

Measure M 2 Environmental Cleanup Allocation Committee

February 9, 2012

Meeting Minutes

Committee Members Present:

Chair Mary Anne Skorpanich, County of Orange-Watershed & Coastal Resources Program
Tim Casey, City of Laguna Niguel
William Cooper, UCI
Gene Estrada, City of Orange
Joe Parco, City of Santa Ana
Sat Tamaribuchi, Environmental Consultant
Dick Wilson, City of Anaheim

Committee Members Absent:

Vice Chair Garry Brown, Orange County CoastKeeper
Mark Adelson, Santa Ana Regional Water Quality Control Board
John Bahorski, City of Cypress
Chad Loflen, San Diego Water Quality Control Board
Tom Rosales, General Manager, South Orange County Wastewater Authority
Hector B. Salas, Caltrans

Orange County Transportation Authority Staff Present:

Alison Army, Sr. Transportation Analyst
Marissa Espino, Senior Community Relations Specialist
Janice Kadlec, Public Reporter
Charlie Larwood, Planning & Analysis Manager
Abbe McClenahan, Manager of Programming
Dan Phu, Project Development Section Manager

Guests

Ken Susilo, Geosyntec

1. Welcome

Chair Mary Anne Skorpanich welcomed everyone and began the meeting at 10:05 a.m.

2. Approval of the January 12, 2011 Meeting Minutes

Chair Mary Anne Skorpanich asked if there were any additions or corrections to the January 12, 2012 Environmental Cleanup Allocation Committee (ECAC) Meeting Minutes. A motion was made by Tim Casey, seconded by William Cooper, and carried unanimously to approve the January 12, 2012 meeting minutes as presented.

3. Tier 1 Status Update

Dan Phu gave a status update on the Tier 1 Call for Projects. Subject to OCTA Board approval, the Call for Projects will be released on February 21, 2012 and closed on April 20, 2012.

Marissa Espino gave a status update on the Tier 1 Workshops.

William Cooper asked how much money would be available for Tier 1 projects. Dan Phu said there will be approximately \$2.8 million available.

Chair Mary Anne Skorpanich asked if OCTA received any feedback from the cities whose projects were funded in the last Call for Projects. Dan Phu said OCTA surveyed the 24 applicants – approximately three have requested funding (in terms of a reimbursement) and a majority of the applicants have selected vendors from the County vendor list.

4. Tier 2 Study Update and Policy Discussion

Charlie Larwood gave an update on the Tier 2 Grant Program. Dan Phu reported Marissa Espino sent a copy of the Tier 2 Guidelines electronically to all the ECAC members requesting any changes. Dan Phu reviewed the requested changes with the Committee.

Sat Tamaribuchi asked how long between the issue of the Call for Projects and the applications are due. Dan Phu said it will be 60 days, similar to the Tier 1 Call for Projects. Sat Tamaribuchi said it seemed the Tier 2 time period should be longer since the Tier 2 projects would be multi-million dollar projects and different from the Tier 1 projects. Charlie Larwood said OCTA has thought about allowing applicants to choose either the 2012/13 fiscal year or the 2013/14 fiscal year to build their projects. Monte Ward asked if in the first round there would be a problem having a longer period between the call and the submission. Charlie Larwood said they can look into this. Dan Phu asked if the call period should be 90 days. The ECAC agreed this would be better.

Marissa Espino gave an update on the public outreach efforts for Tier 2. OCTA sent out an email asking the local jurisdictions if they had any interest in the Tier 2 Program. They received responses from 17 local jurisdictions showing interest in the program.

Chair Mary Anne Skorpanich said some of these may be multiple entities. Charlie Larwood said at the Regional Highways Committee Supervisor Bates wanted to know if anyone was pairing up for a project. William Cooper said the workshops would be a great place for jurisdictions to get together in the same room and decide on partnering.

Dan Phu reported a request was made to change the last sentence in paragraph three to: *A documented ten (10) year BMP O&M Plan **(submitted with application)** will be eligible for a 10% matching funds reduction.* This will differentiate it from a requirement of the ten (10) year audit.

Dan Phu said a request was made to add the following sentences to the end of paragraph three on page four: *In-kind O&M expenditures may be reduced as long as the minimum match rate commitment has been satisfied. This will not obligate an applicant to meet in-kind expenditures beyond what the project requires.*

Abbe McClenahan explained why this wording does not work because the O&M commitment would need to be verified through the semi-annual review process. Gene Estrada said he was only trying to document that no applicant will be held to the expenditures in the O&M plan once the minimum matching in-kind services has been met. They should only be held to the minimum match requirement for the application. Abbe McClenahan said they will only be held to the minimum match requirement. The problem is they should not be encouraged to submit an overmatch in O&M if they cannot fulfill the commitment.

The Committee discussed how to gauge the O&M match to in-kind services.

After further investigation Abbe McClenahan discovered O&M cannot be used as in-kind services match in Tier 2 projects. Charlie Larwood said the difference is the applicant is awarded a 5% reduction in matching funds if a 5-year *O&M plan is submitted* (10% reduction in matching funds if a 10-year plan is submitted).

Chair Mary Anne Skorpanich suggested the following statement be added to the **Matching Funds** section of the Tier 2 Guidelines on page 3: *Operation and Maintenance (O&M) costs cannot be used as in-kind services.*

Gene Estrada asked what would qualify for in-kind services. Abbe McClenahan said an example of in-kind services would be staff work done on things like design or actually going out and doing the work on the project. Gene Estrada asked if there was a limit. Abbe McClenahan said it could be a 100% staff built project. The limit is on 50% for construction management or project management

Gene Estrada asked if the applicant had a Letter of Agreement in 2012/13 fiscal year, and not start construction until 2013/14 fiscal year could interim design work count towards matching funds. Abbe McClenahan said no, the Letter of Agreement will specify the program year.

Chair Mary Anne Skorpanich suggested the upcoming workshops have examples ready of matching funds, schedules, how to reduce the match, what would count toward the match, etc. Dan Phu said in earlier workshops they had samples of projects that can be updated for the next workshops.

The Committee discussed changes to the **Potential to reduce matching funds** on page 3 and the importance of having an O&M plan. After discussion the following changes were made:

Potential to reduce matching funds up to 25%

- Project readiness (i.e., environmental [5%], design [5%] or right of way acquisition [5%]) – up to 15% reduction
- O&M commitment beyond 10 years: Five years above commitment for a total of 15 years (5% reduction) and ten years above commitment for a total of 20 years (10% reduction) – up to 10% reduction
- ~~Cash contribution (must be non-Measure M2 Fair Share or Local Turnback) – up to 5%~~
- ~~Submit 5-year O&M plan 5% reduction; 10-year O&M plan 10% reduction~~

A motion was made by Gene Estrada, seconded by William Cooper, and passed unanimously to:

- 1) Endorse the approval of the revised Combined Transportation Funding Programs (CTFP) Tier 2 Funding Guidelines, and
- 2) Endorse the recommendation to initiate the Tier 2 call for projects in the May/June 2012 timeframe.

Abbe McClenahan made a clarification to a previous question. Because Tier 2 is a Capital Program, OCTA will fund up to 10% of the design and environmental work provided they have been completed. Chair Mary Anne Skorpanich asked if this was 10% of the total project cost or 10% of the Grant. Dan Phu said 10% of the Grant.

5. Public Outreach Plan

Marissa Espino reviewed the 2012 OCTA M2 Environmental Cleanup Program Public Outreach Plan 2012.

Sat Tamaribuchi recommended adding businesses to the Target Audiences.

Gene Estrada asked who the E-Blasts would be going to. Marissa Espino said they mainly go to the Target Audiences.

Tim Casey suggested when they mail the information to the Cities they include the Public Works Director as well as the City Manager

6. Public Comments

There we no public comments.

7. Committee Member Reports

William Cooper announced his group at the University of Irvine (UCI) had recently responded to an International Research in Education pre-proposal. They would be

joining a group from Australia to look at low cost treatment of storm water. This would be a five-year \$5 million project and UCI's portion would be looking at the photo chemistry of constructive wetlands.

8. Next Meeting – March 8, 2012

The next meeting of the ECAC will be March 8, 2012 in the OCTA offices.

9. Adjournment

The meeting adjourned at 12:10 p.m.