



ITEM ID: 2025-275-0

TRANSMITTAL DATE: July 18, 2025

MEETING DATE: July 25, 2025

TO: Board of Directors

FROM: Tom Schamber, Interim Chief Financial Officer

SUBJECT: Amendment to FY2025-26 Operating Budget to Carry Forward Funding Amounts Remaining on the San Clemente Landslide Stabilization Projects at June 30, 2025

Issue

Continuing activities at the four San Clemente slide locations, Cyprus Shores, Casa Romantica, Mariposa and Coastal Stabilization Areas 1, 2 & 4 require the remainder of funds approved for each project in prior year budgets to be carried forward to the FY26 Budget.

Recommendation

Audit and Finance Committee recommended (3-0) the Board approve the Amendment to the FY2025-26 Budget to carry forward the funding for continuing expenses of the San Clemente Projects at Cyprus Shores (Mile Post (MP) 206.8), Casa Romantica (MP 204.6), and Mariposa (MP 204.2), and Coastal Stabilization Areas 1, 2 & 4.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. Immediate response to slide incidents in San Clemente were emblematic of our ongoing commitment to safety.

Background

San Clemente #1 (Cyprus Shores)

An active landslide was identified on September 11, 2021, at Mile Post (MP) 206.8 in the City of San Clemente. On October 22, 2021, the Board adopted an Amendment to the FY22 Budget to add \$5.0M for emergency work. In FY23, \$4.5M was added in an additional Amendment bringing the total budgeted amount to \$9.5M.

San Clemente #2 (Casa Romantica)

On June 23, 2023, the Board authorized emergency work in response to a landslide to protect the track at MP 204.6 in San Clemente and approved an Amendment of \$6.0M to cover the emergency work.

San Clemente #3 (Mariposa)

On February 23, 2024, the Board adopted an Amendment to the FY24 Budget to add \$9.2M to the FY24 Budget to provide funds for emergency work at MP 204.2 in San Clemente. Orange County Transportation Authority has requested \$300K to be reserved for their expenses.

Coastal Stabilization - Areas 1, 2, 4

On April 25, 2025, the Board adopted an Amendment to the FY25 Budget to add \$10.0M to the FY25 Budget to provide funds for emergency work for Coastal Stabilization in Areas 1, 2, 4. Orange County Transportation Authority has requested \$1,746,000 to be reserved for their expenses.

Although the immediate problems are believed to be under control and service in all areas has resumed, additional funds are needed to continue to monitor the tracks for movement and complete various aspects of the projects. All funds will be provided by Orange County Transportation Authority and the State of California.

Discussion

The amounts by which the FY26 Budget would be amended are as follows:

- San Clemente #1 (Cyprus Shores MP 206.8) Project #205305: **\$1,462,702**
- San Clemente #2 (Casa Romantica MP 204.6) Project #205306: **\$2,829,628**
- San Clemente #3 (Mariposa MP 204.2) Project #205307: **\$3,577,160**
- Coastal Stabilization - Areas 1, 2, 4 Project #205308: **\$3,184,000**

Budget Impact

- **San Clemente #1 (Cyprus Shores)**
Approval of this amendment will carryforward "San Clemente #1" in FY26 below the operating line by \$1,462,702.
- **San Clemente #2 (Casa Romantica)**
Approval of the amendment will carryforward "San Clemente #2" in FY26 below the operating line by \$2,829,628.
- **San Clemente #3 (Mariposa)**
Approval of the amendment will carryforward "San Clemente #3" in FY26 below the operating line by \$3,577,160.

- Coastal Stabilization- Area 1, 2, 4

Approval of the amendment will carryforward " Coastal Stabilization- Area 1, 2, 4 " in FY26 below the operating line by \$3,184,000.

Next Steps

This budget amendment requires approval from each Member Agency's Board of Directors.

Prepared by: Christine J. Wilson, Assistant Director, Finance

Approved by: Tom Schamber, Interim Chief Financial Officer

Attachment(s)

[Presentation - FY26 San Clemente Carryforward](#)