more efficient approval process for infill housing projects is put in place, reducing bureaucratic hurdles and delays.
Project's Benefits & Key Deliverables:	<p>The final deliverables include:</p> <ul style="list-style-type: none"> • Final project metrics for REAP 2.0 reporting • Adopted Downtown Overlay Zone with residential and mixed-use objective design standards, environmental review and associated zoning code and map update • Approved action to streamline the City's permit process.
Strategic Plan:	This item supports SCAG's Strategic Priority 1: Establish and implement a regional vision for a sustainable future.

Contract Amount:	<p>Total not to exceed \$168,000</p> <p>MIG, Inc. (prime consultant) \$168,000</p> <p>Note: MIG, Inc. originally proposed \$168,000 and staff determined the proposed cost was fair and reasonable for the services being performed</p>
Contract Period:	August 6, 2025 through June 30, 2026
Project Number(s):	<p>305-4927Y1.04</p> <p>Funding source(s): REAP 2.0 Program Budget</p> <p>Funding of \$168,000 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number 305-4927Y1.04.</p>
Request for Proposal (RFP):	<p>SCAG staff notified 41 firms of the release of RFP 24-012-MRFP 09 via SCAG's Solicitation Management System website. A total of 9 firms downloaded the RFP. SCAG received the following two (2) proposals in response to the solicitation:</p> <p>MIG, Inc. (no subconsultant) \$168,000</p> <p>ARUP (1 subconsultant) \$229,721</p>
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award.</p> <p>The PRC consisted of the following individuals:</p> <p>Kaitlin McCafferty, Associate Planner, SCAG Jacob Noonan, Planning Supervisor, SCAG Alessandro Hall, Assistant Regional Planner, SCAG Tami Castro, Office Supervisor/City Treasurer, City of Westmoreland</p>
Basis for Selection:	<p>The PRC recommended MIG, Inc. for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Provided a compelling technical approach that demonstrated a nuanced understanding of the regional and local context, appreciation for the challenges presented by the area's climate and infrastructure, familiarity with relevant housing law and policy, and a realistic strategy for completing all tasks and deliverables on schedule and under budget. • Demonstrated a record of accomplishment in delivering high-quality planning projects. The consultant will deploy a team of skilled, experienced, and qualified professionals with the technical skills to complete the project management, community outreach, design, and planning tasks outlined in the RFP.

	<ul style="list-style-type: none"> • Demonstrated experience working on Housing Element implementation, objective design standards, and downtown planning projects, particularly with small cities and rural communities. • Proposed price was below the project’s estimated budget. <p>Although another firm submitted a comprehensive proposal, the PRC did not recommend this firm for contract award because they:</p> <ul style="list-style-type: none"> • Proposed a higher price than SCAG’s award amount, primarily due to the inclusion of an outreach subconsultant to oversee a more robust community engagement process. The PRC did not believe that an expanded community engagement process was necessary to achieve the project’s core goals and objectives, nor did it represent the best overall value for the work proposed. • Did not demonstrate experience working with small cities or on projects of a similar scale that involved the development of objective design standards, zoning code updates, and process improvements. • Proposed an ambitious project schedule with tight timelines. The PRC expressed concern that if final deliverables were not completed in time for the City’s March council meetings, the project could fail to meet the required expenditure deadline due to potential conflicts with the City’s budget hearings.
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CONSULTANT CONTRACT NO. 24-012-MRFP 12

Recommended Consultant:	Harris & Associates
Background & Scope of Work:	<p>The County of Ventura, in collaboration with multiple cities and special districts, is regionally approaching the concept of scaling up infill sites for project readiness to increase the availability and readiness of land for affordable housing in areas meeting the state REAP 2.0 definition for infill. The County intends to work with the Ventura County Housing Land Trust to leverage REAP 2.0 resources that were awarded to these entities as applicable. The Cities of Oxnard, Thousand Oaks and Santa Paula (combined population of 358,392 or 48% of the County's incorporated population) have committed to participating in this effort. In addition, multiple school districts are assessing their properties for the development of workforce housing.</p> <p>Multiple infill sites have been identified by cities and special districts, each with unique considerations and needs, to determine the appropriateness of development. Some of these considerations include, but are not limited to, environmental impacts, legal evaluations, acquisition, and infrastructure needs, all of which would expedite the production of critically needed housing. Partner agencies will play a collaborative role in articulating their needs and communicating with the consultants and reviewing deliverables. Their involvement will help address the unique considerations of each site, ensuring that the development process is expedited and that the sites are appropriately prepared for affordable housing projects.</p> <p>The outcome of this project shall serve as a resource for implementing agencies and developers to better identify needs and gaps, thereby supporting residential development and the provision of related infrastructure and services in these areas. The final product will be a written deliverable that highlights the development potential of the identified parcels, prioritizes those sites based on the highest development opportunity, and identifies actions that could be taken to assist in sparking interest in the development of housing in these sites and reduce initial due diligence costs for developers. This report shall also present potential opportunities for leadership and partnership strategies with other agencies or private entities that could play a pivotal role in building out these areas. In addition, the Consultant will identify rough order magnitude costs, feasibility considerations, and timelines.</p>
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Assessment of up to 10 sites for readiness to develop affordable housing on publicly owned spaces and identify the four (4) most suitable sites for affordable housing development based on market criteria.• Identification of strategies, actions, and costs that could remove barriers and constraints to increase housing production (i.e., make these areas development-ready) as soon as feasibly possible.• Report identifying the most suitable sites for potential affordable housing development that includes a due diligence checklist tailored to each site with short, mid, and long-term considerations for implementing deliverables from

	the technical work package, including rezoning and development recommendations for each priority site.
Strategic Plan:	<p>This item supports SCAG's Strategic Priorities:</p> <ol style="list-style-type: none"> 1. Establish and implement a regional vision for a sustainable future 2. Be a cohesive and influential voice for the region 3. Spur innovation and action through leadership in research, analysis and information sharing
Contract Amount:	<p>Total not to exceed \$451,273</p> <p>Harris & Associates (prime consultant) \$451,273</p> <p>Note: Harris & Associates originally proposed \$451,273 and staff determined the proposed cost was fair and reasonable for the services being performed.</p>
Contract Period:	Notice to Proceed through June 30, 2026
Project Number(s):	<p>305-4925Y1.01 \$451,273</p> <p>Funding source: REAP 2.0 Program</p> <p>Funding of \$451,273 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number 305-4925Y1.01.</p>
Request for Proposal (RFP):	<p>SCAG staff notified 48 firms of the release of RFP 24-012-MRFP 12 via SCAG's Solicitation Management System website. A total of 14 firms downloaded the RFP. SCAG received the following two (2) proposals in response to the solicitation:</p> <p>Harris & Associates (one subconsultant) \$451,273</p> <p>LeSar Development Consultants (3 subconsultant) \$755,387</p>
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award.</p> <p>The PRC consisted of the following individuals:</p> <p>Zacharias Gardea, Associate Regional Planner, SCAG Alessandro Hall, Assistant Regional Planner, SCAG Jacob Noonan, Planning Supervisor, SCAG Chelsee Russell, Management Analyst, Ventura County Tracey McAulay, Housing Solutions Director, Ventura County</p>
Basis for Selection:	<p>The PRC recommended Harris & Associates for the contract award because they:</p> <ul style="list-style-type: none"> • Demonstrated the best understanding of the project, specifically the expertise in housing, land use planning, and school districts; • Provided the best technical approach, for example, clearly outlining

	<p>deliverables that can be acted upon within the project timeline;</p> <ul style="list-style-type: none"> • Provided the best overall value for the level of effort proposed; • Proposed the lowest price. <ul style="list-style-type: none"> • Although another firm submitted a comprehensive proposal, the PRC did not recommend this firm for contract award because they:Proposed a higher price than SCAG's award amount; • Did not demonstrate the same understanding within their proposed technical approach as the selected consultant, particularly, did not clearly define roles and responsibilities of subcontractors in the technical studies and outreach sections; • Did not propose a technical approach that fully met the RFP scope and did not demonstrate the local familiarity and breadth of experience as did the selected consultant; and • Provided a project schedule that reflects public hearings occurring in the last month of the expenditure period, which does not build in flexibility in the event of project delays.
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CONSULTANT CONTRACT NO. 24-012-MRFP 14

Recommended Consultant:	Kosmont Companies
Background & Scope of Work:	<p>This project is funded by the Regional Early Action Planning Grant Program of 2021 (REAP 2.0) and is consistent with the program's requirements, including the objectives of accelerating infill development that facilitates housing supply, choice, and affordability, affirmatively furthering fair housing, and reducing VMT. This project is developed under SCAG's Notice of Funds Available (NOFA) for Lasting Affordability Program.</p> <p>The consultant will explore the feasibility of establishing an Enhanced Infrastructure Financing District (EIFD) for the study areas encompassed by the three commercial corridors within the City of Montebello. The redevelopment of the project area will serve as a significant economic and community development opportunity for the city and county. Through this feasibility analysis, the city and its partners will understand the potential scope of the EIFD, including boundaries, the identification of critical infrastructure and open space priorities, and estimation of affordable housing production. The EIFD feasibility study, which may explore other types of tax increment financing as well, will assist the application partners to collaborate with local community stakeholders through an extensive community engagement program, as well as identify possible leveraging opportunities for other sources of federal, state, and local funding, including the City's Housing Successor Agency Fund. A key strategy within the transformative corridors will be to identify key catalytic development opportunities that incentivize the creation of affordable housing, accessible retail/commercial space, and mobility options for residents and visitors. Preliminarily, the city has identified multiple development opportunities along the three commercial corridors to be included in the Montebello Transformative Corridors Project, which will study the feasibility of establishing an Enhanced Infrastructure Financing District (EIFD) for the area.</p> <p>The Montebello Transformative Corridors Project seeks to create healthy, resilient, and economically prosperous communities that elevate quality of life, enhance the local economy, and build accessibility to affordable housing and the regional transit network. Anchored by Montebello's major commercial corridors of historic Whittier Blvd., Beverly Blvd., and Washington Blvd., the Project will facilitate several community and economic development strategies associated with affordable housing development, open space enhancements, mobility hubs, workforce development opportunities, and building an entrepreneur ecosystem to support and enhance our local small business community.</p> <p>Overall project objectives are:</p> <ul style="list-style-type: none">• Establish feasibility of creating an Enhanced Infrastructure Financing District (EIFD).• Provide framework assistance to the City of the establishment of an EIFD project.
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Final project metrics for REAP 2.0 reporting;

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Attachment: Contract Summary 24-012-MRFP 14 Informational Item (Purchase Orders, Contracts, and Contract Amendments below the

	<ul style="list-style-type: none"> Adopted District Formation Resolution and establishment of the Public Financing Authority (PFA)
Strategic Plan:	<p>This item supports SCAG's Strategic Priority Number(s):</p> <ol style="list-style-type: none"> 1. Establish and implement a regional vision for a sustainable future; 2. Be a cohesive and influential voice for the region; 3. Spur innovation and action through leadership in research, analysis and information sharing; and 5. Secure and optimize diverse funding sources to support regional priorities.
Contract Amount:	<p>Total not to exceed \$189,869</p> <p>Kosmont Companies (prime consultant) \$189,869</p>
Contract Period:	Notice to Proceed through June 30, 2028
Project Number(s):	<p>305-4925Y1.01 \$189,869</p> <p>Funding source(s): REAP 2.0</p> <p>Funding of \$189,869 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number(s) 305-4925Y1.01</p>
Request for Proposal (RFP):	<p>SCAG staff notified 27 firms of the release of RFP 24-012-MRFP 14 via SCAG's Solicitation Management System website. A total of five (5) firms downloaded the RFP. SCAG received the following one (1) proposal in response to the solicitation:</p> <p>Kosmont Companies (no subconsultants) \$189,869</p> <p>After receiving only one proposal, staff surveyed 27 firms that downloaded the RFP to determine why each did not submit a proposal. No firms responded to the staff's inquiry. Note that staff advertised the RFP for three (3) weeks. Staff subsequently moved forward with reviewing the one (1) offer. Staff believes that resoliciting for a second time was not likely to yield a different result and needed to maintain the project's schedule and therefore proceed to evaluate the one (1) offer.</p>
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposal received, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award.</p> <p>The PRC consisted of the following individuals:</p> <p>Jacob Noonan, Planning Supervisor, SCAG Anne Op 't Eijndt, Assistant Planner, SCAG Jose Gardea, Housing Manager, City of Montebello Joseph Palombi, Director of Planning & Community Development Department, City of Montebello</p>

<p>Basis for Selection:</p>	<p>The PRC recommended Kosmont Companies for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Demonstrated a solid understanding of the project, specifically in executing the scope of work and delivering final deliverables meeting the goals for the project; • Provided a strong technical approach. The approach proposed addresses all actions necessary to complete the assessments, documents, and actions needed to establish the district; and • Recognized by the cities of Carson, Fresno, and Lakewood for their high level of expertise and ability to bring complex EIFD projects through to a successful completion. <p>Although no other firms proposed on the project, the PRC determined it would be in SCAG's best interest to move forward with the project due to the following:</p> <p>No other firms submitted a response to the MRFP. The establishment of EIFDs is highly specialized, and Kosmont Companies has over 40 years of experience in the development and implementation of EIFDs across the State of California. This is evidenced in the prior examples of work Kosmont Companies submitted in its response, and is evident in the three references received.</p> <p>If SCAG weren't to move forward with this proposal, the project would need to be rebid, potentially needing to go outside the established bench and at the risk of a firm with less experience. Likely, the project will not be completed within the REAP 2.0 expenditure period. This puts the awarded funds at risk and negatively impacts the City of Montebello.</p>
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CONSULTANT CONTRACT NO. 25-004-C01

Recommended Consultant:	H.W. Lochner, Inc.								
Background & Scope of Work:	<p>Consistent with the California Active Transportation Program (ATP) Cycle 5 Grant that funds this Project, the Consultant shall support the City of Pomona Complete Streets Ordinance and Quick Build project, specifically establishing a citywide complete streets network developed through robust community engagement across a diverse range of institutional and community stakeholders. The planning and policy efforts will culminate in a quick build project.</p> <p>This project supports the goals and Regional Planning Policies outlined in the adopted Connect SoCal 2024, SCAG's latest Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS).</p>								
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Establishing a legal basis to connect future development to private property to impact active transportation infrastructure in the public rights-of-way; • Adopting regulations and developing standards for multi-modal active transportation implementation, including the development of future financing mechanisms; and • Test new regulations by planning and deploying implementation projects to refine regulations and plans as needed to achieve active transportation goals; 								
Strategic Plan:	This item supports SCAG's Strategic Plan Goal 1: Establish and implement a regional vision for a sustainable future.								
Contract Amount:	<table style="width: 100%; border-collapse: collapse;"> <tr> <td style="width: 60%;">Total not to exceed</td><td style="text-align: right;">\$494,680</td></tr> <tr> <td>H.W. Lochner, Inc. (prime consultant)</td><td style="text-align: right;">\$352,428</td></tr> <tr> <td>Code Studio (subconsultant)</td><td style="text-align: right;">\$109,658</td></tr> <tr> <td>Terry A. Hayes Associate, Inc.(subconsultant)</td><td style="text-align: right;">\$32,594</td></tr> </table> <p>Note: H.W. Lochner originally proposed \$530,688, but revisions to the scope of work resulted in a negotiated price of \$494,680.</p>	Total not to exceed	\$494,680	H.W. Lochner, Inc. (prime consultant)	\$352,428	Code Studio (subconsultant)	\$109,658	Terry A. Hayes Associate, Inc.(subconsultant)	\$32,594
Total not to exceed	\$494,680								
H.W. Lochner, Inc. (prime consultant)	\$352,428								
Code Studio (subconsultant)	\$109,658								
Terry A. Hayes Associate, Inc.(subconsultant)	\$32,594								
Contract Period:	August 7, 2025 through December 12, 2026								
Project Number(s):	<p>275-4892X7.02 \$31,686 275-4892X8.02 \$83,676 275-4892XA.02 \$259,638</p> <p>Funding source: Active Transportation Planning (ATP) Grant Cycle 5</p> <p>Funding of \$375,000 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Numbers 275-4892X7.02, 275-4892X8.02, 275-4892XA.02, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.</p>								

Request for Proposal (RFP):	<p>SCAG staff notified 3,233 firms of the release of RFP 25-004-C01 via SCAG's Solicitation Management System website. A total of 56 firms downloaded the RFP. SCAG received the following one (1) proposal in response to the solicitation:</p> <p>H.W. Lochner, Inc. (2 subconsultants) \$530,688</p> <p>This solicitation was conducted as an Architectural and Engineering (A&E) services procurement, and therefore, as required by law, each offeror was evaluated based on qualifications and not on cost.</p> <p>After receiving only one proposal, the staff surveyed 56 firms that downloaded the RFP to determine why each did not submit a proposal. Two (2) firms responded to the staff's inquiry, which disclosed that the main reason they did not respond was: 1) the firm was not in a position to submit a proposal; and 2) a subconsultant was unable to connect with a prime firm.</p> <p>Staff advertised the RFP for four (4) weeks, consistent with SCAG's Procurement Manual (Section 6.6.3.D) and the Local Assistance Procedures Manual (LAPM Chapter 10) which requires a minimum of 14 days. The RFP was subsequently advertised for an additional four (4) weeks through RFP Addenda 1 and 2.</p> <p>Staff requested and received Caltrans authorization to proceed by evaluating the single offer received. Staff believe that resoliciting for a second time was not likely to yield a different result and therefore proceeded to evaluate the one (1) offer.</p>
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated the proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposal, the PRC interviewed the one (1) offeror.</p> <p>The PRC consisted of the following individuals: Camille Guiriba, Senior Regional Planner, SCAG Vинny Tam, Senior Planner, City of Pomona Ata Khan, Deputy Director of Planning, City of Pomona</p>
Basis for Selection:	<p>The PRC recommended H.W. Lochner, Inc., for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Demonstrated a clear understanding of the project, specifically strong expertise and experience with quick build projects, exhibiting an awareness of potential challenges of the timeline, and making sure to know all the intricacies of the City's procurement process to prevent any additional delays; • Provided a strong technical approach. They went into detail in their proposal and interview on their approach, ensuring they reached underserved populations and developed an equity analysis relying on tools such as CalEnviro Screen to map underserved areas. In addition, subconsultant Code Studio demonstrated experience in understanding the technical approach of utilizing a modular approach to zoning, which will be critical to

	<p>the Complete Streets Ordinance component of the project;</p> <ul style="list-style-type: none"> • Has directly relevant and recent Los Angeles-area experience on similar scopes, and subconsultant Code Studio has worked with the City of Pomona on a related zoning effort.
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CONSULTANT CONTRACT NO. 25-012-C01

Recommended Consultant:	ICF Incorporated, LLC	
Background & Scope of Work:	<p>Consistent with the requirements of the Carbon Reduction Program (CRP) Grant that funds this Innovative Clean Transit Regional Assessment project, the Consultant shall assess the ongoing efforts aimed at transitioning to clean transit solutions throughout the region, including evaluations of existing fleets and supporting infrastructure.</p> <p>They will identify any existing gaps within Zero-Emission Bus Rollout Plans and explore avenues for improvement and enhancement, explore opportunities for enhanced coordination across agencies to streamline efforts and maximize effectiveness, and identify potential roles for SCAG to play in facilitating the transition to clean transit, including exploring opportunities for assistance through funding sources administered by SCAG.</p>	
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Assessing the ongoing efforts aimed at transitioning to clean transit solutions throughout the region, including evaluations of existing fleets and supporting infrastructure; • Identifying any existing gaps within Zero-Emission Bus Rollout Plans and exploring avenues for improvement and enhancement; • Exploring opportunities for enhanced coordination across transit agencies to streamline efforts and maximize effectiveness; and • Identifying potential roles for SCAG to play in facilitating the transition to clean transit, including exploring opportunities for assistance through funding sources administered by SCAG. 	
Strategic Plan:	<p>This item supports SCAG's Strategic Plan Priorities:</p> <ol style="list-style-type: none"> 1. Establish and implement a regional vision for a sustainable future; and 3. Spur innovation and action through leadership in research, analysis information sharing. 	
Contract Amount:	<p>Total not to exceed</p> <p>ICF Incorporated, LLC (prime consultant)</p> <p>Niti Systems Consultant, Inc. (subconsultant)</p>	<p>\$99,922</p> <p>\$78,897</p> <p>\$21,025</p>
Contract Period:	June 18, 2025 through September 30, 2026	
Project Number(s):	<p>100-4911HA.06 \$88,461.12</p> <p>100-4911E.06 \$11,461.08</p> <p>Funding source(s): Carbon Reduction Program (CPR) and Transportation Development Act (TDA).</p> <p>Funding of \$99,922 is available in Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number(s) 100-4911HA.06 and 100-4911E.06, and any unused funds</p>	

Attachment: Contract Summary 25-012-C01 Information Item (Purchase Orders, Contracts, and Contract Amendments below the Regional

	are expected to be carried forward into the future fiscal year budget, subject to budget availability.				
Request for Proposal (RFP):	<p>SCAG staff notified 3,180 firms of the release of RFP 25-012-C01 via SCAG's Solicitation Management System website. A total of 51 firms downloaded the RFP. SCAG received the following two (2) proposals in response to the solicitation:</p> <table> <tr> <td>ICF Incorporated, LLC (1 subconsultant)</td><td>\$99,922</td></tr> <tr> <td>Estolano Advisors (1 subconsultant)</td><td>\$117,156</td></tr> </table>	ICF Incorporated, LLC (1 subconsultant)	\$99,922	Estolano Advisors (1 subconsultant)	\$117,156
ICF Incorporated, LLC (1 subconsultant)	\$99,922				
Estolano Advisors (1 subconsultant)	\$117,156				
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC did not conduct interviews because the proposals contained sufficient information on which to base a contract award.</p> <p>The PRC consisted of the following individuals:</p> <p>Courtney Aguirre, Planning Supervisor, SCAG Marisa Laderach, Principal Regional Planner, SCAG Xiaoling Fang, Assistant Regional Planner, SCAG</p>				
Basis for Selection:	<p>The PRC recommended ICF Incorporated, LLC (ICF) for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Demonstrated the best understanding of the project, specifically, their proposal presents well-structured frameworks and detailed plans for conducting Tasks 3 and Task 4, demonstrating strong knowledge and experience in the clean technology vehicle field. They will effectively identify potential case studies nationwide, relevant data sources, and critical documents. Additionally, their proposal outlines key milestones and research plans, ensuring a clear path toward comprehensive deliverables; • Detailed how they will evaluate the effectiveness of current policies, identify regulatory overlaps, and assess the alignment of policies with regional, state, and national environmental goals; • Detailed experience with projects of similar size and scope for a regional transit study such as this, including other transit agencies and jurisdictions and go beyond with involvement in shaping state policy; • Detailed the team's strong backgrounds in clean technology and vehicle regulation analysis and their technical expertise in this field as it relates to the study's focus; • Detailed their experience supporting numerous state and local agencies as they developed Clean Tech Compendium and Zero Emission Bus (ZEB) Rollout Plans. Consultant has supported agencies such as SCAG, Bay Area Air Quality Management District (AQMD), and Los Angeles County in prioritizing EV infrastructure investments. Consultant has designed comprehensive infrastructure plans for public and private sectors; and • Proposed the lowest price. 				

CONSULTANT CONTRACT NO. 25-036-C01

Recommended Consultant:	Arup US, Inc.
Background & Scope of Work:	The consultant shall support the Connect SoCal Exploratory Scenario Planning (XSP) project, specifically helping SCAG staff shape and facilitate exploratory scenario planning activities to engage a diverse and representative group of key SCAG stakeholders in identifying major trends and potential, plausible uncertain futures facing the region. These activities will inform key components of the next iteration of the Regional Transportation Plan and Sustainable Communities Strategy (RTP/SCS) and help SCAG create a framework to think more broadly about how to plan in the face of an uncertain future.
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Identification of major trends facing the region to provide background and context for development of unique futures; • Four unique, illustrative, and plausible futures to inform discussions around impending uncertainties; • A list of key policy or strategy priorities that will help inform the next iteration of the RTP/SCS; and • Identification of research needed to further understand policies and strategies that would help SCAG plan for various future uncertainties.
Strategic Plan:	<p>This item supports SCAG's Strategic Priorities:</p> <ol style="list-style-type: none"> 1. Establish and implement a regional vision for a sustainable future 2. Be a cohesive and influential voice for the region 3. Spur innovation and action through leadership in research, analysis and information sharing 4. Build a unified culture in the pursuit of organizational excellence 5. Secure and optimize diverse funding sources to support regional priorities
Contract Amount:	<p>Total not to exceed \$338,927</p> <p>Arup US, Inc. (prime consultant) \$273,841 Raimi + Associates (subconsultant) \$65,086</p> <p>Note: Arup US, Inc. originally proposed \$339,083 but staff negotiated the price down to \$338,927 without reducing the scope of work.</p>
Contract Period:	August 4, 2025 through February 28, 2027
Project Number(s):	<p>290-4949UD.01 \$177,060 290-4949E.01 \$22,940</p> <p>Funding source(s): FY25 SB 1 Formula, Transportation Development Act (TDA). The remaining funding of \$138,927 is subject to budget availability in FY 2027.</p>
Request for Proposal (RFP):	SCAG staff notified 3,616 firms of the release of RFP 25-036-C01 via SCAG's Solicitation Management System website. A total of 90 firms downloaded the

	<p>RFP. SCAG received the following seven (7) proposals in response to the solicitation:</p> <table> <tr> <td>Arup US, Inc. (1 subconsultant)</td><td>\$339,083</td></tr> <tr> <td>Woodsong Associates (3 subconsultants)</td><td>\$329,866</td></tr> <tr> <td>Citify Advisors (1 subconsultant)</td><td>\$342,863</td></tr> <tr> <td>Dalberg Consulting US LLC (1 subconsultant)</td><td>\$346,850</td></tr> <tr> <td>Houseal Lavigne (2 subconsultants)</td><td>\$348,135</td></tr> <tr> <td>Parity Solutions (1 subconsultant)</td><td>\$348,794</td></tr> <tr> <td>ICF Consulting LCC (2 subconsultants)</td><td>\$349,957</td></tr> </table>	Arup US, Inc. (1 subconsultant)	\$339,083	Woodsong Associates (3 subconsultants)	\$329,866	Citify Advisors (1 subconsultant)	\$342,863	Dalberg Consulting US LLC (1 subconsultant)	\$346,850	Houseal Lavigne (2 subconsultants)	\$348,135	Parity Solutions (1 subconsultant)	\$348,794	ICF Consulting LCC (2 subconsultants)	\$349,957
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Houseal Lavigne (2 subconsultants)	\$348,135														
Parity Solutions (1 subconsultant)	\$348,794														
ICF Consulting LCC (2 subconsultants)	\$349,957														
Selection Process:	<p>The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the four (4) highest ranked offerors.</p> <p>The PRC consisted of the following individuals:</p> <p>Leslie Cayton, Associate Regional Planner, SCAG Sarah Dominguez, Department Manager, Planning Strategy, SCAG Camille Guiriba, Senior Regional Planner, SCAG JungA Uhm, Principal Modeler, SCAG</p>														
Basis for Selection:	<p>The PRC recommended Arup US, Inc. for the contract award because the consultant:</p> <ul style="list-style-type: none"> • Demonstrated a strong understanding of the project purpose, specifically their knowledge of and experience with exploratory scenario planning (XSP). XSP is a newer approach to scenario planning and may require a specific set of creative and innovative skills for stakeholder engagement, scenario development, and scenario analysis, all of which the selected consultant demonstrated as evidenced by their proposed technical approach, including a flexible approach that combines quantitative and qualitative methods for scenario analysis and the thoughtful integration of stakeholder engagement throughout the project timeline. • Clearly demonstrated firsthand experience with engaging stakeholders on discussions around future uncertainties and thoughtfully identified and assembled a team that included subject-matter specialists. • Proposed the second-lowest price out of the firms that made it to the interview phase of the selection process. <p>Although one other firm proposed a lower price, the PRC did not recommend this firm for contract award because this firm:</p> <ul style="list-style-type: none"> • Did not demonstrate a sufficient level of understanding of the XSP project scope or its value to SCAG, specifically they proposed a scenario analysis methodology that focused more on stress-testing divergent policy pathways rather than an exploratory approach and did not demonstrate experience around discussion and consideration of external unknown factors. 														

CONSULTANT CONTRACT 26-004-C01

Recommended Consultant:	DocuSign, Inc.
Background & Scope of Work:	<p>Under this agreement, DocuSign, Inc. is the seller of DocuSign Electronic Signatures purchased to improve the streamlining of SCAG's workflow processes, including Contracts, Human Resources, Budget and Grants, and Legal Departments. This is a one-year agreement through June 30, 2026.</p> <p>This Business-Pro Edition of DocuSign is for seventy-five (75) licenses, which provides each license holder (Users) features, such as, Advanced Workflows (the use of sending multiple documents, certified delivery and acknowledgments), Access Management with Single Sign-on (the use of SCAG's existing user names and passwords to easily sign into DocuSign, and the ability to view and manage users who sign up for accounts) and Premiere Support (24 hour support Monday through Friday plus personal support for technical solutions).</p>
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Increased staff productivity through the acquisition of Electronic Signatures;• The ability to streamline work processes while using existing SCAG documentation; and• Enables SCAG to be on the cutting edge of document management.
Strategic Plan:	<p>This item supports SCAG's Strategic Plan Priorities:</p> <p>3. Spur innovation and action through leadership in research, analysis and information sharing.</p>
Contract Amount:	Total not to exceed \$64,253 DocuSign (prime consultant)
Contract Period:	July 1, 2025 to June 30, 2026
Project Number(s):	810-0120.07 \$64,253 Funding for this contract is budgeted in Fiscal Year (FY) 2025-26 Indirect Cost Budget in Project Number 810-0120.07.
Basis for Selection:	<p>To foster greater economy and efficiency, SCAG's Procurement Manual authorizes the procurement of goods and services by using a Master Service Agreement (MSA). The goods and services procured under an MSA were previously competitively procured by another governmental entity. SCAG utilized an MSA with the National Association of State Procurement Officials (NASPO) ValuePoint Contract #AR2472 that was competitively procured. This MSA is specifically designed for use by local agencies to leverage combined purchasing power for discounted pricing for Electronic Signatures.</p>

CONSULTANT CONTRACT NO. 26-007-C01

Recommended Consultant:	Liebert Cassidy Whitmore (LCW)				
Background & Scope of Work:	<p>Liebert Cassidy Whitmore (LCW) is a California-based law firm specializing in labor, employment, and education law, serving public sector agencies and nonprofit organizations. Known for its expertise in collective bargaining, personnel matters, and compliance training, LCW provides legal representation, policy development, and strategic counsel to cities, counties, school districts, and special districts across the state.</p> <p>SCAG will engage the services of LCW to provide legal consulting services on an as-needed basis to support compliance, personnel policy development, training, risk review, and other employment-related matters.</p>				
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Advice and consultation on employee discipline and performance management, • Risk assessment related to employment decisions or complaints, • Review of employment agreements, settlement documents, or separation terms, • Legal research and memos on emerging labor law issues impacting SCAG and, • Ongoing litigation support. 				
Strategic Plan:	This item supports SCAG's Strategic Plan Goal #4 which is to build a unified culture anchored in the pursuit of organizational excellence.				
Contract Amount:	<table border="0" style="width: 100%;"> <tr> <td>Total not to exceed</td><td style="text-align: right;">\$255,000</td></tr> <tr> <td>Liebert Cassidy Whitmore (LCW) (prime consultant)</td><td style="text-align: right;">\$255,000</td></tr> </table>	Total not to exceed	\$255,000	Liebert Cassidy Whitmore (LCW) (prime consultant)	\$255,000
Total not to exceed	\$255,000				
Liebert Cassidy Whitmore (LCW) (prime consultant)	\$255,000				
Contract Period:	June 30, 2025 through June 30, 2030				
Project Number(s):	<p>810-0120.04 \$255,000</p> <p>Funding of \$40,000 is available in the Fiscal Year (FY) 2025-26 Indirect Cost Program Budget in Project Number 810-0120.04, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.</p>				
Request for Proposal (RFP):	This contract was awarded under a non-competitive procurement (sole source) process in compliance with the SCAG Procurement Manual.				
Selection Process:	N/A				
Basis for Selection:	LCW has provided legal services to SCAG pertaining to public sector employment relations matters, including representation in negotiations and in administrative and court proceedings at the request of SCAG or as required by law, since 2010. SCAG has a continued need for specialized legal representation in the areas of employment law and employment relations matters. Based upon LCW's unique and				

Attachment: Contract Summary 26-007-C01 Informational Item (Purchase Orders, Contracts, and Contract Amendments below the Regional

	specialized experience with SCAG's employment relations, and as authorized by Public Contract Code Section 10335.5, which permits authorization for noncompetitive proposals for legal services. Entering into an agreement with LCW would ensure there is no disruption in ongoing litigation support that LCW currently provides that could have a detrimental impact to SCAG. Additionally, it would prepare the agency for future employment legal issues that may arise requiring expert legal services.
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CONSULTANT CONTRACT NO. 26-014-C01

Recommended Consultant:	Carahsoft Technology Corporation
Background & Scope of Work:	Carahsoft serves as the reseller of data center services through QTS. The QTS data center will serve as a backup to SCAG's primary data center, ensuring continuity of operations in the event of system failure, disaster, or other disruptions. QTS will provide SCAG with cabinet space in their facility to host our necessary equipment, along with general services such as power, and network connectivity.
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Enhances SCAG's disaster recovery capabilities by providing a geographically separate backup data center, • Ensures business continuity and minimizes downtime in case of primary data center outages, • Strengthens data security and resilience through redundant infrastructure; and • Supports SCAG's strategic IT goals by improving system reliability and operational security.
Strategic Plan:	This item supports SCAG's Strategic Priority 3: Spur innovation and action through leadership in research, analysis and information sharing.
Contract Amount:	<p>Total not to exceed \$346,817</p> <p>Carahsoft Technology Corporation (prime consultant) \$346,817</p> <p>Note: Carahsoft Technology Corporation originally proposed \$346,817 and staff determined the proposed cost was fair and reasonable for the services being performed.</p>
Contract Period:	June 30, 2025 through June 30, 2028
Project Number(s):	<p>811-1163.08 \$346,817</p> <p>Funding of \$104,837 is available in the Fiscal Year (FY) 2025-26 Indirect Cost Program Budget in Project Number 811-1163.08.</p>
Request for Proposal:	N/A
Selection Process:	N/A
Basis for Selection:	To foster greater economy and efficiency, SCAG's Procurement Manual authorizes the procurement of goods and services by using a Master Service Agreement (MSA). The goods and services procured under an MSA were previously competitively procured by another governmental entity. SCAG utilized an MSA with the National Association of State Procurement Officials (NASPO) MSA AR2472 that was competitively procured.

CONSULTANT CONTRACT NO. 20-039-C01 AMENDMENT NO. 5

Consultant:	Benefits Financial Services Group (BFSG)		
Background & Scope of Work:	<p>On July 14, 2020, SCAG awarded Contract 20-039-C01 to BFSG to provide comprehensive advisory, monitoring, and reporting services for the Southern California Association of Governments (SCAG) Section 457 (b) Deferred Compensation Plan (Plan).</p> <p>This amendment increases the contract value from \$163,925 to \$196,710 and extends the contract term from 7/01/25 to 06/30/26.</p> <p>This increase is due to continued essential advisory, monitoring, and reporting services provided by BFSG to ensure ongoing prudent management and regulatory compliance of the 457 (b) Deferred Compensation Plan.</p>		
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Designing a diversified assortment of Plan investment options to help employees achieve retirement security; • Conducting periodic fiduciary education sessions; • Periodic reporting and Plan review with the Plan Committee; • Providing guidance on fidelity bond and fiduciary insurance policy coverage; and • Communicating relevant legislative industry changes and providing recommendations to the Plan Committee. 		
Strategic Plan:	This item supports SCAG's Strategic Plan Priority 4: Build a unified culture anchored in the pursuit of organizational excellence.		
Amendment Amount:	Amendment 5		\$32,785
	Amendment 1-4 (Administrative - no change to contract's value)		\$0
	Original contract value		<u>\$163,925</u>
	Total contract value is not to exceed		\$196,710
Contract Period:	July 1, 2025 through June 30, 2026		
Project Number:	<p>900.0290.01 \$32,785.00</p> <p>Funding sources: Fringe Benefits</p> <p>Funding of \$32,785 is available in the Fiscal Year (FY) 2025-26 Fringe Benefits Budget in Project Number 900-0290.01.</p>		
Basis for the Amendment:	The amendment is necessary to increase funding to continue BFSG's critical investment advisory services for SCAG's Section 457 (b) Deferred Compensation Plan. These services ensure ongoing fiduciary compliance, effective plan governance, rigorous investment monitoring, and transparent reporting. The continuation of these services supports the Committee's ability to meet regulatory requirements and uphold best practices in plan administration.		

Attachment: Contract Summary 20-039-C01 Informational Item (Purchase Orders, Contracts, and Contract Amendments below the Regional

	<p>Additionally, BFSG’s expertise in fee benchmarking, vendor negotiations, and legislative updates provides essential value that helps protect the Plan’s participants and SCAG from potential fiduciary risks. Failure to approve the amendment could disrupt these vital services, jeopardizing regulatory compliance and the prudent management of Plan assets.</p>
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CONSULTANT CONTRACT NO. 21-009-C01 AMENDMENT NO. 8

Consultant:	Cambridge Systematics, Inc.								
Background & Scope of Work:	<p>On June 30th, 2025, SCAG awarded Contract 21-009-C01 to Cambridge Systematics to provide ongoing hosting, application maintenance, and technical support for SCAG's implementation of the TransAM platform. This platform supports SCAG's federally mandated responsibilities for Transit Asset Management (TAM) and State of Good Repair, including the establishment of regional TAM performance measures and targets, reporting on system performance in the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS), and linking investment priorities in the Federal Transportation Improvement Program (FTIP) to these performance targets.</p> <p>This amendment also increases the contract value from \$389,650 to \$424,114 and extends the contract term from 6/30/25 to 12/31/25.</p> <p>This increase is due to continued system hosting and technical support to maintain the operational integrity of SCAG's TransAM platform.</p>								
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none"> • Amazon Web Services (AWS) hosting application and database servers for development, testing, and production deployment of TransAM; • Defined Service Level Agreements for self-help resources specific to TransAM and in-depth technical support resources to troubleshoot and address complex infrastructure, data, and/or application issues; • Defined escalation matrix for incidents with clear service level response times. • Disaster recovery plan for TransAM guarantees recovery of system/services within one day of a business interrupting event/issue; and Hosting, maintenance, support, and training. 								
Strategic Plan:	This item supports SCAG's Strategic Plan, Goal 1: Establish and implement a regional vision for a sustainable future.								
Amendment Amount:	<table> <tr> <td>Amendment 8</td><td style="text-align: right;">\$34,464</td></tr> <tr> <td>Amendment 1-7 (Administrative - no change to contract's value)</td><td style="text-align: right;">\$0</td></tr> <tr> <td>Original contract value</td><td style="text-align: right;"><u>\$389,650</u></td></tr> <tr> <td>Total contract value is not to exceed</td><td style="text-align: right;">\$424,114</td></tr> </table>	Amendment 8	\$34,464	Amendment 1-7 (Administrative - no change to contract's value)	\$0	Original contract value	<u>\$389,650</u>	Total contract value is not to exceed	\$424,114
Amendment 8	\$34,464								
Amendment 1-7 (Administrative - no change to contract's value)	\$0								
Original contract value	<u>\$389,650</u>								
Total contract value is not to exceed	\$424,114								
Contract Period:	June 30, 2025 through December 31, 2025								
Project Number:	<p>140.0121.08 \$34,464</p> <p>Funding sources: Transportation Development Act (TDA)</p> <p>Funding of \$34,464 is available in the Fiscal Year (FY) 2025-26 Overall Work Program (OWP) Budget in Project Number 140-0121.08.</p>								

Attachment: Contract Summary 21-009-C01 Informational Item (Purchase Orders, Contracts, and Contract Amendments below the Regional

<p>Basis for the Amendment:</p>	<p>This increase is due to the continued requirement for hosting, maintenance, and technical support of SCAG's TransAM Transit Asset Management (TAM) database, which is essential to meeting federal performance-based planning mandates under 49 CFR Part 625 and related Federal Transit Administration (FTA) guidance. The work is necessary to comply with requirements coordinated with FTA, Caltrans, SCAG's Regional Council, regional transportation commissions, and the region's transit operators. These agencies rely on SCAG's TAM database to consolidate and report asset condition and performance data for the six-county region.</p> <p>The TransAM system is the central platform for:</p> <ul style="list-style-type: none"> • Tracking and managing transit asset data submitted by regional transit operators. • Supporting the federally mandated four-year TAM target-setting cycle in the Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). • Producing system performance reports comparing current asset conditions against targets and prior years. • Linking Federal Transportation Improvement Program (FTIP) investment priorities to TAM performance targets, as required by federal regulations. <p>Failure to approve this amendment would risk operational disruption or loss of hosting for the TransAM platform, preventing SCAG from producing required TAM performance measures and reports. Such a failure could result in findings of noncompliance by the FTA or Caltrans, potentially delaying or jeopardizing federal and state transportation funding allocations to SCAG and its member agencies. It would also hinder regional coordination, diminish SCAG's ability to integrate operator TAM plans into the RTP, and disrupt critical data services relied upon by regional stakeholders and transportation commissions.</p>
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AGENDA ITEM 19

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

EXECUTIVE DIRECTOR'S
APPROVAL

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: CFO Monthly Report

Kome Ajise

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 5: Secure and optimize diverse funding sources to support regional priorities.

ACCOUNTING:

Membership Dues

As of June 30, 2025, 189 cities, 6 counties, 7 commissions, and 11 tribal governments have paid their Fiscal Year (FY) 2024-2025 membership dues. SCAG has collected \$2.74 million out of \$2.76 million billed. This represents 99.38% of the membership assessment.

Investments & Interest Earnings

As required by SCAG's investment policy adopted by the Regional Council in July 2018, staff will provide a monthly report of investments and interest earnings. As of June 30, 2025, SCAG has invested \$22.42 million in the LAIF account and has earned \$1,071,085.20 in interest income (as of Q4). The interest earnings are distributed on a quarterly basis with an average interest rate of 4.40%. Additionally, SCAG has opened a Money Market Account to maximize interest income while monitoring the REAP's funding balance, interest earnings from this account are distributed monthly. As of June 30, 2025, SCAG has invested \$30.49 million in the Money Market Account and has earned \$2,036,139.20 (YTD), in interest income.

Grant Billing as of June 30, 2025 Preclose

During FY 2024-25, staff have prepared and submitted requests for reimbursements of approximately **\$52.08 million** to the following agencies (\$4.88 million is for work completed in FY 2023-24). Additionally, since inception of the REAP programs, SCAG received advance funds of \$44.15 million for REAP 1.0 Program and \$61.51 million for REAP 2.0 Program.

1. **CPG: \$43.64 million** to Caltrans for work funded with federal and state grants; \$4.07 million was for work completed in June 2024 while \$30.29 million was for work completed in July 2024 to June 2025 (1st Close). Of the \$43.64 million, \$34.36 million has been received.
2. **MSRC: \$4.28 million** to the Mobile Source Air Pollution Reduction Review Committee for work funded with the Mobile Source Air Pollution Reduction (MSRC) grant that was completed in October 2021 to December 2024. Of the \$4.28 million, \$1.32 million has been received.
3. **OTS: \$2.13 million** to the Office of Traffic Safety for work funded with OTS grants; \$0.28 million was for work completed in April 2024 to June 2024 while \$1.85 million was for work completed in July 2024 to June 2025. Of the \$2.13 million, \$1.94 million has been received.
4. **Office of Local Assistance:**
 - a. **\$0.82 million** to Caltrans District 7, Office of Local Assistance for work funded with the Carbon Reduction Program (CRP) grants that was completed in August 2024 to March 2025. The entire amount has been received.
 - b. **\$0.69 million** to Caltrans District 7, Office of Local Assistance for work funded with the Active Transportation Program (ATP) grants; \$0.30 million was for work completed in April 2024 to June 2024 while \$0.39 million was for work completed in July 2024 to March 2025. The entire amount has been received.
 - c. **\$0.14 million** to Caltrans District 7, Office of Local Assistance for work funded with the FHWA Highway Infrastructure Programs (HIP) grant; \$27,106 was for work completed in May 2024 to June 2024 while \$0.11 million was for work completed in July 2024 to March 2025. The entire amount has been received.
5. **EPRI: \$0.18 million** to the Electric Power Research Institute, Inc. for work funded with the California Energy Commission (CEC) grant; \$0.15 million was for work completed in April 2024 to June 2024 while \$25,283 was for work completed in July 2024 to December 2024. Of the \$0.18 million, \$0.15 million has been received.
6. **DOE-Clean Cities: \$0.11 million** to the Department of Energy for work funded with DOE-Clean Cities grant; \$27,500 was for work completed in April 2024 to June 2024 while \$82,500 was for work completed in July 2024 to March 2025. The entire amount has been received.

7. **LACI: \$56,508** to LA Cleantech Incubator for work funded with the LACI grant; \$13,820 was for work completed in April 2024 to June 2024 while \$42,687 was for work completed in July 2024 to June 2025. Of the \$56,508, \$38,055 has been received.
8. **DOE-UCI: \$15,583** to the Regents of the University of California for work funded with the DOE-Clean Cities grant; \$1,653 was for work completed in April 2024 to June 2024 while \$13,930 was for work completed in July 2024 to December 2024. The entire amount has been received.
9. **ATN: \$14,179** to Anaheim Transportation Network (ATN) for SCAG staff time funded with ATN local funds; \$1,097 was for work completed in May 2024 to June 2024 while \$13,082 was for work completed in July 2024 to March 2025. Of the \$14,179, \$1,097 has been received.
10. **FCC ACP: \$8,429** to the Federal Communications Commission for work completed in January 2024 to April 2024. The entire amount has been received.
11. **REAP 1.0: \$44.15 million** in funds have been received from Housing and Community Development for the Regional Early Action Planning Grants 1.0 as of June 30, 2025. Each \$11.87 million was received in FY21 and FY23, and \$20.41 million was received in FY24. The entire amount has been expended as of June 2024. SCAG submitted the final reimbursement request to HCD on November 21, 2024, for expenditures incurred between July 2024 and October 2024 in the amount of \$3.08 million, which has been received by SCAG in April 2025.
12. **REAP 2.0: \$61.51 million** in funds have been received from Housing and Community Development for the Regional Early Action Planning Grants 2.0 as of June 30, 2025. Approximately \$31.38 million has been expended to date (\$15.27 million during FY 2024-25).

BUDGET & GRANTS (B&G):

On July 30, 2025, SCAG received a grant award from Caltrans in the amount of \$7 million in FHWA PL funding to carry out Olympics Planning and Resiliency Study. Staff subsequently prepared the FY 2025-26 Overall Work Program (OWP) Amendment 1 to program these projects and the FY 2025-26 Comprehensive Budget Amendment 01, including the FY 2025-26 OWP is being presented to the Executive/Administration Committee (EAC) and the Regional Council (RC) for approval in September.

Also in August, staff submitted the FY 2024-25 OWP Year-End Package to Caltrans, which included the certification of final expenditures, the final FY 2024-25 OWP Quarterly Progress reports, and the final FY 2024-25 OWP work products for projects completed in the fiscal year.

CONTRACTS ADMINISTRATION:

In the fourth quarter of Fiscal Year 2024-25, the Contracts Administration Department staff supported an average of 20 formal procurements, issued 141 purchase orders, and managed 197 active contracts for various regional projects. Staff collaborated with project managers to conduct the close-out for 38 contracts that ended in the fourth quarter. In this month's consent calendar agenda item "Purchase Orders, Contracts, and Contract Amendments below Regional Council's Approval Threshold," staff reports executing 10 contracts and two (2) contract amendments. Additionally, four (4) contracts valued at \$500,000 or greater are included in this month's agenda for Regional Council approval.

ATTACHMENT(S):

1. 09-2025 CFO CHARTS



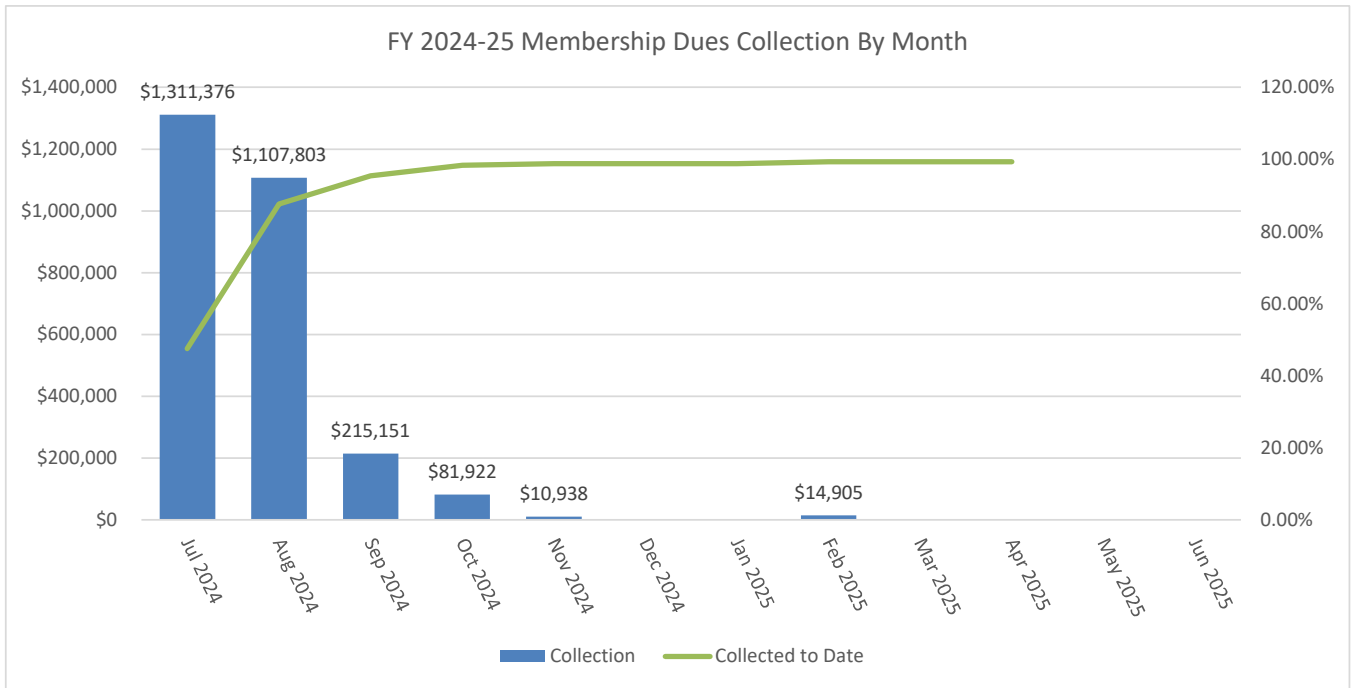
Office of the Chief Financial Officer

Quarterly Report

Pre-Closed June 2025



Membership Dues & Collections July 1, 2024 through June 30, 2025



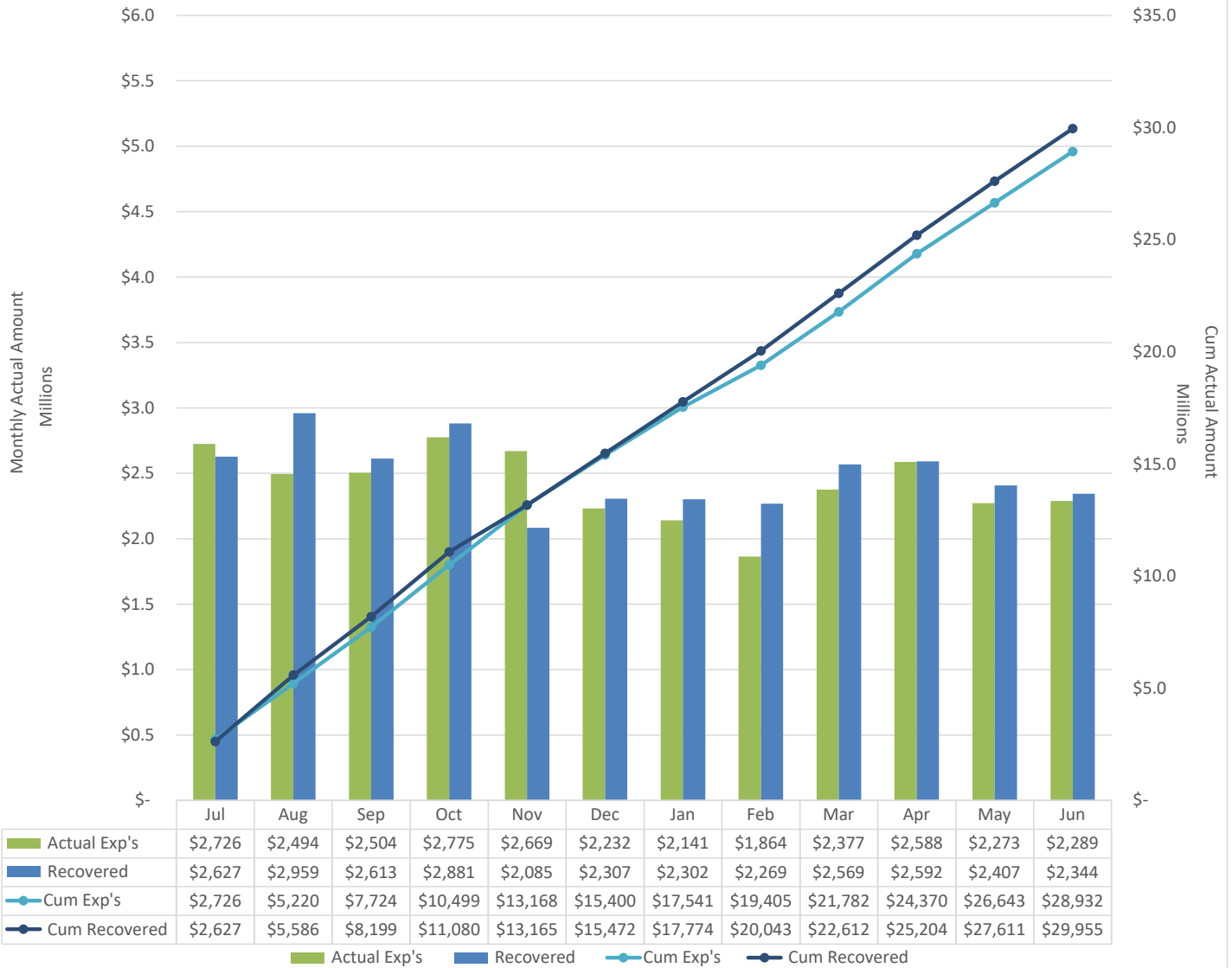
Summary

As of June 30, 2025, 189 cities, 6 counties, 7 commissions and 11 tribal governments had paid their FY25 dues. This represents 99.38% of the dues assessment.

FY25 Membership Dues	<u>\$ 2,759,319</u>
Total Collected	<u>\$ 2,742,095</u>
Percentage Collected	<u>99.38%</u>



Indirect Cost & Recovery
July 1, 2024 through June 30, 2025 (Pre-Closed)



Attachment: 09-2025 CFO CHARTS (CFO Monthly Report)

Summary

This chart shows a comparison of Indirect Cost (IC), incurred by SCAG vs. IC recovered from SCAG's grants. Through Pre-closed June 2025, SCAG was over-recovered by \$1.02 million due to unspent Indirect Cost budget. The FY 2024-25 IC rate includes a carry-forward of approximately \$1.5 million, which represents an under-recovery of costs from FY 2022-23.



Consolidated Balance Sheet
As of June 30, 2025 (Pre-closed)

	<u>March 31, 2025</u>	<u>June 30, 2025</u>	<u>Increase/(Decrease)</u>
Cash & Investment	64,994,978	53,412,246	(11,582,732)
Other Assets	12,253,307	11,594,061	(659,247)
Total Assets	77,248,285	65,006,307	(12,241,979) ⁽¹⁾
Total Liabilities	42,695,490	30,995,051	(11,700,438) ⁽²⁾
Fund Balance	34,552,796	34,011,255	(541,540)
Total Liabilities & Fund Balance	77,248,285	65,006,307	(12,241,979)

(1) The decrease in Cash & Investments reflected in the Preliminary June report is primarily attributed to year-end disbursements. Other assets decrease primarily due to a reduction in Accounts Receivable partially offsetted by an increase in Prepaid Expenses.

(2) The Total Liabilities decreased due to a reduction in deferred revenue (advanced cash received from the California Department of Housing and Community Development) related to claiming reimbursement for REAP 2.0 expenditures.



Consolidated Statement of Revenues, Expenditures, and Changes in Fund Balances
Quarter Ended June 30, 2025 (Pre-closed)

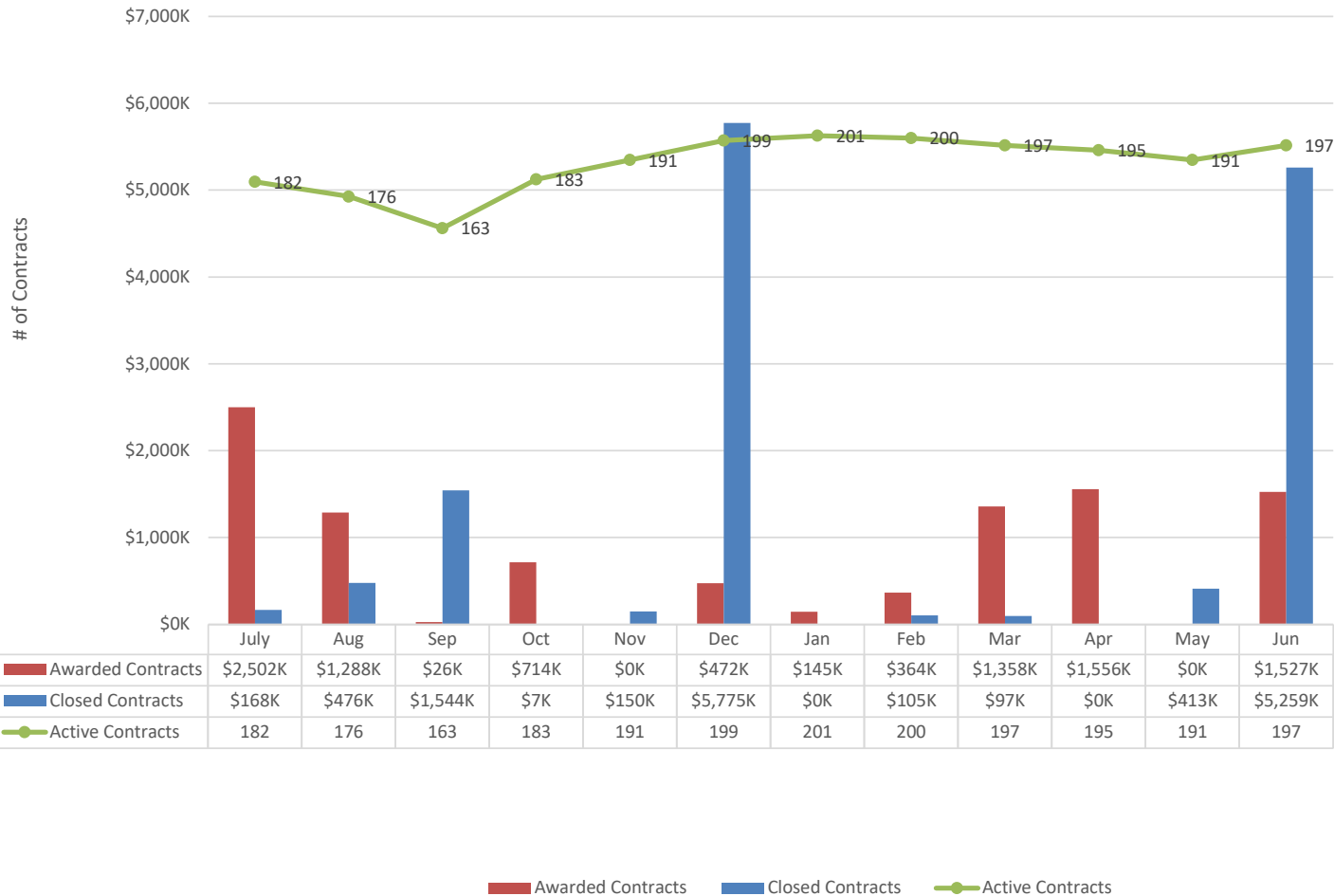
				June 2025 Budgetary Comparison Statement	
	July 1, 2024 to March 31, 2025	July 1, 2024 to June 30, 2025	Increase / (Decrease)	FY 2024-25 Budget	Under / (Over) Budget
Revenues	99,136,697	142,739,805	43,603,108	500,185,391	357,445,586
Expenditures:					
Salaries & Benefits	67,697,072	88,755,225	21,058,153	98,604,865	9,849,640
Services & Supplies	22,346,250	45,432,746	23,086,496	401,580,526	356,147,780
Total Expenditures	90,043,323	134,187,971	44,144,648	500,185,391	365,997,420
Change in Fund Balance	9,093,374	8,551,834	(541,540)	-	(8,551,834)
Fund Balance Beginning of the Year	25,459,422	25,459,422	-	25,459,422	-
Fund Balance at End of the Period	34,552,796	34,011,256	(541,540)	25,459,422	(8,551,834)

(1) Note that multi-year grant revenues and services & supplies expenditures are budgeted in the award year including any beginning Fund Balance. The \$357.4 million revenue variance and the \$366.0 million expenditure variance are predominately related to anticipated implementation timing for various multi-year grants. Any remaining balances at the end of the fiscal year will be carried over to subsequent years of the grant period.

Attachment: 09-2025 CFO CHARTS (CFO Monthly Report)



SCAG Contracts FY2024-25



Overview

This chart shows the number of contracts administered from July to January 2025.

Summary

As illustrated on the chart, the Contracts Administration Department is currently managing a total of 196 contracts. Eighteen (18) are Cost Plus Fixed Fee contracts; 92 are Lump Sum contracts, 35 are Specified Rates of Compensation (includes Time and Materials, Labor Hour and Retainer), and 52 are On-Call Services contracts and related Task Orders.

Planning Contracts Ended 6-30-25

Instructions: Please provide a brief summary of your project.

For this section, we are collecting short blurbs on the benefits of all planning projects whose contracts closed in the previous quarter. Rather than a standard description of what was done, please focus your summary on how the project benefits the community, serves as a regional pilot, or advances SCAG's planning practices.

Tribal Data Needs Assessment

SCAG and Brookings Metro completed a report which outlines challenges affecting data on Native American populations, presents insights into data use in Tribal contexts, and provides recommendations for regional, state, and federal action to improve data quality for Tribal partners. The research advances SCAG's objective to build a deep understanding of the needs of all our communities and stakeholders to inform our planning work.

Water Action Resolution

SCAG and Estolano Advisors completed a Water White Paper that examines the resilience of the region's water management systems and helps advance the Regional Council's unanimously adopted Water Action Resolution of October 2022. SCAG will use the findings from this research to identify strategies to support its member jurisdictions with advancing sustainable infrastructure needs in the region.

Broadband Strategic Consulting Services

SCAG and HDR have successfully concluded the Broadband Strategic Services Project. This contract encompassed various tasks, including the creation of grant applications (ACP, LATA), the development of story maps, the assessment of broadband infrastructure in relation to smart cities initiatives, and the production of a digital literacy toolkit. This project aligns with our broadband action plan, which commits SCAG to addressing the digital divide.

ZETI

SCAG and Cabridge Systematics completed the ZETI project with the goal of understanding how demand for zero emissions truck infrastructure (both battery electric and hydrogen fuel cell) would be distributed across the Southern California region, supporting the development of a regional ZE stations to support the goods movement industry. The project will support local agencies, utilities and private developers involved

in this sector. This also aligns with the Regional Council's clean technology advancement plan, as well several objectives in 2024 Connect SoCal focused on supporting emerging technologies and zero-emission infrastructure deployment.

Mobility Hubs Guidelines

SCAG released the [Mobility Hub Design and Implementation Guide](#), which outlines best practices for planning and implementing mobility hubs and hub networks, including strategies for locating, prioritizing, funding, and forming partnerships around potential sites. Since publication, SCAG staff have been actively presenting the guide to jurisdictions, with more sessions scheduled through November. SCAG staff are evaluating opportunities to partner with public agencies to design and implement mobility hub pilots, with the goal of advancing a diverse array of mobility hub typologies and design elements throughout the region.

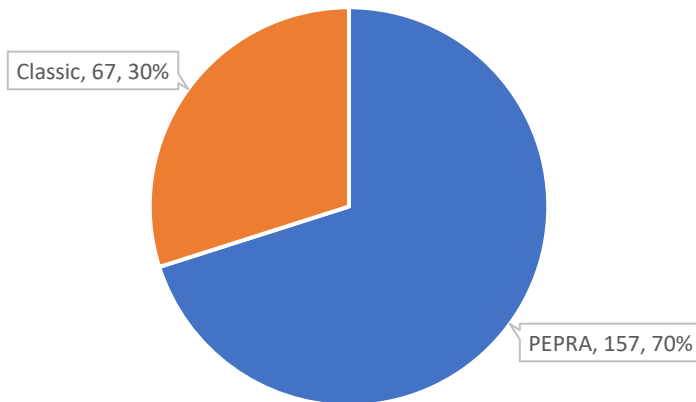
CFO Report

As of September 1, 2025

Staffing Update

Division	Authorized Positions	Filled Positions	Vacant Positions	Interns/Temps	Agency Temps	Fellows	Total
Executive Office	8	8	0	0	0	0	8
Finance	45	43	2	1	0	0	44
Gov. & Public Affairs	25	25	0	4	1	0	30
Human Resources	11	11	0	1	0	0	12
Information Technology	29	28	1	1	0	0	29
Legal	3	3	0	1	0	0	4
Planning	116	106	10	8	0	1	115
Total	237	224	13	16	1	1	242

CalPERS Membership





AGENDA ITEM 20

REPORT

Southern California Association of Governments
September 4, 2025

To: Executive/Administration Committee (EAC)
Regional Council (RC)

From: Kevin Kane, Planning Supervisor
(213) 236-1828, kane@scag.ca.gov

Subject: Economic Roundtable Third Quarter Update

EXECUTIVE DIRECTOR'S
APPROVAL

Kome Ajise

RECOMMENDED ACTION AT EAC:

Receive and File

RECOMMENDED ACTION AT RC:

Information Only—No Action Required

STRATEGIC PRIORITIES:

This item supports the following Strategic Priority 3: Spur innovation and action through leadership in research, analysis and information sharing.

EXECUTIVE SUMMARY:

Since 2009, SCAG has convened a team of independent economists representing the region's counties and key specialty areas to collaborate with SCAG expert staff to assess the economic landscape of the region. In 2022, the renamed "Economic Roundtable" began meeting quarterly to discuss trends, data, and current events impacting the region's economy. In addition to being found on the SCAG news feed and Economic Insights & Demographic Data page, meetings are timed to occur in advance of March, June, September, and December Regional Council meetings.

The SCAG Economic Roundtable met for its third 2025 quarterly discussion on Aug. 21. Highlights included:

- *Job growth in the region continued to be modest and narrow. There appear to be no major layoffs or job losses region-wide, though only the Healthcare and Social Assistance sector is growing significantly.*
- *While effective tariff rates currently sit at 18.6 percent, a majority of the burden is being absorbed by corporations and has not hit consumers. Impacts of tariffs—as well as federal funding cuts to Medicaid and research—remain major longer-term concerns.*
- *28 percent of the SCAG region's construction labor force is made up of undocumented immigrants—this (and other) sectors are being disrupted by increased enforcement action.*

- *Expansive California Environmental Quality Act (CEQA) exemptions show promise for reducing some procedural roadblocks for urban infill projects statewide. While housing production has been sluggish in 2025 and 12,971 residential units were lost in LA County 's January wildfires, these exemptions provide a meaningful policy lever for boosting supply.*

BACKGROUND:

Modest and Narrow Job Creation in the SCAG Region

- Jobs grew by 52,900 in the 12 months ending July 2025 in the region. This job growth improves on last quarter's numbers, but at an annualized growth rate of 0.6 percent—based on the Current Employment Statistics (CES) survey—last quarter's job growth is still fairly weak compared to prior years.
- Job growth continues to be limited and concentrated only in two sectors: Healthcare and Social Assistance and Local Government.
 - o If it weren't for Healthcare and Social Assistance, the region would've lost about 26,000 jobs over the last year.
 - o An aging population and an expansion of specialty care is boosting this industry. Major investment includes two major new healthcare facilities in Orange County: City of Hope Orange County and UC Irvine Health, Irvine campus. The new \$1 billion expansion of Hoag Health System and several other healthcare projects in Orange County provide additional evidence of strength in the sector.
 - o Meanwhile, many community and independent hospitals in the region, and those relying more heavily on Medicare and Medicaid reimbursement, are struggling and at severe risk due to federal funding cuts.
- While new job creation is relatively weak and unemployment rates have ticked up (partly caused by seasonal effects), there are few new unemployment insurance claims—suggesting that the currently weak job market is not characterized by large, disruptive layoffs or job losses.
 - o Weak job creation in several higher-paying sectors (e.g., advanced manufacturing, film and sound recording, software development, professional business services) continues to suggest that artificial intelligence (AI) might be a culprit.

What's Happening Outside the Region

- **Tariffs increased substantially, but the economy-wide price impacts remain muted.**
 - o Effective tariff rates are currently sitting at 18.6 percent, according to the Yale Budget Lab. Nonetheless, a recent Goldman Sachs report found that about 60 percent of the burden so far is being absorbed by importers or exporters. This burden is likely unsustainable over the long term.

- The Yale Budget Lab estimates the impact of tariffs would be equivalent to a loss of \$2,400 in household income on average. The potential impact reduces to \$2,100 if households substitute less expensive goods for those affected by tariffs. Further, only 34 percent of consumption spending is for goods—the majority is for services, which are not directly tariff-impacted.
- Imports and exports are a fairly small share of American Gross Domestic Product (GDP)—each under 11 percent in Q2 2025. While randomness and uncertainty surrounded the development of the administration’s tariff policy, moderate and consistent tariffs would not be economically devastating. GDP growth would be marginally lower, inflation would likely be slightly higher (it currently remains above Federal Reserve targets), and consumer sentiment would be weakened (which is the case, according to the University of Michigan’s Consumer Sentiment Index).
- **Expect some knock-on effects from federal funding decisions.**
 - Federal funding cuts have severely impacted social services and gap-coverage programs. Many nonprofits, quasi-governmental agencies, and governmental agencies have seen severe budget cuts and increased restrictions on eligible uses for funding. Smaller nonprofits providing critical social services have also seen their operating and programmatic budgets severely diminished.
 - Universities have lost substantial amounts of research funding—initially at private institutions, but increasingly at public universities as well. This includes medical research at university-affiliated hospitals. The long-term consequences are of great concern.
 - While private research and development, e.g., in the technology sector, might be able to absorb some of the slack, this is a laborious process, and recent investment has been more likely to be directed toward AI.
- **Tourism deserves a close watch.**
 - Theme Park attendance and hotel occupancy rates in destinations like Orange County and the Coachella Valley were generally strong relative to expectations over the summer.
 - However, there are concerns that the strong hotel occupancy rates reflect a temporary boost from local summer vacations and might evaporate by Fall without being replaced by international visitors, who stay longer and spend more. A decline in international visitors would have knock-on effects on sales tax receipts and related industries.
 - Leisure and hospitality employment has dropped in some parts of the region: down 0.9 percent year-over-year in Orange County and 0.4 percent in the Inland Empire, while Los Angeles was essentially flat (+0.3 percent) as of July.

- **Immigration enforcement expected to impact key local sectors.**
 - o From May through July 2025, the rate of U.S. Immigration and Customs Enforcement (ICE) arrests in L.A. County was roughly five times higher than the prior year, according to the [Deportation Data Project](#).
 - o The most recently available American Community Survey data (processed by USC's California [Immigrant Data Portal](#)) indicate that undocumented immigrants account for 34 percent of L.A. county's construction workers and 28 percent across the SCAG region. Undocumented immigrants account for an estimated 23 percent of food preparation workers in L.A. County and 19 percent region-wide.
 - o In 2024, the roundtable noted that higher-than-expected immigration had buoyed job growth despite otherwise very slow labor force growth. Looking forward, given the volume of exposure, both apprehension and the fear of apprehension are expected to significantly disrupt major sectors in the region.
- **Broad CEQA exemptions introduced by recent legislation.**
 - o While not an overhaul of CEQA, recently enacted changes via Assembly Bill (AB) 130 and Senate Bill (SB) 131 represent the most expansive set of exemptions introduced to date. Though the concrete impacts are yet to be seen, the signaling value of these reforms is significant.
 - o Under [AB 130](#), most urban infill projects up to 20 acres are now exempt from environmental review under CEQA. Qualifying projects would be exempt from environmental review, and therefore litigation risk, over possible impacts like local traffic, air pollution, flora, fauna, and noise levels.
 - o In addition to housing, [SB 131](#) includes a suite of CEQA exemptions for community-serving and infrastructure projects.
 - o These bills are meant to significantly reduce CEQA delays, particularly for housing. In the short term, however, cities, counties, and state agencies are likely to experience a higher caseload as they navigate the new rules. The construction sector also has experienced persistent labor shortages that have recently been exacerbated by ICE actions.
 - o In the longer term, investors will likely remain cautious until there's greater clarity on how the revised standards will be applied. Macroeconomic and regional uncertainty are reinforcing hesitancy. Clean-up legislation is anticipated to address remaining ambiguities and implementation gaps in the reform package.

What's Happening Inside the Region

- **Imperial County**
 - o Unemployment in Imperial County reached 20 percent as of July 2025, the highest in over a decade, except for the early days of the pandemic shutdown. The county's

job losses are caused, in part, by the closure of a major employer: Southern Minnesota Beet Sugar Cooperative is closing the Spreckels factory in Brawley, laying off 394 workers and resulting in about 300 additional jobs lost due to 23,000 acres of sugar beets no longer being farmed.

- One of Imperial County's two state prisons was under review for closure this year. While the closure was averted, with about one in 20 local jobs tied to the prison system, the state's decision on prison closure has implications for the county's employment outlook.
- Developers are moving quickly on solar and battery projects to qualify for the Investment Tax Credit. New Internal Revenue Service (IRS) rules take effect on Sept. 2, 2025. Projects must begin construction and maintain continuous progress within a four-year window and must be operational by the end of 2030 to qualify for the available tax credits.

- Los Angeles County

- 12,971 residential properties were destroyed in the Palisades and Eaton fires in January 2025. While the impact on the county and regional economy is not excessive, the fires' impact on the area is still overwhelming.
- Debris removal has largely been completed (more quickly than expected) and between 200-300 new housing unit permits have been issued by both the city and the county of Los Angeles.
- Building on the March roundtable report , an updated likely case scenario for rebuilding across both fire areas is:
 - First homes completed: December 2025
 - 10 percent of homes completed: December 2026
 - 50 percent of homes completed: January 2029
 - 85 percent of homes completed: June 2033
- Several factors could slow the pace, including the speed of permitting, higher materials costs due to tariffs, labor shortages due to immigration enforcement, and property sales—original owners are more likely motivated to rebuild quickly.

- Orange County

- The only county in the region with higher housing production in 2024 than in the prior year also saw a somewhat unexpected increase in its labor force over the past 12 months—reflecting strong and balanced development pipelines in labor, housing, and commercial/institutional.
- Drone and autonomous vehicle technologies are setting up to become a true cluster of their own. Anduril, an anchor company in the industry, has been receiving substantial defense department contracts.

- Healthcare remains a key growth sector, driven by an aging population and substantial investment in medical facilities in the county.
- **Riverside and San Bernardino counties**
 - The unemployment rate in the Inland Empire was 6.4 percent in July, which is higher than the prior month and a year ago. However, the labor force has been growing relatively fast, up 7 percent relative to just before the pandemic in February 2020, compared to a 1.1 percent increase for California and a 3.6 increase nationally.
 - Nonfarm jobs rose 1 percent year to year in July 2025, a gain of 17,000 positions, led by healthcare, which added 15,300 positions. Seven of 17 major industries added jobs while the remaining industries were flat or lost jobs compared to last year.
 - Multi-family housing production in San Bernardino County is nearly four times as high in 2025 compared to the same period in 2024—a rare bright spot, as overall regional housing production has dipped considerably since 2023 and sales levels remain near historic lows.
 - The Inland Empire is not immune to the broader trend of aging population. Baby boomers are leaving the labor force and school enrollments have declined in many communities.

FISCAL IMPACT:

This work is funded by OWP task 055-1531-01, Southern California Economic Growth Strategy.



To: Regional Council (RC)

From: Lucy Dunn, Ex-Officio Member; Business Representative

Subject: Business Report – September 4, 2025

Here are a few items that business and industry leaders have been engaged in which may also be of interest to regional public leaders:

1. **GLUE Council meeting** of business and industry folks welcomed SCAG President, Cindy Allen, on June 2. Business leaders committed to helping meet her goals for clean transportation technology, housing and regional planning in preparation for the 2028 Summer Olympics. She also shared the remarkable preparation Long Beach is doing for 19 Olympic and Paralympics events in 2028. GLUE Council's next meeting is scheduled for November 3 via Zoom at 10:00 am.
 2. **Economy.** The Federal Reserve Board Chair Jerome Powell last Friday sent equity markets soaring as he signaled easing monetary conditions ahead. He seemed to move toward the view that tariffs won't lead to permanently higher inflation, that the market has already "baked in" the extra costs. "A reasonable base case is that the effects will be relatively short lived—a one-time shift in the price level," Mr. Powell said. That's what markets seemed to like, even if he didn't signal a specific interest-rate cut. But a rate cut was on the table at their September meeting. Mr. Powell spoke clearly about balancing the needs for keeping inflation down and a less-than-stellar US jobs report. Interest rate cuts, as Randall Lewis suggests below, may help a sluggish home market.
 3. **Anaheim's Annual Citywide Management Meeting.** On Thursday, August 28, I am honored to be a panelist with Lisa Kim, city manager of Garden Grove, Shalice Tilton, retired Master Municipal Clerk and consultant with National Demographics Corporation, and Jim Vanderpool, city manager of Anaheim, at Anaheim's Annual Citywide Management Meeting at The Grove of Anaheim. With 400 city employees, the key topic will be to reflect on public service—from both the public and private sector perspectives—where policy meets practice, where community expectations meet operational reality. And that's not easy! More on this at the Regional Council meeting next week.
 4. **So. Cal Housing Notes from Randall Lewis.**
 - The for-sale housing market, both new homes and resales, continues to be very sluggish. Sales are down and anyone making a sale is doing so with big incentives and price cuts. It feels like we're nearing the bottom with some signs that we have reached pricing levels that are close
-

to what are needed to spur buyers to purchase. The good news is that it looks like we're getting closer to the Federal Reserve doing some small interest rate cuts which will help the housing industry.

- These anticipated rate cuts may be good for housing but they're reflective of concerns about sluggish hiring and the potential impacts of tariffs. There is a real potential for some slowdowns in the economy in the next four or five months so we will have to all look closely at some of the leading indicators to see what is really happening.
- Randall Lewis is at Stanford for five days of learning about artificial intelligence and how it is impacting businesses, governments and not for profits. These impacts are real and they're going to cause dramatic changes in our daily lives. Some will come quickly, and some will take a little longer, but it is definitely happening. We recommend your [cities and counties have task forces studying how AI will impact your operations](#). It can offer real potential to make all of us more efficient and effective.

5. News You Can Use:

- ***Job Hopping is Out; Job "Hugging" is In.*** That's according to a report from [Korn Ferry](#), a global organizational consultancy firm, which shows that employees are no longer moving quickly between new job opportunities and are instead choosing to stick it out in their current positions for the foreseeable future.

"At an alarming rate, more and more employees are displaying what is colloquially known as 'job hugging'—which is to say, holding onto their jobs for dear life," the report reads.

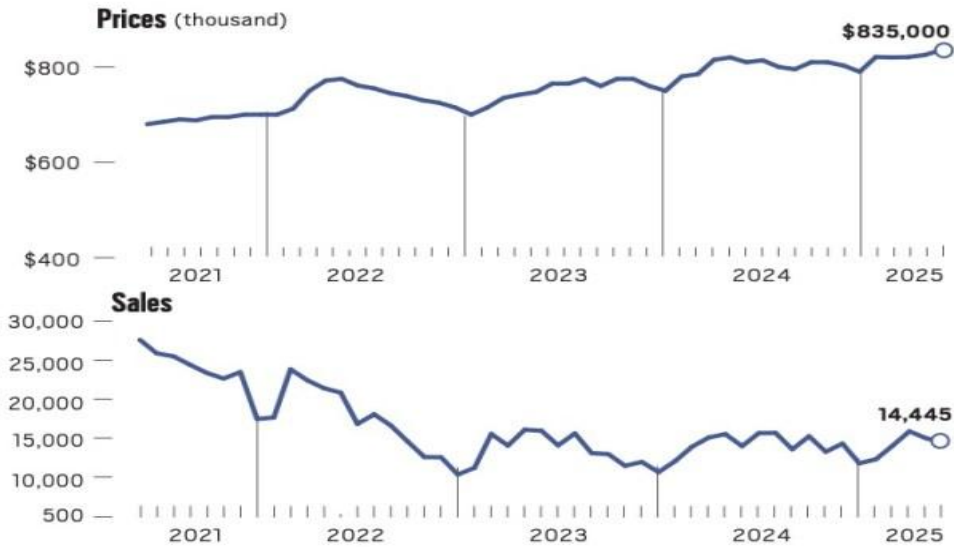
The report [cites AI disruption, a lack of new jobs, and an unpredictable economic market](#) as some main reasons why the majority of employees plan to stay with their current companies for at least the next six months. And, as pessimism around employment prospects grows, Gen Zers are actually leading the "job hugging" charge.

Read more here: <https://lnkd.in/gt3hTeJN>

- ***Southern California Housing Market at a Glance: June 2025.*** [A record high price and depressed sales on a slight uptick.](#)

Interesting graphics on the So Cal Marketplace below:

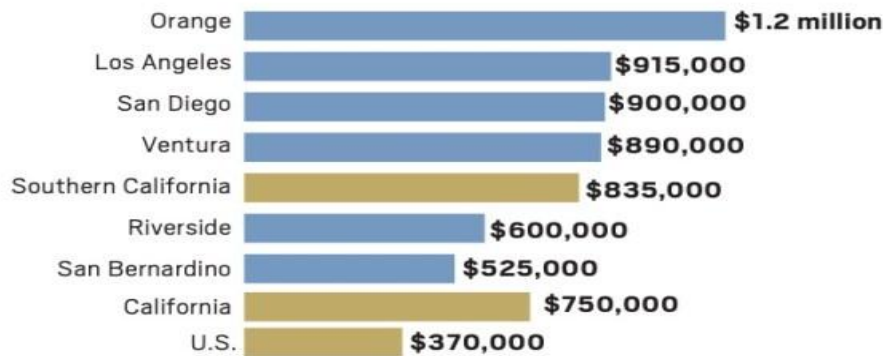
Home price hits another record high as sales flatten



Year-to-year changes

	Median price in June	1-year change	Sales	1-year change
Houses	\$887,500	3.2%	10,941	4.5%
Condominiums	\$688,875	0.6%	3,504	0.1%
All homes	\$835,000	3.1%	14,445	3.4%

Median Southern California home price by county



Note: The median is the point where half the homes sold for more and half sold for less.
Source: Attom

SCNG