



AGENDA

Measure M2 Environmental Oversight Committee

Committee Members

Lisa Bartlett, Chair
Melanie Schlotterbeck, Vice Chair
Dr. David Chapel, Grand Jury
Association of OC
Laurie Davies, OCTA Board of Directors
Dr. Pauline Merry, Taxpayers Oversight
Committee Representative
Chris Flynn, Caltrans District 12
Veronica Li, US Army Corps of Engineers
David Mayer, CA Dept. of Fish & Wildlife
Derek McGregor, DMc Engineering
Dan Silver, Endangered Habitats League
Jonathan Snyder, US Fish & Wildlife
Service
John Walsh, CA Wildlife Conservation
Board

Orange County Transportation Authority
Conference Room 07
550 South Main Street
Orange, CA

Wednesday, May 6, 2020 at 2:30 p.m.

Guidance for Public Access to the Board of Directors Meeting

On March 12, 2020 and March 18, 2020, Governor Gavin Newsom enacted Executive Orders N-25-20 and N-29-20 authorizing a local legislative body to hold public meetings via teleconferencing and make public meetings accessible telephonically or electronically to all members of the public to promote social distancing due to the state and local State of Emergency resulting from the threat of Novel Coronavirus (COVID-19).

In accordance with Executive Order N-29-20, and in order to ensure the safety of the Orange County Transportation Authority (OCTA) Environmental Oversight Committee (EOC) Members and staff and for the purposes of limiting the risk of COVID-19, in-person public participation at public meetings of the OCTA will not be allowed during the time period covered by the above-referenced Executive Orders.

Instead, members of the public can listen to AUDIO live streaming of the EOC meeting by clicking the below link:

<http://www.octa.net/About-OCTA/Who-We-Are/Board-of-Directors/Live-and-Archived-Audio/>

Public comments may be submitted by emailing them to publiccomments@octa.net.

If you wish to comment on a specific agenda Item, please identify the Item number in your email. All public comments that are timely received will be part of the public record and distributed to the EOC. Public comments will be made available to the public upon request.

In order to ensure that staff has the ability to provide comments to the EOC Members in a timely manner, **please submit your public comments 30 minutes prior to the start time of the EOC meeting date.**



AGENDA

Measure M2 Environmental Oversight Committee

1. Welcome
2. Pledge of Allegiance
3. Approval of November 6, 2019 Minutes

4. **Aliso Creek Restoration Project**

Dan Phu, OCTA

Lesley Hill, OCTA

Hallie Jones, Laguna Canyon Foundation

Recommendation

- Endorse staff's recommendation to increase the Laguna Canyon Foundation Aliso Creek restoration project budget by \$275,000 as outlined herein.

Measure M2 includes an Environmental Mitigation Program (EMP) to deliver comprehensive mitigation for the environmental impacts of freeway projects in exchange for streamlined project approvals from the state and federal resource and regulatory agencies. To date, the EMP has acquired a number of conservation properties and provided funding for habitat restoration projects. Laguna Canyon Foundation will provide a summary of the Aliso Creek restoration project, including why additional funds are being requested to complete this project. They will be available to answer questions. Additional information, including specific to the Aliso Creek restoration project is attached.

5. **OCTA Preserves' Fire Management Plans Update**

Lesley Hill, OCTA

As required by the OCTA M2 Natural Community Conservation Plan/Habitat Conservation Plan, OCTA began developing fire management plans (Plans) for the Preserves in 2018. Each Preserve will have its own separate Plan. The Plans will provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. It is anticipated that these Plans will be completed as scheduled in 2020. Once completed, these Plans will be shared with the EOC as well as interested stakeholders. Additional information is attached.

6. **OCTA Pacific Horizon Preserve Habitat Impacts**

Lesley Hill, OCTA

In March 2020, an unauthorized trail and cut fencing was discovered at the OCTA owned Pacific Horizon Preserve. The Pacific Horizon Preserve is approximately 151 acres and is located within Laguna Beach. Southern California Edison (SCE) has confirmed that the impacts were caused by one of their contractors in response to California Public Resources Code 4292. The damage to the Preserve exceeds the required work for the



AGENDA

Measure M2 Environmental Oversight Committee

utility line. Additional information is attached, and an update pertaining to this issue will be provided.

7. Hikes and Equestrian Rides

Marissa Espino, OCTA

In compliance with Gov. Gavin Newsom's order to stay at home to protect the health and well-being of all Californians and to establish consistency across the state in order to slow the spread of COVID-19, OCTA is postponing all scheduled hikes and equestrian rides until further notice. OCTA will release the revised 2020 Wilderness Preserve Hiking and Equestrian Riding Tour calendar once the order has been lifted.

8. Public Comments

Members of the public may address the EOC regarding any item. Please complete a speaker's card and submit it to the EOC or notify the EOC the item number on which you wish to speak. Speakers will be recognized by the Chair at the time the agenda item is to be considered. A speaker's comments shall be limited to three (3) minutes.

9. Committee Member Reports

10. Next Meeting – Aug. 5, 2020

11. Adjournment



Minutes

Measure M2 Environmental Oversight Committee

Committee Members

Lisa Bartlett, Chairman
Melanie Schlotterbeck, Vice Chair
Dr. David Chapel, Grand Jury Assoc. of O.C.
Chris Flynn, Caltrans District 12
Kyle Rice, CA Dept. of Fish & Wildlife
Derek McGregor, DMc Engineering
Dr. Pauline Merry, Taxpayers Oversight Comm.
Dan Silver, Endangered Habitats League
Jonathan Snyder, US Fish & Wildlife

Orange County Transportation Authority
550 South Main Street, Room 07
Orange, California

***Wednesday, November 6, 2019 at
2:30pm***

Member(s) Absent

Laurie Davies, Board of Directors
Veronica Li, US Army Corp of Engineers
John Walsh, CA Wildlife Conserv. Board

Any person with a disability who requires a modification or accommodation in order to participate in this meeting should contact the OCTA Clerk of the Board, telephone (714) 560-5676, no less than two (2) business days prior to this meeting to enable OCTA to make reasonable arrangements to assure accessibility to this meeting.

1. Welcome

Chairman Lisa Bartlett called the Environmental Oversight Committee (EOC) meeting to order at 2:33 p.m.

2. Pledge of Allegiance

Chairman Lisa Bartlett led the Pledge of Allegiance.

3. Approval of July 10, 2019 Minutes

Chairman Lisa Bartlett asked if there are any additions or corrections to the July 10, 2019 EOC minutes.

A motion was made by Melanie Schlotterbeck, seconded by Derek McGregor and passed unanimously to approve the July 10, 2019 EOC meeting minutes.

4. Interstate – 5 Widening Project Update

Lesley Hill provided background for the I-5 Widening Project as it pertains to the potential passage of southern steelhead in Aliso Creek under SB 857. OCTA, Caltrans, and the California Department of Fish and Wildlife (CDFW) identified a solution which enables the CDFW to issue a project permit without incurring project delays and additional costs. Lesley showed the three options for the streambed alignment. The alignment selected removes dams within Trabuco and Holy Jim Creeks and funds a onetime grant to a local non-profit group to focus efforts on a steelhead habitat restoration project. She said OCTA previously provided funding to the United States Forest Service for dam removal within San Juan Creek and that project included 14 dams. This project has been extremely successful and came in under budget. Lesley said because of the Holy Jim fire, new dams were identified for removal. OCTA will take the money saved on the San Juan Creek project and use it to fund the removal of the Trabuco and Holy Jim Creeks dams. She said the other part of the Streambed Alignment Agreement (SAA) is the onetime grant. OCTA is underway with getting an administrative amendment to an existing contract with the Laguna Canyon Foundation for \$100,000. They must get concurrence from the CDFW before they spend the grant on a project.

The committee asked if any of the dams were built from natural causes. Lesley Hill said they were all placed there decades ago as part of recreation and forest service efforts.

Melanie Schlotterbeck thanked everyone for their hard work. She asked, looking forward, has OCTA identified solutions for other projects that might encounter the same problems. Lesley Hill said this project has definitely brought to OCTA's attention the intention of SB 857. She said Caltrans has been tasked with the duty of looking at projects for the occurrence of steelhead streambed alignments. Lesley said field visits are starting to happen and Caltrans along with CDFW are working proactively to identify these occurrences early so freeway projects can build in mitigation at the time of design.

Dan Silver said at the last meeting of this committee there was a lot of justifiable angst surrounding this project. He said it is good OCTA was able to work out a deal with the CDFW. Dan said he would like to see more information on the impacts. He feels like he does not have a grasp of the impacts to the steelhead in these creeks. Dan said maybe at a future meeting, the committee could hear more about the impacts to gain some understanding. Lesley Hill said OCTA hired Fisheries Biologist and geomorphologists to walk the entire creek and do a steelhead assessment. She said they really looked for natural barriers but did not find a natural barrier. They did, however, find about 20 barriers downstream from the I-5 project area to the mouth of

the stream. They said the last documented steelhead was in the 1960's at the mouth of the river. Dan said maybe he could meet with the agencies. Lesley said she would provide the assessment.

The committee asked about the cost for the removal of the dams in option three. Lesley Hill said it is \$70,000. She said the US Forest Service really wanted to complete this project and were willing to do it for the amount saved on the original project. She said the timing was right and the amount of money available was right.

5. Overview of Preserve Management

Dan Phu provided background on the conservation properties. He said eventually OCTA will not be involved in the management of the preserves. Dan said OCTA will be looking to this committee to assist with the process of identifying logical land managers. Concurrently an endowment has been established for the management of these preserves.

Lesley Hill said this next step is a big transition. OCTA is putting together a schedule, developing criteria, and learning the contracting process. She said since OCTA has been managing the properties, we have a good sense of how much it will cost to for someone else to manage the preserves. Lesley said OCTA would like to create a working group including EOC members to help with the process. Dan Phu went through the endowment process. He said the endowment and these properties are tied together and we will look at the logical people to manage the preserves in the future.

The committee asked if OCTA will not hand off the properties until a certain endowment is reached. Dan Phu said this is open to discussion. It is not necessary for the endowment to be fully funded. He said each property would be looked at on a case by case basis. Dan Silver said OCTA has been patient through the process, but it seems like the preserves should be handed off soon since it is not really OCTA's function to manage properties. Melanie Schlotterbeck agrees with this. She said OCTA is not in the business of maintaining open land. Melanie talked about building the endowment and said OCTA is available to help identify entities to manage the properties.

The committee asked about updates on the sales tax forecast as it pertains to the endowment. Kia Mortazavi said recently the Next 10 Plan was updated. He said the revenue forecast is up. Kia said recently a change has been made to online sales tax collection which will help Measure M. Kia said the endowment is slightly behind, but mostly on track. Melanie Schlotterbeck asked if the funding update has been done or if it is something that will be done in the future. Dan Phu said once we get real numbers the information will be presented. He said from what he is seeing, the numbers are being met for the endowment.

Melanie Schlotterbeck said she likes the approach OCTA is taking by looking at criteria, etc and she is willing to serve on the working group.

Monte Ward said OCTA has models for securing consultants, engineers, etc. But, OCTA does not really have a model for securing a land manager. He said there will need to be a different way of looking at how the managers are measured.

6. Hobo Aliso Ridge Conservation Easement Acquisition

Lesley Hill said Ms. Penny Elia approached the EOC about a property adjacent to OCTA's Pacific Horizon Preserve. Ms. Elia has sent in a letter outlining her proposal.

Ms. Penny Elia thanked the EOC for their time today. She said the Sierra Club established the Save Hobo Aliso Task Force in 2000. This task force was developed due to large developers' interest in acquiring the land. Ms. Elia said they were told the Coastal Commission could help with this property, so the Sierra Club partnered with the Coastal Commission and the Coastal Conservancy. Ms. Elia showed a picture of the Big-leaved crownbeard on the property which helped the property to be designated as a preserve. This property is just shy of 75 acres and is made up of three parcels. The benefits are that the parcels are contiguous with the Pacific Horizon Preserve, there are no costs to transfer the land to OCTA, there are no inherited obligations, and there are no property taxes (zoned as open space). Two restoration plans are in place and there is an additional \$20,000 available to OCTA (collected from fines). Southern California Edison will be out this month to remove all of the remaining power poles on the property. She said a property analysis record project has been approved through the Coastal Commission and Coastal Conservancy and will be done by Centers for Natural Land Management (CNLM). CNLM would like to manage the Pacific Horizon Property as well since the Hobo Aliso Ridge is not big enough. She said this group has rangers for enforcement, they do biological work, and would be an excellent partner. She said preservation comes from strong partnerships and this alliance would come with a strong team behind it.

The committee asked if a bio survey has been done on the property. Ms. Penny Elia said there have been many bio surveys of the property. Melanie Schlotterbeck asked for the surveys to be provided to OCTA. Ms. Elia said she would be happy to provide the surveys and the property analysis record will be complete soon as well.

The committee asked who the land is owned by. Ms. Penny Elia said unfortunately the land is owned by Athens and they currently hold fee title to the property.. The committee asked if the fee title would be transferred to OCTA. Ms. Elia said when the land was saved by the conservation easement, the City of Laguna Beach was in line to receive the land. In January of 2007 there was a change of City Managers and the City of Laguna Beach did not want the land and would not take it, so Athens had no choice but to hold on to the property.

The committee asked if there was funding or an endowment for property management. Ms. Penny Elia said the Sierra Club and partners would like to work out a deal to help with the costs associated with the management of the properties. She said this is an area we need to work on together to determine how to pay for the property management. Ms. Elia said we need to get the property out of the hands of the Athens group as quickly as possible and the Sierra Club and partners are willing to work with OCTA on funding for the property management.

The committee asked about fire abatement adjacent to the property. Ms. Penny Elia said an exemption has been obtained to not have fire abatement along the preserve. The committee asked if property owners adjacent to the preserve have given any trouble about this. Ms. Elia said no.

The committee asked why the CNLM have not taken the property for themselves. Ms. Elia said they would like to work with OCTA, but the property is too small on its own for them.

Monte Ward asked about the timetable. Ms. Penny Elia said the sooner the better or at least in her lifetime. Monte said the reason OCTA has properties in the first place is for freeway mitigation as it ties to the Measure M Ordinance. He says the challenge with this proposal is there is no nexus for sales tax expenditures and freeway mitigation by OCTA for freeway improvements. Ms. Elia said she has been told that OCTA does not need any more mitigation, but OCTA has made a significant impact to the Pacific Horizon Property. She said there has been an encroachment and what is the balance. Ms. Elia said OCTA front loaded the purchase of mitigation land. When she shared this with the Coastal Commission they thought OCTA might need additional mitigation. Monte said OCTA needs to have a conversation with the Coastal Commission and the Coastal Conservancy. Ms. Elia said she is in direct contact with the deputy officer in Long Beach and they would be willing to meet with OCTA. Monte said the nexus of the expenditures is the problem. Ms. Elia said the Sierra Club and partners are not proposing any expenditure by OCTA.

The committee said OCTA will need to look at the protected species and where they fall on the list. Melanie Schlotterbeck said there is a great deal of benefits to OCTA, but risks and liabilities need to be looked at. She said it is really important to sit down and talk with the Coastal Conservancy. Melanie said she is nervous about the fact that there are other properties that could be just as deserving and we should not go automatically with this property without giving others consideration. She said we have had a great process and she would not want the integrity of the work the EOC has done to be challenged. And, she is concerned about keeping within the Measure M Ordinance. Chairman Lisa Bartlett said she has full confidence the OCTA Staff would not let anything improper happen with regards to this proposal.

7. 2019 Hikes and Equestrian Rides

Marissa Espino said all of the hikes for 2019 have been completed and there is one more equestrian ride later this month. She said OCTA is finalizing the 2020 calendar and it will be out soon. Marissa thanked Dr. Pauline Merry for coming out to the Pacific Horizon hike in August.

8. Public Comments

Sharon Fudge lives in Laguna Beach right above the properties mentioned in Aliso Creek. She said this is her first time at any OCTA meeting. She said this program is a benefit to the public and she appreciates everything OCTA is doing. Ms. Fudge said the Hobo Aliso Ridge is named because it is adjacent to the Aliso Creek. She said she would like to express her support to expand the Pacific Horizon Preserve with the addition of the Hobo Aliso Ridge parcels. Ms. Fudge said this acquisition just makes sense.

Dave Seroski and his horse named Ted are from Trabuco Canyon and would like to go on rides on some of OCTA's properties. He would like to propose the OCTA equestrian ride be extended from the Rose Canyon Trail up to Joplin and then back down the Hickey Canyon trail. He said the Joplin trail is currently abandoned because the owners left. He said the trail is quite excellent and it goes by the old clay mine and the views are spectacular. This would connect to the original ride. He said they have talked to the Orange County Sheriffs and the trail is very rideable. Mr. Seroski said in regard to the TCA properties; please take into consideration the connectivity to trails. Mr. Seroski is interested in participating on an EOC Long-Term Working Group Committee.

9. Committee Member Reports

Kyle Rice, sitting in for Dave Mayer, said the CDFW recently commented on a site use plan for a property adjacent to the Wren's View Preserve in Trabuco Canyon. The property is owned by the Transportation Corridor Agencies (TCA) and it is under review for possible mitigation for future capital improvement projects. The CDFW said they were concerned about self-guided open access. The TCA is proposing the access prior to when the Resource Management Plan is in place. Kyle said he is waiting to hear public comments.

10. Next Meeting – February 5, 2020

Chairman Lisa Bartlett said the next meeting is scheduled for February 5, 2020.

11. Adjournment

The meeting adjourned at 3:36 p.m.



May 6, 2020

To: Environmental Oversight Committee

From: Orange County Transportation Authority Staff

Subject: May Environmental Oversight Committee Information Items (Items 4 – 6)

Item 4 – Aliso Creek Restoration Project

The Laguna Canyon Foundation (LCF) Aliso Creek restoration project was approved for funding by the OCTA Board as a second-round restoration project on May 14, 2012. All of the OCTA Preserves and funded restoration projects are depicted in Attachment A. The amount approved for the project was \$1,105,000. In general, the project is comprised of 55 acres of riparian restoration (30 acres of invasives removal and 55 acres of native plant installation) within Aliso Creek. The project occurs within Aliso and Wood Canyon Wilderness Park owned and operated by the County of Orange. The 5-year monitoring report for the restoration project was just completed and the report documented that the project is meeting or exceeding its required success criteria. However, OCTA received a letter from LCF in March 2020 requesting an increase of \$275,000 to the project budget.

These cost implications have resulted from a higher level of effort (not originally anticipated) necessary to meet Army Corps of Engineers (ACOE) restoration plan criteria pursuant to the 2008 Final Compensatory Mitigation Rule, as issued by the United States Environmental Protection Agency and the ACOE. The additional requirements from the ACOE along with the changes in the restoration plan have resulted in cost implications above and beyond what was originally budgeted for this project. The Irvine Ranch Conservancy (IRC) had similar challenges for their restoration projects as a result of ACOE requirements. The EOC endorsed and the Board approved acreage reductions and budget increases to the IRC projects in 2015. It is important to note that if approved, the revised cost for the Aliso Creek restoration project is still considered reasonable when compared to the cost of other funded restoration projects with the same habitat type on a per acre basis. More detailed information pertaining to this item is provided in Attachment B.

Item 5 – OCTA Preserves’ Fire Management Plans Update

As required by the Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan), OCTA began developing fire management plans (Plans) for the Preserves in 2018. Each Preserve will have its own separate Plan. The Plans will provide guidelines for decision-making at all stages, including fire prevention, pre-fire vegetation management, suppression activities, and post-fire responses that are compatible with conservation and stewardship responsibilities. This includes the annual vegetation thinning on the Preserves near homes and maintenance of vegetation on the access roads already committed to with the Preserve Resource Management Plans. The consultant preparing these Plans provided an overview of the proposed content and process to the EOC in 2019. In addition, the consultant attended an OCTA public outreach event to help educate the public on the importance of wildland fire safety.

The first Plan (Silverado Chaparral Preserve) has been drafted and has been reviewed and approved by Orange County Fire Authority. OCTA is currently coordinating with the Wildlife Agencies to obtain their approval. The review and approval of this first Plan is key to developing and streamlining the remaining Plans. It is anticipated that these Plans will be completed as scheduled in 2020. Once completed, they will be shared with the EOC as well as interested stakeholders.

Item 6 - Pacific Horizon Preserve Habitat Impacts

In March 2020, an unauthorized trail was discovered at the OCTA owned Pacific Horizon Preserve. The Pacific Horizon Preserve is approximately 151 acres and located within Laguna Beach. The unauthorized trail was cut through scrub and chaparral habitat on the Preserve and continues down into the County of Orange’s Aliso and Wood Canyon Wilderness Park. OCTA and Orange County (OC) Parks staff visited the site and mapped the trail. Based on the mapping, approximately 0.27 acre of disturbance was documented on the OCTA Preserve and about 0.23 acres was found on OC Parks property (totaling 0.50 acre). Attachment C shows the Preserve as well as the mapped trail. In addition, property fence lines were cut.

Southern California Edison (SCE) has confirmed that the fence line and trail cutting were caused by one of their contractors. The contractor was performing maintenance in response to California Public Resources Code 4292. This code requires the utility agencies to “maintain a firebreak of at least 10 feet in radius of a utility pole, with tree limbs within the 10-foot radius of the pole being removed up to 8 feet above ground.” However, compliance with the Public

Resources does not unilaterally allow SCE to enter a property without coordinating with the property owner. It is important to note the damage to the Preserve exceeds the required work for the utility line.

OCTA has been coordinating with SCE to communicate the concerns and seek restoration efforts of the unnecessary impacts. OCTA is also working with OC Parks, the Wildlife Agencies and the California Coastal Commission to resolve this issue pursuant to their requirements. An update pertaining to this issue will be provided at the next EOC meeting.

Attachments:

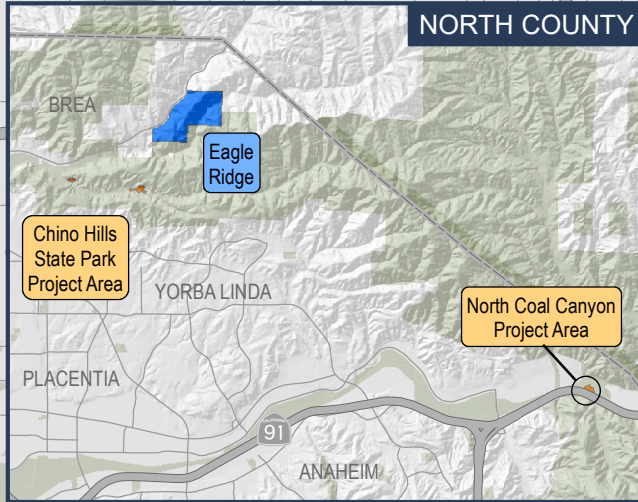
- A. OCTA Preserves and Restoration Projects
- B. Measure M2 Environmental Mitigation Program Aliso Creek Restoration Project Status Update
- C. Pacific Horizon Preserve Impacts Figure

OCTA Preserves and Funded Restoration Projects

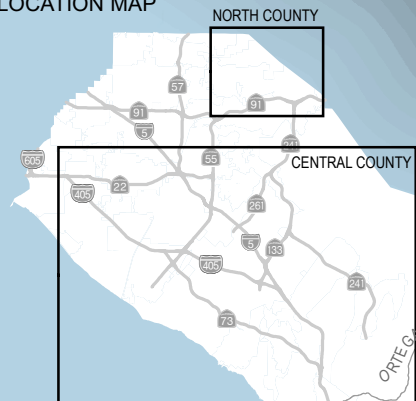


CENTRAL COUNTY

NORTH COUNTY



LOCATION MAP

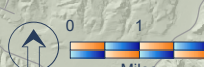


- OCTA Preserves
- Round 1 Restoration Projects
- Round 2 Restoration Projects
- United States Forest Service Restoration Project



ATTACHMENT A

Source: OCTA





May 6, 2020

To: Environmental Oversight Committee

From: Orange County Transportation Authority Staff

Subject: Measure M2 Environmental Mitigation Program Aliso Creek Restoration Project Status Update

Overview

Measure M2 includes an Environmental Mitigation Program (EMP) to deliver comprehensive mitigation for the environmental impacts of freeway projects in exchange for streamlined project approvals from the state and federal resource and regulatory agencies. To date, the EMP has acquired a number of conservation properties and provided funding for habitat restoration projects. An overview of the Aliso Creek restoration project as well as specific project revisions, is presented.

Recommendations

- Endorse staff's recommendation to increase the Laguna Canyon Foundation Aliso Creek restoration project budget by \$275,000 as outlined herein.

Background

Measure M2 (M2) includes an innovative environmental mitigation program (EMP). Under this program, biological impacts from the M2 freeway program of projects are addressed through a consolidated Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan) rather than a piecemeal project-by-project effort. In exchange, state and federal resources agencies (consisting of the California Department of Fish and Wildlife [CDFW] and the United States Fish and Wildlife Service [USFWS]) agreed to fast-track the permitting process and entered into a master agreement for the M2 or OC Go freeway projects. The goal is to deliver more effective mitigation while supporting faster delivery of M2 freeway improvements. On a parallel process, the Army Corps of Engineers (ACOE) and the State Water Resources Control Board (SWRCB) are also working with staff to streamline the regulatory permitting process. The Conservation Plan was approved in mid-2017 and the programmatic regulatory permit was approved in late-2017.

As part of the Early Action Plan, approximately \$80 million was estimated to be available for the Mitigation Program. Due to the great recession of the late 2000s/early 2010s, available funding was adjusted to approximately \$55 million. This allocation was to be used for property acquisitions, habitat restoration, land management, and support of the program. Support of the program included the preparation of the Conservation Plan and technical consultant support.

With the Board allocation goal of 80 percent of funds for acquisition and 20 percent for restoration over the life of the EMP, approximately \$42 million and \$10.5 million were available for acquisitions and restoration, respectively. The first round of restoration projects resulted in six projects that were approved by the Board in September 2010. In May 2012, the Board approved an additional six restoration projects for funding. In February 2017, the OCTA Board approved the funding to remove multiple dams within Orange County in partnership with the United States Forest Service. Table 1 below outlines all twelve restoration projects. A graphic depicting the restoration project locations was previously provided as Attachment A in the May 2020 Environmental Oversight Committee Information Items (Items 4 – 6) memo.

Table 1. OCTA Funded Restoration Projects						
Restoration Project	Sponsor	Proposed Cost¹	Approx. Acreage²	Approx. Cost/Acre	Geographic Area	General Habitat Types
City Parcel	City of San Juan Capistrano	\$1,500,000	53	\$28,300	San Juan Capistrano	Riparian corridor, coastal sage scrub (CSS), oak woodland, and native grassland
Fairview Park	City of Costa Mesa	\$2,000,000	23	\$87,000	Costa Mesa	wetlands, native grassland, CSS, willow scrub, oak woodland
Irvine Ranch (Agua Chinon and Bee Flat Canyon)	Irvine Ranch Conservancy	\$1,497,160	90.1	\$16,600	Irvine	chaparral, CSS, coast live oak/sycamore, oak woodland, native grassland, and riparian
UCI Ecological Reserve	Nature Reserve of OC	\$359,400	8.5	\$42,300	Irvine	cactus scrub
Big Bend	Laguna Canyon Foundation	\$87,500	3.7	\$23,600	Laguna Beach	CSS and riparian woodland
Aliso Creek	Laguna Canyon Foundation	\$1,207,100	55	\$21,900	Laguna Niguel	riparian
Chino Hills State Park ³	Habitat Restoration Sciences Inc.	\$192,750	21	\$9,200	Yorba Linda	willow riparian, oak-walnut woodland, and cactus scrub
Harriett Weider	Bolsa Chica Conservancy	\$475,000	8.2	\$58,000	Huntington Beach	native grassland, CSS, and riparian

Table 1. OCTA Funded Restoration Projects						
Restoration Project	Sponsor	Proposed Cost¹	Approx. Acreage²	Approx. Cost/Acre	Geographic Area	General Habitat Types
Regional Park						
Lower Silverado Canyon	Irvine Ranch Conservancy	\$1,414,435	28.4	\$49,800	County of Orange	riparian
North Coal Canyon ³	RECON Environmental Inc.	\$247,000	5.5	\$44,900	Yorba Linda	Riversidian Alluvial fan CSS
West Loma	Irvine Ranch Conservancy	\$1,335,280	62.47	\$21,400	County of Orange	Scrub and riparian
Dams Removal	United States Forest Service	\$185,000	Not Applicable	Not Applicable	County of Orange	31 dams removed within San Juan, Trabuco and Holy Jim Creeks
Total		\$10,500,625				

Note: shaded projects were funded as part of Round 1 and the unshaded projects were part of Round 2 or in 2017.

¹Total for each project includes subsequent amendments or cost changes.

²Proposed acreage is subject to change and may be adjusted slightly once the restoration work is completed.

³Projects were formerly awarded to California Department of Parks and Recreation, who has subsequently withdrawn from implementation. These projects will now be implemented by two separate contractors.

The restoration projects focused on impacts which can be tied back to the 13 M2 freeway projects. Benefits to specific watersheds were also considered to address the mitigation needs of the SWRCB and the ACOE in relation to Sections 401 and 404 of the Clean Water Act. The ACOE and the SWRCB have and will continue to issue permits, pursuant to the state and federal Clean Water Acts for the construction of the M2 freeway projects. This created an additional regulatory layer to address and was a large focus of the decision-making process for Round 2 of the restoration projects. This regulatory permitting process is a separate but parallel process to the Conservation Plan. The funded restoration projects are integrated into the Conservation Plan to fulfill mitigation requirements.

Discussion

The M2-funded restoration projects are being implemented by project sponsors within Orange County. These project sponsors essentially act as contractors performing work on behalf of OCTA. All of these projects have received M2 resources and regulatory agency approvals and are well underway. In addition, the Big Bend and City Parcel restoration projects are now complete and have been approved by the Wildlife Agencies.

OCTA staff was recently contacted by the Laguna Canyon Foundation (LCF) pursuant to the Aliso Creek restoration project. In general, the project is comprised of 55 acres of riparian restoration (30 acres of invasives removal and 55 acres of native plant

installation) within Aliso Creek. The project occurs within Aliso and Wood Canyon Wilderness Park owned and operated by the County of Orange. The restoration project is in its' fifth year of implementation and is meeting or exceeding the required success criteria. In March 2020, OCTA received a request letter for an increase of \$275,000 to the project budget to compensate for unforeseen costs.

Work within Aliso Creek requires permits from the ACOE, CDFW and SWRCB. LCF had obtained permits from these entities and were ready to move forward with final coordination to obtain approval on the restoration plan. At that time, the project was covered by an ACOE Regional General Permit 41 for invasive plant removal and was covered by other agency needed permits. LCF anticipated these permits would be adequate to move forward with the project when preparing the budget for the project.

As this project is providing mitigation for OCTA, the project was/is required to comply with the 2008 Final Compensatory Mitigation Rule, as issued by the United States Environmental Protection Agency. These requirements have resulted in cost implications from a higher level of effort (not originally anticipated) necessary to meet ACOE restoration plan criteria. The changes in the restoration plan and additional requirements from the ACOE were not originally budgeted for this project. These requirements could not have been foreseen and were the result of many months of coordination with the ACOE to determine how the regulations applied to the different facets of this restoration project. However, as the restoration plan evolved, the ACOE indicated that additional requirements must be met.

Pursuant to the EPA 2008 Mitigation Rule, the ACOE required the following unanticipated changes to the Aliso Creek restoration project:

- Increase project timeframe from 5 to 10 years. Doubling the timespan of the project would typically entail a major budget revision due to the significant annual costs of a habitat restoration project.
- Modified phasing of project. Due to ongoing discussion with OCTA and the ACOE regarding project components, the ACOE required that the project be initiated in phases. This created additional mobilization, material and labor costs due to lost economy of scale.
- Additional surveys and avoidance methods. Costly additional archaeological and avoidance methods were required by the ACOE, including laying of an Arundo mat to prevent rubber track disturbance of soils.
- Lengthy review of Restoration Plan. Final ACOE approval of the restoration plan took several years and entailed a review process substantially longer than that of CDFW and the USFWS.
- Conflict with ACOE Aliso Creek Mainstem Project. The ACOE requested substantial modifications to the restoration plan as a result of the ACOE' proposed Aliso Creek Mainstem Project. These modifications entailed extensive additional labor costs.

Three of the Irvine Ranch Conservancy (IRC) projects were subject to a similar situation with the ACOE requirements resulting in budget implications. This resulted in IRC eliminating approximately 38 acres from the three restoration projects (total removed for all projects cumulatively) in addition to requesting additional funds (approximately \$50,000) to help offset the cost implications from the ACOE requirements. The changes to these projects were endorsed by the EOC and approved by the Board in 2015.

LCF had anticipated the additional costs could be absorbed by other areas of the project budget. They have not requested budget increases on any of their prior habitat restoration projects, including the successfully completed OCTA funded Big Bend habitat restoration. The Aliso Creek restoration project continues to meet or exceed the required success criteria and the cost increase will not impact the Conservation Plan.

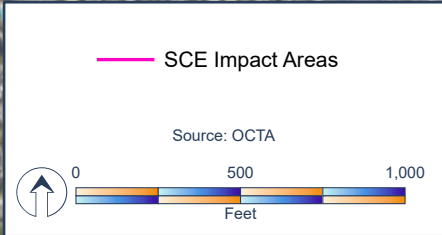
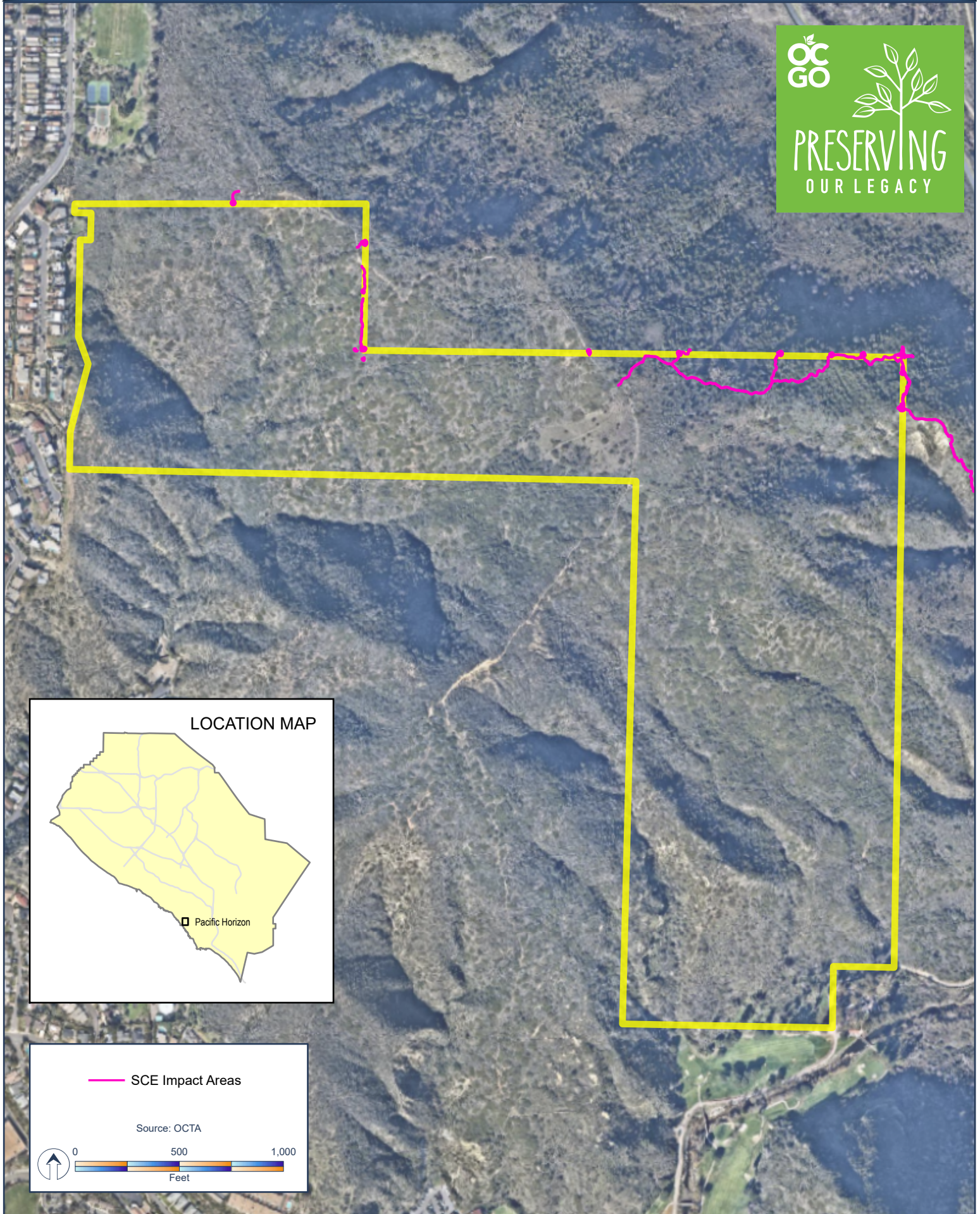
The unbudgeted costs have depleted other important budgetary line items, such as habitat maintenance and monitoring. Based on the proposed budget modification, the new average cost per acre would increase from approximately \$21,900/acre to approximately \$25,100/acre. It is important to note that the revised cost for the Aliso Creek restoration project is still considered reasonable when compared to the cost of other funded restoration projects with the similar habitat type on a per acre basis. Even with the proposed cost increase, the Aliso Creek restoration project would remain in the lower half (using cost per acre as a matrix of comparison) of the OCTA funded projects.

The Aliso Creek restoration project has provided valuable mitigation to a number of key M2 freeway projects. To date, the I-405 (Project K) and I-5 projects (Project C) have utilized this project for ACOE section 404 permit(s) mitigation (and section 401 permits). It is also anticipated that this project will provide mitigation for the following future freeway projects: Project I (SR-91 Improvements), Project B (I-5 between SR-55 and I-405) and Project L (I-405 between SR-55 and I-5). With the Aliso Creek restoration well underway with agreed upon mitigation ratios; mitigation requirements have been minimized and project level coordination needed with the ACOE and SWRCB (and CDFW) has been reduced. Therefore, this project has greatly facilitated with the streamlining of the aforementioned key M2 freeway projects.

Next Steps

Should the Environmental Oversight Committee endorse this budget increase, staff will seek OCTA Board approval as part of the Measure M2 EMP bi-annual Board Update in July.

OCTA Pacific Horizon Preserve Habitat Impacts 2020





May 6, 2020

To: Environmental Oversight Committee
From: Orange County Transportation Authority Staff
Subject: May Environmental Oversight Committee Update Memo

The May Environmental Oversight Committee (EOC) meeting has been streamlined in order to accommodate the new virtual meeting format required of the Orange County Transportation Authority (OCTA) pursuant to COVID-19 and social distancing. Some of the items that would normally be presented have been included in this memo for committee members to reference. These items have been previously discussed with the EOC. OCTA staff has provided a brief update on these items below. Please feel free contact Lesley Hill (lhill@octa.net or 714-560-5759) if you have any questions on these items. Thank you for your understanding and leadership.

Environmental Mitigation Program Endowment Fund Investment Report

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan (Conservation Plan); acquired conservation properties; and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects (Attachment A). California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and the performance.

The Conservation Plan requires the establishment of a \$34.5 million endowment to fund the long-term management of the Preserves. To date, OCTA has made four endowment deposits. Quarterly investment reports are provided to the Board, with the most recent one in December 2019. As of December 31, 2019, the endowment balance is \$13,034,838, and on par with baseline assumptions with respect to interest earnings. The number exceeded the projected balance of \$12,440,408 due to higher than expected investment earnings, and overall gains in the market. The latest quarterly investment report for the Endowment Pool is included as Attachment B. The report has been reviewed and is consistent with the pool objectives.

It was previously estimated that it would take between 12 to 15 years to establish the endowment, which is dependent on financial market conditions. COVID-19 has introduced significant uncertainty into the financial markets and as a result will impact the growth of the endowment fund. The economic impact of COVID-19 will be better understood over the next two quarters as those quarters will reflect the impact of COVID-19 on the financial markets. Staff will continue to provide regular endowment updates to the Finance and Administration Committee, OCTA Board of Directors, and the Environmental Oversight Committee (EOC).

Interstate - 5 Widening Project Update

At the July and November EOC meetings staff presented an issue regarding the unforeseen complications with the California Department of Fish and Wildlife (CDFW) Streambed Alteration Agreement (1602) permit for the Interstate 5 (I-5) Improvement Project. This was an unanticipated issue pertaining to Senate Bill 857 (related to steelhead passage) that could have had large implications to the I-5 widening project. This issue was resolved without incurring project delays and related costs through interagency collaboration with both CDFW and Caltrans. On September 18, 2019, the 1602 permit was issued by CDFW for this project.

The 1602 permit included a commitment from Caltrans (as the Permittee) “to not prevent future remediation of the steelhead barrier involved (I-5 structure) with this project so that it passes steelhead at all life stages.” In addition, OCTA was required to conduct two off-site measures to protect fish resources and support fish passage. These measures were met as required in early 2020.

The two offsite measures required OCTA to fund the removal of 17 dams within Trabuco and Holy Jim creeks and to also fund a one-time grant (\$100,000) to a local non-profit entity (Laguna Canyon Foundation) to support steelhead restoration within the Aliso Creek watershed. OCTA was able to execute amendments to existing agreements with both the United States Forest Service (USFS) as well as the Laguna Canyon Foundation (LCF) in early 2020 to satisfy these 1602 permit conditions. OCTA will continue to update CDFW and the EOC on the progress of both projects. USFS provides annual reports to OCTA and CDFW. LCF and CDFW are working directly to determine a restoration project to meet the needs of CDFW. No further commitments are required of OCTA pursuant to this 1602 condition.

Hobo Aliso Ridge Conservation Easement Acquisition

The EOC received a letter (Attachment C) in October 2019 from Penny Elia (representing Sierra Club and Save Hobo Aliso Task Force). This letter was in response to the July EOC meeting in which the EOC chair requested that Ms. Elia submit the Hobo Aliso Ridge acquisition proposal in writing for the committee to consider. Ms. Elia presented and discussed this proposal at the November EOC meeting. During the meeting, OCTA staff agreed to discuss this topic with the California Coastal Conservancy as well as the California Coastal Commission and then contact to Ms. Elia with an update.

On January 14th, OCTA staff contacted both agencies to discuss the Hobo Aliso Ridge Conservation Easement Area in relation to the adjacent OCTA Pacific Horizon Preserve. As discussed at the November EOC meeting, it was communicated that OCTA is unable to expend additional funds (towards acquisition or management) without going through an established vetting process and without a direct transportation nexus. Currently, neither a vetting process nor a transportation nexus exists for the Hobo Aliso Conservation Easement Area. The current focus of the program is on building the endowment and identifying long term managers for existing Preserve lands. There could be potential opportunities in the future, but at this time OCTA is unable to take on additional lands for management. Ms. Elia was contacted and provided a summary of the interagency call. Continued collaboration will occur on this topic, as the same future long term land manager may be interested in managing both the Pacific Horizon and Hobo Aliso Ridge Conservation Easement Area.

TCA Saddle Club Site Plan Update

The approximately 33-acre Saddle Club Preservation Property (SCPP), located in Trabuco Canyon along Live Oak Canyon Road near the main entrance to O'Neill Regional Park, was acquired by the Foothill/Eastern Transportation Corridor Agency (TCA) in 2017 to meet their mitigation needs for its capital projects. The SCPP is directly adjacent to the OCTA owned Wren's View Preserve (Attachment D). A draft Initial Study/Mitigated Negative Declaration and Site Plan for the TCA property was prepared by TCA and released for public review in September 2019. OCTA provided comments in October 2019 which included concerns that the new proposed use and level of public access of the SCPP would increase risk to the biological resources at the OCTA Wren's View Preserve. This included a request that TCA remove potential OCTA trail use from their document, as that had not been discussed or agreed to by OCTA. On February 19, 2020, OCTA EOC and staff joined the TCA's Board and Joint Environmental Committee Chair and Committee Vice Chair and staff for a tour of the property. OCTA provided a follow-up letter to TCA on March 5, 2020 reiterating concerns related to the adjacent OCTA Wren's View

Preserve. The OCTA letters were previously shared with the EOC and are included in Attachment E.

Per recent communications with TCA staff, TCA was in the process of finalizing the Site Plan and IS/MND. However, given the current situation with the COVID-19 pandemic, TCA is in the process of reviewing and reprioritizing its Fiscal Year 21 (FY21) projects for its Board consideration and input. Accordingly, the schedule for preparing the SCPP Resource Management Plan (RMP) or implementing a recreational pilot program will be determined by the TCA Board through the FY21 budgeting process. TCA staff indicated that it is possible these activities may be postponed to a future year. In the meantime, TCA will continue to manage the property through biological monitoring and utilizing their patrol services to ensure the site's security.

General Preserve Management Issues

The OCTA Preserves have had an increased amount of trespassing and vandalism documented since a stay-at-home order was imposed to protect public health to slow the spread of COVID-19. In addition, the Orange County Sheriff Mounted Enforcement Units that are under contract to patrol the Preserves are temporarily unable to complete those duties due to recent COVID-19 orders. In order to compensate for these issues, staff has requested that High Level Security, Inc. (OCTA contracted patrol services) increase the amount of patrols on the Preserves.

In addition, recent rains have increased the size of an earthen gully on the Trabuco Rose Preserve. This gully was previously identified as needing some restoration to help preserve the surrounding habitat and preserve the existing main access road. Staff is working with consultants to develop an engineering solution (restoration project) to resolve this situation. Staff will provide updates on this issue to the EOC in future meetings.

Attachments:

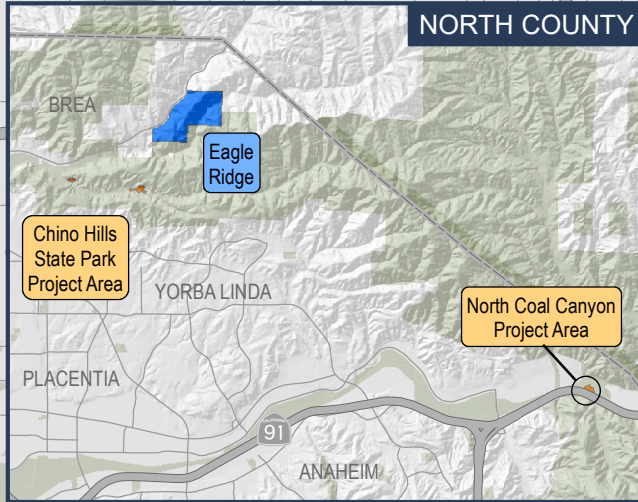
- A. OCTA Preserves and Restoration Projects
- B. Endowment Staff Report and Quarterly Investment Report
- C. October 2019 letter from P.Elia
- D. Wrens View Preserve and TCA Saddle Club Site
- E. OCTA letters to TCA pertaining to the Saddle Club Site Plan

OCTA Preserves and Funded Restoration Projects

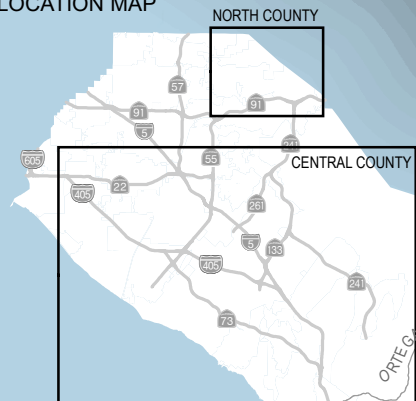


CENTRAL COUNTY

NORTH COUNTY



LOCATION MAP



- OCTA Preserves
- Round 1 Restoration Projects
- Round 2 Restoration Projects
- United States Forest Service Restoration Project



ATTACHMENT A

Source: OCTA





February 26, 2020

To: Finance and Administration Committee

From: Darrell E. Johnson, Chief Executive Officer

Subject: Environmental Mitigation Program Endowment Fund Investment Report for December 31, 2019

Overview

The Orange County Transportation Authority has developed a Natural Community Conservation Plan/Habitat Conservation Plan, acquired conservation properties, and funded habitat restoration projects to mitigate the impacts of Measure M2 freeway projects. California Community Foundation manages the non-wasting endowment required to pay for the long-term management of the conservation properties. Each quarter, the California Community Foundation publishes a comprehensive report detailing the composition of the pool and its performance. Attached are the quarterly investment reports for the Endowment Pool for the period ending December 31, 2019. The reports have been reviewed and are consistent with the pool objectives.

Recommendation

Receive and file as an information item.

Background

On September 26, 2016, the Board of Directors approved the selection of the California Community Foundation (CCF) as an endowment fund manager for the Measure M2 Freeway Environmental Mitigation Program. Annually, approximately \$2.9 million will be deposited in the endowment. As of December 31, 2019, the Orange County Transportation Authority (OCTA) has made four deposits to the Endowment Pool, each in the amount of \$2,877,000. These annual deposits are expected to continue for ten to 12 years, or until the fund totals approximately \$46.2 million.

Discussion

As of December 31, 2019, total pool assets in the CCF Endowment Pool were \$1.25 billion. Total foundation assets were \$1.97 billion. Performance for the Endowment Pool was 2.5 percent for the month, 0.2 percent below the benchmark; 5.2 percent for the quarter, 0.4 percent below the benchmark. The one-year return was 17 percent, 2 percent below the benchmark.

The balance as of December 31, 2019, was \$13,034,838. The number exceeded the projected balance of \$12,440,408 due to higher than expected investment earnings, and overall gains in the market.

The projected annualized cost for endowment services was 0.75 percent based on indications received during the due diligence process. Based on the current balance of the endowment, the cost for administration services is 0.25 percent.

Summary

The OCTA is submitting a copy of the California Community Foundation Investment Report to the Board of Directors. The report is for the quarter ending December 31, 2019.

Attachments

- A. California Community Foundation Fund Statement – December 31, 2019
- B. California Community Foundation Endowment Pool Investments – December 31, 2019

Prepared by:



Robert Davis
Department Manager,
Treasury and Public Finance
714-560-5675

Approved by:



Andrew Oftelie
Chief Financial Officer
Finance and Administration
714-560-5649



Fund Name OCTA - Measure M2 Environmental Mitigation Program Fund
Fund Start Date 2/28/2017
Investment Pool(s) Endowment Pool

FUND STATEMENT

OCTA - Measure M2 Environmental Mitigation Program Fund (V398)

10/1/2019 - 12/31/2019

Fund Summary

	Report Period 10/1/2019 - 12/31/2019	Calendar YTD 1/1/2019 - 12/31/2019
Opening Fund Balance	\$12,393,156.81	\$8,568,158.77
Contributions	0.00	2,877,000.00
Investment Activity, net	641,681.61	1,615,060.95
Administration & Grant Management Fees	0.00	(25,381.30)
Net Changes to Fund	641,681.61	4,466,679.65
Ending Balance	\$13,034,838.42	\$13,034,838.42

Investment Pool Performance as of 12/31/2019

	This Qtr.	1-Year	3-Years	5-Years	10-Years
Endowment Pool	5.2%	17.0%	8.9%	6.1%	6.7%
Social Impact Endowment Pool	6.9%	22.7%	10.2%	7.2%	8.0%
Conservative Balanced Pool	2.9%	12.2%	6.2%	4.9%	n/a
Short Duration Bond Pool	0.4%	4.8%	2.4%	2.0%	n/a
Capital Preservation Pool	0.5%	2.3%	1.6%	1.1%	0.7%

Endowment Pool - invested for long-term growth and appreciation while providing a relatively predictable stream of distributions that keeps pace with inflation over time. The target asset allocation is 50% equities, 14% hedge funds, 22% fixed income and 14% real assets. Investment management fees are 66 basis points.

Social Impact Endowment Pool - invested in a diversified pool aiming for capital growth for long-term grantmaking; underlying instruments undergo rigorous environmental and social analysis, with an asset allocation of approximately 60%-75% equities and 25%-40% fixed income. Investment management fees are 68 basis points.

Conservative Balanced Pool - designed to aim for moderate growth and to offer diversified exposure to the U.S. equity market and to investment grade fixed income with maturities from one to five years and an asset allocation of 70% fixed income and 30% equities investments. Investment management fees are 9 basis points.

Short Duration Bond Pool - invested to offer diversified exposure to investment grade fixed income with maturities from one to five years for the purposes of grants over a near-term one to four year horizon. Investment management fees are 5 basis points.

Capital Preservation Pool - designed to preserve principal and provide liquidity for present grantmaking needs through investment in short-term fixed income and cash instruments. Investment management fees are 10 basis points.



Endowment Pool

December 2019

INVESTMENTS

The Endowment Pool returned 2.5% for the month of December 2019, 20 basis points behind its benchmark. For the trailing year, the pool returned 17.0%, 200 basis points behind its benchmark.

Total Pool Assets

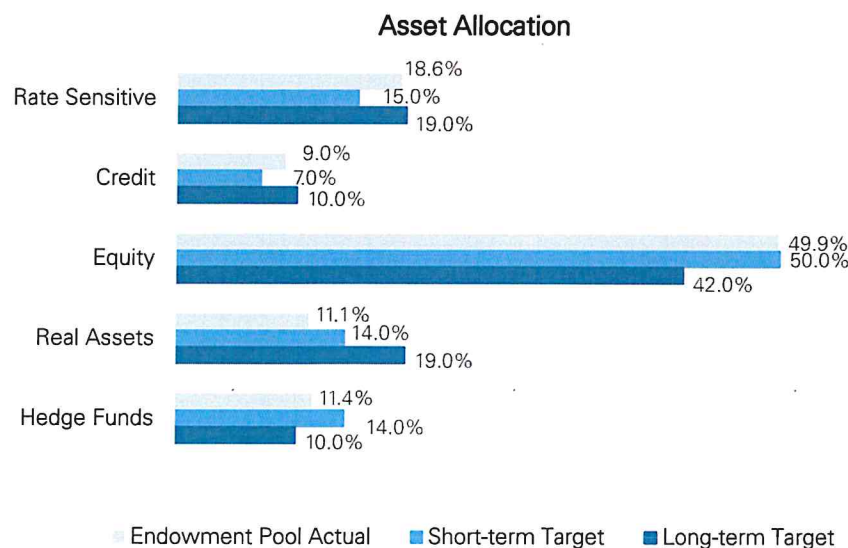
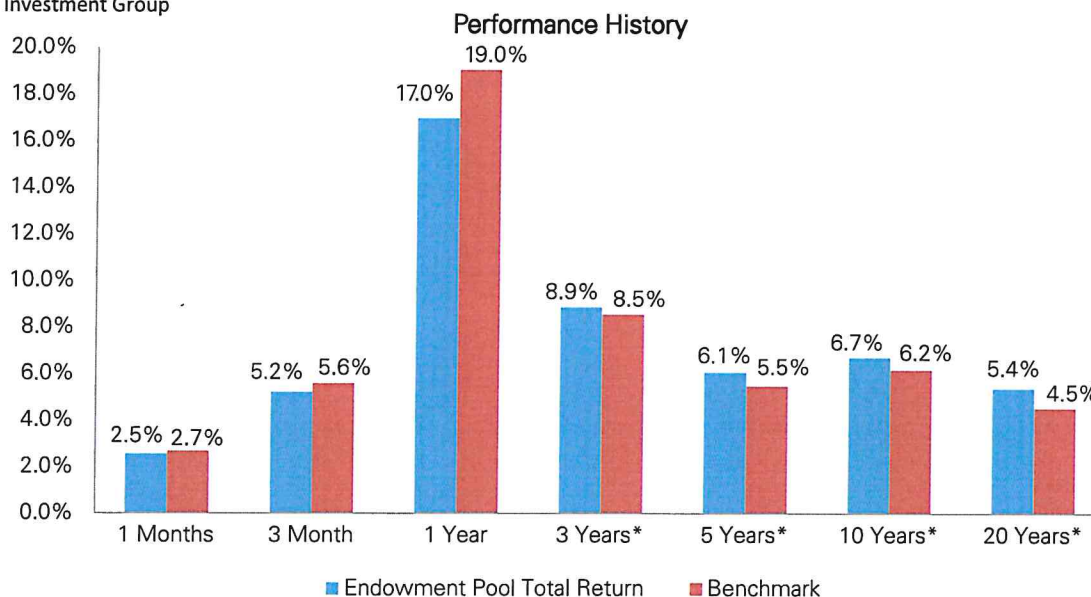
\$1.25 billion (Endowment Pool), \$1.97 billion (total foundation assets) as of December 31, 2019.

Pool Objective

Preserve the real (i.e., inflation-adjusted) purchasing power of the investment pool net of annual distributions for grants and expenses. An additional objective is to provide a relatively predictable, stable stream of distributions for grants and expenses that keep pace with inflation over time.

Investment Consultant

Meketa Investment Group



*Represents annualized returns.

1) Investment expense ratio approximates 0.66%, excluding fund manager incentive fees.

2) Investment performance is presented net of investment expenses, including fund manager incentive fees.

3) Total Fund Benchmark is a combination of: 48% MSCI ACWI - 2% Cambridge PE Index 1-Qtr Lag / 14% HFR FOF / 5% ODCE - 5% S&P Global Large Mid NR - 4% S&P Global Infrastructure / 9% Barc Agg. - 3% Barc 1-5 Yr. Gov/Cr - 3% Barc 0-5 Yr. US Treasury TIPs / 2% Barc High Yield - 2% S&P/LSTA Leveraged Loan - 3% JP Morgan EMBI Global Diversified.

4) Short-term target allocation is over 1-4 years, long-term target allocation is over 4-9 years.

Updated 1/28/2020



October 2, 2019

Sent via email Lesley Hill and Dan Phu

Chair Lisa Bartlett and Committee Members
OCTA/Measure M2 Environmental Oversight Committee
550 South Main Street
Orange, CA 92868

Re: Follow up to Chair's request for information to agendize discussion of acquisition of conservation easement (Hobo Aliso Ridge) adjoining Pacific Horizon Preserve, Laguna Beach

Dear Chair Bartlett and EOC Members:

It is with great appreciation that I submit the following information for your consideration and discussion at the next EOC meeting in November. This is not an exhaustive submittal, but rather an overview of the points I covered at the July 2019 EOC meeting, and just a few of the reasons OCTA EOC would want consider acquiring the Hobo Aliso Ridge property. Many thanks to Chair Bartlett for requesting this information so that this issue might be more thoroughly discussed and considered by the Committee.

Your staff already has a lot of information on this property as we have had many partnership discussions over the past several years since the Pacific Horizon Preserve was acquired. We recently worked collaboratively on the restoration CDP that came before the CCC in September. Staff has also met with Center for Natural Lands Management multiple times over the last decade. This is the same land management company that Sierra Club and California Coastal Commission (CCC) staff have been meeting with, as mentioned during my testimony in July.

Perhaps the best first step in acquainting you with this property and providing background is the 2010 CCC staff report for the consent cease and desist and restoration of the property (original staff report and addendum in the links below). The exhibits are additional links at the end of the report that detail the original removal and restoration program and provide a good overview of what has been accomplished and established. A lot of other work has been done to enhance the property and its natural resources. I would like to have an opportunity to discuss that more in detail in person, and perhaps present a PPS to the EOC in November, or work with your staff on a presentation.

<https://documents.coastal.ca.gov/reports/2010/12/Th8.1-s-12-2010.pdf>

<https://documents.coastal.ca.gov/reports/2010/12/Th8.1-s-12-2010-a2.pdf>

Again, in an effort to make this a brief overview versus a more detailed presentation, here is a short list of the benefits that would accompany the acquisition of this property:

- The Hobo Aliso Ridge property/conservation easement is contiguous with the Pacific Horizon Preserve and would be made available to OCTA at no cost, with no inherited obligations or property taxes. This is an area of deferred certification under the jurisdiction of the CCC, and they administer enforcement of all orders. The California State Coastal Conservancy (SCC) holds the conservation easement for this property.
- There are currently two restoration projects underway, both of which are being managed by the CCC and have monitoring programs included that will also be managed and enforced by the CCC. The California and Federally listed species *Verbesina dissita* or Big-Leaved Crownbeard is just one of the species of special concern that the restoration projects will focus on – similar to some of the work your staff has taken on at the Pacific Horizon Preserve. The CCC, through other related enforcement orders, has an additional \$20,000 in reserve to complement the current restoration work.
- The CCC has worked diligently with the City of Laguna Beach and Orange County Fire Authority over the past two decades to establish strict guidelines and focused permitting for fuel modification in this area that includes protection of the valuable ESHA and endangered species on site.
- Sierra Club and OCTA staff have an established working relationship with Center for Natural Lands Management (CNLM). CNLM is currently working on a grant in conjunction with the SCC to fund a Property Analysis Record (PAR) for the Hobo Aliso Ridge property. The PAR should be available very soon and provide more detailed information for acquisition purposes. Additionally, and as discussed in July, CNLM would be an excellent candidate for land management in the near future.

I hope this provides the information the EOC had in mind, but please know I am available to work with your staff and provide additional information as deemed necessary for the November meeting. CCC staff has also offered to provide additional, detailed information as needed.

Thank you again for this opportunity.

Sincerely,

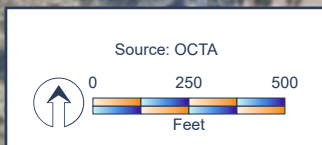


Penny Elia
Task for Chair, Save Hobo Aliso Task Force
Sierra Club

Copy: Lesley Hill, Project Manager, Environmental Mitigation Program, OCTA
 Dan Phu, Project Manager, Environmental Mitigation Program, OCTA
 Jack Ainsworth, Executive Director, CCC
 Lisa Haage, Chief of Enforcement, CCC
 Aaron McLendon, Deputy Chief of Enforcement, CCC



TCA
Saddle Club
Property





AFFILIATED AGENCIES

Orange County
Transit District

Local Transportation
Authority

Service Authority for
Freeway Emergencies

Consolidated Transportation
Service Agency

Congestion Management
Agency

March 5, 2020

Mr. Doug Feremenga
Manager, Environmental Planning
Transportation Corridor Agencies
125 Pacifica, Suite 100
Irvine, CA 92618

Subject: Saddle Club Preservation Property Site Visit

Dear Mr. Feremenga:

Thank you for providing the Orange County Transportation Authority (OCTA) Environmental Oversight Committee (EOC) members and OCTA staff a site tour of the Saddle Club Preservation Property on February 19, 2020, and subsequent letter to Ms. Schlotterbeck, EOC Vice Chair, dated February 20, 2020. We appreciate the opportunity to see the resources and gain a better understanding of the schedule for the Transportation Corridor Agency (TCA) Mitigated Negative Declaration and site Resource Management Plan for the Saddle Club Site Use Plan Implementation Project (Project).

We encourage TCA to continue coordinating with OCTA and incorporate measures into the Project to address concerns previously stated by OCTA in the Project Draft Initial Study/Mitigated Negative Declaration (IS/MND) comment letter provided to TCA on October 14, 2019 (attached). Concerns were communicated by OCTA staff during the site visit related to public access proposed in the IS/MND. Specifically, the Coyote Connection Trail, which was depicted for future recreational use on the adjacent OCTA owned Wren's View Preserve and is not part of the OCTA public access program. This trail is currently maintained for Preserve management and is not open to the public nor has it been assessed for recreational purposes. OCTA also reiterated that open self-guided access on the Saddle Club property has the potential to facilitate unauthorized recreational use on the Wren's View Preserve.

The OCTA Preserves are part of the OCTA Natural Community Conservation Plan/Habitat Conservation Plan (Plan). This establishes a higher level of commitment to protect the biological resources. The Plan and corresponding permits issued by the United States Fish and Wildlife Service and California Department of Fish and Wildlife (collectively referred to as the Wildlife Agencies) require specific goals and objectives be met. Any alterations to public access on the Wren's View Preserve would require additional assessments, coordination,

Mr. Doug Feremenga
March 5, 2020
Page 2

and approvals by the Wildlife Agencies, otherwise OCTA conservation plans would be compromised.

We appreciate that TCA will be protecting the Saddle Club Site from future development. This protection complements the efforts and investment made by OCTA in preserving the Wren's View Preserve. However, the OCTA property has been designated as a Preserve with limited, controlled access to protect the existing listed species and sensitive resources. Throughout the development of this Project, we encourage communication with OCTA on any matters discussed herein. If you have any questions or comments, please contact me at (714) 560-5907 or at dphu@octa.net.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dan Phu", with a long horizontal flourish extending to the right.

Dan Phu
Manager, Environmental Programs

c: Melanie Schlotterbeck, Environmental Coalition
Will Miller, United States Fish and Wildlife Service

Attachment



BOARD OF DIRECTORS

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CHIEF EXECUTIVE OFFICE

Darrell E. Johnson
Chief Executive Officer

October 14, 2019

Mr. Doug Feremenga
Manager, Environmental Planning
The Foothill/Eastern Transportation Corridor Agencies
125 Pacifica, Suite 100
Irvine, CA 92618

**Subject: Saddle Club Preservation Property Site Use Plan
Implementation Project Draft Initial Study/Mitigated Negative
Declaration**

Dear Mr. Feremenga:

Thank you for providing the Orange County Transportation Authority (OCTA) with the Draft Initial Study/Mitigated Negative Declaration for the Foothill/Eastern Transportation Corridor Agency Saddle Club Preservation Property Site Use Plan Implementation Project. Please see the attachment for comments related to OCTA's Environmental Mitigation Program.

Throughout the development of this project, we encourage communication with OCTA on any matters discussed herein. If you have any questions or comments, please contact me at (714) 560-5907 or at dphu@octa.net.

Sincerely,

A handwritten signature in dark ink, appearing to read "Dan Phu", followed by a horizontal line.

Dan Phu
Manager, Environmental Programs

Attachment

**Transportation Corridor Agencies Saddle Club Preservation Property Site Use Plan
Implementation Project Draft Initial Study/Mitigated Negative Declaration**

General Comments:

The Orange County Transportation Authority (OCTA) appreciates that the Transportation Corridor Agencies (TCA) is proposing to restore the Saddle Club Preservation Property, which may eventually be considered a mitigation land for TCA. As the Saddle Club Preservation Property is located directly west of the OCTA Wren's View Preserve, OCTA has a vested interest in the management of this adjacent property. It is important to recognize that the OCTA Natural Community Conservation Plan/Habitat Conservation Plan (Plan) establishes a much higher level of commitment for its adjacent Wren's View Preserve. In reference to future public access on Wren's View Preserve, it is important that OCTA determine the appropriate information to include for the Site Use Plan.

In 2006, Orange County voters approved the renewal of Measure M, effectively extending the half cent sales tax to provide funding for transportation projects and programs in the county. As part of the renewed Measure M (or Measure M2 [M2]), a portion of the M2 freeway program revenues were set aside for the M2 Environmental Mitigation Program (EMP) to provide funding for programmatic mitigation to offset impacts from the freeway projects covered by M2. The Wren's View Preserve is one of seven Preserves that were purchased as part of this program.

OCTA prepared a Plan as a mechanism to offset potential project-related effects on threatened and endangered species and their habitats in a comprehensive manner. The development of this Plan enabled OCTA to obtain permits from the California Department of Fish and Wildlife (CDFW) and U.S. Fish and Wildlife Service (USFWS), collectively referred to as the Wildlife Agencies, which allows for the take of threatened and endangered species and their habitats. Those permits require OCTA protect and manage all its Preserves at a much higher level than a park or other open space land. Detailed Resource Management Plans (RMP) were developed and approved by the Wildlife Agencies for each of the Preserves, based on specific biological goals and objectives. At this point in time, it is unclear what type of mitigation this site will be used for.

Draft IS/MND Comments:

- Table 1.1 should include the Wren's View Preserve as the adjacent land use to the east. Figure 1.3 accurately depicts the land, but the narrative should also be included in the table description.
- Page 28 (first paragraph) includes various special-status wildlife species with moderate to high potential to occur on site. Based on the Wren's View Preserve biological surveys, it would also be expected that the following species may be found on the Saddle Club Site: cactus wren (*campylorhynchus brunneicapillus*/CDFW species of special concern), bobcat (*lynx rufus*), and mountain lion (*puma concolor*/CDFW species of special concern). Please consider these species in your document. It appears that some of these species are mentioned later in the Draft Site Use Plan.

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- Page 63 (4th paragraph) – The Site Use Plan references that the proposed recreational trail on the project site is being designed to close a gap in the Coyote Connection Trail to help promote equestrian/recreational opportunities in the area. This proposed trail would then traverse through the Wren's View Preserve. To reiterate, the OCTA Plan establishes a much higher level of commitment for its adjacent Wren's View Preserve. As discussed in the Wren's View RMP, both sides to the north and south of the Preserve have access constraints. In addition, any changes to OCTA's access plan would require approvals by OCTA and the Wildlife Agencies. Please reference the OCTA RMP Section 3.1.3 for more information on the Wren's View adjacent lands constraints and the public access program.
- Figure 5.16-1 ('Planned and Existing Trails') - The figure should be corrected to note that the Coyote Connection Trail is an "existing road/trail" on the Wren's View Preserve but that it is currently maintained for preserve management and not open for recreational use.

Saddle Club Preservation Property Draft Site Use Plan (Site Use Plan) Comments:

- *Table 1: Activity Implementation Plan Summary*
 - 2.c. states that the fence along the eastern boundary property would be removed by 2021 and that property markers would be placed. The footnote states that this would require OCTA concurrence. To clarify, the entire fence line is the property of OCTA and was installed to protect the biological resources from cattle and occurs entirely on OCTA land. This fence does not occur on the Saddle Club property. The fencing is owned and maintained by OCTA and thus, must not be included in the Site Use Plan. There is potential for OCTA and TCA to discuss alterations to the fence line in the future. However, any final decision will be determined and led by OCTA (as the property owner).
- *Table 2: Surrounding Land Uses*
 - The Wren's View Preserve should be included in the row discussing land uses to the east.
- *Figure 5: Existing Conditions*
 - See comment pertaining to Figure 5.16-1 above.
- Page 20 (last paragraph) – The Site Use Plan states that there is an additional topographical feature that was observed and did not reveal any evidence of ordinary flows or active banks and was thus determined to be non-jurisdictional (also shown in Figure 9). This feature appears to be the same feature that was mapped on the Wren's View Preserve as a jurisdictional feature during the 2013 Baseline Biological Surveys. In fact, this feature is included as a California Rapid Assessment Method

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Area for the Wren's View Preserve. OCTA recommends that TCA consider designating this drainage as "jurisdictional" by the United States Army Corps of Engineers (Corps). The Corps should be contacted for definitive classification.

- Page 28 (footnote 17) – Please change from "O'Neill Preserve" to "Wren's View Preserve."
- Page 30 – The Site Use Plan states that the property's resources will be evaluated on an annual basis. OCTA requests that the site is evaluated more frequently to ensure that impacts are not occurring to the Wren's View Preserve via the Saddle Club property.
- Page 33 – Proposed Pilot Public Recreational Trail Phasing Plan (subsection 'OCTA') – The Site Use Plan states that "a goal of the OCTA RMP is to provide for managed public access and passive recreation opportunities within the Preserve". To clarify, as stated in the RMP, OCTA and the Wildlife Agencies must first "evaluate if managed public access and recreational opportunities within the Preserve are appropriate/compatible with the protection of biological resources". This would include any modifications to existing access. The first and foremost objective with the Wren's View Preserve is to maintain the biological integrity standards set by the Wildlife Agencies. In addition, as previously mentioned, access constraints occur to the north and south of the Preserve.
- OCTA is open to discussing the Wren's View Public Access Plan with TCA to determine if and how the public access may be altered, while staying within the approved Draft Model Public Access Framework. Approvals must also be obtained from the Wildlife Agencies.
- Pages 38-39 – Trail Maintenance and Management – although the Wren's View Preserve provides public access, it is managed, and docent led. The Saddle Club Site is now proposing to allow a higher level of public access directed towards the OCTA Preserve. This could inadvertently trespass onto the Wren's View Preserve (phases I and II) and compromise the biological resources on this Preserve. OCTA requests that TCA monitor the Phase I public access closely to ensure that this increased use is not impacting adjacent protected lands. OCTA requests that TCA include how it will avoid and mitigate these impacts to the Wren's View Preserve in the "Maintenance and Management" section discussion of the Site Use Plan.
- In addition, OCTA staff recommends that TCA perform regular focused surveys for invasive plants and pests on this property. As previously communicated to TCA, both the invasive shot hole borer and gold spotted oak borer beetle have been confirmed on the Wren's View Preserve. Active monitoring and maintenance are necessary to help control the spread of these serious non-native invasive species.