

**MINUTES OF THE MEETING
OF THE JOINT MEETING OF THE
BOARD OF DIRECTORS OF THE
GATEWAY CITIES COUNCIL OF GOVERNMENTS
AND THE EXECUTIVE COMMITTEE OF THE BOARD OF DIRECTORS
Gateway Cities Council of Governments
16401 Paramount Boulevard
Paramount, California
July 2, 2008**

President Guerrero called the meeting to order at 6:00 p.m.

PRESENT: President Elba Guerrero, City of Huntington Park
First Vice President Anne Bayer, City of Downey
Second Vice President Gordon Stefenhagen, City of Norwalk
Immediate Past President Larry R. Nelson, City of Artesia
Member George Mirabal, City of Bell
Member Raymond Dunton, City of Bellflower
Member Jim Edwards, City of Cerritos
Member Joe Aguilar, City of Commerce
Member Lillie Dobson, City of Compton
Member Frank Gurule, City of Cudahy
Member Victor Farfan, City of Hawaiian Gardens
Member Stan Carroll, City of La Habra Heights
Member Diane DuBois, City of Lakewood
Member Bonnie Lowenthal, City of Long Beach
Member Patrick O'Donnell, City of Long Beach
Member Felipe Aguirre, City of Maywood
Member Kathy Salazar, City of Montebello
Member Gene Daniels, City of Paramount
Member Gracie Gallegos-Smith, City of Pico Rivera
Member Betty Putnam, City of Santa Fe Springs
Member Edward H. J. Wilson, City of Signal Hill
Member Gil Hurtado, City of South Gate
Member William Davis, City of Vernon
Member Greg Nordbak, City of Whittier
Member Curt Pedersen, Office of Supervisor Don Knabe
Member Gerry Hertzberg, Office of Supervisor Gloria Molina
Member Richard Steinke, Ex Officio Member, Port of Long Beach

ABSENT: Member Bob Kennedy, City of Avalon
Member Mario Beltran, City of Bell Gardens
Member Pete Dames, City of La Mirada
Member Maria Teresa Santillan, City of Lynwood

ALSO PRESENT: Norwalk Vice Mayor Cheri Kelley; South Gate City Manager Ron Bates; Commerce City Administrator Jorge Rifa; Santa Fe Springs City Manager Fred Latham; La Mirada Director of Public Works Steve Forster; Lakewood Director of Community Development Jack Gonsalves; Long Beach Government Affairs Manager Tom Modica; Port of Long Beach Director of Communications Heather Morris; Port of Long Beach Media Relations Manager John Pope; David Tokofsy, City of Bell; Luis Marquez, Deputy, Office of Senator Alan Lowenthal; Michael Hollon, Office of Assemblyman Hector De La Torre; Alex Clifford, General Manager, Metro Gateway Cities Service Sector; Ernest T. Morales, Deputy Executive Officer, Metro; David Hershenson, Community Relations Manager, Metro; Michael Sieckert, Planning Manager, Metro Gateway Cities Service Sector; Joseph Magaddino, Professor of Economics, Cal State Long Beach; Kristine Guerrero, Public Affairs Manager, League of California Cities; Alina Bokde, Deputy Executive Director, Rivers and Mountains Conservancy; J.J. Hoffman, River Ride Chair, Los Angeles County Bicycle Coalition; Tracy A. Young, Anchor, Local Edition, CNN Headline News; Marianne Kim, Policy Analyst, Automobile Club of Southern California; Frank Osgood, Author, Region Aroused; GCCCOG Executive Director Richard Powers; GCCCOG General Counsel Richard D. Jones; GCCCOG Deputy Executive Director Jack Joseph; GCCCOG Transportation Deputy Karen Heit; GCCCOG Director of Regional Planning Nancy Pfeffer; GCCCOG Consultant Engineer Jerry R. Wood.

Roll was taken through self-introductions.

President Guerrero led the Pledge of Allegiance.

There were no amendments to the agenda.

No one wished to speak during public comments.

The Transportation Deputy gave a power point presentation regarding the proposed one-half cent sales tax that is being considered by the MTA Board of Directors. She explained that the Gateway Cities subregion is not currently slated to receive any funding for transit projects out of the proposed new tax. South Gate City Manager Ron Bates, speaking on behalf of the City Managers Steering Committee, said that equity is the key issue. The Gateway Cities subregion would produce about 20% of the proceeds of the tax and should be expected to receive a return approximating its contributions. He suggested working with other COGs, such as the San Gabriel Valley and North County, to find a joint way to advance the issue of equity.

Member Lowenthal said that she was one of three MTA Board members to vote against the sales tax, with supervisors Knabe and Molina being the others. She said that Gateway Cities has an opportunity because of the equity issues to work to get a larger share of the sales tax returned to the subregion. She asked for authorization to go back and work with the other members of the MTA Board toward a fair guaranteed percentage of the proceeds of the tax.

Member Hertzberg said that another venue people should be working on is the State Legislature, which is still considering the legislation that would authorize the tax. Member Pedersen said that Supervisor Knabe is opposed to any tax increase.

Member Lowenthal said, if the votes are there anyway, if we don't appear collaborative, we won't get anything. She asked for discussion on this issue. She asked if the Board would authorize the Executive Director and her to initiate discussions based on the equity issues.

Member Hurtado asked how this would impact the City of South Gate's recently approved sales tax. Would this tax be on top of the state law maximum of 9½%? The Transportation Deputy responded that the proposed legislation would exempt this tax from the state cap.

Member Wilson said another problem is that it is a temporary tax, even if it is allowed for 30 years. He said a temporary tax should only be used for capital expenses, not for operations.

President Guerrero asked how the tax affects us. Member Lowenthal said that the tax would require a two-thirds vote of approval if it makes it to the ballot in November. The challenge is that portions of the pie chart showing the proposed distribution of the proceeds have nothing for us.

Member DuBois said we felt strongly as a group last meeting that we could not support a tax increase. She said if we go forward and endorse it, then the COG is endorsing a tax increase. Member Hurtado asked if we oppose it, will the MTA keep that in mind when we go looking for funding in the future. Member Lowenthal said that the proponents have said that this could be our only hope for building a world class transit system.

Member Nordbak said that he does not subscribe to the theory that we should worry about a threat to cut off funding. Member Aguirre said that a majority of the Metro Gateway Cities Service Sector Council's recommendations to the MTA Board were overruled. Member Hurtado said that maybe we shouldn't have put out a list of projects but just said no to the tax.

Member Dobson said that Compton is opposed to additional taxes. What is Compton going to get is the next question that will be asked. Member Nordbak said that the real issue is what our residents who pay the tax are going to get for it.

The Transportation Deputy showed the major regional projects for which the Gateway Cities Council of Governments would be looking for funding. South Gate City Manager Bates said this sales tax measure would produce \$31.5 billion, of which \$5.5 billion comes from Gateway Cities. He said two City of Los Angeles transit projects would take up 47% of the proceeds. Member Hurtado said that he is skeptical that Los

Angeles would give up funding for its projects for Gateway Cities.

President Guerrero asked for direction from the Board. She read the City Managers Steering Committee recommendation to continue to oppose the implementation of a half cent sales tax unless the MTA ordinance is amended to include representational equity based upon subregional sales tax contributions.

It was moved by Immediate Past President Nelson, seconded by Member O'Donnell, to approve the recommendation of the City Managers Steering Committee.

Member Mirabal said that it was understood that our target would be 20%.

ROLL CALL

AYES: Member Mirabal, Member Edwards, Member Aguilar, Member Dobson, Member Gurule, Member Farfan, Member Lowenthal, Member O'Donnell, Member Aguirre, Member Salazar, Member Daniels, Member Putnam, Member Wilson, Member Davis, Member Hertzberg, Immediate Past President Nelson, Second Vice President Stefenhagen, First Vice President Bayer, President Guerrero.

NOES: Member Dunton, Member Carroll, Member DuBois, Member Gallegos-Smith, Member Nordbak, Member Pedersen.

ABSENT: Member Kennedy, Member Beltran, Member Dames, Member Santillan.

Member Hurtado requested that Consent Calendar item A, the minutes of the meeting of June 4, 2008, be considered separately.

It was moved by Member Wilson, seconded by Member Hurtado, to approve the consent calendar as presented, with the exception of item A. The motion was approved unanimously.

Member Hurtado pointed out that the minutes of June 4 reflect that when he asked the question as to whether the proposed half cent sales tax increase would affect the City of South Gate's recently approved sales tax he was told there would be no effect. He said he would like the record to reflect that it does have an effect in that it would move South Gate's sales tax to 9¾%, which is above the state limit of 9½%. It was then moved by Member Hurtado, seconded by Member Gurule, to approve the minutes of June 4, 2008. The motion was approved unanimously.

Alina Bokde, Deputy Executive Director of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, thanked the Board for its support of the recent Los Angeles River Bicycle Ride. She showed videos of three news reports on the event. J.J. Hoffman of the Los Angeles Bicycle Coalition likewise thanked the Board for its support and presented a commemorative poster of the Ride to President Guerrero.

Richard D. Steinke, Executive Director of the Port of Long Beach, gave a power point presentation regarding the Port's Middle Harbor Project. He said the \$750 million project will combine and upgrade two aging, irregularly shaped cargo terminals to create one rectangular shaped terminal that will operate in a more efficient and environmentally friendly manner, utilizing cold ironing so that ships do not need to burn diesel fuel while in the harbor. He said about 14,000 permanent jobs will be created as a result of the project.

Immediate Past President Nelson asked if Southern California Edison has the capability to electrify the terminal. Mr. Steinke responded that the Port's power grid would have to be upgraded in the future, but that there will be significant environmental improvements. Immediate Past President Nelson asked if the Port will use what it dredges for backfill. Mr. Steinke said that there will be limited dredging, and the Port will use it for backfill.

It was moved by Member Hurtado, seconded by Member Gurule, to receive and file the report. The motion was approved unanimously.

Joseph Magaddino, Chair and Professor of Economics, Cal State University, Long Beach, gave a presentation on the Southern California Regional Economic Forecast. He said that the general slowing in the national economy has impacted the region. In addition, the housing slump has affected other southern California counties more than Los Angeles County. However, there will be negative job formation in Los Angeles County in 2008.

Dr. Magaddino said that there had been declines in the finance and construction industries in 2007-08, but that he is looking for both to bounce back in 2009. There will continue to be a decline in retail employment in the near future. He said the good news is that employment of temporary workers increased this year.

Dr. Magaddino said that the health services, transportation/warehousing, and utilities sectors have all shown growth, but we continue to lose jobs in manufacturing. He said the forecast is for relatively small taxable sales growth, but that it will trail the rate of inflation. Overall, the economy will retract, largely due to the housing sector.

It was moved by Member Gurule, seconded by Member Hurtado, to receive and file the report. The motion was approved unanimously.

The Deputy Executive Director presented the proposed Fiscal Year 2008-09 Budget. He said that the single most significant factor in the budget is the termination of the Clean Air Program, due to the ports' decision to seek a large environmental firm to implement the truck replacement program in addition to their very complex concessionaire program.

It was moved by Member DuBois, seconded by Member Hurtado, to approve the Fiscal Year 2008-09 Budget and to approve Resolution Number 2008-03 A Resolution of the Board of Directors of the Gateway Cities Council of Governments Approving and

Adopting the 2008-2009 Annual Budget of the Gateway Cities Council of Governments. The motion was approved unanimously.

There was no report from SCAG.

Kristine Guerrero presented a report from the League of California Cities. She passed out an update on the State budget. She said they were now hearing that there may be some borrowing of Proposition 1A monies to balance the budget. However, the State can only borrow Proposition 1A funds twice during a ten year period and must back it back with interest within three years. It was moved by Immediate Past President Nelson, seconded by Member Hurtado, to receive and file the report. The motion was approved unanimously.

Member DuBois distributed a flyer regarding the August meeting of the California Contract Cities Association.

There was no report from the I-5 Consortium Cities Joint Powers Authority.

There was no report from the Orangeline Development Authority.

There was no report from the South Coast Air Quality Management District.

Alex Clifford, General Manager, presented a report from the Metro Gateway Cities Service Sector. He said that no new service changes were being proposed for December. He said that additional funding for marketing had been received. It was moved by Member Gurule, seconded by Member Davis, to receive and file the report. The motion was approved unanimously.

Member Wilson presented a report from the Conservancy Committee. He said that the Los Angeles River Ride was extremely well attended. He said that other cities are asking to host the event in 2009. He said the Los Angeles Department of Water and Power had repainted the striping all the way to the Port of Long Beach and had removed graffiti. Member Wilson said that over 100 applications had been received by the Conservancy for Proposition 4 projects. He said that the Whittier Greenway Trail project had been approved for funding. It was moved by Member Gurule, seconded by Immediate Past President Nelson, to receive and file the report. The motion was approved unanimously.

The Executive Director presented a report from the I-710 EIR/EIS Project Committee. He said that the Project Committee is expected to meet in August.

The Executive Director presented a report from the SR-91/I-605/I-405 Corridor Cities Committee. He said that the initial studies for the Major Corridor Study had all been completed.

There was no report from the Transportation Committee.

Member Daniels said that attendance at SCAG policy committee meetings by Board appointees to the committees had been spotty and proposed that the Board adopt a policy that absence at two consecutive policy committee meetings by a committee member would result in the position being declared vacant. The General Counsel asked if the proposed policy would provide for excused absences. Member Daniels responded that it would and that SCAG makes available on a quarterly basis an attendance record that shows which absences are excused. Member Wilson said that the Board had already adopted a policy that states that the committee representatives agree to attend at least 75% of the meetings.

After discussion among the Board members, it was moved by Member Daniels, seconded by Member Nordbak, to amend the current Board policy to state that two consecutive unexcused absences from SCAG policy committee meetings would result in a vacancy in that position and that an attendance record on policy committee meetings be presented to the Board quarterly. The motion was approved, with Member Wilson voting no.

There were no matters from the President.

The General Counsel announced that now was the time for the annual election of officers. President Guerrero nominated First Vice President Bayer for the position of President. There were no other nominations. It was moved by Member Wilson, seconded by Member DuBois, to close nominations and to elect First Vice President Bayer as President. The motion was approved unanimously.

First Vice President Bayer nominated Second Vice President Stefenhagen for the position of First Vice President. There were no other nominations. It was moved by Member Wilson, seconded by Member DuBois, to close nominations and to elect Second Vice President Stefenhagen as First Vice President. The motion was approved unanimously.

Board Member Raymond Dunton nominated Member DuBois for the position of Second Vice President. There were no other nominations. It was moved by Member Gurule, seconded by Member Davis, to close nominations and elect Member DuBois as Second Vice President. The motion was approved unanimously.

It was moved by Member DuBois, seconded by Member Gurule, to elect President Guerrero as Immediate Past President. The motion was approved unanimously.

The General Counsel asked for self nominations of cities to fill the remaining eight positions on the Executive Committee. The following cities self-nominated: Artesia, Bellflower, Cerritos, Compton, Cudahy, Maywood, Paramount, Pico Rivera, Santa Fe Springs, Signal Hill, South Gate, and Whittier. The General Counsel asked that Board members fill out ballots and vote for up to eight members of the Executive Committee. He said the eight cities receiving the highest vote totals would be elected to the Executive Committee.

Following the collection of the ballots, the following vote totals were announced by the General Counsel, with the cities with the eight highest vote totals being elected to the Executive Committee: Whittier 20; Artesia 19; Pico Rivera 19; South Gate 19; Paramount 17; Cerritos 16; Bellflower 15; Signal Hill 14; Santa Fe Springs 12; Cudahy 11; Maywood 8; Compton 7.

First Vice President Bayer presented flowers and a plaque to President Guerrero commending her on her year of service as President.

Adjournment: The meeting was adjourned by consensus at 8:15 p.m.