

SOUTH BAY CITIES COUNCIL OF GOVERNMENTS
THURSDAY, MAY 23, 2013
SOUTH BAY ENVIRONMENTAL SERVICES CENTER THEATER
20285 S. WESTERN AVENUE, 1ST FLOOR, TORRANCE, CA 90501

CALL TO ORDER – INTRODUCTIONS

Chair Franklin called the SBCCOG Board of Directors meeting to order at 6:04 pm.

In attendance were the following voting members:

Suzanne Fuentes, El Segundo

Dan Medina, Gardena

Michael DiVirgilio, Hermosa Beach

Ralph Franklin, Inglewood

Jim Osborne, Lawndale

Jim Gazeley, Lomita

Ellen Perkins, Palos Verdes Estates

Jim Knight, Rancho Palos Verdes

Pat Aust, Redondo Beach

Bea Dieringer, Rolling Hills

Susan Seamans, Rolling Hills Estates

Susan Rhilinger, Torrance

Steve Napolitano, LA County SD4

Other Elected Officials:

Jim Goodhart, Palos Verdes Estates

Tom Brewer, Torrance

Also in attendance were the following persons:

Tina McKinnor, Assemblyman Bradford's Office

Jacob Haik, City of Los Angeles, 15th District

Jack Gabig, Gardena Municipal Bus Lines

Jeff Kiernan, League of CA Cities

Mike Bohlke, Metro Director O'Connor

Alan Patashnick, Metro

Joe Ahn, SBACC

Jacki Bacharach, SBCCOG

Suzanne Charles, SBCCOG

Nicki Coronado, SBCCOG

Marcy Hiratzka, SBCCOG

Rosemary Lackow, SBCCOG

Catherine Showalter, SBCCOG

Steve Lantz, SBCCOG Consultant

Scott Gobble, SCE

Charles Wilson, SCE

Billie Greer, SCLC

Kim Turner, Torrance Transit

CONFIRM POSTING OF THE AGENDA BY THE CITY OF TORRANCE

Jacki Bacharach confirmed that the agenda was properly posted in the City of Torrance.

ANNOUNCEMENTS OF ANY CHANGES TO THE AGENDA

Jacki Bacharach announced that the Recognition of Kim Turner, a Representative on the Metro South Bay Service Council, was added as Item VII.A.

PUBLIC COMMENT- none

CONSENT CALENDAR

- A. **April Board Meeting Minutes** (*attachment*) – **Approved**
- B. **Renewal of Contract with Jacki Bacharach and Associates** (*attachment*) – **Approved**
- C. **3rd Contract Amendment for GSE Solutions** (*attachment*) – **Approved**
- D. **Resolution in Support of the work of the California Product Stewardship Council** (*attachment*) – **Approved**
- E. **Metro South Bay Service Sector Governance Council Nomination Letter** (*attachment*) – **Approved**
- F. **Legislation Recommended for Action** (*attachment*) – **Approved**

Support AB 810, SB 470 & HR 4562. Oppose AB 5

G. 3rd Quarter Financial Report (*attachment*) – Received and filed

H. Measure R Quarterly Report for 3rd Quarter (*attachment*) – Received and filed

MOTION by Board Member Perkins, seconded by Board Member Rhilinger, to **approve** the Consent Calendar as submitted. No objection. So ordered.

PRESENTATIONS

A. Recognition of Kim Turner

Chair Franklin, who also Chairs the Metro South Bay Service Council, thanked Ms. Turner for serving as a Representative on the South Bay Service Council. Ms. Turner served the Council as the Municipal Operator Representative from Torrance Transit. Board Member Goodhart also acknowledged Ms. Turner's contributions and thanked her for her unique perspective. Chair Franklin introduced Jack Gabig of Gardena Municipal Bus Lines, who will be filling the vacancy left by Ms. Turner.

B. Sharpening California's Competitive Edge

Billie Greer, President, Southern California Leadership Council

Ms. Greer introduced the Southern California Leadership Council, which is comprised of 3 former CA Governors and 24 CEOs of major companies/government agencies. The Council focuses on economic development and regional growth, water supply issues, creative financing for infrastructure, filming, production and associated tax credits, sustainability, international trade, and strengthening the competitive position of the ports in LA County. Ms. Greer asked how the SCLC can help advance items on South Bay City Council agendas. Board Member Osborne wondered if losing port traffic (from Asia) to the gulf region is being considered (higher fuel usage and rates.) Ms. Greer said that cost, fees, mobility, business climate in a given port area, and characteristics of cargo are factors being considered by American companies importing cargo from Asia. Using the Panama Canal as a route to get shipments to the USA (versus coming directly to the twin ports in LA County) can add five days to a shipment's route and experts fear that California could lose up to 25% of discretionary cargo, or non-time-sensitive shipments. Board Member Fuentes said that there are two obstacles that California faces: air quality requirements (shipping is a major pollutant) and the lack of unions (more flexibility) in other states. Board Member Gazeley expressed his concern about tax incentives from other states, as California has none to offer. Responding to Ms. Greer's request to hear about South Bay issues, Jacki Bacharach said that the SBCCOG's transportation priorities include understanding and monitoring goods movement, the lack of major transit-oriented coming to the South Bay, and preparing for population growth with land-use and mobility strategies. Ms. Greer suggested that a group of SBCCOG Board members discuss possible joint effort with the SCLC Board.

C. Draft 2013-2014 Budget (*attachments*)

Jacki Bacharach referred to the document in the agenda packet. As an attachment to each city's SBCCOG membership dues invoice this year for the first time, the SBCCOG provided a list of activities and accomplishments that the SBCCOG performed which were individualized for each city which were intended to highlight the benefits of SBCCOG membership. Jacki Bacharach asked that this list be shared with all councilmembers in each city, as many of them may not be aware of how the SBCCOG is assisting their cities. As there were no comments or questions from the Board, the 2013-2014 Operating Budget Adoption will be included in the SBCCOG Board Consent Calendar for June 27, 2013, as Item VI.B.

D. Nominating Committee Report

The report on nominations from the floor, election of officers and at large Steering Committee members was distributed at the meeting. It listed the Board Members who have agreed to be nominated to serve as Officers and/or Steering Committee Members for FY 2013-2014: **Chairman-** Dan Medina, Gardena; **1st Chair-** Jim Goodhart, Palos Verdes Estates; **2nd Vice Chair-** Jim Gazeley, Lomita; **Steering Committee Members-** Jim Knight, Rancho Palos Verdes; Olivia Valentine, Hawthorne; Jim Osborne, Lawndale; David Lesser, Manhattan Beach. There were no nominations from the floor. Another opportunity for nominations from the floor and the election will take place at the June Board meeting.

Chair Franklin requested that Item VIII.A, Metro Report by Board Member Pam O'Connor, be moved up on the agenda to follow Item VII.D, Nominating Committee Report and precede Item VII.C, Measure R Project Acceleration Proposal.

Metro Report by Board member Pam O'Connor- On behalf of Director O'Connor, Mike Bohlke reported that the Board adopted a balanced \$5.075 billion budget for Fiscal Year 2013-14 that begins on July 1, 2013 at today's Metro Board meeting. A motion by Supervisor Mark Ridley-Thomas was passed on a vote of 10-1 to add into the Crenshaw - LAX Transit Corridor Project a new underground station at Leimert/Crenshaw and a new at-grade station at Hindry/Florence at a total incremental cost of \$120 million. The City of Los Angeles committed \$55 million of its Measure R local return funds and Metro found an additional \$80 million in unobligated funds from several Metro discretionary sources. Related to the issue of funding these stations, Steve Lantz expressed his concern about Metro's decision to eliminate the promised transit center on Aviation Boulevard, a key transit feeder facility, in order to save \$13 million dollars. The elimination was incorporated into the value engineering process for the project, during which, efforts are made to save money on the project without compromising the project's functionality. Currently, there is no publicly available baseline estimate for the Crenshaw – LAX Transit Corridor project, although the project budget will have to be balanced before Metro can award a design-build contract in June 2013.

E. Measure R Project Acceleration Proposal- Discussion and Possible Action

Steve Lantz repeated what David Yale from Metro had said at the SBCCOG's April 25 Board meeting: If the SBCCOG were to deliver all of its South Bay Highway Program projects in the first decade of Measure R, it wouldn't need \$1.5 billion dollars, but could instead get by on \$700,000 million+. SBCCOG Board members have express skepticism that the entire program could be delivered by the 2023 deadline. During further discussion amongst Mr. Lantz, Mr. Bohlke, and Mr. Yale following last month's presentation, it was discovered that if Measure R funds are accelerated into the first decade, the only money that would be available for the final two decades are Proposition C 25% funds or federal funds; Measure R funds would not be available to provide a match, just as the first Proposition C or federal funds become available. If Metro's Measure R Acceleration plan is allowed to move forward in the way that it is currently proposed, it could have a significantly adverse impact on the South Bay Highway Program. Mr. Lantz and Mr. Bohlke feel that the best strategy for the South Bay is to bifurcate the highway part of the program from the transit part of the program and to allow sub-regions to "opt out" of highway program acceleration. The SBCCOG would urge Metro to leave the South Bay's proportionate share of highway program's contingency money where it is, and not spend it on other accelerated projects, as it may be needed for the SBHP over the next two decades.

The SBCCOG wishes to opt out of acceleration at this time because there is no advantage for this sub-region to accelerate the thirty-year program into a ten-year program. The economics of accelerating one big project are different from implementing small projects over thirty years without borrowing funds. A letter to Metro is being drafted by the SBCCOG to this effect, and it has been indicated that Director O'Connor, and other COGs will support the SBCCOG's recommendations.

Metro is holding a public hearing to discuss this issue on June 27, at which SBCCOG Board members will be asked to testify. Mike Bohlke reiterated that acceleration does not work on the highway side, and it has not yet been determined if it works on the transit side. If highway project acceleration is forced, Mr. Bohlke feels that is violating the intention of Measure R (which provided for sub-regions to receive funding equity.) Board Member Aust stated that he would like hard commitments and guarantees from Metro that the funds will be there over the next twenty years; promises are no good. Board Member Rhilinger asked what happens to the South Bay's allocated funds if acceleration does move forward and the South Bay has money left over at the end of the three decades (who does it go to?) Mr. Lantz said that the Proposition C 25% and federal funds would not remain with the SBCCOG, as those types of funds are discretionary and could be reprogrammed at any time by Metro. Board Member Napolitano asked why the designated money set aside for each sub-region would last for *only ten* years in Metro's proposal, versus longer than ten years. Steve Lantz said that if Metro accelerates the highway program using bond proceeds that are programmed to projects on a first come, first served basis, a project that takes longer than ten years to complete and cannot make the deadline will suffer because the bond proceeds will have been spent on projects that did finish in time. The highway sub-fund contingency line item

also is NOT protected in the acceleration plan but this line item is what pays for escalation during out-years if projects are not delivered in time. Board Member Goodhart added that if acceleration proceeds, the South Bay will potentially lose \$200 million to pay for what could be completed in the first decade AND lose projects identified in the match for local funds. Jacki Bacharach implored Board Members and City Council Members in the South Bay to attend the public hearing at Metro on June 27, or to at least send letters of support of the South Bay's program to Metro. The finalized letter to Metro from the SBCCOG will be distributed as a template on May 24.

MOTION by Board Member Perkins, seconded by Board Member Rhilinger, to **approve** the recommendation to remove the highway program from the acceleration plan, should it be approved and **send** a letter to the Metro Board Members expressing this concern. No objections. Napolitano abstained.

F. Tehachapi Renewable Transmission Project – Underground Options for Chino Hills Power Lines (*attachments*)

Representatives from Southern California Edison (SCE) and Chino Hills were invited to briefly discuss this issue for possible action. The City of Chino Hills was not able to send any representatives but did send a letter from the City Manager which was read to the Board. It explained the City's situation: SCE has built 195-foot, high-voltage, tubular, steel poles through Chino Hills neighborhoods, posing significant safety impacts. The CPUC stopped construction and ordered SCE and the City to review undergrounding options. While this matter is going before the Administrative Law Judge at the CPUC, SCE is asking COGs and other agencies to take a position in opposition to the undergrounding, and Chino Hills is asking COGs to remain on the sidelines and recognize the City's right to advocate for its community. Letters from the Offices of Assemblyman Steven Bradford and Supervisor Knabe were read, both expressing reasons for concern over the CPUC's plan to have SCE build an underground 3.5-mile portion of these power lines. A letter from Senator Alex Padilla, Chairman of the California State Senate's Committee on Energy, Utilities, and Communications, was also distributed. This letter was addressed to President Peevey of the CPUC, requesting information on this issue to address the Senator's pending concerns. Scott Gobble of SCE said this could potentially affect costs for all South Bay cities and businesses. Board Member Aust asked what percent of the underground infrastructure has been complete, and Mr. Gobble answered 90%. Board Member Knight asked who is paying for the undergrounding's maintenance. Mr. Gobble said that since there are no 500kv substation systems in the USA yet (this is the first) it is unknown at this time who will pay for it. Chair Franklin reiterated that Chino Hills' main concern (besides safety) is that of land use. Board Member Napolitano added that the City of Rowland Heights (part of Supervisorial District 4) is experiencing the same problem with SCE.

MOTION by Board Member Rhilinger, seconded by Board Member Aust, to oppose undergrounding in Chino Hills. No objections.

TRANSPORTATION REPORTS

- A. Service Council report by Ralph Franklin, Chair-** Chair Franklin had nothing to report.
- B. Measure R Oversight Committee Report** (*attachment*)- Steve Lantz gave this report, as Board Member Goodhart, who Chairs this Committee, was unable to attend the last meeting. The SBCCOG will be issuing Request for Proposal (Measure R South Bay Highway Program On-Call Program Development/Project Oversight Technical Bench Services) tomorrow. The current prime and sub-consultant team will be automatically moved to the technical bench, and then the bench will be expanded to other consultants. Work will be allocated by individual task orders over the next three fiscal years. Slides were also displayed, showcasing the Measure R projects that have been completed thus far (in the cities of Hawthorne, Redondo Beach, and Torrance.)
- C. Monthly Transportation Report from Steve Lantz** (*attachment*) – Received and filed
Steve Lantz highlighted the Los Angeles City Council Approval of LAX Modernization.

SOUTH BAY ENVIRONMENTAL SERVICES CENTER UPDATES

Catherine Showalter reported the following:

- The SBCCOG was awarded \$771,630 from Southern California Edison (SCE) for SBESC to accelerate and enhance climate action planning work that is being done on behalf of the cities of

the South Bay. The funds will be used to work with its member cities to develop more technically rigorous Climate Action Plans. These funds cover only the energy efficiency part of the Climate Action Plan and the city assessments will be used for the remainder – transportation, air quality, solid waste, etc.

- On May 10, 2013, Southern California Edison (SCE) released the Water Leak Detection Program Request for Proposal (RFP). Water losses caused by unrepaired leaks and operating at unnecessarily high-pressure results in wasted water and wasted energy. The Water Leak Detection Program (the Program) is designed to deliver quantifiable savings for both water and energy. Only local government partners are eligible to apply for these funds. The goal of the Program is to achieve energy savings directly, embedded or otherwise of potable (drinking) water. The role of the SBCCOG would be as a local government partner that submits the proposal as part of a team with technical expertise. There is a total of \$900,000 available and proposals are due June 13, 2013.
- Thanks to the generosity of Supervisor Knabe and Steve Napolitano for providing a bus, the SBESC staff and volunteers took a field trip to the Puente Hills Landfill on May 17, 2013.
- The SBESC is distributing bookmarks promoting our volunteer program to Board members and libraries.
- The list of upcoming community events that the SBESC will be attending was distributed.
- Jacki Bacharach thanked those who attended the Water 101; course at the beginning of May. 13 participants attended, 4 of who were elected officials.

SBCCOG ISSUES AND REPORTS – Jacki Bacharach gave the following reports:

A. South Bay Sustainable Strategy- On July 11, the SBCCOG will hold an event for stakeholders and vehicle manufacturers. This event will be a debriefing on the findings of the SBCCOG's prior pilot program, Local-Use Vehicles.

1. LUV, BEV and other EV issues

5 South Bay cities are still in the process of approving Car2Go: Redondo Beach, Torrance, Lawndale, Hawthorne, and Manhattan Beach. Once approved by the cities that wish to participate, the South Bay would be the only place in the world that would have a multi-jurisdictional car-sharing program. Deployment of vehicles could happen in September; they are not built until the demand is established.

2. General Assembly topic for February 28, 2014 (*attachment*)

The SBCCOG Steering Committee considered topics for the next General Assembly. They are leaning in favor of looking at the domino effect of cost of electricity, transportation, water, temperature rise on the South Bay. Also under consideration are the topics of the cost of transportation and sequestration one year later. This will be the 15th General Assembly and will also include some highlights of previous topics. No comments or discussion from the Board.

BOARD MEMBER ANNOUNCEMENTS

- Board Member Medina announced that the City of Gardena will celebrate Flag Day on June 14 at City Hall at 3pm.
- Board Member Knight is spearheading the procurement of the City of Rancho Palos Verdes' street lights; this item is now on their city council agenda. He thanked the SBCCOG for its help with this issue. He is also involved in MS4 permitting.
- Board Member Seamans announced that the City of Rolling Hills Estates is holding its 28th Annual Memorial Day Observance on Monday, May 27, 2013 at the Green Hills Memorial Park (10:00am.) Symphonic band will be performing.
- Board Member Fuentes announced that on May 21, 2013, the City of El Segundo entered into an agreement with the Wiseburn School District, resolving tensions over the school system's chosen site for a high school, and giving the city use of a new aquatics center on its campus. Among the "Wiseburn obligations" outlined in a city staff report, the district agrees to improve 2 acres of its future 14-acre high school property in eastern El Segundo with a swim center consisting of a 50-meter competition pool, restrooms and locker rooms, parking, and, if the budget permits, a smaller therapy pool. The city agrees not to dispute the district's environmental analysis of the project at 201 N. Douglas St. and not proceed with any legal challenges.
- Chair Franklin thanked Board Member Susan Rhilinger for her participation and dedication to the SBCCOG's programs, as she is resigning and relocating from Torrance. Tonight was her last

SBCCOG Board meeting.

- Board Member Rhilinger acknowledged that Board Member Brewer will become the SBCCOG Board Torrance Delegate, but also said that another Councilmember will need to take her place on the Measure R Oversight Committee.
- Board Member Dieringer announced that the City of Rolling Hills' Finance Committee proposed that the City revoke its SBCCOG membership. On June 10, the City Council will be discussing this issue, and Board Member Dieringer encouraged SBCCOG Board Members to explain to the City why it would be beneficial to remain a member of the SBCCOG. Jacki Bacharach and Board Member Mitchell will be attending. Board Member Fuentes said that the *El Segundo Herald* published an article on the benefits of SBCCOG membership. Chair Franklin asked for the Board's permission through a motion to send a letter to the City, encouraging it to reconsider revoking its SBCCOG membership.

MOTION by Board Member Seamans, seconded by Board Member Napolitano, to send a letter to the City of Rolling Hills. None opposed.

AGENCY REPORTS

- A. League of California Cities-** Jeff Kiernan distributed a tentative schedule of events for the League's 2013 Annual Conference in Sacramento. This year, it will be held from September 18-20. Registration deadline is September 3.
 - B. South Coast Air Quality Management District-** Not present
 - **1. Local Government and Business Advisory Group-** Jacob Haik reported health risk assessment from a lead acid-battery facility located in Vernon.
 - C. SCAG & Committees-** No policy committee reports
 - **4. Regional Council-** Board Member Gazeley reported on the many breakout sessions he attended at SCAG's 2013 Regional Conference and General Assembly, which was held in Palm Desert on May 2, 2013.
- Santa Monica Bay Restoration Commission-** Board Member Perkins reported that there was no May 2013 meeting.
- D. South Bay Cities City Managers' Association-** Not present
 - E. South Bay Association of Chambers of Commerce-** Board Member Rhilinger reported that she made an effort to mention the importance of Measure R issues at the last meeting.
 - F. South Bay Workforce Investment Board-** As John Parsons was not present, Jacki Bacharach announced that the SBWIB has asked the SBCCOG to join efforts to be part of a response to a proposal from the EDD regarding electric vehicles.

UPCOMING EVENTS & ANNOUNCEMENTS

- May 30** Clarification of MS4 Permit Guidelines (*attachment*). Jacki Bacharach announced that this meeting was designed to be especially for elected officials (and city staff.) Due to a lack of RSVP's, the SBCCOG will cancel the May 30 class and bring the presentation to a future Board Meeting so that more elected officials can see it.

JUNE SBCCOG COMMITTEE MEETINGS & WORKING GROUPS

- June 10** Measure R Oversight Committee
Steering Committee

Consult web site for specific times and places – www.southbaycities.org

ADJOURNMENT

There being no further business, Chair Franklin adjourned the meeting at 8:17 p.m. to Thursday, June 27, 2013, at 6:00 p.m.

Respectfully submitted,
Marcy Hiratzka
Recording Secretary