



Minutes

Environmental Cleanup Allocation Committee

Committee Members Present

Garry Brown, Chair
Keith Linker, Vice Chair
Alex Waite, City of Tustin
Danny H. Kim, California State University, Fullerton
Grant Sharp, OC Public Works
Lorrie Lausten, Trabuco Canyon Water District
Michael Jones, Santa Ana RWQCB
Tyler Holst, Rancho Mission Viejo

Orange County Transportation Authority
550 South Main Street, Conference Room 07
Orange, CA
Thursday, December 7, 2023, at 10:30 am

Member(s) Absent

David Doyle, City of Aliso Viejo
Dennis Wilberg, City of Mission Viejo
Erica Ryan, San Diego RWQCB
Hector Salas, Caltrans District 12
Matt Collings, Moulton Niguel Water District
Peter Grant, City of Cypress

1. Welcome

Garry Brown called the Environmental Cleanup Allocation Committee (ECAC) meeting to order.

2. Approval of July 13, 2023, Minutes

A motion was made by Alex Waite, seconded by Grant Sharp to approve the July 13, 2023, ECAC meeting minutes. Motion passed unanimously.

3. Tier 1 Guidelines Revisions and Call for Projects

Alison Army, OCTA, and Adrian Salazar, OCTA, presented an overview of the revisions to the guidelines.

Committee Member Comments:

A committee member asked for clarification of the schedule, contingent on OCTA Board approval, if the call for Tier 1 would be released on February 12, 2024, with an application deadline of April 25, 2024. Adrian Salazar responded yes.

A committee member asked if they had an opportunity to assess the interest the cities had in applying for this round. Alison Army responded the last interest survey for Tier 1 was in late 2022 with 10 responses they were still interested. With the increased amount of \$600,000 the cities will have the opportunity to do some larger projects.

A committee member asked if the review would begin after all applications had been submitted, after April. Adrian Salazar responded yes, it would be the beginning to middle of June before the application processors would be asked to participate.

Action Recommendations:

- A. *Endorse the proposed revisions to the Comprehensive Transportation Funding Programs Guidelines for the Environmental Cleanup Program Tier 1 program.*
- B. *Recommend the Board of Directors approval to issue the 2024 Environmental Cleanup Program Tier 1 call for projects.*

Both items were taken as one motion, with the motion to approve made by Alex Waite, Keith Linker seconded. The motion was approved unanimously.

4. Tier 2 Guidelines and Call for Projects

Alison Army, OCTA, presented an overview of the revisions to the Tier 2 guidelines.

Committee Member Comments:

A committee member asked in reference to the ineligible expenditures bullet item, if there was a BMP (Best Management Practice) or water quality facility that was under-performing, would there be eligibility considerations for that. Alison Army responded that would be something they would deal with on a case-by-case basis, the emphasis of the bullet item is on features paid for with M2 funding. Dan Phu affirmed the response and added the intent is that it would not continue to be paid for with M2 funding.

A committee member asked how the Orange County Stormwater Tool (OCST) would eliminate some of the scoring questions such as performance, longevity, and the public benefits of the project that were used in the past. Alison Army responded that OCST will be used to calculate the technical scores; the Transportation Priority Index, the strategically affected areas (how dirty the water is before the project) and the load reduction benefits after the project is put in. There will still be traditional open-ended questions that will be scored by the evaluation committee. OCST will replace all of the calculations done by long hand and spreadsheet calculations in the earlier calls.

A committee member asked if they used Tier 2 monies to build a project, could Tier 1 monies be used later to enhance it or expand it. Dan Phu responded that would be vetted carefully on a case-by-case basis. Alison Army commented that the Tier 2 project benefits would be calculated without the benefit of the Tier 1 "enhancement" and the Tier 1 addition would need to have independent utility.

A committee member asked what the maximum Tier 2 funding limit was on the on the last Tier 2 call for projects. Dan Phu responded that the last Tier 2 call was in 2013 and the OCTA contribution was \$5 million max per project. The prior calls were funded against Bond revenues, which the committee elected to change. The current call is funded against the OCTA cash flow.

A committee member commented that larger projects compete better and expressed concern over losing a good project because of the funding cap of \$2.5 million and if there is a way to inquire about potentially raising the cap. Dan Phu responded It made more sense to have a higher contribution from OCTA and reduce the number of projects. With the 50% match, a cap of \$2.5 million would still allow for a \$5 million project.

A committee member asked if there were any Tier 2 projects in mind or were there any inquiries from agencies specifically asking for the Tier 2 call. Alison Army responded the timing was dependent on how many projects were out there potentially ready and the OCTA cashflow. Periodic surveys have been sent out and the last one indicated about six cities interested in Tier 2.

A committee member commented if projects came in and were geospatially grouped and the scoring criteria was then higher for the benefits of those projects, should that be looked at as a consideration and a more geographically balanced approach be considered for better distribution across other watershed projects. Dan Phu responded that has been the intent of Tier 1 and cities have participated in multiple rounds, but for Tier 2, it is a competitive program and risky to try and force projects if they are not there.

A committee member commented that since OCTA will be having more calls and have more Tier 2 funding available, being more flexible with the cap to support larger projects should be considered. There was no staff comment.

A committee member commented that it has been a decade since we had Tier 2 call and we are relearning the process with the goal of making further changes more frequently. Alison Army responded that having a more frequent call could get more projects out of the way quicker and then relook at the cap for those larger projects in the next call.

A committee member asked if any unused funds would be allowed to flow forward to the next call. Alison Army responded yes.

A committee member asked if increasing the frequency of the Tier 2 call for projects would reduce the amount of available cash for the next round. Dan Phu responded he did not think so but with the caveat that it is generated from the sales tax and subject to changes in the economy.

A committee member commented that when a project is awarded, there are three years to spend the money. Alison Army commented that for this call, the award would need be by the December 31, 2025, and there are three years to spend the funds.

A committee member commented that in the future he would like to advocate to increase the cap, and it is helpful to know how much money is available so the timing of the next round would be after there is reasonable assurance of any monies that would be coming back. Dan Phu responded 75% can be invoiced up front, then later the remaining 25%, causing a lag in the outflow of money. The current cap is as high as they can go as ongoing economic factors are looked at to ensure there is no jeopardy to projects already committed.

Action Recommendations:

- A. *Endorse the Comprehensive Transportation Funding Programs Guidelines developed for the 2024 Environmental Cleanup Program Tier 2 program.*
- B. *Recommend the Board of Directors approval to issue the 2024 Environmental Cleanup Program Tier 2 call for projects.*

Both items were taken as one motion, with the motion to approve made by Keith Linker and Alex Waite seconded the. The motion was approved unanimously.

5. Public Comments

There were no public comments.

6. Committee Member Reports

There were no member comments.

7. Next Meeting – TBD

8. Adjournment

The meeting adjourned at 11:25 a.m.