



**Mitigation and Resource Protection Program Oversight Committee  
Environmental Oversight Committee  
Orange County Transportation Authority**

**July 7, 2010**

**Orange County Transportation Authority  
600 S. Main Street, Orange CA**

**10 a.m. – 11:30 a.m.  
Room 154**

**AGENDA**

- 1. Welcome**
- 2. Approval of June 2010 Minutes**
- 3. Acquisition Proposals Update**  
Dan Phu, OCTA  
Monte Ward, OCTA Consultant  
A. Draft Acquisition Plan
- 4. Restoration Proposals Update**  
Dan Phu, OCTA  
Monte Ward, OCTA Consultant  
A. Draft Restoration Guidelines
- 5. Look Ahead Schedule**
- 6. Public Comments**
- 7. Committee Member Reports**
- 8. Next Meeting – Wednesday, August 4, 2010**
- 9. Adjournment**

**Public Comments:** The Agenda descriptions are intended to give notice to members of the public of a general summary of items of business to be transacted or discussed. Members from the public wishing to address the Committee will be recognized by the Chairman at the time the Agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes. Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA at (714) 560-5725, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

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# **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, is now being 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 protection. 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 vacant/open space 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 this additional information. 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 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 in terms of their alignment with the criteria during the evaluation process, but that information 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.

**Measure M2 Environmental Mitigation Program  
Draft Acquisition Plan**

TASK	RESPONSIBLE PARTY	DURATION	SCHEDULE
1a) Send notice of decision to appraise letters to property owners	OCTA R/W	1 week	June/July 2010 (Third Quarter 2010)
1b) Contact and engage property owners in discussion of expectations (preliminary range of value)	OCTA PM & R/W	2-4 weeks	July/August 2010 (Third Quarter 2010)
1c) Send letters of interest to 14 Group 1 property owners to acquire (purchase contingent upon review of title reports, Phase I environmental report, price, and Board approval)	OCTA PM & R/W	2-4 weeks	July/August 2010 (Third Quarter 2010)
2) Prepare preliminary estimates of property value and endowment costs A. Obtain preliminary acquisition cost for budgeting purposes used in decision-making process to continue with acquisition (including preliminary endowment and matching funds) B. Preliminary discussion with wildlife agencies regarding prioritization of properties C. Determine if estimated value of properties exceeds first tranche funding of \$22 million for acquisition <b>D. Prepare staff report with recommendations to the Environmental Oversight Committee (EOC), Transportation 2020 Committee (T2020), and Board of Directors (Board) for approval to prioritize properties based on biology &amp; preliminary cost*</b>	OCTA PM	4-5 weeks	8/2/10: EOC 8/31/10: T2020 9/13/10: Board (Third Quarter 2010)
3) Prepare preliminary assurances agreements with wildlife agencies	OCTA PM	4-6 weeks	June/July 2010 (Third Quarter 2010)
4a) Order appraisal reports	OCTA R/W	4-6 weeks	July/August 2010 (Third Quarter 2010)
4b) Order preliminary title reports A. Confirm ownership B. Identify liens, encumbrances, easements, and other exceptions to title that affect property; used in decision-making process to continue with acquisition	OCTA R/W	3-4 weeks	July/August 2010 (Third Quarter 2010)
5) Review preliminary title reports A. Identify potential issues with each property B. If there are properties with potential issues, OCTA staff to determine if issues need policy consultation/direction C. Determine if title exceptions/exclusions need removal <b>D. If so, prepare staff report with recommendations to the EOC, T2020, and Board for approval of which properties to acquire*</b>	OCTA PM Consultant Support	1-2 weeks  <b>Note, potentially an additional 6-8 weeks if need policy consultation/direction</b>	July/August 2010 (Third Quarter 2010)
6a) Preliminary discussions with potential future land owners and managers	OCTA PM	Ongoing	May/December 2010 (Second/Fourth Quarter 2010)
6b) Identify interim management strategies	OCTA PM & R/W	6-8 weeks	July/September 2010 (Third Quarter 2010)
6c) Discussions with wildlife agencies to identify property-specific conservation tools (deed restrictions, conservation easements, etc.), and NCCP/HCP planning goals/objectives to align with future owners and managers	OCTA PM	6-8 weeks	July/September 2010 (Third Quarter 2010)
7) Order Phase I environmental report A. Used in decision-making process to continue with acquisition B. Order Phase II report, if necessary; OCTA staff to be notified first C. If there are properties with potential issues, OCTA staff to determine if issues need policy consultation/direction	OCTA R/W	4-5 weeks (After Task 4b)	July/August 2010 (Third Quarter 2010)

Thursday, July 01, 2010



**Measure M2 Environmental Mitigation Program  
Draft Acquisition Plan**

TASK	RESPONSIBLE PARTY	DURATION	SCHEDULE
<b>D. If so, prepare staff report with recommendations to the EOC, T2020, and Board for approval of which properties to acquire*</b>		<b>Note, potentially an additional 6-8 weeks if need policy consultation/direction</b>	
8) Obtain property analysis record (PAR)	OCTA PM	6-8 weeks	August/September 2010 (Third Quarter 2010)
9) Receive appraisal reports	OCTA R/W	1-2 weeks	July/August 2010 (Third Quarter 2010)
10) Conduct appraisal reviews	OCTA R/W	1-2 weeks	August 2010 (Third Quarter 2010)
11) Appraisal review certificates issued	OCTA R/W	2-3 weeks	August/September 2010 (Third Quarter 2010)
12a) Obtain final assurances from wildlife agencies	OCTA PM	2-4 weeks	July/August 2010 (Third Quarter 2010)
12b) Review acquisition costs based on appraised value and PAR A. OCTA establishes value of property B. Prepare and deliver offer C. Negotiate purchase price D. Obtain signed purchase and sale agreement <b>E. Prepare staff report with recommendations to the EOC, T2020, and Board for approval to proceed with acquisition of a sub-set of properties*</b> F. Open Escrow	OCTA PM & R/W	6-8 weeks	9/1/10: EOC 9/20/10: T2020 9/27/10: Board  August/September 2010 (Third Quarter 2010)
13) Order Land Survey, if necessary A. Survey if land boundaries are questionable	OCTA PM & R/W	6-8 weeks (After Task 12 D)	September/November 2010 (Third/Fourth Quarter 2010)
14) Secure long-term owner (to be determined whether OCTA will transfer ownership upon purchase or after approval of NCCP/HCP) A. Negotiate transfer terms B. Negotiate management endowment C. Sign transfer agreement or see Task 19	OCTA PM & R/W	6-8 weeks (After Task 12D)	September/November 2010 (Third/Fourth Quarter 2010)
15) Close escrows	OCTA R/W & PM	12-16 weeks total process	August/December 2010 (Third/Fourth Quarter 2010)
16) <b>Prepare staff report to update EOC, T2020, and Board on acquired properties</b>	OCTA PM	4-6 weeks	1/5/11: EOC 1/17/11: T2020 1/24/11: Board  (First Quarter 2011)
17) Integration of acquired properties into NCCP/HCP	OCTA PM & NCCP/HCP Consultant	6-8 weeks	March/April 2011 (First/Second Quarter 2011)
18) Development of long-term management plan	OCTA PM & Consultant	16 weeks	April/July 2011 (Second/Third Quarter 2011)
19) Transfer to long-term owner upon approval of NCCP/HCP A. Sign transfer agreement	OCTA PM & R/W	16 weeks	April/July 2011 (Second/Third Quarter 2011)

OCTA R/W – Orange County Transportation Authority right-of-way staff  
OCTA PM – Orange County Transportation Authority project manager  
NCCP/HCP – Natural Community Conservation Plan/Habitat Conservation Plan  
\*Note: information will be disseminated in a closed session forum

Thursday, July 01, 2010