Environmental Cleanup Allocation Committee
Meeting Minutes

July 9, 2009

Committee Members Present:
Chairperson, Garry Brown, Orange County Coast Keeper
Vice-Chair Mary Anne Skorpanich,   County of Orange-Watershed and Coastal
Resources Program
Mark Adelson, Santa Ana Regional Water Quality Control Board
Tim Casey, City of Laguna Niguel
William Cooper, UCI
Gene Estrada, City of Orange
Paul D. Jones, Irvine Ranch Water District
Joe Parco, City of Santa Ana
James Smith, San Diego Water Quality Control Board
Sat Tamaribuchi, Environmental Consultant

Committee Members Absent:
John Bahorski, City of Cypress
Karen I. Baroldi, Orange County Sanitation District
Hector B. Salas, Caltrans
Dick Wilson, City of Anaheim

Orange County Transportation Authority Staff Present:
Marissa Espino, Senior Community Relations Specialist
Rodney Johnson, Deputy Treasurer
Janice Kadlec, Public Reporter
Hal McCutchan, Environmental Programs Project Manager
Ken Phipps, Director of Finance, Administration and Human Resources
Monte Ward, Consultant

Guests:
Dr. Wallace Walrod, OCBC
Katie Wilson, Willdan Engineering

1. **Welcome**
   Chairman Garry Brown began the meeting at 10:10 a.m. and welcomed everyone. Introductions were given around the room.

2. **Approval of the May 2009 Minutes**
   Chairman Garry Brown asked if there were any corrections to the June 11, 2009 meeting minutes. No corrections were suggested. A motion was made by Vice-Chair

Mary Anne Skorpanich and seconded by William Cooper to approve the June 11, 2009 meeting minutes as presented. The motion passed unanimously.

3. Funding Options for ECA Approval

Rodney Johnson presented four different funding options available for the Environmental Cleanup Allocation Program. These funding scenarios assumed total revenues for the program of approximately $294 million, reflecting a $192 million drop from the originally expected revenues.

Committee member Sat Tamaribuchi asked if the expected 4.5% growth rate was a conservative estimate. Ken Phipps said the 4.5% is an expected average over the 30 years of life of M2 and takes into account the majority of loss of revenue that occurs in the first year of the program.

Committee member Paul Jones asked about using variable rate debt. Rodney said they did not run this scenario because variable rate debt is more expensive for a program this size.

Monte Ward said the Commercial Paper approach might make sense for the Tier 1 Program. The Tier 2 Program costs will be higher and other approaches may need to be considered.

Committee member Paul Jones said it seemed to him there needed to be a finance plan based on cash flows created before deciding on funding scenarios. Monte Ward said a set of dates needs to be set for eligibility and from that, determine how the first call for projects needs to be structured. When this has been established, it should be clear what the status of the program is for 2011 - 2012. Once this is completed it can be determined what can be done with the cash available. As the Tier 2 process comes forward, the ECAC can start looking at how to manage the cash available for this stage of the program

Committee member Gene Estrada suggested front-loading the Tier 1 projects and pushing back the Tier 2 projects. Monte said he agreed the Tier 2 call for projects could be handled similar to the road projects.

4. Tier 1 Program Requirements and Scoring Criteria

Dr. Wallace Walrod and Katie Wilson asked for the committee's final comments on the Environmental Cleanup Allocation Program Prerequisites and Requirements document. The committee discussed and commented on the following sections:

- Program Requirements
- Capital Improvement Program (section 2.1)
- Development of a Comprehensive CIP (section 2.1.1)
- Lead Agency Administration Costs
- Disbursement of Grant Funding (section 2.2.4)

- Performance Metrics
- Program Requirements Documentation of Matching Funds (Appendix C)
- Program Requirements Tier 1 Competitive Scoring Criteria (Appendix D)
- Tier 1 Scoring Criteria

5. BMP Implementation Modeling

Chairperson, Garry Brown and Vice-Chair Mary Anne Skorpanich gave an overview of the proposed Modeling for Prioritizing Structural BMP Implementation Renewed M (M2) Environmental Cleanup Allocation Program. The document outlined the next steps for moving forward with this project.

A subcommittee was formed to evaluate the proposed program. Chairperson, Garry Brown and Committee members Gene Estrada and Sat Tamaribuchi volunteered to be on the subcommittee.

6. Infrastructure Report Card for Surface Water Quality

Because of time constraints, Vice-Chair Mary Anne Skorpanich gave a short preview of the Orange County Surface Water Quality Report Card. She gave the committee members a copy of the Report Card and gave a short synopsis of the card. Vice-Chair Skorpanich said she would give a more detailed report at the next meeting.

7. Next Meeting – August 13, 2009

The next ECAC meeting will be August 13, 2009

8. Committee Member Reports

There were no further reports from the committee.

9. Adjournment

The meeting adjourned at 12:10 p.m.