

# **Environmental Oversight Committee Meeting Minutes**

**June 2, 2010**

## **Committee Members Present:**

Chair Patricia Bates, OCTA Board of Directors  
Vice-Chair Melanie Schlotterbeck, Measure M Support Groups  
Nancy Jimeno, California State University, Fullerton  
Dan Silver, Endangered Habitats League  
Jonathan Snyder, US Fish and Wildlife Service  
Adam Probolsky, Probolsky Research  
Chris Flynn for Sylvia Vega, Caltrans  
Greg Winterbottom, OCTA Board of Directors

## **Committee Members Absent:**

Rose Coffin, Taxpayers Oversight Committee  
Veronica Chan, US Army Corps of Engineers  
Debbie Townsend, California Wildlife Conservation Board  
Erinn Wilson, CA Department of Fish and Game

## **Orange County Transportation Authority Staff Present:**

Ellen Burton, Executive Director of External Affairs  
Marissa Espino, Senior Community Relations Specialist  
Janice Kadlec, Public Reporter  
Dan Phu, Project Manager  
Monte Ward, Measure M Consultant

### **1. Welcome**

Chair Patricia Bates opened the meeting at 10:05 a.m. and welcomed everyone. She asked everyone to join her in the Pledge of Allegiance.

### **2. Approval of April 2010 Minutes**

Chair Patricia Bates asked if there were any additions or corrections to the May 5, 2010 Environmental Oversight Committee (EOC) meeting minutes. There were no additions or corrections. A motion was made by Melanie Schlotterbeck and seconded by Nancy Jimeno to approve the May 5, 2010 EOC meeting minutes as presented. The motion passed unanimously.

### **3. Restoration Properties Tour**

Dan Phu reported on the restoration properties tour. The committee toured 11 Group 1 and 2 properties in two days. Dan provided a slide show featuring each property. The properties toured were:

**Group 1**

1. Chino Hills State Park
2. City Parcel Restoration
3. Fairview Park
4. Irvine Ranch
5. Orange County Great Park
6. UCI Ecological Reserve

**Group 2**

1. Big Bend
2. Harriett Wieder Regional Park
3. Imperial/SR-91 Proposal
4. Southern Open Space
5. Upper Buck Gully

Dan Phu said the next step will be to convene a meeting with the evaluators (wildlife agencies, as well as Caltrans, and OCTA staff members) to take another look at the properties and discuss whether there were any changes to the original proposals.

Greg Winterbottom asked if there has been any information on the amount of money being proposed for this project. Monte Ward said presently the dollar amount for this project is approximately \$27.5 million for this round of funding. Currently, the Board policy is an 80/20 acquisition/restoration split over the life of the program. The item was taken to the Transportation 2020 Committee (T2020) to receive some clarification for this round of funding and indicated that Staff needs to assume an 80/20 split for the first round of funding.

Monte Ward said one of the things noticed on the restoration property tours is there are some widely varying degrees of information available for the restoration projects as well as readiness and experience. This will make the evaluation and recommendation process more complicated.

Nancy Jimeno agreed and said she asked the various property owners how they have been funding restoration up to this point. She received very inconsistent answers to this question. Nancy said she feels each property owner should be able to answer what they have contributed toward restoration and what they are asking for. The evaluators need to know if there are other avenues for funding.

Dan Phu said, because of the complexity of the project, some projects require additional engineering while other project sponsors have completed the engineering work and only require funding for the restoration activity. One of the things that will need to be determined from a policy standpoint is if the wildlife agencies are looking at giving OCTA mitigation credit within a certain timeframe because some of the projects will not fit within a certain timeframe.

Monte Ward said evaluators will need to determine the readiness of the projects and some projects which are good projects may need to be delayed to a different cycle because they are not ready.

Melanie Schlotterbeck congratulated staff for the great job they did on the property tours. Everything seemed to move forward without a hitch.

#### **4. Acquisition Proposals Update**

Dan Phu gave an update on the May 24 Board actions. The Board approved adding the remaining four properties in Group 1 to the appraisal process bringing the total properties to be appraised to 14. This process is underway. The second action taken by the Board was to delegate the authority to the EOC to add any remaining Group 2 properties to the appraisal process if any of the Group 1 properties fall out of contention.

Dan Phu gave a project management update. The Board requested that if properties are being considered for purchase, a future manager as well as owner need to be in place. The evaluation committee has talked to several potential property managers and they showed varying degrees of interest and have some caveats such as a certain amount of funds be set aside for endowments. This, along with other parameters, has begun to be discussed.

Monte Ward said he has been a participant in the discussions with the future managers and in all cases they have been interested in the endowment/funding side but also from a management perspective they are interested in what type of public use would be permitted and what would be compatible with the primary goal of habitat. What he has heard from the management side is similar to what has been heard from the Board about having an interest in and utilizing the trail connections or opportunities for managed access. Some potential managers are capable of handling this and other managers would consider this secondary to the primary purpose. There are also questions regarding the scale of the project.

Dan Silver asked for the status of the appraisals. Dan Phu said appraisals should begin within approximately one week and take six to eight weeks. This would entail the actual appraisal of the properties and then the appraisal review process. Dan Silver asked if the appraiser had been chosen. Dan Phu said at this point the appraiser has not been chosen but there is an on-call contract with various appraisal firms. OCTA will need to make sure these appraisers are in line with each other and have the right type of background for appraising conservation land. Dan Silver said he would like the process to move as quickly as possible.

Greg Winterbottom asked if the appraisals would need to be approved by the T2020 and then the Board. Dan Phu said the Board requested staff prepare a detailed acquisition plan outlining the various steps to be taken – appraisal process, negotiations, opening and closing of escrow, integrating land management – and any other factors necessary to get to the acquisition side. This plan will be taken to the T2020 in July and ultimately to the Board. Once this plan is approved, it can be executed. The restoration guidelines also will be developed.

Monte Ward said one of the things being looked at on the acquisition plan is the process in which acquisitions will be discussed with the EOC, T2020, and Board. The negotiation process will more than likely be in closed session. OCTA legal counsel is looking into how to manage the process.

Chair Patricia Bates asked if the acquisition plan would come through the EOC before going to the T2020 and Board. Dan Phu said yes, the Acquisition Plan along with the restoration guidelines would come to the EOC in July and then later in July to the T2020.

## **5. Restoration Proposals Update**

Dan Phu gave an update on the restoration proposals. On May 24, the Board approved the Group 1 and 2 restoration property rankings and also staff's request to obtain more information on the property restoration from the owners. Staff began the process of obtaining more information on the various restoration projects. They have specifically asked property sponsors to itemize all restoration activities to enable OCTA to clearly see these activities in order to determine which efforts would qualify for mitigation credits. At this point, most of the project sponsors have provided the information. Once all this information is in, there will be a meeting with the wildlife agencies and Caltrans to discuss qualified mitigation activities.

Dan Silver asked if there would be a similar meeting with the wildlife agencies and Caltrans once all the acquisition appraisals were completed or would this happen before the appraisals were in. Dan Phu said the exact process will be in the acquisition plan scheduled to be presented at the July EOC meeting. There is a possibility this detail may not be in the plan because the process may be an internal only process. Some of the components may not be day-lighted because of the confidential property negotiations.

Dan Silver asked if the the appraisals will not be completed by the next EOC meeting in July, then what would the acquisition plan consist of. Dan Phu said the Acquisition Plan would consist of how OCTA's right-of-way policy would merge with the Acquisition Plan and also come up with a plan of action which will eventually be executed.

Dan Silver asked if staff would be discussing the results of the appraisals with the EOC. Monte Ward said there would most likely be a closed session discussion with the EOC after the appraisals are completed and prior to beginning negotiations.

Dan Silver said he would suppose the wildlife agencies, Caltrans, and OCTA are beginning to talk about their priorities in advance of the appraisal numbers. Melanie Schlotterbeck said the evaluation team has already ranked the properties during the evaluation process, but it is only known to the evaluators. The appraisal component is just one more factor in the evaluation.

Dan Silver asked if the priorities had been re-evaluated as a result of the property tours. Melanie Schlotterbeck said there have been meetings scheduled to update the rankings due to the tours. Dan Phu said as a result of the updated information, no properties were shifted from Group 1 to Group 2; however, there is a possibility of property rankings being shifted within an individual group. Jonathan Snyder said there is no set ranking of properties within the individual groups. The only ranking

done so far is to rank the properties biologically into the two groups. There has been some discussions internally regarding priorities and these discussions will be ongoing.

Monte Ward said a great deal of information is known about the properties from a resource standpoint. What is not known is the appraised value, the specific expectations of the property owner(s) in respect to the value, and the due diligence information is unknown. These next components will have a significant influence on which properties will be recommended for acquisition.

Nancy Jimeno asked when the working group would come back into the picture. Monte Ward said the entire committee will be involved in making the final recommendation and may require one or more closed session discussions.

Dan Silver said there has been a great deal of informal discussion about the relationship of the funding tranches and maybe trying to merge the first and second tranches together. When would the formal discussion of this subject take place? Monte Ward said the procedural steps would be to discuss it once all the information has been gathered and determine if it makes sense to make a recommendation. In which case this would be an action the EOC would make and then take the recommendation to the T2020 and the Board. If a recommendation was made to advance funding beyond what has been anticipated, the Board would need to consider what the limitations were.

Chair Patricia Bates commented it would be helpful to have staff make a future funding presentation to the EOC. Monte Ward said currently the finance department is taking a look at the way the sales tax is forecasted. A new method of a combination of actuals and projections is being considered.

## **6. Mitigation Program Status Update**

Dan Phu gave a report on the Mitigation Program funding status. The program funding is complicated because the M2 sales tax collection does not start until April 2011. The first two tranches of the Program are accomplished through a commercial paper program and is part of the approved Early Action Plan. The first tranche is estimated at \$27.5 million and the second is estimated at \$25 million. Future tranches will be determined solely on sales tax collection.

Monte Ward reported the major downturn in the economy significantly affected the Mitigation Program baseline numbers. Previously, when an economic downturn occurs, an upturn will follow which will more than make up for the losses experienced in the downturn. Forecasters are not as confident this will happen now because the downturn was so severe and deep and it is unlikely a full recovery will be seen. Therefore the starting numbers will be lower than predicted. The numbers seen today are the numbers that can be counted on with some degree of confidence. In 2011/2012 it will be determined if adjustments can be made to the current estimates and what can be recommended for future funding in 2015.

## **7. Look Ahead Schedule**

Dan Phu presented the Mitigation Program Look Ahead Schedule and summarized some of the major upcoming activities.

Melanie Schlotterbeck observed there seemed to be some missing steps in the acquisition approval process. Dan Phu said part of the reason for this is the Acquisition Plan has not been completed. These steps were not included because of the uncertainty of a public or closed session for this part of the process. Chair Patricia Bates suggested putting a footnote at the bottom of the page with an explanation stating that recommended acquisition funding steps are pending.

Monte Ward said there also may be a need to hold special meetings to approve recommendations in a timely manner. Chair Patricia Bates said this information should also be a footnote – special meetings may be necessary.

Nancy Jimeno asked if the Environmental Impact Report/Environmental Impact Statement would be part of the Habitat Conservation Plan/Natural Community Conservation Plan. Dan Phu said yes, as part of the conservation planning effort a California Environmental Quality Act/National Environmental Policy Act document is required. Nancy asked if this can be done before the land is acquired. Dan said it can be done, primarily because there is a prioritized list of acquisition properties (Group 1). Nancy asked to be notified when they have a date for the scoping meeting.

## **8. Public Comments**

No members of the public spoke.

## **9. Committee Member Reports**

Nancy Jimeno reported she greatly enjoyed the restoration property tours.

## **10. Next Meeting - Wednesday July 7, 2010**

The next meeting of the EOC will be Wednesday, July 7, at 10 a.m.

## **11. Adjournment**

The meeting adjourned at 11:05 a.m.