

**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
January 6, 2010**

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

PRESENT: President Gordon Stefenhagen, City of Norwalk
First Vice President Gil Hurtado, City of South Gate
Second Vice President Raymond Dunton, City of Bellflower
Immediate Past President Anne M. Bayer, City of Downey
Member Larry R. Nelson, City of Artesia
Member George Mirabal, City of Bell
Member Sergio Infanzon, City of Bell Gardens
Member Bruce Barrows, City of Cerritos
Member Joe Aguilar, City of Commerce
Member Lillie Dobson, City of Compton
Member Josue Barrios, City of Cudahy
Member Stan Carroll, City of La Habra Heights
Member Pete Dames, City of La Mirada
Member Diane DuBois, City of Lakewood
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 Betty Putnam, City of Santa Fe Springs
Member Edward H. J. Wilson, City of Signal Hill
Member William Davis, City of Vernon
Member Curt Pederson, Office of Supervisor Don Knabe
Member Vincent Harris, Office of Supervisor Mark Ridley-Thomas

ABSENT: Member Bob Kennedy, City of Avalon
Member Victor Farfan, City of Hawaiian Gardens
Member Elba Guerrero, City of Huntington Park
Member from the City of Long Beach
Member Maria Teresa Santillan, City of Lynwood
Member Bob Archuleta, City of Pico Rivera
Member Greg Nordbak, City of Whittier
Member Erica Jacquez-Santos, Office of Supervisor Gloria Molina
Member Richard Steinke, Ex Officio Member, Port of Long Beach

ALSO PRESENT: Cudahy Vice Mayor Frank Gurule; Signal Hill Council Member Larry Forester; Signal Hill City Manager Ken Farfsing, Chair, City Managers Steering Committee; Commerce City Administrator Jorge Rifa; South Gate City Manager Ron Bates; South Gate City Engineer Mohammad Mostahkami; Hasan Ikhata, Executive Director, SCAG; Huasha Liu, Director of Planning and Regional Services, SCAG; Ernest Morales; Metro Community Relations Manager David Hershenson; Kristine Guerrero, Public Affairs Manager, League of California Cities; SCAQMD Senior Public Affairs Officer Derrick Alatorre; Yvette Kirrin, Executive Director/Authority Engineer, I-5 JPA; Bill Van Amburg, Senior Vice President, CALSTART; Lynn Jacquez, Federal Representative, CALSTART; Frank Osgood, Author, Region Aroused; GCCOG Executive Director Richard Powers; GCCOG General Counsel Richard D. Jones; GCCOG Deputy Executive Director Jack Joseph; GCCOG Transportation Deputy Karen Heit; GCCOG Director of Regional Planning Nancy Pfeffer.

Roll was taken through self-introductions.

Member Barrows led the Pledge of Allegiance.

There were no amendments to the agenda.

There were no public comments.

The Executive Director reported that the COG newsletter would be published during the first quarter of the year. He said that the annual group photograph of the Board would be taken at the first meeting following the beginning of Daylight Savings Time.

It was moved by Member Barrows, seconded by Member Nelson, to approve the consent calendar as presented. The motion was approved unanimously, with First Vice President Hurtado abstaining.

Bill Van Amburg, Senior Vice President of CALSTART, gave a presentation on his organization. He said that CALSTART was launched in 1992 as a non-profit agency aimed at promoting clean transportation technology. He said the truck world is changing—there is a blossoming of new capabilities leading towards zero emissions. He described hybrid vehicles, which normally involve two systems working together, as a first step. Full production companies are making these vehicles.

Mr. Van Amburg said that all electric transit buses are now increasingly in use. He said the challenge is in developing a market for these types of vehicles. CALSTART looks at the I-710 project as a possible platform for launching the new generation of zero emission vehicles.

It was moved by Second Vice President Dunton, seconded by Member Aguilar, to receive and file the report. The motion was approved unanimously.

Hasan Ikhmeta, SCAG Executive Director, presented a report outlining SCAG's responsibilities under SB 375 and the options available to subregions. He said SCAG's approach has always been collaborative. He said SB 375 could present opportunities—15 years from now things are going to be very different from today. SB 375 presents the opportunity to examine demographic changes. He said it is likely that we will have a federal bill based on SB 375 in the near future.

Mr. Ikhmeta said that SCAG's preference was for all 14 subregions to take delegation under SB 375 to produce their own Sustainable Communities Strategy (SCS). However, Orange County is the only subregion of the 13 that have already acted that has taken delegation. He said Gateway Cities is the last subregion to act. He said SCAG will collaborate regardless of whatever decision the Board makes.

Member Carroll asked what fees would be imposed by SCAG if Gateway Cities does not take delegation. Mr. Ikhmeta replied that he will never recommend that SCAG assess its member cities. He said SCAG has transportation funds that can be used, as well as Transportation Development Act funds from MTA. Member Carroll asked if SCAG would provide funds if the COG takes delegation. Mr. Ikhmeta responded that he can't give funds to the COGs because of the color of money. Member Carroll asked if SCAG would assess the cities if it is sued over SB 375. Mr. Ikhmeta said that SCAG would not.

Member Barrows said that cities will incur expenses for their half of the work even if the COG doesn't take delegation.

Member O'Donnell inquired as to the cost of implementation of the SCS. Mr. Ikhmeta said that SB 375 can't force cities to do anything. He said the biggest flaw in the bill is that there is no funding for implementation.

Member Carroll asked if the COG would be responsible for the RHNA process if it takes delegation for the SCS. Mr. Ikhmeta responded that the short answer is no. However, by taking delegation the COG would be three quarters of the way there, even though it would not be required to assign income categories of housing to cities.

Member DuBois asked if subregions that take delegation would be treated differently than others as far as the RHNA process is concerned. Mr. Ikhmeta replied that it's possible that there may be changes due to income categories, but we don't know because we haven't done this before.

Member Nelson what has been the response from other COGs as to why they are not taking delegation. Mr. Ikhmeta said the biggest reason they have not is the issue of liability.

Signal Hill City Manager Ken Farfaring discussed the City Managers Steering Committee's meeting regarding this issue. He said the city managers recognized that

SB 375 was a “game changer”. He said the managers believe this will fundamentally change the way that cities do their local land use planning, general plans, etc. He said that we have a model SCS in our backyard in the City of Long Beach.

Mr. Farfsing referred to the report prepared by Willdan Energy Solutions, which, he said, gives the information needed to make a determination as to whether or not to take delegation. The report recommends that the COG take delegation for the SCS. He said the managers are discussing whether to file a claim for reimbursement with the State as an unfunded mandate. He said the Willdan report estimated a cost of \$250,000 over eighteen months to monitor SCAG if the COG does not take delegation, and up to \$750,000 to prepare a subregional SCS. He said the city managers recommended affiliation with a local university to create a subregional data base. Mr. Farfsing reported that the city managers took a “straw vote” which supported taking delegation and recommended a funding formula to cover the costs, based on a flat rate of \$5,000 per city, with the balance spread on the basis of population.

Mr. Farfsing said among the major pros of taking delegation is that it will present the achievements of our cities to reduce greenhouse gas emissions. He said many pieces of an SCS already exist in previous COG studies. Taking delegation would provide increased local control. The SCS could also be specifically tailored to strategies in our own subregion such as the ITS efforts. He said it would put the COG on a more even footing with SCAG. He said he was requesting a “straw vote” tonight by the Board which would be contingent on approval of the individual city councils.

Member Carroll asked Mr. Ikhata if the deadline for a decision to take delegation was that night. Mr. Ikhata responded that he is not authorized by his board to change the deadline. He said he would have to go back to his board.

The COG General Counsel said he wished to address the question as to whether SB 375 constituted an unfunded mandate. He said his recommendation is to go through the process of applying for reimbursement from the State. He said the COG could take the lead or the cities could apply on their own. He said the State could fall back on the argument that COGs don’t have to take delegation. He said another option is to pursue an alternative funding source.

Member Barrows asked what the kinds of risks to individual cities are if the COG takes delegation. The General Counsel responded that individual cities don’t have short term risks; however, a possible share of the litigation costs may be asked of the cities if the COG is sued. He said the greater exposure is when decisions are made regarding specific projects or programs.

Member Barrows said that he would like an opinion as to whether there is merit to taking action against the State for unfunded mandates. It was moved by Member Barrows, seconded by Member O’Donnell, to authorize the General Counsel to give a written opinion regarding the question of unfunded mandates. Member O’Donnell asked whether the city managers should also be asked to recommend a course of

action. Member Barrows said that he would accept Member O'Donnell's recommendation as a friendly amendment. The motion was approved unanimously.

Member Pederson asked how long it would take even if the COG did seek reimbursement. The General Counsel responded that the process is very cumbersome and could take months, even years.

Member DuBois left the meeting at 6:45 p.m.

The Executive Director pointed out that the City of Montebello does not appear in the funding formula because for housing purposes Montebello is part of the San Gabriel Valley COG.

President Stefenhagen asked how many city managers supported taking delegation. Mr. Farfaring responded that ten city managers present at the meeting voted in favor and two were opposed. The remaining managers were either not present or not ready to vote.

Member Nelson asked what the point was in voting on delegation if we have to go back to our city councils. Member O'Donnell said he did not feel it necessary to go back to his city council since he is authorized to vote. The General Counsel said that the Board of Directors does have the authority to act.

Member Carroll said he was concerned about the cost to small cities in the proposed fee schedule, as well as the exposure to liability. He said SCAG had spent \$500,000 on RHNA litigation. He said it would be better to work with SCAG than with a private consultant. Member Carroll asked if a city could opt out if the subregion takes delegation. The General Counsel responded that, if the COG takes delegation, the decision would be binding.

It was moved by Member O'Donnell, seconded by Second Vice President Dunton, to accept delegation from SCAG under SB 375 to develop a subregional Sustainable Communities Strategy (SCS) and to approve an assessment formula for this purpose as recommended by the City Managers Steering Committee, contingent upon ratification by a majority of the member cities. The motion was approved by the following vote:

AYES: Member Barrows, Member Aguilar, Member Dames, Member O'Donnell, Member Aguirre, Member Daniels, Member Putnam, Member Wilson, Immediate Past President Bayer, Second Vice President Dunton, First Vice President Hurtado, President Stefenhagen.

NOES: Member Nelson, Member Mirabal, Member Dobson, Member Barrios, Member Carroll, Member Davis.

ABSTAIN: Member Infanzon, Member Harris, Member Pederson

ABSENT: Member Kennedy, Member Farfan, Member Guerrero, Member DuBois, Member Santillan, Member Archuleta, Member Nordbak, Member Jacquez-Santos.

South Gate City Manager Ron Bates presented a report from the City Managers Steering Committee, saying that the Committee had discussed and approved certain pension reform principles and directed that these be presented to the Board with a recommendation that the Board authorize their distribution to the member cities. Mr. Bates described pension reform as the single most important fiscal issue facing cities. It was moved by Member Carroll, seconded by Member Barrows, to distribute the recommended pension reform principles to the member cities. The motion was approved unanimously.

The General Counsel presented an update on negotiations with the California High Speed Rail Authority on the fiscal arrangement regarding the MOU between the COG and CHSRA for the study of the route through the Gateway Cities subregion. He said an agreement had been drafted and submitted to the CHSRA and the Attorney General's office. The General Counsel said there are two issues: 1) an agreement with the CHSRA's consultant engineers to provide information to the COG and the affected cities regarding impacts; and 2) assurance that should Caltrans perform an audit there be protection against any disallowed costs. It was moved by Member Daniels, seconded by Member Davis, to receive and file the report. The motion was approved unanimously.

There was no report from the Conservancy Committee.

Ernest Morales, MTA, presented a report from the I-710 EIR/EIS Project Committee. He said the backbone of what they are doing is on moving freight in the corridor in an environmentally friendly way. He said the project could result in the biggest reduction in greenhouse gases in California. Mr. Morales said the project is on schedule and a draft EIR/EIS is due in September or October. He said I-710 could be a viable candidate for a public/private partnership. He reported that Transportation Secretary Dale Bonner may attend the January 28th meeting of the I-710 EIR/EIS Project Committee.

Ernest Morales presented a report from the SR-91/I-605/I-405 Corridor Cities Committee. He said MTA is developing an MOU for funding the next phase of the project.

It was moved by Member Barrows, seconded by Member Daniels, to receive and file the reports from the I-710 EIR/EIS Project Committee and the SR-91/I-605/I-405 Corridor Cities Committee. The motion was approved unanimously.

The Transportation Deputy presented a report from the Transportation Committee. She said that COG is developing its own subregional highway advocacy plan. It was moved by Second Vice President Dunton, seconded by Member Dobson, to receive and file the report. The motion was approved unanimously.

Yvette Kirrin presented report from the I-5 JPA. She said cities are continuing to review the interchange plans. She said that a decision had been made to close the Alondra Blvd. bridge for twelve months during construction. She said the Authority is looking for \$6.5 million in construction mitigation projects.

Kristine Guerrero presented a report from the League of California Cities. She requested the Board's official support for the state ballot measure, the Local Taxpayer, Public Safety, and Transportation Protection Act of 2010, which will be on the November 2010 ballot. It was moved by Member Barrows, seconded by Member Aguilar, to support the Local Taxpayer, Public Safety, and Transportation Protection Act of 2010 ballot measure. The motion was approved unanimously.

There was no report from SCAG.

There was no report from the Orangeline Development Authority.

Derrick Alatorre presented a report from the South Coast Air Quality Management District. He referred the Board to a flyer he distributed regarding the attempts by environmental groups to stop the issuance of permits by the District.

David Hershenson presented a report from the Metro Gateway Cities Service Sector. He announced that there had been no significant service changes in the Metro Gateway Cities sector. He said the MTA is undergoing a reorganization that will return to a more centralized structure, but that the sector councils will remain in place.

Signal Hill Council Member Larry Forester presented a report from the Long Beach Conservation Corps. He referred the Board to the Conservation Corps' 2008-09 Annual Report. He said the Corps is trying to get funding from the bottle bill restored.

The Director of Regional Planning presented a report from the Coalition for America's Gateways and Trade Corridors. She updated the Board on the Coalition's recent activities.

It was moved by Second Vice President Dunton, seconded by Member Dobson, to receive and file all of the committee/agency reports. The motion was approved unanimously.

Member Infanzon requested that the meeting be adjourned in memory of El Monte School Board member Agustin Roberto "Bobby" Salcedo.

President Stefenhagen announced that he had appointed Member Guerrero to replace Member Bayer on the SCAG Community, Economic, and Human Development Committee. He said he had asked First Vice President Hurtado to oversee attendance at SCAG committee meetings and to report back.

It was the consensus of the Board to adjourn the meeting in memory of El Monte School Board Member Agustin Roberto "Bobby" Salcedo.

Adjournment: The meeting was adjourned at 8:06 p.m.