

**GATEWAY CITIES COUNCIL OF GOVERNMENTS  
JOINT MEETING OF THE BOARD OF DIRECTORS and  
EXECUTIVE COMMITTEE**

*Wednesday, December 3, 2008*

*5:30 p. m. Buffet*

*6:00 p. m. Meeting*

**Gateway Cities Council of Governments**

**16401 Paramount Boulevard**

**Paramount, California**

**AGENDA**

**STAFF REPORTS AND OTHER WRITTEN DOCUMENTS ARE AVAILABLE IN THE GATEWAY CITIES COUNCIL OF GOVERNMENTS OFFICES, 16401 PARAMOUNT BOULEVARD, PARAMOUNT, CALIFORNIA. ANY PERSON HAVING QUESTIONS CONCERNING ANY AGENDA ITEM MAY CALL THE COG STAFF AT (562) 663-6850.**

**FOR YOUR INFORMATION:** The Board of Directors will hear from the public on any item on the agenda or an item of interest that is not on the agenda. The Board of Directors cannot take action on any item not scheduled on the agenda. These items may be referred for administrative action or scheduled on a future agenda. Comments are to be limited to three minutes for each speaker, unless extended by the Board of Directors, and each speaker will only have one opportunity to speak on any one topic. You have the opportunity to address the Board of Directors at the following times:

- A. **AGENDA ITEM:** at this time the Board of Directors considers the agenda item OR during Public Comments, and
- B. **NON-AGENDA ITEMS:** during Public Comments, comments will be received for a maximum 20-minute period; any additional requests will be heard following the completion of the Board of Directors agenda; and
- C. **PUBLIC HEARINGS:** at the time for public hearings.

**Please keep your comments brief and complete a speaker card for the President.**

- I. CALL TO ORDER**
- II. ROLL CALL – BY SELF INTRODUCTIONS**
- III. PLEDGE OF ALLEGIANCE**
- IV. AMENDMENTS TO THE AGENDA -** This is the time and place to change the order of the agenda, delete or add any agenda item(s).
- V. PUBLIC COMMENTS -** Three minutes for each speaker.

**VI. MATTERS FROM STAFF**

**VII. CONSENT CALENDAR:** All items under the Consent Calendar may be enacted by one motion. Any item may be removed from the Consent Calendar and acted upon separately by the Board of Directors.

- A. Approval of Minutes – Minutes of the Board of Directors Meeting of November 5, 2008, is presented for approval. Approval receives and files the minutes of November 5<sup>th</sup>, Board of Directors meeting.
- B. Approval of Warrant Register - Request for Approval of Warrant Register Dated December 3, 2008
- C. October 2008 Local Agency Investment Fund Statement
- D. Status Report from Lobbyist - Government Relations Consultants

**CONSENT CALENDAR ACTION:**

A MOTION TO APPROVE THE RECOMMENDATIONS FOR CONSENT CALENDAR ITEMS A THROUGH D.

**VIII. REPORTS – COMMITTEES/ AGENCIES – ALL COMMITTEE / AGENCY REPORTS ARE LIMITED TO 3 MINUTES UNLESS ADDITIONAL TIME IS GRANTED BY THE BOARD PRESIDENT**

- A. Matters from Southern California Association of Governments (SCAG) – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

- B. Matters from the League of California Cities – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

- C. Matters from California Contract Cities Association – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

- D. Matters from The I-5 Consortium Cities Joint Powers Authority – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

- E. Matters from the Orangeline Development Authority-Maglev – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

F. Matters from the South Coast Air Quality Management District (AQMD) – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

G. Matters from the Metro Gateway Cities Service Sector – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF A

**IX. REPORTS FROM COMMITTEES**

A. Report from the Conservancy Committee

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

B. Report from the I-710 EIR/EIS Project Committee – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

C. Report from the SR-91/I-605/I-405 Corridor Cities Committee – Oral Report

**3 Min** SUGGESTED ACTION: A MOTION TO HEAR REPORT, POSSIBLE ACTION AND/OR GIVE DIRECTION TO STAFF

**X. MATTERS FROM THE BOARD OF DIRECTORS**

**XI. MATTERS FROM THE PRESIDENT**

**XII. ADJOURNMENT**

NOTICE: New items will not be considered after 9:00 p.m. unless the Board of Directors votes to extend the time limit. Any items on the agenda that are not completed will be forwarded to the next regular Board of Directors meeting scheduled for Wednesday, January 7, 2009, 6:00 PM.

IN COMPLIANCE WITH THE AMERICAN WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE COG OFFICE AT (562) 663-6850. NOTIFICATION 48 HOURS PRIOR TO THE MEETING WILL ENABLE THE COUNCIL OF GOVERNMENTS TO MAKE REASONABLE ARRANGEMENT TO ENSURE ACCESSIBILITY TO THIS MEETING.

**VII. CONSENT CALENDAR**  
**Item A**  
**Approval of Minutes**

**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  
November 5, 2008**

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

**PRESENT:** President Anne M. Bayer, City of Downey  
First Vice President Gordon Stefenhagen, City of Norwalk  
Second Vice President Diane DuBois, City of Lakewood  
Immediate Past President Elba Guerrero, City of Huntington Park  
Member George Mirabal, City of Bell  
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 Pete Dames, City of La Mirada  
Member Bonnie Lowenthal, City of Long Beach  
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 Greg Nordbak, City of Whittier  
Member Connie Sziebl, Office of Supervisor Don Knabe

**ABSENT:** Member Larry R. Nelson, City of Artesia  
Member Bob Kennedy, City of Avalon  
Member Mario Beltran, City of Bell Gardens  
Member Raymond Dunton, City of Bellflower  
Member Stan Carroll, City of La Habra Heights  
Member Patrick O'Donnell, City of Long Beach  
Member Maria Teresa Santillan, City of Lynwood  
Member Felipe Aguirre, City of Maywood  
Member Kathy Salazar, City of Montebello  
Member William Davis, City of Vernon  
Member Erica Jacquez-Santos, Office of Supervisor Gloria Molina  
Member Ronald Fisher, Office of Supervisor Yvonne Burke  
Member Richard Steinke, Ex Officio Member, Port of Long Beach  
**ALSO PRESENT:** Long Beach Councilmember Tonia Reyes Uranga, SCAQMD

Governing Board Member; Signal Hill City Manager Ken Farfsing, Chair, City Managers Steering Committee; Commerce City Manager Jorge Rifa; La Mirada Director of Public Works Steve Forster; Lakewood Director of Community Development Jack Gonsalves; Metro Gateway Cities Service Sector General Manager Alex Clifford; Metro Public Relations Manager David Hershenson; Kimberly Yu, Metro; Dave Monks, Metro; Kristine Guerrero, Public Affairs Manager, League of California Cities; Yvette Kirrin, Executive Director, I-5 Joint Powers Authority; Belinda V. Faustinos, Executive Director, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; Alina Bokde, Deputy Executive Director, San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy; Don Rhodes, Public Affairs Manager, L.A. First 5; Yesenia Arias, Arellano Associates; Chester Britt, Arellano Associates; Tracy Young, Anchor, Local Edition; 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.

Member Lowenthal led the Pledge of Allegiance.

There were no amendments to the agenda.

Don Rhodes, Public Affairs Manager, L.A. First 5, announced that his organization had \$20 million in grant funds available to cities to fluoridate their water supplies up to the optimal levels for dental health. He distributed a flyer describing his organization's projects to the Board.

The Executive Director referred the Board to a letter from Board President Anne Bayer and SCAQMD Board Member Tonia Reyes Uranga inviting city officials to attend an educational briefing and discussion on air quality to be held on Thursday, November 20, at the offices of the COG. He announced that the City Managers Steering Committee had scheduled a joint meeting with the Los Angeles Economic Development Corporation to discuss partnering on an economic development strategy. He reported that Norwalk Mayor Michael Mendez, Chair of the Southeast/Long Beach MTA Sector Subcommittee, had sent out a notice to all cities to survey them regarding the best date of the week of December 8<sup>th</sup> to hold a meeting of the Subcommittee to nominate a member of the MTA Board of Directors.

It was moved by Member Gurule, seconded by Member Hurtado, to approve the consent calendar as presented. The motion was approved unanimously.

Kimberly Yu, Project Manager, Metro, gave a PowerPoint presentation on the Phase 2 Metro Eastside Transit Corridor Project to extend the Metro Red Line eastward to the City of Whittier. Second Vice President DuBois asked how many years out it would be before the project is actually constructed. Ms. Yu responded that the EIR stage would take 32

months and that then the Federal Transportation Authority would have to review and approve the plans, since the project will be seeking federal funds. She said the user benefit cost cannot exceed \$24.99 per rider or the project won't be competitive. She estimated project completion could take 9-10 years. It was moved by Member Gurule, seconded by Member Hurtado, to receive and file the report. The motion was approved unanimously.

Belinda Faustinos, Executive Director of the San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy, gave a presentation regarding the Conservancy's grant program. She referred the Board to a handout concerning the levels of grant funding awarded. She said that two tiers of grants had been completed and that the Conservancy was now moving to a third phase funded by Proposition 84. She said attention would be more focused on urban areas and that she was encouraging submittal of good projects. So far, twenty cities within the COG subregion have received funding.

Member Wilson said that he wished to clarify something he had said at the last meeting when he indicated that a project had been funded by the Conservancy in the City of Irvine. He said it was actually in the City of Anaheim, which is in the territory served by the Conservancy.

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

Signal Hill City Manager Ken Farfsing presented a report from the City Managers Steering Committee concerning Senate Bill 375, relating to greenhouse gas emissions. He said that the city managers are concerned that cities don't have the scientific resources to deal with the requirements that the State will be imposing on them. He said that SCAG was looking to the COGs to take the lead. He said the City Managers Steering Committee was recommending that the COG establish an assessment of \$5,000 per city to fund the scientific study. He said that CEQA may establish greenhouse gas conditions that cities will have to comply with in approving any new developments.

The Executive Director said that SCAG will be looking to the larger COGs to get a handle on this issue. He said the ramification could be that aspects of cities' land use decisions could be turned over to SCAG and the California Air Resources Board.

It was moved by Second Vice President DuBois, seconded by Member Daniels, to approve the recommendation of the City Managers Steering Committee to approve a special assessment of \$5,000 per city for consultant services to develop a subregional Sustainable Community Strategy under SB 375. The motion was approved unanimously.

There was no report from SCAG.

Kristine Guerrero presented a report from the League of California Cities. She reported that the Governor had called a special session of the state legislature to deal with the State's budget crisis. She said the State's budget shortfall could be \$10 billion or higher. She said everyone should be prepared for spending cuts and tax increases. She said the

League wants to remind the Governor that cities are at the forefront of the mortgage crisis. Member Daniels asked if the League would be representing cities with the Governor on this issue. Ms. Guerrero responded that they are already talking with the Governor's office. She said they could use cities' "misery stories".

There was no report from the California Contract Cities Association.

I-5 JPA Executive Director Yvette Kirrin presented a report from the I-5 Joint Powers Authority. She said that the JPA would be working with Metro and the COG to help develop a list of projects to be funded under a federal economic stimulus bill that may be funded by the lame duck session of Congress. Regarding the I-5 segment from I-605 to I-710, she said that comments are now being received on the EIR. She said cities have received two alternatives for 10 lanes on that segment.

There was no report from the Orangeline Development Authority.

SCAQMD Board Member Tonia Reyes Uranga presented a report from the South Coast Air Quality Management District. She said that she wished to invite the Board to the November 20 Air Quality Institute briefing.

Alex Clifford, General Manager, Metro Gateway Cities Service Sector presented a report from the Metro Gateway Cities Service Sector. He said that things looked good for the passage of Measure R and that he would be reporting on the benefits of Measure R at a later date. He discussed the problems at the Norwalk Green Line station relating to the over capacity situation at the parking lot. He said that a consultant is looking at alternatives to address the problem. He said a survey would be taken of riders at the Lakewood Blvd. station.

Mr. Clifford said the Artesia Blvd. Blue Line station is also over capacity. Member Nelson asked if the consultant examining the Norwalk Green Line station would also be looking at the Blue Line station at Artesia Blvd. Mr. Clifford responded that the Blue Line Artesia station problem has apparently been solved by an agreement with the church adjacent to the station for use of its parking lot.

Mr. Clifford reported that December service changes would be made to lines 62 and 460, adding trips to those lines.

Member Wilson said that the Conservancy Committee report had already been covered by the earlier presentation by Belinda Faustinos.

Jerry Wood presented a report from the I-710 EIR/EIS Project Committee. He said that the Project Committee would be meeting next week, followed by a meeting of the Technical Advisory Committee the following week. He said the meetings would consist of reviews of several studies, including looks at alternative technologies.

Jerry Wood presented a report from the SR-91/I-605/I-405 Corridor Cities Committee. He



said that the Technical Advisory Committee would be meeting tomorrow to discuss the next steps in the project. He reported that Measure R included \$600 million each for I-710 and SR-91/I-605 hot spots.

The Transportation Deputy presented a report from the Transportation Committee. He said that the Committee was recommending that the Board send letters to the COG's federal representatives opposing triple trailers on California highways. Second Vice President DuBois asked if staff was working with Congressional offices. The Transportation Deputy responded not yet, but that cities will be asked to follow up on the letters that would be sent. Second Vice President DuBois stressed the importance of making phone calls to the representatives, which would be more effective than letters. Member Wilson suggested that cities also contact their representatives by e-mail. It was moved by Member Nelson, seconded by Member Wilson, to direct staff to prepare the letters regarding triple trailers for signature and to ask cities to follow up with their Congressional representatives. The motion was approved unanimously.

The Transportation Deputy reported that she had received a message from the Board of Supervisors' Office that Measure R was still undecided because of uncounted absentee and provisional ballots. Member Hurtado asked when Measure R would take effect. The Transportation Deputy responded that it would probably be effective in January.

There were no matters from the Board of Directors.

President Bayer announced the appointments of Downey Mayor Pro Tem Mario Guerra to the SCAG Transportation Committee, and Board Members Gordon Stefenhagen and Kathy Salazar to the Ad Hoc Committee on Homelessness. She invited Board Members who are interested in the vacancies on the Los Angeles County League of Cities Executive/Legislative Committee and SCAG Community, Economic, and Human Development Committee to see her after the meeting.

**Adjournment:** It was the consensus of the Board to adjourn at 7:08 p.m.

Respectfully submitted,

Richard Powers, Secretary

**VII. CONSENT CALENDAR**  
**ITEM B**  
**Approval of Warrant Register**

**VII. CONSENT CALENDAR  
ITEM C  
October 2008 Local Agency  
Investment Fund Statement**



**Local Agency Investment Fund**  
 P.O. Box 942809  
 Sacramento, CA 94209-0001  
 (916) 653-3001

[www.treasurer.ca.gov/pmia-laif](http://www.treasurer.ca.gov/pmia-laif)  
 November 19, 2008

GATEWAY CITIES COUNCIL OF GOVERNMENTS

PMIA Average Monthly Yields

TREASURER  
 16401 PARAMOUNT BOULEVARD  
 PARAMOUNT, CA 90723

**Account Number:** 40-19-045

**Transactions**

Tran Type Definitions

October 2008 Statement

| <b>Effective Date</b> | <b>Transaction Date</b> | <b>Tran Type</b> | <b>Confirm Number</b> | <b>Authorized Caller</b> | <b>Amount</b> |
|-----------------------|-------------------------|------------------|-----------------------|--------------------------|---------------|
| 10/14/2008            | 10/14/2008              | RD               | 1190850               | JACK JOSEPH              | 200,000.00    |
| 10/15/2008            | 10/14/2008              | QRD              | 1195624               | SYSTEM                   | 6,103.13      |

**Account Summary**

|                   |            |                    |              |
|-------------------|------------|--------------------|--------------|
| Total Deposit:    | 206,103.13 | Beginning Balance: | 1,077,070.85 |
| Total Withdrawal: | 0.00       | Ending Balance:    | 1,283,173.98 |

**VII. CONSENT CALENDAR  
ITEM D**

**Status Report from Lobbyist  
Government Relations Consultants**

## GOVERNMENT RELATIONS CONSULTANTS

To: Richard Powers  
Gateway Cities Council of Governments

From: Allynn Howe  
Government Relations Consultants

November 25, 2008

### **Stimulus**

With fresh evidence that the U.S. economy is shedding jobs even faster than expected, President-elect Barack Obama has reiterated his commitment to a multibillion dollar stimulus package to create jobs

Whether the stimulus bill becomes law before or after President-elect Obama is sworn in remains to be seen, although it increasingly looks like it will be after.

Not only has the White House signaled opposition to the stimulus proposal, increasingly GOP congressional opponents are making it clear that they will prevent the package from even receiving a vote in the Senate, especially now that funds are being designated for the "Big Three" auto makers.

Gateway Cities COG has developed a list of "ready to go" infrastructure projects should money be freed up for such projects. This list has also been shared with our congressional delegation

### **Senate Returns**

With the return of the Senate for its lame duck session, Senate Majority Leader Harry Reid (D-Nevada) announced plans to offer a \$100 billion economic stimulus bill. The bill would provide \$6 billion for the extension of unemployment benefits and \$25 billion in auto industry aid. It would also provide some unspecified funding support for infrastructure, food stamps and aid to states.

Aid to state and local governments was the subject of numerous studies released in Washington this week. According to a study by the National Conference of State Legislatures (NCSL) forty-nine (49) states, including Texas, have balanced budget constitutional requirements.

NCSL's report cautions increased taxes and lower spending at the state level will have

an adverse impact on economy. The National Governors Association and the National Association of State Budget Officers revealed in their monthly "State Economic Review" that 18 states have slashed budgets by \$5.5 billion with projections set to grow substantially in Fiscal Years 2009 and 2010. Despite all these troubles, the likelihood of passage, or even a vote on the floor of the Senate, is seen as very unlikely. The House returned Wednesday, but from all indications, the only item of business is the election of the House leadership. This of course would change if the Senate were able to move a stimulus package.

### **Transition**

No members of the Cabinet have been named to date. Speculation is that Eric Holder, Tom Daschele and Janet Napolitano will be named to be AG, Secretaries of HHS and Homeland Security. It also seems increasingly likely that Hilary Clinton will be named as Secretary of State. Numerous candidates are being discussed for other positions that will have an impact on the Gateway Cities COG

### **Coalition for America's Gateway and Trade Corridors**

#### **2008 Election Results and Implications for 2009**

Congress may put off stimulus plans, with the knowledge of a stronger democrat Congress and a democrat in the White House come January. However there is also concern that a 2nd stimulus that partially addresses transportation needs might in fact take some of the urgency off of the 2009 Authorization. There is a possibility of seeing a large combined tax bill that addresses the revenue side of the issue prior to the authorization – Coalition for Americas Gateway and Trade Corridors (CAGTC) could use said bill as an opportunity to advance the Freight Trust Fund concept. Chairman Oberstar is still committed to releasing draft legislation in February and then 'taking it on the road' to build support. Bottom line: in the coming months there may be several vehicles or opportunities to secure freight funding, and CAGTC needs to be agile and prepared.

Mortimer Downey, Chair of the CAGTC has been named to the Obama transition team for transportation. Having someone as knowledgeable as Mort Downey on trade corridor issues is a major step forward for the new administration.

### **HR 7002 –Goods Movement Bill**

Rep. Laura Richardson held a stakeholders meeting on Monday in her DC office. Her Legislative Director, Matt Chiller has asked us to review her bill and let her know what we think of it and where it might be improved in the next few weeks. A line-by-line analysis is attached below. In addition to the Richardson description, there is a side by side look at how Sen. Lowenthal's SB 974 and Rep. Calvert's HR 5102 compare.

MOVEMENT Act  
Line Analysis

Section 1. SHORT TITLE-  
Brief description of the bill

Section 2. FINDINGS-  
The finding section is the area which background on why the legislation is important. Typically comprised of statistics representation of the subject at hand. Example, container statistics, showing the increasing trends in maritime trade.

Section 3. DEFINITIONS-  
Defines the meaning of terms used in language of the bill.

Section 4. FEE STRUCTURE-  
The FEE STRUCTURE section describes what the fee is, how it is collected.

(a) ESTABLISHMENT-  
180 days after this becomes a law, the Secretary of Transportation shall establish a fee to be collected on each cargo container imported or exported in commerce through the ports.

(b) AMOUNT-  
\$25 for a TEU, twenty-foot equivalent container and \$50 for a forty-foot equivalent unit.

(c) PAYMENT-  
The "beneficial cargo owner", owner of the merchandise pays the fee. If there is more than one beneficial cargo owner per container, the fee will be divided equally.

(d) COLLECTION-  
The secretary of transportation in cooperation with Secretary of Homeland Security, customs, will collect the fee.

(e) CONTAINER FORM-  
No longer than 90 days of this bill becoming law, the Secretary of Transportation and Homeland Security will add a section on the 1) Shippers export declaration form and 2) Entry summary form, which lists the numbers of containers used by each cargo owner so the fee can be properly collected.

(f) DEPOSIT-  
The money collected from the container loading fee will be deposited into the National Goods Movement Improvement Account four times a year, quarterly.



(g) ADJUSTMENT-

After 5 years the Secretary of Transportation has the authority to increase or decrease the amount of the fee based on infrastructure funding needs of the grant program. The Secretary must give congressional notification of and proposed change 30 days before the change takes effect. The Secretary does not have the ability to eliminate the fee.

(h) TERMINATION OF FEE-

Shall not apply after September 30, 2018

SEC. 5. ACCOUNT-

The account is where the collected money is deposited

(a) ESTABLISHMENT-

The Account called "National Goods Movement Improvement Account" will be located as a separate account in the Treasury.

(b) CONTENTS-

The money deposited under this act

(c) USE-

The money in this account shall be available to the Transportation Secretary to make expenditures through appropriations before October 1, 2019 to meet the obligations established with this bill.

SEC. 6. GRANT PROGRAM-

The grant program is where eligible parties apply for grants to fund their transportation infrastructure improvements.

(a) GENERAL AUTHORITY-

Secretary of Transportation shall carry out the program entitled "National Goods Movement Improvement Grant Program" to provide funding for transportation infrastructure programs.

(b) ADMINISTRATIVE EXPENSES-

The amount to administer the program can not be more than 1% of the total money appropriated out every fiscal year.

(c) APPORTIONMENT OF FUNDS-

How the funds will be given out

(1) IN GENERAL- "Formula Grant"

50% of the account will be given out through appropriations to State Departments of Transportation in the form of grants based on; The percentage going back to the state is based on the amount collected from the state.

- (a) the money collected at the seaport in the state
- (b) aggregate amount of fees collected the proceeding fiscal year,

(2) AVAILABILITY OF AMOUNTS TO STATE TRANSPORTATION DEPARTMETNS-

Money given to states must go to State Departments of Transportation. The money can not be transferred to any other entity.

(3) ELIGIBLE PROJECTS-

States can only use the account for eligible projects that have been approved by the Secretary of Transportation.

(3) ALLOCATIONS OF APPROPRIATED FUNDS-

This establishes the criteria for projects to be selected for appropriation.

- (a) 80% of projects shall be available for infrastructure goods movement improvement projects
- (b) 10% of projects shall go to Homeland Security Projects, "Safe Port Act"
- (c) 10% will go to mitigate environmental damage caused by goods movement projects

(d) DISCRETIONARY GRANTS-

This is where the remaining 50% of money in the account will go and be used for infrastructure projects chosen by the Secretary of Transportation which meet the criteria.

(1) IN GENREAL-

The Secretary of Transportation has the authority to make discretionary grants for eligible projects

(2) ELIGIBLE RECIPIENTS-

State transportation department, owner or operator of covered seaport, or owner operator of railroad.

(3) APPLICATIONS-

A State, port or railroad must apply to the Secretary of Transportation to receive project funds including any information required by the Secretary.

(4) ALLOCATION OF GRANT AWARDS-

This establishes the criteria for projects to be selected for appropriation.

- (a) 80% of projects shall be available for infrastructure goods movement improvement projects
- (b) 10% of projects shall go to Homeland Security Projects, example

programs listed in the "Safe Port Act"

(c) 10% will go to projects that mitigate environmental damage caused by goods movement

(e) PROJECT SELECTION GUIDELINES-

Establishes the guidelines on how projects will be selected

(1) IN GENERAL-

The Secretary of Transportation has 180 days to establish the guidelines

(2) AVAILABILITY OF THE GUIDELINES-

The guidelines shall be sent to states, owners or operators of seaports and railroads

(3) MINIMUM REQUIREMENTS-

Projects must meet the following to be eligible to receive funding

(a) A financial need for federal funding for the project

(b) A definable purpose including how the project will promote;

(i) Improved highway, rail, and port goods movement

(ii) Infrastructure security

(iii) Support environmental restoration projects

(4) PROJECTS ACCOMPLISHING MULTIPLE GOALS-

The Secretary of Transportation urges projects that accomplish more than one of the above. Projects demonstrating this will be more likely for funding.

(5) PLANNING REQUIREMENTS-

The Secretary of Transportation will make sure that projects selected are in accordance with metropolitan and statewide planning processes.

(f) LOCATION OF PROJECTS-

Establishes where projects have to be located to receive funding

(1) PROJECTS CARRIED OUT USING APPORTIONED FUNDS-

Projects have to be physically located at a port or within a 40-mile radius of such a site

(2) PROJECTS CARRIED OUT USING DISCRETIONARY GRANTS-

90% of discretionary funds go to projects at ports or 40-mile radius of ports; remaining funds are to be distributed under guidelines below.

(a) PROJECTS AT OR NEAR A COVERED SEAPORT-

Secretary of Transportation insures 90% of funds in discretionary grants go to

projects at a port or within a 40-mile radius of such a site

(b) OTHER PROJECTS

Projects not located at ports or within a 40 miles radius of a seaport.

(i) project has to be part of a goods movement chain that originates at a seaport.

(ii) project is designed to accomplish multiple goals such as; Improved highway, rail, and port goods movement, Infrastructure security and support environmental restoration projects.

(iii) project is physically located in whole or in part within 100 mile radius of the covered seaport

(c) ANNUAL REPORT-

The Secretary of Congress will provide congress a report on the projects selected and the rational for why they were chosen.

SEC. 7. ADMINISTRATIVE PROVISIONS-

Issues pertaining to administering the program

(a) DATE AVAILABLE FOR OBLIGATION-

Projects can be authorized beginning October 1 of the fiscal year they are authorized.

(b) PERIOD OF AVAILABILITY-

Projects have 2 years to obligate the funds allocated for the projects. If selected projects have not obligated the funding after two years, the Secretary of Transportation shall distribute the funds in discretionary grants the following fiscal year.

(c) GRANTS AS CONTRACTUAL OBLIGATIONS-

If a project is selected for funding by the Secretary of Transportation, the Federal Government is obligated to pay that amount.

(d) CONSTRUCTION STANDARDS-

A highway project has to be carried out at the same standards that apply to other federal funding.

(e) PREVAILING RATE OF WAGE-

Wages for work done on projects must be in accordance with Section 113 of title 23 in US Code.

(f) FEDERAL SHARE-

The amount of money for a project coming from the federal government.

(1) Selected projects can only be funded by the federal government up to 75% of the cost of the project.

(2) NON-FEDERAL SHARE-

Funding not in the federal share can not come from other federal funding such as the Highway Trust Fund.

(g) PROHIBITATION-

Funding can not be used for a study.

SEC. 8. REPORTING REQUIRMENT

Establishes a report on the progress of the program back to Congress and how it is to be detailed.

(a) REPORT TO CONGRESS-

The Secretary of Transportation has to submit a report to Congress no later than December 31, 2010, and annually thereafter detailing the results of the National Goods Movement Grant Program.

(b) CONTENTS-

The report has to include the six following sections;

(1) describe the impact the program has had on enhancing the efficiency of goods movement across the United States, enhancing security and supporting programs that mitigate environmental damage caused by goods movement.

(2) a list identifying each project selected for funding.

(2) describe if the program has had a cost to the consumer.

(3) asses the condition of the National Goods Movement Improvement Account including amounts deposited.

(4) how efficient the program has been

(5) recommendations for potential expansion or other changes to the program

(6) should the program be reauthorized by Congress and if the fees should increase or decrease

(c) CONSULTATIONS-

The Department of Transportation shall consult with the Departments of Commerce, Homeland Security and the Environmental Protection Agency when writing the report.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS

Allows money to be appropriated out each fiscal year from 2009 till 2019, from money deposited the preceding fiscal year.

SEC. 10. SUNSET PROVISION

This bill shall expire on October 1, 2019.

Infrastructure Revenue Raising Legislation Table

| Proposal                                    | Where fee is placed  | Cost of fee                                    | Who pays     | How money is collected  | Where money is distributed  | Projects Funded  | Total Funding                                     |
|---|--|--|--------------|---|---|--|---|
| <b>MOVEMENT Act Rep. Richardson HR 7002</b> | The fee is placed on TEU and forty-foot equivalent containers for import or export for foreign commerce. | \$25 per TEU<br>\$50 per Forty-foot equivalent | Cargo Owners | Terminal operators working in conjunction with U.S. Customs collect the fee and place the funds in the National Goods Movement Improvement Account, U.S. treasury, four times a year. | The Secretary of Transportation gives out 50% of the funds to State Departments of Transportation based on ratio of funds collected, through a formula grant. 50% discretionary funds to Port Authorities, Railroads and State Dep. Of Trans. All projects have to meet criteria outlaid in bill. | Funding Breakdown:<br>80% Goods Movement<br>10% Security<br>10% Environment<br><br>Location of funding:<br><u>Formula Grant:</u><br>Projects must be within 40 miles of port.<br><u>Discretionary Grant:</u><br>90% of funding <i>must</i> go to projects within 40 miles of port. 10% can go out to projects up to 100 miles from port. | \$1.5 billion a year<br><br>Expires: Oct. 1. 2019 |
| <b>Ports:</b>                               | The fee is   | \$30 per TEU                                   | Cargo        | Twice a year  | 50% of funds  | 50% to   | \$340 million                                     |

|   |  |   |                     |   |   |   |   |
|---|--|---|---------------------|---|---|---|---|
| <p><b>congestion relief/ air pollution mitigation Lowenthal SB. 974</b></p> | <p>placed on TEU and forty- foot equivalent containers traveling through California ports.</p> | <p>\$60 per Forty- foot equivalent</p>                      | <p>Owners</p>       | <p>by Port Authorities</p>  | <p>go to congestion management, 50% go to air quality improvement programs. Administered locally by Transportation and Air Quality Commissions.</p> | <p>projects that improve congestion, example grade separations<br/><br/>50% to projects that improve air quality, example clean filters over vessel smoke stakes while at ports</p> | <p>a year</p>   |
| <p><b>ON TIME Act Rep. Calvert HR 5102</b></p>                              | <p>Placed on exports and imports leaving or entering U.S. ports for foreign commerce.</p>      | <p>.75% on stated value of good with \$500 per item max</p> | <p>Cargo Owners</p> | <p>Dep. Transportation with U.S. Customs collects the fee and placed the funds into National Trade Gateway Corridor Fund.</p> | <p>State Dep. Trans. Receive funding and select projects which have to be spent within 300 miles of the port where the funds were collected.</p>    | <p>State Departments of Transportation select projects but <i>must</i> exclude funding for rail.</p>  | <p>\$6.3 billion a year<br/><br/>Expires: Oct 1. 2018</p> |



**IX. REPORTS FROM COMMITTEES**  
**ITEM A**  
**Conservancy Committee**

**TO:** Board of Directors

**FROM:** Councilmember Patrick O'Donnell  
Councilmember Edward Wilson

**SUBJECT:** San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy Update

### **Background**

The San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy (RMC) was established by State Legislation in which the COG was an active participant. The Gateway Cities are represented on the RMC Board by two members listed above.

### **Issue**

The Board of Directors of the RMC met on October 29, 2008. At that meeting they adopted staff recommendations for funding Tier 2 projects in the current round of grant funding under Proposition 84. A report on this cycle of grant funding was provided to the Gateway Cities COG Board of Directors at its November 5<sup>th</sup> meeting by RMC Executive Director Belinda Faustinos. The report was well received.

The Board of Directors of the RMC met on November 24, 2008, at the Aquarium of the Pacific in Long Beach. The Aquarium's new watershed exhibit, which was partly funded by RMC, was highlighted and made available for viewing.

At the meeting, the Board approved a grant amendment to the Los Angeles and San Gabriel Rivers Watershed Council for the Compton Creek Daylighting Study. The amendment added funds and extended the timeline in order to improve community outreach and implementation of the project goals. This project is in one of RMC's urban target areas and several of the potential daylighting sites fall within the Gateway Cities COG boundary.

The Board also approved a new grant of over \$1.8 million to the City of Bellflower for development of the Palm Street Linear Park. This project is also in an RMC urban target area that currently lacks park space. It will re-use underutilized Caltrans property to create a new 3.5-acre park.

### **Recommended Action**

Receive and file this report.

