Measure M 2 Environmental Cleanup Allocation Committee

August 11, 2011, Meeting Minutes

Committee Members Present:
Chair Mary Anne Skorpanich, County of Orange-Watershed & Coastal Recourses Program
Vice Chair Garry Brown, Orange County CoastKeeper
Joe Parco, City of Santa Ana
Sat Tamaribuchi, Environmental Consultant

Committee Members Absent:
Mark Adelson, Santa Ana Regional Water Quality Control Board
John Bahorski, City of Cypress
Tim Casey, City of Laguna Niguel
William Cooper, UCI
Chad Loflen, San Diego Water Quality Control Board
Tom Rosales, General Manager of the South Orange County Wastewater Authority
Gene Estrada, City of Orange
Hector B. Salas, Caltrans
Dick Wilson, City of Anaheim

Orange County Transportation Authority Staff Present:
Marissa Espino, Senior Community Relations Specialist
Janice Kadlec, Public Reporter
Charlie Larwood, Planning & Analysis Section Manager
Dan Phu, Project Development Section Manager
Monte Ward, OCTA Consultant
Kelley Jimenez, Strategic Communications Coordinator

<u>Guests</u>
Richard Boon, County of Orange
Ken Susilo, Geosyntec
Wallace Walrod, Orange County Business Council

1. **Welcome**
   Chair Mary Anne Skorpanich welcomed everyone and began the meeting at 10:10 a.m. She announced the first Tier 1 Grant Projects were approved at the last OCTA Board meeting and everyone is to be congratulated.

2. **Approval of the July 2011 Minutes**
   Due to the lack of a quorum, approval of the July 14, 2011 minutes was tabled until the next meeting.

3. **2010/11 Tier 1 Grant Call for Projects Update**

Charlie Larwood gave an update on the next steps of the Tier 1 Grant Projects. He announced the local jurisdictions should be receiving Letters of Agreement attached to their Master Funding Agreement next week. This is a cooperative agreement to receive funds from OCTA through the Measure M2 program. Dan Phu said the process for this program is very similar to the Comprehensive Transportation Funding Program (CTFP) which the local jurisdictions are familiar with.

Sat Tamaribuchi asked if there was a list or summary of what Tier 1 projects were awarded and a description of the projects. Charlie Larwood said he would get the list to him.

Monte Ward said some of the things that should be looked at in the next Tier 1 Call for Projects are:

- Why didn't some of the cities participate – how much effort was made?
- Everyone was in favor of every jurisdiction getting money but what about giving money where it will do the most good?
- Regional equity issues East/West and North/South County division of money.

He said Tier 1 did a good job of addressing these issues but Tier 2 will be more complicated. The Tier 2 Study will set the tone and will provide some input to look back on.

Chair Mary Anne Skorpanich said the scoring committee did take into consideration the North/South split and came up with a fairly equitable distribution of projects. One issue was raised at both the scoring committee and the ECAC, should Tier 1 grant money be used to replace plants? This should be looked at before releasing the second round of funding.

4. **Update/Closure on Online Survey (Tier 2)**
   Ken Susilo reported on the response to the Tier 2 Online Survey and provided a map of the information obtained by the survey. They did not receive quite the response from the cities they were hoping for with this survey but the County of Orange has a great deal of information and will provide an overlay to the information gathered by the survey. The next step will be to see how this information lines up with the information gathered by Geosyntec.

   Chair Mary Anne Skorpanich asked about some specific areas of concern on the map. Ken Susilo said they will take this information and overlay it with other analysis but the responses to the survey were not meant to be used as scoring criteria. It is just information to help generate the baseline data set.

Garry Brown asked how "areas of concern" were identified. Ken Susilo said it was a fairly open process but when an area of concern was indicated, additional information was requested for the database on why it was an area of concern.

Monte Ward asked when the final information will be provided to the ECAC. Ken Susilo said the thinking was to compile some of the spacial analysis acquired from the water quality assessment, put in monitoring information, and present it as one comprehensive package of information.

Garry Brown suggested comparing the 11 cities that did not respond to the Tier 1 call for projects to the cities that did not respond to the Tier 2 project and target them for future public relations work.

5. **Tier 2 Study Update/Report on Subcommittee Meeting.**
    Wallace Walrod and Ken Susilo reported on the Funding Guidelines (CTFP/Chapter 12) discussions with the ECAC Subcommittee. The Committee discussed Grant Caps, Funding Amounts, Project Eligibility, Matching Funds, Overmatch, and Reimbursements.

    Chair Mary Anne Skorpanich said if multi-jurisdictional projects are really looking to be promoted there would need to be a cap per entity. This would encourage multiple entities to apply. She asked what was the discussion of the pros and cons of this at the subcommittee meeting. Wallace Walrod said they did not get to the pros and cons of this at the Subcommittee. The Subcommittee did discuss regional projects being capped at $10 - $15 million per-project range and what would give them a percentage based on the funding cycles. Charlie Larwood said there was general agreement a cap was needed. There was no final agreement on whether the cap could be pooled. The big question is does a $2 - $5 million cap range per entity make sense for a $38 million program.

    Monte Ward said it is multi dimensional; there are other criteria and measurements in evaluating a project to bring projects together. Where is the place for incentive to do a multi-jurisdictional project? The cap issue in programming terms comes down to creating balance between the really large projects of significant impact and the desire to have distribution of funds to different watersheds and areas.

    Garry Brown said it is very important to define what is regional before starting to define caps. A project is going to be at one specific site but might treat water for three other cities. If the project site city can get the other three cities to sign on, then it might be considered a regional project. Charlie Larwood also said there is a need to define multi-jurisdictional.

    Monte Ward suggested, as a starting point, a grant cap should be established on a per-funding cycle basis. This also gives an opportunity to make adjustments. It also should be done on a per-project or per-phase basis.

Garry Brown asked if it would be worth it to explore a policy if three or more eligible entities go together on a project the match would go from 50% to 25%. Monte Ward said this might lead to over matching. Chair Mary Anne Skorpanich said if a 50% match is required and two entities applied they could fund the entire project.

Chair Mary Anne Skorpanich said to make regional projects work, all the cities and partners that drain into this project need to sign-up together to co-fund the long term operation. The earlier people commit to a project the more likely this process will happen.

Charlie Larwood suggested the regional partners come into the project with a resolution promising to work together and then later sign cooperative agreements. This may put them in a more positive position to get grant funding.

Monte Ward suggested the focus should be there is a limited amount of money and what the best way to leverage it is. There are two different ways this can be done: 1.) Putting a significant incentive on the front end to get cities together working on a watershed, or 2.) Don't do this with a cap but do it with scoring.

Sat Tamaribuchi asked why should there be a cap, maybe it should be based on how comfortable the ECAC feels with a certain amount of money going to a specific project. The problem is Orange County has very large cities and very small cities. The ECAC has to be careful on how much weight is put on assisting one city against another. The goal is to spend the money with the biggest return. He liked the idea of setting a cap and that money can only go to one project.

Monte Ward said at the end of the day the ECAC needs to decide if they are happy with funding three projects or 13 projects with the $38 million.

Wallace Walrod asked if 50 acres is too small for a regional project. Richard Boon said the Subcommittee came up with the 50 acres on the basis of a technical discussion. Chair Mary Anne Skorpanich said this should be the minimum threshold.

Chair Mary Anne Skorpanich said of the $38 million available she would be happy with $4 - $5 million a project. Sat Tamaribuchi said he would have to see all the projects proposed. Garry Brown said he saw this as being very inconvenient for the ECAC and the cities. How can a project be planned when caps, costs and scoring criteria have not been established? Sat Tamaribuchi said he meant he would not like to be restricted to a small amount if a bigger, better project was proposed.

Garry Brown said he believed the only projects they will see in this program are projects trying to comply with the regulatory mandate MS4 or TMDLs. He did not expect to see projects from cities that do not have this to contend with. He believed the program should be designed for this circumstance.

Monte Ward said he thought Mary Anne Skorpanich was correct in estimating seven or eight projects out of $38 million. Chair Mary Anne Skorpanich said even if they received only five projects a second call for projects could result in more. Monte Ward said until the projects are published for approval, changes can be made to the scoring criteria.

Garry Brown summarized the discussion by saying they have agreed an optimum would be eight projects improving water quality and set a cap of $5 million for any one project from the first round of funding.

Chair Mary Anne Skorpanich asked about multiple cities being able to apply for one project. Sat Tamaribuchi said he felt if one project is going to benefit several cities then everyone should be in on the project. Joe Parco said they should definitely get more scoring points. Monte Ward said if a funding cap is set, a 50% match is required, and an operation plan is required, they will have already started to deal with persuading partners to join them.

Sat Tamaribuchi asked Richard Boon if he had a sense that countywide there would be 15 applications for the program. Richard Boon said there is a curve of understanding and appreciation for water quality. There will be interest from Newport Bay but other watersheds – Coyote Creek, San Gabriel River, Anaheim Bay, Huntington Harbor – he didn't think people were starting to think about regional projects yet. Mary Anne Skorpanich said Huntington Beach does have a project in which they are seeking money for.

Ken Susilo said there will be one outcome from the initial technical analysis that can be used – they will be looking at the entire county with 11 watersheds. The analysis would be done looking at opportunities and the areas of need based on the information obtained. If they can perceive a possible project, they can present it to the city or other entity as something they can do. Richard Boon agreed the information can not only be used to evaluate properties but it can be used to encourage people to think about projects.

The Committee discussed putting the information out to the public first and indicating the problem areas before the first call for projects.

Ken Susilo presented the draft Required Scoring Metrics and Potential Weighting Factors.

Sat Tamaribuchi asked if project sustainability could be given more emphasis. Ken Susilo said it can be given more emphasis in the position it is located in the scoring metric.

There was a broad discussion on potential weighting factors and Sat Tamaribuchi suggested the ECAC should have a quorum of members present when making decisions on these important factors.   Since this information is scheduled to be approved in September, he suggested holding a special meeting at the end of August and trying to get as many ECAC members present in attendance.   Marissa Espino said she will poll the other Committee members and try to arrange a Special ECAC meeting at the end of August.

6. **Public Comments**
   No one from the public spoke.

7. **Committee Member Reports**
   There were no committee member reports.

8. **Next Meeting – September 8, 2011**
   The next meeting of the ECAC is to be determined.

9. **Adjournment**
   The meeting adjourned at 12:10 p.m.