



SGVCOG Officers

President
Gene Murabito

1st Vice President
Kevin Stapleton

2nd Vice President
Cynthia Sternquist

3rd Vice President
Margaret Clark

Members

Alhambra

Arcadia

Azusa

Baldwin Park

Bradbury

Claremont

Covina

Diamond Bar

Duarte

El Monte

Glendora

Industry

Irwindale

La Cañada Flintridge

La Puente

La Verne

Monrovia

Montebello

Monterey Park

Pasadena

Pomona

Rosemead

San Dimas

San Gabriel

San Marino

Sierra Madre

South El Monte

South Pasadena

Temple City

Walnut

West Covina

**First District, LA County
Unincorporated Communities**

**Fourth District, LA County
Unincorporated Communities**

**Fifth District, LA County
Unincorporated Communities**

SGV Water Districts

**AGENDA AND NOTICE OF THE REGULAR MEETING OF THE
SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS GOVERNING BOARD**

FEBRUARY 16, 2017 - 6:00 P.M.

**Upper San Gabriel Valley Municipal Water District Office
602 E. Huntington Drive, Suite B, Monrovia, California 91016**

Thank you for participating in tonight's meeting. The Governing Board encourages public participation and invites you to share your views on agenda items.

MEETINGS: *Regular Meetings of the Governing Board are held on the third Thursday of each month at 6:00 PM at the Upper San Gabriel Valley Municipal Water District Office (602 E. Huntington Drive, Suite B, Monrovia, California 91016).* The Governing Board agenda packet is available at the San Gabriel Valley Council of Government's (SGVCOG) Office, 1000 South Fremont Avenue, Suite 10210, Alhambra, CA, and on the website, www.sgvkog.org. Copies are available via email upon request (sgv@sgvcog.org). Documents distributed to a majority of the Board after the posting will be available for review in the SGVCOG office and on the SGVCOG website. Your attendance at this public meeting may result in the recording of your voice.

CITIZEN PARTICIPATION: Your participation is welcomed and invited at all Governing Board meetings. Time is reserved at each regular meeting for those who wish to address the Board. SGVCOG requests that persons addressing the meeting refrain from making personal, slanderous, profane or disruptive remarks.

TO ADDRESS THE GOVERNING BOARD: At a regular meeting, the public may comment on any matter within the jurisdiction of the Board during the public comment period and may also comment on any agenda item at the time it is discussed. At a special meeting, the public may only comment on items that are on the agenda. Members of the public wishing to speak are asked to complete a comment card or simply rise to be recognized when the Chair asks for public comments to speak. We ask that members of the public state their name for the record and keep their remarks brief. There is a three minute limit on all public comments. Proxies are not permitted and individuals may not cede their comment time to other members of the public. **The Governing Board may not discuss or vote on items not on the agenda.**

AGENDA ITEMS: The Agenda contains the regular order of business of the Governing Board. Items on the Agenda have generally been reviewed and investigated by the staff in advance of the meeting so that the Governing Board can be fully informed about a matter before making its decision.

CONSENT CALENDAR: Items listed on the Consent Calendar are considered to be routine and will be acted upon by one motion. There will be no separate discussion on these items unless a Board member or citizen so requests. In this event, the item will be removed from the Consent Calendar and considered after the Consent Calendar. If you would like an item on the Consent Calendar discussed, simply tell Staff or a member of the Governing Board.



In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the SGVCOG office at (626) 457-1800. Notification 48 hours prior to the meeting will enable the SGVCOG to make reasonable arrangement to ensure accessibility to this meeting.



PRELIMINARY BUSINESS

5 MINUTES

1. Call to Order
2. Pledge of Allegiance
3. Roll Call
4. Public Comment (*If necessary, the President may place reasonable time limits on all comments*)
5. Changes to Agenda Order: Identify emergency items arising after agenda posting and requiring action prior to next regular meeting

PRESENTATIONS

20 MINUTES

6. San Gabriel Valley Economic Partnership Power Site
Recommended Action: For information only.
7. Recognition of Former Elected Officials that had a Significant Impact on the SGVCOG
Recommended Action: For information only.

CONSENT CALENDAR

10 MINUTES

(It is anticipated that the SGVCOG Governing Board may take action on the following matters)

8. Governing Board Meeting Minutes
Recommended Action: Adopt Governing Board minutes.
9. Monthly Cash Disbursements/Balances/Transfers
Recommended Action: Approve Monthly Cash Disbursements/Balances/Transfers.
10. ACE Board of Directors Minutes
Recommended Action: Receive and file.
11. ACE Monthly Report
Recommended Action: Receive and file.
12. Committee Attendance
Recommended Action: Receive and file.
13. Committee Appointments
Recommended Action: Appoint the City of West Covina to the EENR Committee.
14. Approval of Amendment to ACE's Adopted Fiscal Year 2016-17 Budget
Recommendation Action: Amend ACE's approved Fiscal Year 2016-17 budget to increase the retirement expense line item from \$786,500 to \$1,347,100 to pay down ACE's current estimated CalPERS Termination Liability.
15. Comment Letter on Statewide Housing Assessment 2025
Recommendation Action: Direct staff to submit a comment letter on the Statewide Housing Assessment 2025.
16. Appointment to the State Water Resources Control Board (SWRCB)
Recommendation Action: Direct staff to submit a letter of support for the nomination of the Irma Munoz (Chair- Los Angeles Regional Water Quality Control Board) to serve on the SWRCB.
17. Appointments to the County of Los Angeles Measure H Revenue Planning Process (Process) Group
Recommendation Action: Appoint Joe Lyons (Claremont) and Linda Lowry (Pomona) to represent the SGVCOG on the Measure H Process Group.

ACTION ITEMS

90 MINUTES

(It is anticipated that the SGVCOG Governing Board may take action on the following matters)

18. FY 2016-17 2nd Quarter Financial Report
Recommended Action: Receive and file.

19. FY 2016-17 Budget Amendment #2
Recommended Action: Adopt Resolution 17-03 approving Budget Amendment #2 to the FY 2016-17 budget.
20. Ad Hoc Legislative Committee
Recommended Action: Appoint the following members to the Ad Hoc Legislative Committee: Juli Costanzo (City of San Gabriel), Bob Pacheco (City of Walnut), Ginna Escobar (City of Pomona), Kevin Stapleton (City of Covina), Thomas Wong (SGV Water Districts), Juventino Gomez (City of El Monte) and Chris Freeland (City of West Covina).
21. ACE / Large Capital Projects Ad Hoc Committee Report
Recommended Actions: 1) Approve the report of the ACE/Large Capital Projects Ad Hoc Committee; 2) Direct staff to undertake the necessary actions to develop and staff a new Transportation Planner position (i.e. develop near-term funding plan for position, prepare revisions to SGVCOG salary resolution, develop job description, and initiate recruitment), 3) Develop a multi-year plan to integrate ACE, as an ongoing integral part of the SGVCOG, to allow for potential future capacity to construct capital projects in the San Gabriel Valley pending future specific direction from the Governing Board. Report back within six months; 4) Direct ACE and SGVCOG staff to further integrate administrative functions and 5) Consult with legal counsel of ACE and SGVCOG to identify necessary changes to SGVCOG JPA and Bylaws.
22. Los Angeles County Measure H (1/4 Cent Sales Tax for Homeless Services)
Recommended Action: Discuss and provide direction to staff.

PRESIDENT'S REPORT

5 MINUTES

(It is anticipated that the SGVCOG Governing Board may take action on the following matters)

23. Oral Report
Recommended Action: For information.

EXECUTIVE DIRECTOR'S REPORT

5 MINUTES

24. Oral Report
Recommended Action: For information.
25. Measure M – Next Steps
Recommended Action: For information.
26. Los Angeles Community Choice Energy (LACCE) Joint Powers Authority (JPA)
Recommended Action: For information.

GENERAL COUNSEL'S REPORT

COMMITTEE REPORTS

10 MINUTES

Transportation Committee
Homelessness Committee
Energy, Environment and Natural Resources Committee
Water Committee
Ad Hoc Legislative Committee

PROJECT REPORTS

10 MINUTES

The ACE Project
San Gabriel Valley Energy Wise Partnership

LIAISON REPORTS

10 MINUTES

**Gold Line Foothill Extension Construction Authority
San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy
Southern California Association of Governments
San Gabriel Valley Economic Partnership
South Coast Air Quality Management District**

BOARD MEMBER ITEMS

ANNOUNCEMENTS

ADJOURN



SGVCOG Governing Board Unapproved Minutes

Date: January 19, 2017

Time: 6:00 PM

Location: USGVMWD (602 E. Huntington Drive, Monrovia)

PRELIMINARY BUSINESS

1. Call to Order
President Gene Murabito called the meeting to order at 6:13 p.m.

2. Pledge of Allegiance
K. Stapleton

3. Roll Call
A quorum was in attendance.

Governing Board Members Present

Baldwin Park	Cruz Baca
Claremont	Sam Pedroza
Covina	Kevin Stapleton
Diamond Bar	Nancy Lyons
Duarte	John Fasana
El Monte	Victoria Martinez/J.Velasco
Glendora	Gene Murabito
La Canada Flintridge	Terry Walker
La Verne	Tim Hepburn
Monrovia	Becky Shevlin
Pasadena	Terry Tornek
Pomona	Tim Sandoval
Rosemead	Margaret Clark
San Dimas	Denis Bertone
San Gabriel	Juli Costanzo
Sierra Madre	John Capoccia
South El Monte	Joseph Gonzales
South Pasadena	Diana Mahmud
Temple City	Cynthia Sternquist
West Covina	James Toma
LA County District 1	Rachel Barbosa/Javier H.
LA County District 5	David Perry/ Debra M.
San Gabriel Water Districts	Anthony Fellow

Absent

Alhambra
Arcadia
Azusa
Bradbury
Industry
Irwindale
La Puente
Montebello
Monterey Park
San Marino
Walnut
LA County District 4

SGVCOG Staff

Phil Hawkey, Executive Director
Marisa Creter, Assistant Executive Director
Dick Jones, General Counsel
Christian Cruz, Staff
Stefanie Hernandez, Staff
Eric Wolf, Staff

4. Public Comment
Beth Steckler and Ryan Izell commented on Measure H and advocated for COG support.
5. Changes to Agenda Order
Item 11 was pulled from the consent calendar and Item 14 was moved directly after Item 11.

CONSENT CALENDAR

6. Governing Board Meeting Minutes
Recommended Action: Adopt Governing Board minutes.
7. Monthly Cash Disbursements/Balances/Transfers
Recommended Action: Approve Monthly Cash Disbursements/Balances/Transfers.
8. ACE Board of Directors Minutes
Recommended Action: Receive and file.
9. ACE Monthly Report
Recommended Action: Receive and file.
10. Committee Attendance
Recommended Action: Receive and file.
12. Los Angeles County Drought Resiliency Committee Appointment
Recommended Action: Appoint Judy Nelson (City of Glendora) and James Carlson (City of Sierra Madre) to serve as the SGVCOG representative on the Los Angeles County Drought Resiliency Committee.

There was a motion to approve consent calendar items 6-10 and 12 (M/S: K. Stapleton /D. Mahmud).

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, Industry, Irwindale, La Puente, Montebello, Monterey Park, San Marino, South El Monte, Walnut, West Covina, LA County District 4

ACTION ITEMS

11. Los Angeles Regional Homeless Advisory Council (RHAC)
Recommended Action: Appoint Benita DeFrank (City of Pomona) to serve as the SGVCOG representative on the RHAC, and appoint Rachael Barbosa (LA County District #1) to serve as the alternate.

There was a motion to appoint Benita DeFrank (City of Pomona) to serve as the SGVCOG representative on the RHAC, and appoint Rachael Barbosa (LA County District #1) to serve as the alternate. (M/S: M. Clark /C. Baca).

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	

ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, El Monte, Industry, Irwindale, La Puente, Montebello, Monterey Park, San Marino, South El Monte, Walnut, West Covina, LA County District 4
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14. Homeless Committee Policy and Work plan

There was a motion to Adopt Resolution 16-30 affirming the SGVCOG Homeless Policy and Workplan. (M/S: S. Pedroza/C. Baca)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, West Covina, LA County District 4

13. San Gabriel Valley Energy Wise Partnership (SGVEWP) Staffing

There was a motion to Authorize the Executive Director to recruit a full-time Management Analyst to manage the San Gabriel Valley Energy Wise Partnership (SGVEWP). (M/S: D. Mahmud/T. Walker)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, West Covina, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, LA County District 4

15. Ad Hoc Legislative Committee

There was a motion to Authorize creation of an Ad Hoc Legislative Committee for a one-year period and call for nominees to participate on committee with appointments to be made at the February 2017 Governing Board. (M/S: B. Shevlin/ T. Hepburn)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, West Covina, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	

ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, LA County District 4
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16. Stormwater Legislative Priorities for 2017

There was a motion to Adopt Resolution 16-31 identifying stormwater legislative priorities for 2017 and direct Water Committee to engage with State and Federal legislators to support these priorities. (M/S: K. Stapleton/B. Shevlin)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, El Monte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, West Covina, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, LA County District 4

17. Los Angeles Community Choice Energy (LACCCE) Joint Powers Authority (JPA)

There was a motion to authorize SGVCOG representatives to participate in the LACCE JPA negotiations on behalf of member agencies, pending further direction and discussion with interested cities. (M/S: D. Bertone/T. Hepburn)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, West Covina, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, El Monte, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, LA County District 4

PRESIDENT'S REPORT

- 18. Oral Report
G. Murabito reported on this item.
- 19. ACE / Large Capital Projects Ad Hoc Committee Report
G. Murabito and J. Fasana reported on this item.

EXECUTIVE DIRECTOR'S REPORT

- 20. Oral Report
P. Hawkey reported on this item.
- 21. Measure M – Next Steps
P. Hawkey reported on this item

GENERAL COUNSEL'S REPORT

No report given.

COMMITTEE REPORTS

Transportation Committee

J. Fasana reported on this item.

Homelessness Committee

No report given.

Energy, Environment and Natural Resources Committee

D. Bertone reported on this item.

Water Committee

D. Mahmud reported on this item.

ACE / Large Capital Projects Ad Hoc Committee

M. Christoffels reported on this item

Ad Hoc Legislative Committee

No report given.

PROJECT REPORTS

The ACE Project

M. Christoffels reported on this item.

San Gabriel Valley Energy Wise Partnership

No report given.

LIAISON REPORTS

Gold Line Foothill Extension Construction Authority

No report given.

San Gabriel and Lower Los Angeles Rivers and Mountains Conservancy

D. Bertone reported on this item

Southern California Association of Governments

J. Cartagena SCAG accepting nominations for sustainability awards

San Gabriel Valley Economic Partnership

No report given.

South Coast Air Quality Management District

M. Cacciotti reported on this item.

BOARD MEMBER ITEMS

There was a motion to put Measure H on the February agenda to consider endorsement.

(M/S: B. Shevlin/C. Baca)

[Motion Passed]

AYES:	Baldwin Park, Claremont, Covina, Diamond Bar, Duarte, Glendora, La Canada Flintridge, La Verne, Monrovia, Pasadena, Pomona, Rosemead, San Dimas, San Gabriel, Sierra Madre, South Pasadena, Temple City, West Covina, LA County District 1, LA County District 5, San Gabriel Water Districts
NOES:	
ABSTAIN:	
ABSENT:	Alhambra, Arcadia, Azusa, Bradbury, El Monte, Industry, Irwindale, La Puente, Montebello, Monterey Park, Rosemead, San Marino, South El Monte, Walnut, LA County District 4

ANNOUNCEMENTS

CLOSED SESSION

ADJOURN

SGVCOG Governing Board Meeting

January 19, 2017

President Gene Murabito adjourned at 8:22 p.m.

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS
Disbursements Report
January 2017

Transaction Date	Number/ Reference	Vendor Name	Description	Amount
1/11/2017	EFT	Citi Card	Citi Card Payment	\$ 3,214.55
1/3/2017	9335	Alameda Corridor East Construc	CalPERS Retirement Contribution Reimbursement	2,005.50
1/3/2017	9336	Fehr & Peers	SCAG Sustainability Grant Writing	2,775.00
1/3/2017	9337	SGV City Manager's Assn.	Luncheon Meeting	30.00
1/3/2017	9338	Vasquez & Co., LLP	FY 2016 Audited Financial Statements Service	18,000.00
1/6/2017	EFT	Paychex	Payroll Period Ended 01-06-17	21,809.10
1/10/2017	9339	Alameda Corridor East Construc	CalPERS Retirement Contribution Reimbursement	2,019.11
1/10/2017	9340	Artin Baghkhani	Mileage Reimbursement	159.19
1/10/2017	9341	Athena Parking (Alhambra)	January 2017 Parking	510.00
1/10/2017	9342	Proforma Quality Printing	Business' Cards - P. Hawkey	43.46
1/10/2017	9343	RMR Awards	Energy Efficiency Award	310.49
1/10/2017	9344	Vantagepoint Transfer Agents 3	ICMA - 457 Contributions	177.92
1/10/2017	9345	Eric Wolf	Mileage Reimbursement	61.51
1/10/2017	9346	Kaiser Permanente Health Plan	Medical Insurance Premium for SGVCOg's Staff	669.89
1/10/2017	9347	PLIC-SBD GRAND ISLAND	Insurance Dues Jan'17	188.89
1/10/2017	9348	Peter Duyshart	Mileage Reimbursement	45.74
1/10/2017	9349	Mary Lou Echternach	VOID	-
1/10/2017	9350	Mary Lou Echternach	MTA Board Support Services - OCT 16 & NOV 16	17,681.66
1/13/2017	EFT	Paychex	Processing Fee	40.00
1/17/2017	9351	Alameda Corridor East Construc	CalPERS Retirement Contribution Reimbursement	23,238.30
1/17/2017	9352	Athena Parking (Alhambra)	Validation Sticker Booklets	200.00
1/17/2017	9353	Image IV Systems	Copying Machine Rental	564.16
1/17/2017	9354	SGV Economic Partnership	Merry Mingle Co-sponsorship	1,500.00
1/17/2017	9355	Mary Lou Echternach	MTA Board Support Services - DEC 16	8,840.83
1/20/2017	EFT	Paychex	Payroll Period Ended 01-20-17	21,070.89
1/23/2017	EFT	Charter Communications	Internet Provider	125.00
1/24/2017	9356	Gracetel, Inc.	Service Call to Reprogram Phone Sytem	95.00
1/24/2017	9357	Philip A. Hawkey	Mileage Reimbursement	134.68
1/24/2017	9358	Vantagepoint Transfer Agents 3	ICMA - 457 Contributions	79.06
1/31/2017	9359	Athena Parking (Alhambra)	February 2017 Parking	520.00
1/31/2017	9360	GovernmentJobs Inc.	Job Posting: Mgmt Analyst	175.00
1/31/2017	9361	Jones & Mayer	Legal Fees	4,166.66
1/31/2017	9362	Elite-TRC-Alhambra Community L	February 2017 Rent	6,468.56
1/31/2017	9363	Kelsey Zurcher	Mileage Reimbursement	85.48
1/31/2017	9364	PLIC-SBD GRAND ISLAND	Insurance Dues Feb'17	188.89
1/31/2017	9365	Vicenti, Lloyd & Stutzman	Treasurer Services for September 2016	5,550.00
Total January 2017 Disbursements				<u>\$ 142,744.52</u>

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

Selected Asset Account Balances

As of January 31, 2017

Description	Balance 12/31/2016	Increases	Decreases	Net Change	Balance 1/31/2017
CBB - Checking	\$ 796,442.05	\$ 60,522.89	\$ 142,744.52	\$ (82,221.63)	\$ 714,220.42
CBB- 242-034-325 CD	55,534.71	-	-	-	55,534.71
CBB - 2766 Savings	1,586.75	-	-	-	1,586.75
CBB -242-034-953 CD	54,768.83	-	-	-	54,768.83
Petty Cash	400.00	-	-	-	400.00
LAIF	229,004.70	-	-	-	229,004.70
LAIF Maket Value	85.55	-	-	-	85.55
Member Receivable	799.99	-	-	-	799.99
Grants/Contracts Receivable	88,144.20	-	51,998.17	(51,998.17)	36,146.03
Sponsorships Receivable	25.00	-	-	-	25.00
Rental Deposits Receivable	214.80	-	-	-	214.80
Receivables - Other	3,888.84	2,625.00	3,888.84	(1,263.84)	2,625.00
	<u>\$ 1,230,895.42</u>	<u>\$ 63,147.89</u>	<u>\$ 198,631.53</u>	<u>\$ (135,483.64)</u>	<u>\$ 1,095,411.78</u>



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

ACE Construction Authority Board of Directors Special Meeting December 12, 2016 Minutes

Chairman Hadjinian called the meeting of the Board of Directors of the Alameda Corridor-East Construction Authority to order at 11:05AM at the Montebello Council Chambers.

1. Pledge of Alliance – Board Member Solis led the pledge of allegiance.

2. Roll Call: In attendance was:

Jack Hadjinian, Chair
Juli Costanzo, Vice Chair
Barbara Messina
Elliott Rothman
Hilda Solis
Mark Radecki

Staff:

Mark Christoffels, CEO
Gregory Murphy, Burke, Williams & Sorensen, legal counsel
Amy Hanson
Cecilia Cardenas
Charles Tsang
Genichi Kanow
Mark Mendoza, Paragon Partners
Paul Hubler
Phil Balmeo
Rachel Korkos
Ricky Choi
Victoria Butler

Guests:

Abraham Cruz, City of Industry
Charlie Nakamoto, Jacobs
David Eames, AECOM
Hank Fung, LA County
Kurt Kissinger, El Adobe Apts., Inc.
Mark Grojeda, PWD

3. Public Comments – There were no public comments.
4. Approval of November 28, 2016 Special Meeting minutes – A motion was made to approve the November 28, 2016 Special meeting minutes.
M/S/C/Messina/Costanzo/Unanimous
5. Chairman Remarks – Chairman Hadjinian welcomed new Board member and LA County Supervisor Hilda Solis to the Board and wished everyone Happy Holidays.

6. Board Member Comments – Vice Chair Costanzo thanked the ACE staff for their leadership, insight and ongoing commitment to the ACE projects and expressed her gratitude for the work being done. Member Solis thanked staff for the work that has already been completed by ACE and stated that she is happy to be a part of this Board and to be involved in an agency that is helping to refine our communities.
7. **Chief Executive Officer's Report** – Mr. Christoffels reported that ACE is currently preparing applications for a FASTLANE Grant which would be allocated to the Durfee Avenue and Montebello Corridor projects. He indicated that ACE will be working with other agencies to combine grant applications which has proven to be a successful approach in obtaining funding. He reminded the Board of the legislative meetings being planned in Washington D.C. in March of 2017 and encouraged the Board members to attend.
8. Construction Project Progress Reports – Charles Tsang reviewed progress photos of the Fairway Drive grade separation project. Victoria Butler reviewed project progress photos of the Fullerton Road grade separation project. Genichi Kanow reviewed project progress photos of the Puente Avenue grade separation project. Phil Balmeo reviewed project progress photos of the San Gabriel Trench project.
9. Hearing on Resolution of Necessity No. 16-02, 4821 Durfee Avenue, Pico Rivera – Greg Murphy discussed the process for the Resolutions of Necessity. He reminded the Board that the hearing was to determine several factors related to the necessity of the properties for the project. He indicated staff must present evidence for the Board to find that the property was necessary for the project and was planned in the manner most compatible with the greatest public good. He reminded the Board that if the Board approved staff to pursue eminent domain proceedings, staff would continue negotiation efforts.

Mark Mendoza, Paragon Partners reviewed the property requirements of Resolution of Necessity No. 16-02. He indicated that a permanent roadway easement, a permanent wall and footing easement, a utility easement and a temporary construction easement for the duration of 130 weeks are needed at the El Adobe Apartments, Inc. in order to construct the Durfee Avenue project. He specified that negotiations with the property owner have been ongoing and staff requests Board approval to proceed with the eminent domain process.

The public comment period was opened and there were no comments. Member Rothman asked if this action results in litigation, would any legal representation fees for Board members be compensated. Greg Murphy stated that ACE would be responsible for legal fees for Board members whether past or current pertaining to any actions taken today. Member Solis asked if the City of Pico Rivera is supportive of this project. Mr. Mendoza stated that ACE meets monthly with City representatives and they are aware and supportive of all property acquisitions and negotiations pertaining to this project. Member Solis asked how many families or individuals in this apartment complex will be impacted due to this acquisition. Mr. Mendoza

explained that there will be no displacement of any residents of this facility and that ACE is working closely with the owner to mitigate any impacts to occupants. Mr. Christoffels clarified that the building will not be directly impacted but rather the entrance to the building requires relocating. He explained that the roadway will be lowered therefore eliminating access to the building entrance. He stated that ACE has purchased adjacent parcels for this relocation. He indicated that ACE works closely with the County and City on all property acquisitions. There were no other questions. The public comment period was closed.

A motion was made by member Radecki and seconded by member Solis to adopt Resolution of Necessity No. 16-02. Mr. Christoffels called the vote:

Ayes: Solis, Costanzo, Hadjinian, Messina, Rothman, Radecki

Nayes: None

10. Hearing on Resolution of Necessity No. 16-03, 4754 Durfee Avenue, Pico Rivera – Mark Mendoza, Paragon Partners reviewed the property requirements of 4754 Durfee Avenue in Pico Rivera. He indicated that the entrance to this property requires relocating. He indicated that two permanent utility easements are needed and a temporary 130 week construction easement is needed for this project. He specified that negotiations with the property owner have been ongoing and staff requests Board approval to proceed with legal action if required.

The public comment period was opened and there were no comments. The public comment period was closed.

A motion was made by member Solis and seconded by member Costanzo to adopt Resolution of Necessity No. 16-03. Mr. Christoffels called the vote:

Ayes: Solis, Costanzo, Hadjinian, Messina, Rothman, Radecki

Nayes: None

11. Hearing on Resolution of Necessity No. 16-04, 4820 Durfee Avenue, Pico Rivera – Mark Mendoza, Paragon Partners reviewed the property requirements of 4820 Durfee Avenue in Pico Rivera. He indicated that a permanent roadway easement, a permanent slope easement, two permanent utility easements and a temporary construction easement of 130 weeks is required for this project. He stated that negotiations with the owner have been ongoing but a settlement agreement has not yet been reached. He asked for approval of this resolution so that staff may move forward with the project and in order to adhere with construction schedules.

Mr. Christoffels indicated that communication from the property owners' law firm has been received and a copy was distributed to the Board.

The public comment period was opened and there were no comments. The public comment period was closed.

A motion was made by member Solis and seconded by member Messina to adopt Resolution of Necessity No. 16-04. Mr. Christoffels called the vote:

Ayes: Solis, Costanzo, Hadjinian, Messina, Rothman, Radecki

Nayes: None

15. Approval of Contract Amendment with URS Corporation for Design Services for the Durfee Avenue Grade Separation Project – Mr. Christoffels reported the various design changes that were necessary for the Durfee Avenue project including; Union Pacific Railroad's recent bridge standards updates, the City of Pico Rivera requested to incorporate a larger waterline to our designs to be constructed simultaneously as Durfee which will be reimbursable by the City and, demolition of a property was added to URS Corporations contract rather than procuring an additional agency to complete this work. He requested approval so ACE may move forward with these changes.

A motion was made to authorize Chief Executive Officer to amend the contract with URS Corporation to add \$194,386 for additional services for the Durfee Avenue grade separation, for a new contract value of \$5,600,917.

M/S/C/Solis/Costanzo/Unanimous

16. Approval of an Increased Change Order Authorization for GMZ Engineering, Inc. for the Temple Avenue 4th Track Diversion Culvert Replacement Project – Mr. Christoffels reported that the final stage of this project is the removal of the existing storm drain and the reconstruction of a new one. He explained that this work was postponed due to restrictions on construction work during the storm season. Mr. Christoffels reported that the contractor is retaining all original pricing however, the requested increase is to cover unavoidable expenses such as insurance that was purchased for the duration of the delay and will need to be retained again. He indicated this request includes an increase to his contingency authorization which will allow renegotiation of future costs.

A motion was made to increase the Chief Executive Officers' change order authorization to 25% (\$112,773) of GMZ Engineering, Inc. construction contract for the Temple Avenue 4th Track Diversion Culvert Replacement Project.

M/S/C/Rothman/Solis/Unanimous

17. Adoption of 2017 Federal and State Legislative Program – Paul Hubler updated the Board on the progress of the freight project programs. He reported that ACE will be combining grant applications with the two Southern California ports in an effort to increase the chances of funding by presenting a simultaneous improvement of the movement of goods with these

ports. He updated the Board on the status of various federal grant programs and state trade corridor funding programs.

A motion was made to adopt the 2017 Federal and State Legislative Program.

M/S/C/Costanzo/Radecki/Unanimous

18. Approval of 2017 Board Meeting Schedule – Discussion ensued regarding the meeting schedule for 2017. Chairman Hadjinian stated that he will not be able to attend the April Board meeting.

A motion was made to approve the 2017 meeting schedule with no changes.

M/S/C/Rothman/Costanzo/Unanimous

16. Reception for Board Member Rothman – Reception followed.

17. Adjournment – The meeting was adjourned at 12:14PM

X 

Amy Hanson

Assistant to the Clerk of the Board



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: SGVCOG Governing Board Members & Alternates

FROM: Juli Costanzo, Chair

DATE: February 7, 2017

SUBJECT: Monthly Report

The following are items of note since the last meeting:

Legislative Meetings – COG members are encouraged to attend the San Gabriel Valley Congressional Appreciation Reception scheduled for 5 p.m. to 7 p.m. on Tuesday, March 14 in Rayburn House Office Building Room 2253. The reception takes place during the annual visit of COG and ACE Board members and staff to Washington, DC for legislative meetings. The reception is cosponsored by the COG, ACE, Foothill Gold Line, Foothill Transit and the San Gabriel Valley Economic Partnership.

Trade Corridors Improvement Fund – The ACE Board voted unanimously in January to support the Trade Corridors Improvement Fund (TCIF) provisions of Assembly Bill 1 (Frazier), Senate Bill 1 (Beall) and of the 2017-2018 State Budget proposed by Governor Brown. The two bills would generate an estimated \$600 million annually for the TCIF program through a proposed increase in the state excise tax on diesel motor fuels while the Governor's proposal would generate \$250 million per year for the program. The TCIF program is the most significant source of funding for the ACE projects.

State Fiscal Year Single Audit – ACE received notice from the California State Controller's office over the holidays that a desk review of ACE's single audit report for the year ended June 30, 2015 was completed with a determination of no findings. A single audit report is a rigorous, organization-wide audit of an entity, which is awarded and expends significant federal funds. The State Controller's Office is the single audit oversight agency for most California local governments.

Community Outreach Update – Staff conducted the following project outreach activities:

- Distributed construction alert notices regarding sidewalk closures due to pedestrian ramp construction for the San Gabriel Trench project;
- Conducted pre-construction surveys of properties located within the Lemon Avenue freeway ramps project area;
- Conducted ongoing community outreach and support activities for the San Gabriel Trench, Puente Avenue, Fairway Drive and Fullerton Road grade separation projects.

**Governing Board
FY 2016-17**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra	✓											
Arcadia	✓		✓	✓	✓							
Azusa	✓			✓								
Baldwin Park			✓	✓			✓					
Bradbury												
Claremont	✓		✓	✓	✓		✓					
Covina	✓		✓	✓	✓		✓					
Diamond Bar	✓		✓	✓			✓					
Duarte	✓		✓	✓	✓		✓					
El Monte			✓	✓	✓		✓					
Glendora	✓		✓	✓	✓		✓					
Industry												
Irwindale												
La Canada Flintridge			✓	✓			✓					
La Puente												
La Verne	✓			✓	✓		✓					
Monrovia	✓		✓	✓	✓		✓					
Montebello			✓									
Monterey Park	✓				✓							
Pasadena	✓			✓	✓		✓					
Pomona							✓					
Rosemead	✓		✓	✓	✓		✓					
San Dimas	✓		✓	✓	✓		✓					
San Gabriel	✓		✓		✓		✓					
San Marino	✓		✓		✓							
Sierra Madre	✓		✓	✓	✓		✓					
South El Monte	✓		✓		✓		✓					
South Pasadena	✓		✓	✓	✓		✓					
Temple City	✓		✓	✓			✓					
Walnut												
West Covina	✓		✓	✓	✓		✓					
LA County District 1			✓	✓	✓		✓					
LA County District 4	✓			✓	✓							
LA County District 5	✓				✓		✓					
SGV Water Agencies				✓	✓		✓					

Major Action Items and Presentations

July

SCE Rolling Blackouts

Conflict of Interest Code

WRDA (S 2848 and HR 5303)

AJR 44

Governing Board
FY 2016-17

WOTUS Challenge Amicus Brief
Metro Measure M

September

LA Impact
SCE Coordination with Cities
Modification of ACE Phase II Project
LA County Parks Measure
4th Quarter Financial Report
FY 16-17 Budget Amendment #!

October

LACCE Letter of Support/Comment
SG National Monuments Draft EA
Puente Hills Regional Park LOS
Financial Policies

November

Adopt SGVCOG Stormwater Policy
Measure M Next Steps
Closed Session: Executive Director position

**Transportation Committee Attendance
FY 2015-16**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra												
Claremont			✓	✓			✓					
Diamond Bar			✓	✓	✓		✓					
Duarte			✓	✓	✓		✓					
El Monte			✓	✓			✓					
Glendora			✓	✓	✓		✓					
La Canada Flintridge			✓				✓					
LA County District 1					✓		✓					
LA County District 5			✓	✓	✓		✓					
Monterey Park				✓	✓							
Rosemead			✓									
San Gabriel					✓							
South El Monte			✓		✓		✓					
South Pasadena			✓	✓	✓		✓					
Walnut					✓		✓					

Agenda Topics

September

- Highway 39 Completion
- Regional Quiet Zone Development Efforts
- Election of Chair and Vice-Chair

October

- SG Mountains National Monument Access Planning Efforts
- Pilot Study of Subsidized Ridesharing at Transit Stations
- BFBD Pilot
- SCAG Sustainability Planning Grants

November

- Bike SGV
- Measure M next steps

January

- CV Link
- Metro ExpressLanes
- LRTP Update

Reminder: If a member agency misses more than three consecutive committee meetings, the agency must request reappointment by the Governing Board.

**EENR Committee Attendance
2016-2017**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Claremont				✓								
Duarte	✓		✓	✓	✓		✓					
Glendora	✓		✓	✓	✓							
Rosemead	✓			✓			✓					
San Dimas	✓			✓	✓		✓					
Sierra Madre			✓	✓	✓		✓					
South Pasadena	✓		✓	✓	✓		✓					

Agenda Topics

July

LA County Marks Measure

September

SG Mountains National Monument Draft Environmental Assessment

Community Choice Aggregation

October

Mandatory Organics

AB 45

Puente Hillss Regional Park

Leg Recap

November

Emerald Necklace

Climate Resolve

January

Regional Organics

Mosquito and Vector Control

**Homelessness Committee Attendance
FY 2016-2017**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Baldwin Park	✓	✓	✓		✓		✓					
Claremont	✓		✓	✓			✓					
Covina	✓	✓	✓				✓					
Monrovia	✓	✓	✓	✓			✓					
Pasadena		✓	✓		✓		✓					
Pomona	✓	✓					✓					
Rosemead	✓		✓	✓			✓					
San Gabriel	✓	✓			✓		✓					
South El Monte		✓	✓									
West Covina	✓	✓	✓	✓			✓					
LA County Dist 1	✓	✓	✓	✓			✓					
Water Districts	✓		✓				✓					
TVMWD	✓		✓									

Agenda Topics

July

Urban Harvester

LA County Homeless Initiative

August

SGV Homeless Fundraiser

Lions Gate Transitional Living Centers

September

Claremont Homeless Advocacy Program

Vets Advocacy West LA

October

Azusa PD Homeless Task Force

LA County Sheriffs COPS unit

Claremont Human Services

November

Homeless Committee Work Plan

Tour of Mar Vista Apartments

January

Homeless Committee Work Plan

LA County 1/4 Cent Measure

LA Regional Homelessness Advisory Council

**Water Policy Committee
2016-2017 Attendance**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Claremont	✓			✓	✓	✓	✓					
Diamond Bar		✓	✓		✓							
Glendora	✓	✓	✓	✓	✓	✓	✓					
Monrovia	✓	✓	✓	✓	✓	✓	✓					
Rosemead	✓	✓	✓	✓		✓	✓					
Sierra Madre	✓		✓	✓	✓	✓	✓					
South Pasadena	✓	✓	✓	✓	✓	✓	✓					

Agenda Topics

July (Joint Meeting with Water TAC)

Elections
Legislative Update
RWQCB Update
Stormwater Subcommittee Update
Litigation Update

August (Joint Meeting with Water TAC)

SB 1298
Legislative Update
RWQCB Update
Stormwater Subcommittee Update

September (Joint Meeting with Water TAC)

Legislative Update
Litigation Update
RWQCB Update
Stormwater Subcommittee Update

October (Joint Meeting with Water TAC)

Presentation: CA Water Fix

Legislative Update
Litigation Update
RWQCB Update
Stormwater Policy

November (Joint Meeting with Water TAC)

Presentation: SB 485

Presentation: SG Basin Groundwater
RWQCB Update
Legislative Update

December (Joint Meeting with Water TAC)

Establish Stormwater Outreach Team

Establish Stormwater Legislative Priorities
RWQCB Update

Election 2016 updates

MSGB Resource Development Fee update

January (Joint Meeting with Water TAC)

Rio Hondo/San Gabriel River EWMP Presentation

Establish Stormwater Legislative Priorities

**Water Policy Committee
2016-2017 Attendance**

Urban Greening Grants
Stormwater Outreach Updates
Litigation Update

City Managers' Steering Committee Attendance
FY 2016-17

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Arcadia	✓		✓	✓	✓	✓	✓					
Baldwin Park	✓		✓	✓	✓	✓	✓					
Claremont	✓			✓	✓		✓					
Diamond Bar				✓		✓	✓					
Duarte	✓		✓	✓	✓							
Glendora	✓		✓	✓	✓	✓	✓					
La Canada Flintridge	✓			✓	✓							
La Verne	✓		✓	✓	✓	✓	✓					
Monrovia												
Monterey Park	✓		✓	✓								
Pomona						✓	✓					
South Pasadena	✓		✓	✓			✓					
Temple City	✓			✓			✓					
West Covina				✓	✓	✓						

Agenda Topics

July

SCE Rolling Blackouts
Metro Measure M
County Parks Measure

September

SCE Coordination with Cities
Metrolink Coordination with Cities
4th Quarter Financial Report
SB 1298
FY 2016-17 Budget Amendment

October

LA Impact
SGVCOG Financial Policies

November

LAHSA Homeless Count
Quarterly Financial Report
Budget Amendment #1
Stormwater Policy

December

Metro Bike Share
Performance Benchmark Study
ACE Ad Hoc Committee Update
Regional Quiet Zone update

January

ACE Ad Hoc Committee Draft Report
SGVCOG Office Lease

**Planning TAC Attendance
FY 2016-17**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra		✓		✓		✓	✓					
Arcadia		✓		✓		✓	✓					
Azusa												
Baldwin Park			✓				✓					
Claremont		✓	✓	✓								
Covina		✓	✓				✓					
Diamond Bar		✓	✓			✓	✓					
Duarte		✓	✓			✓						
El Monte		✓										
Glendora		✓	✓	✓		✓	✓					
Irwindale												
La Verne												
Monrovia		✓		✓		✓	✓					
Monterey Park		✓	✓	✓		✓	✓					
Pasadena												
Pomona		✓										
Rosemead			✓	✓		✓						
San Dimas		✓	✓	✓		✓	✓					
San Gabriel		✓	✓	✓			✓					
Sierra Madre		✓	✓									
South Pasadena			✓				✓					
Temple City		✓					✓					
Walnut												
West Covina		✓	✓			✓						

Agenda Topics

August

Elections
Legislative Update
Wireless Siting

September

SCAG Sustainability Grant presentation
Duarte Town Center presentation
Joint PW/Planners PIWG

October

Joint PW/Planners PIWG
SGVCOG Housing
Future Visioning

November

December

Housing
Marijuana

Planning TAC Attendance
FY 2016-17

GHG Impact by Transit Mode

January

Housing

Future Trends

Measure M

February

**Public Works TAC Attendance
FY 2016-17**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra												
Arcadia			✓	✓			✓					
Azusa			✓	✓	✓		✓					
Claremont				✓								
Diamond Bar			✓	✓	✓		✓					
Duarte												
El Monte			✓									
Irwindale			✓	✓	✓		✓					
Monrovia					✓		✓					
Pasadena			✓	✓	✓		✓					
Pomona			✓	✓	✓		✓					
San Dimas			✓	✓	✓		✓					
West Covina				✓	✓		✓					
LA County			✓	✓	✓		✓					

Agenda Topics

September:

ITS FIRST presentation
PW TAC bank account
ACE Ad Hoc committee update
Joint PW/Planning PIWG concept

October

METRO Complete Streets
CCE
SGVCOG Stormwater Policy
Joint PW/Planning PIWG concept

November

Aliso Canyon Gas Wells update
METRO Complete Streets
Stormwater Policy

January

Envision Sustainability planning tool
Urban Greening grant program
Fastlane grant
ACE Ad Hoc committee update

**Water TAC Attendance
FY 2016-17**

	2016						2017					
	Jul	Aug	Sep	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun
Alhambra	✓	✓	✓	✓	✓	✓	✓					
Arcadia	✓	✓	✓	✓								
Covina												
Monrovia		✓	✓	✓	✓	✓	✓					
Sierra Madre	✓	✓	✓		✓	✓	✓					
LA County DPW	✓	✓	✓	✓		✓	✓					
Upper San Gabriel Valley Municipal Water District	✓		✓	✓	✓	✓	✓					
<i>Ex-Officio</i>												
Foothill MWD												
LA County Sanitation Districts		✓	✓	✓	✓	✓						
Main San Gabriel Basin Watermaster	✓	✓	✓		✓	✓	✓					

Agenda Topics

July (Joint Meeting with Water TAC)

- Elections
- Legislative Update
- RWQCB Update
- Stormwater Subcommittee Update
- Litigation Update

August (Joint Meeting with Water TAC)

- SB 1298
- Legislative Update
- RWQCB Update
- Stormwater Subcommittee Update

September (Joint Meeting with Water TAC)

- Legislative Update
- Litigation Update
- RWQCB Update
- Stormwater Subcommittee Update

October (Joint Meeting with Water TAC)

Presentation: CA Water Fix

- Legislative Update
- Litigation Update
- RWQCB Update
- Stormwater Policy

November (Joint Meeting with Water TAC)

Presentation: SB 485

- Presentation: SG Basin Groundwater
- RWQCB Update
- Legislative Update

December (Joint Meeting with Water TAC)

Establish Stormwater Outreach Team

- Establish Stormwater Legislative Priorities

**Water TAC Attendance
FY 2016-17**

RWQCB Update
Election 2016 updates
MSGB Resource Development Fee update
January (Joint Meeting with Water TAC)
Rio Hondo/San Gabriel River EWMP Presentation
Establish Stormwater Legislative Priorities
Urban Greening Grants
Stormwater Outreach Updates
Litigation Update

REPORT

DATE: February 16, 2017

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **COMMITTEE APPOINTMENTS**

RECOMMENDED ACTION

Appoint the City of West Covina to the Energy, Environment and Natural Resources (EENR) Committee.

BACKGROUND

The SGVCOG Bylaws provide for the creation of technical advisory committees (TACs) and policy committees to provide technical support and policy recommendations to the Governing Board. There are currently 4 policy committees (Transportation, Energy, Environment, and Natural Resources (EENR), Water, and Homelessness) and 4 TACs: the City Managers' TAC, the Planning TAC, the Transportation TAC and the Public Works TAC. The Bylaws also provide for the creation of a City Managers' Steering Committee, to provide assistance and support to the full City Managers' TAC, the Governing Board, and/or the Executive Committee. The SGVCOG Bylaws allow for the creation of additional TACs and policy committees as needed. Each May, the Governing Board affirms the appointments received from member agencies for participation on the policy committees and TACs.

January 2017, SGVCOG staff received a request from the City of West Covina to join the EENR Committee.

Prepared by: Marisa Creter
Marisa Creter
Assistant Executive Director

Approved by: Phil Hawkey
Phil Hawkey
Executive Director

REPORT

DATE: February 16, 2017

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

VIA: Mark Christoffels, CEO, ACE Construction Authority

RE: **APPROVAL OF AMENDMENT TO ACE'S ADOPTED FISCAL YEAR
2016-17 BUDGET**

RECOMMENDED ACTION

Amend ACE's approved Fiscal Year 2016-17 budget to increase the retirement expense line item from \$786,500 to \$1,347,100 to pay down ACE's current estimated CalPERS Termination Liability.

BACKGROUND:

The employees of ACE receive retirement benefits through a contract between the San Gabriel Valley Council of Governments (SGVCOG) and CalPERS. There are currently 23 ACE employees and 4 SGVCOG employees that are covered under this CalPERS contract. To date all costs associated with this benefit for ACE staff have been recovered through ACE's grant funding agreements. The SGVCOG covers its portion of benefit costs through funds allocated for this purpose in their annual budget.

Each year CalPERS provides reports to each agency that contracts with them for retirement benefits, a summary statement of total employer contributions, investment earnings, prospective future contributions and earnings and anticipated liabilities. The difference between prospective contributions and earnings and liabilities is known as the "Unfunded Liability". In 2013, CalPERS agreed to allow ACE to make additional monthly payments towards its Unfunded Liability and in 2014 ACE began making additional payments in the amount of \$28,283 per month with a goal of paying off its then identified Unfunded Liability of \$1,036,265 within three years.

In addition to an Unfunded Liability, each agency that contracts with CalPERS has an estimated Termination Liability. This is an estimated amount that would have to be paid by the agency should it desire to immediately terminate its contract with CalPERS. In 2014, the CalPERS annual valuation reports began reflecting hypothetical Termination Liability costs. The SGVCOG's plan data reflected a termination cost estimated at \$5,245,348, if the plan were to terminate as of June 30, 2015 and investments met its anticipated 3.75% rate of return.

Currently ACE is scheduled to sunset and at that time the SGVCOG may elect to also terminate the overall CalPERS contract to reduce pension liability and protect the benefits of the employees and retirees as well as the SGVCOG. Rather than wait until the date of termination to pay off the Termination Liability, at the request of the SGVCOG, ACE staff worked with CalPERS to

determine if this potential termination liability could in essence be “pre-paid” at this time. CalPERS agreed to such an arrangement and beginning in July of 2017, staff began making additional monthly payments of \$46,717 to CalPERS to pay of this estimated Termination Liability.

At the time the Board approved ACE’s Fiscal Year 2016-17 budget, staff was still in discussions with CalPERS regarding this Termination Liability payment and exploring options on how to pre-pay this liability, therefore the budget that was approved did not include any funding for payments against the Termination Liability. Now that staff has an agreement with CalPERS regarding the pre-payment of the Termination Liability, the budget will need to be amended to account for these additional monthly CalPERS payments.

The ACE Board approved the recommendation to amend ACE's Fiscal Year 2016-17 budget as noted above at their Board meeting on January 23, 2016. This budget amendment is now before the San Gabriel Valley Council of Governments (SGVCOG) Governing Board for approval as required in the SGVCOG’s by-laws.

BUDGET IMPACT:

Indirect costs such as the payment of retirement benefits are reimbursed to ACE through the various project grants. Caltrans determines the allowable reimbursement rate through an “indirect cost allocation plan” which they approve each fiscal year. Before commencing with additional payments to CalPERS, staff consulted with Caltrans on eligibility for full reimbursement and have been informed that these costs can be reimbursed under the project grant funding. Therefore, the additional costs for this requested budget increase will be offset through project grant reimbursements in future fiscal years.

REPORT

DATE: February 16, 2017

TO: Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **STATEWIDE HOUSING ASSESSMENT 2025, CALIFORNIA'S HOUSING FUTURE: CHALLENGES AND OPPORTUNITIES**

RECOMMENDED ACTION

Direct staff to send a comment letter on the Statewide Housing Assessment 2025 report.

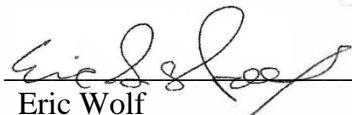
BACKGROUND

The California Department of Housing and Community Development recently released a report entitled *Statewide Housing Assessment 2025, California's Housing Future: Challenges and Opportunities*. A public comment period concludes on March 4, 2017.

The document thoroughly reviews past housing trends at the macro level. Out of this review, five housing challenges are identified:

- Challenge 1: Housing supply continues to not keep pace with demand
- Challenge 2: High housing growth is expected in communities with environmental and socio-economic disparities
- Challenge 3: Unstable funding for affordable home development is impeding our ability to meet California's housing needs, particularly for lower-income households
- Challenge 4: People experiencing homelessness and other vulnerable populations face additional barriers to attaining housing
- Challenge 5: Affordable housing has far-reaching policy impacts that benefit the quality of life in California, including health, transportation, education, the environment, and the economy

The report then goes on to outline options for addressing these housing challenges. It is anticipated that this report will inform future cycles of Regional Housing Needs Assessment (RHNA) and legislation related to housing. The Planning Directors Technical Advisory Committee has provided comments on the conclusions of this report, specifically the inference that municipalities are responsible for the shortage of housing. Staff is recommending that the SGVCOG send a letter commenting on this report (Attachment A).

Prepared by: 
Eric Wolf
Senior Management Analyst

Approved by: Marisa Creter
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – Draft Letter



February 16, 2017

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Gene Murabito

1st Vice President
Kevin Stapleton

2nd Vice President
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Margaret Clark

MEMBERS

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Azusa
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Bradbury
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Covina
Diamond Bar
Duarte
El Monte
Glendora
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La Cañada Flintridge
La Puente
La Verne
Monrovia
Montebello
Monterey Park
Pasadena
Pomona
Rosemead
San Dimas
San Gabriel
San Marino
Sierra Madre
South El Monte
South Pasadena
Temple City
Walnut
West Covina
First District, LA County
Unincorporated Communities
Fourth District, LA County
Unincorporated Communities
Fifth District, LA County
Unincorporated Communities
SGV Water Districts

Ben Metcalf, Director
California Department of Housing and Community Development
2020 W. El Camino Ave.
Sacramento, CA 95833

**Re: STATEWIDE HOUSING ASSESSMENT 2025, CALIFORNIA'S
HOUSING FUTURE: CHALLENGES AND OPPORTUNITIES**

Dear Director Metcalf:

Thank you for the opportunity to review and comment on the Statewide Housing Assessment 2025, *California's Housing Future: Challenges and Opportunities*. The San Gabriel Valley Council of Governments (SGVCOG) is a joint powers authority made up of representatives from 31 cities, 3 Los Angeles County Supervisorial Districts, and 3 Municipal Water Districts located in the San Gabriel Valley of Southern California. The SGVCOG seeks to address important issues impacting our member cities, in this case, construction of and access to housing at all income levels. The cities of San Gabriel Valley are serious about their obligation to plan for their fair share of housing and are committed to playing a leading role in meeting the housing challenges of Southern California.

With few exceptions, we found the report to be thorough in its attempt to identify the challenges that impact the amount of housing built year-to-year. However, we disagree with the report's underlying conclusions regarding the cause of some of those challenges. Please consider our specific comments highlighting those areas of the report that we felt add perspective to the discussion leading toward solutions and those conclusions that we believe require more thorough and thoughtful analysis.

1. **Cities Do Not Build Housing.** Page 33 states, "While the State can require that local governments plan to meet housing needs and offer incentives to build housing, we continue to fall short on what actually gets built." This statement is one of many that infer that municipalities are failing to build enough housing to meet needs. However, it is the private sector that builds housing – not cities. In fact, cities have planned to meet housing needs as evidenced by Table B.3 (Appendix B, Page 11), which shows that 90% of cities are in compliance with their housing element plans. The report exhibits a fundamental flaw by conflating Regional Housing Needs Assessment (RHNA) planning targets with housing production without any basis in current law. Figure 2.3 further generalizes constraints in an overly broad manner (i.e., What is "overly restrictive"? What is "approval uncertainty"? What is "lengthy processing"? What are "high fees"? and fails to analyze any of these constraints in sufficient depth to allow discussion of an appropriate range of possible responses and solutions.

2. **Market Forces.** The report lists five major housing challenges beginning on Page 33. Absent from this list is a substantive discussion of the impact and role of the private sector in how, when, and under what circumstances housing is constructed.

Figure 2-3, entitled *Constraints Create a Gap Between Planned Capacity and Built Units*, does introduce market effects but not until the last step in the Residential Development Process, and there is no further discussion of this fundamental element of housing production in this section. We suggest that market factors are foundational drivers in housing construction and deserve thorough treatment in the report. The report also addresses “unstable funding,” but only from the perspective of state programs. Again, it does not consider private sector funding and the increased constraints on construction funding and mortgage qualifications imposed by lenders to address prior poor lending practices over the last decade.

3. **Permits.** According to the report, “Local governments do not permit enough housing to meet their need, in part because they face competing priorities throughout the development process...” (Page 35). While this may be true in some circumstances, a more fundamental challenge is the number of permit requests cities receive relative to the number of housing units they planned and zoned for under RHNA apportionments. Many cities have fewer applications than their RHNA allocations for reasons outside of their control. We suggest that a comparative analysis be done in order to add a missing dimension to this section of the report. Likely this analysis will show that the number of requests falls far short of assigned targets.

Another permitting issues is that requests often do not comply with local zoning, requiring further environmental review, analysis, and evaluation. The development constraints associated with these types of permit requests are fundamentally different from projects which are consistent with General Plans and zoning, yet they are lumped into a “one size fits all” grouping of constraints. Here again, we recommend further analysis to compare the total number of requests received versus the number received that align with land planned under RHNA.

4. **Housing and Transportation Affordability.** Beginning on Page 30, the report wisely considers not only the cost of housing, but also the additive effect of transportation costs on household budgets. The current fair-share system built into RHNA modeling and apportionment should be modified in future RHNA cycles to consider transportation costs, particularly in light of legislation promoting Transit Oriented Development and VMT reductions. Dual goals of fair-share on the one hand, and dense development on the other, may be working at cross purposes and leading to unbalanced housing construction.

Again, thank you for the opportunity to review and comment on this important document. We look forward to meaningful collaboration with your agency based on our deep reservoir of experience and data, leading to a shared and durable outcome. If you have any questions, please contact me at (626) 457-1800.

Sincerely,

Philip A. Hawkey
Executive Director
San Gabriel Valley Council of Governments

REPORT

DATE: February 16, 2017

TO: SGVCOG Governing Board

FROM: Phil Hawkey, Executive Director

RE: **LETTER OF SUPPORT FOR APPOINTMENT OF MS. IRMA MUNOZ TO
THE STATE WATER RESOURCES CONTROL BOARD**

RECOMMENDED ACTION

Direct staff to send letter of support for Ms. Irma Munoz' appointment to the State Water Resources Control Board.

BACKGROUND

Ms. Irma Munoz was first appointed to the Los Angeles Regional Water Quality Control Board (Regional Board) in 2011. Board members typically serve four-year terms. In 2015, she was reappointed by Governor Brown and became Chair of the Regional Board 2016. Ms. Munoz is the founder and president of Mujeres de la Tierra, an environmental equity organization that teaches women and their children to take ownership and leadership of neighborhood issues and challenges. She also has marketing and management experience with TreePeople and the U.S. Small Business Administration. She is seeking appointment to the seat of "Public Member" on the State Water Resources Control Board.

Immediately upon assuming the position as Chair of the Regional Board, Ms. Munoz began an effort to meet with National Pollutant Discharge Elimination System permit holders in order to hear firsthand the challenges they have in meeting permit requirements. Up to that point, no Regional Board members had ever attempted to hear directly from permittees. Communication had always been through formal channels and constrained to regulatory dialogue, never getting at issues such as how to pay for stormwater infrastructure construction. The officers of the SGVCOG Water Policy Committee were among the first to meet with her and found the dialogue refreshing and mutually beneficial.

The Water Policy Committee is similarly impressed with Ms. Munoz' background in environmental work, yet maintaining a practical view of regulation. For these reasons, the staff is seeking the direction of the Governing Board to send a letter of support for her appointment to the State Water Resources Control Board.

Prepared by: _____

Eric Wolf

Senior Management Analyst

REPORT

Approved by: Marisa Creter
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – Letter of Support for Appointment of Ms. Irma Munoz to the State Water Resources Control Board



February 16, 2017

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Gene Murabito

1st Vice President
Kevin Stapleton

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Duarte
El Monte
Glendora
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Irwindale
La Cañada Flintridge
La Puente
La Verne
Monrovia
Montebello
Monterey Park
Pasadena
Pomona
Rosemead
San Dimas
San Gabriel
San Marino
Sierra Madre
South El Monte
South Pasadena
Temple City
Walnut
West Covina

First District, LA County
Unincorporated Communities

Fourth District, LA County
Unincorporated Communities

Fifth District, LA County
Unincorporated Communities

SGV Water Districts

Governor Jerry Brown
c/o State Capitol, Suite 1173
Sacramento, CA 95814

Re: Letter of Support for Appointment of Ms. Irma Munoz to the State Water Resources Control Board

Dear Governor Brown:

On behalf of the San Gabriel Valley Council of Governments (SGVCOG), I am writing to support the appointment of Ms. Irma Munoz to a seat on the State Water Quality Control Board, filling the "public member" seat as outlined in Water Code 13201.

The SGVCOG is a joint powers authority made up of representatives from 31 cities, 3 Los Angeles County Supervisorial Districts, and 3 Municipal Water Districts located in the San Gabriel Valley of Southern California. The COG seeks to address important issues impacting our member cities, in this case, access to safe and clean drinking water, as well as the proper treatment of stormwater and urban runoff. Moreover, we take seriously the protection of the environment and our responsibilities therein. In balancing these areas, the San Gabriel Valley takes special interest in regulatory decisions that affect interpretation of the Clean Water Act. Our support of Ms. Munoz is based on her shared commitment to these goals, demonstrated over the last year during her tenure as Chair of the Los Angeles Regional Water Quality Control Board.

Ms. Munoz has been the only Regional Board Member to have made an effort to meet directly with city councilmembers and their staff, to better understand their challenges in trying to achieve compliance with water quality standards as expressed in stormwater runoff permitting. She has repeatedly stated that she recognizes our intention to comply and is committed to working with us to find reasonable and affordable ways for us to do so. She encourages our participation in the monthly board hearings and in working directly with Regional Board staff to find practical ways to meet permit requirements. Ms. Munoz's encouragement has been very much appreciated.

At the recent Water Education for Latino Leaders workshop, Ms. Munoz noted she came from a low income background and a large family. Likewise, many San Gabriel Valley cities include Disadvantaged Communities. With this shared background, we believe she is sensitive to the limited ability of cities to simply pass along their large permit compliance costs to their residents. Nevertheless, she seeks to improve water quality by reminding cities she expects to see evidence of their good faith progress in working towards permit compliance.

As Executive Director of Mujeres de la Tierra, Ms. Munoz works with women in East Los Angeles and the San Gabriel Valley. Her work has been described as helping such women "find practical solutions to benefit families and their environment." We have been encouraged that she brings this same perspective to issues facing the Water Board, always seeking a solution rather than holding fast to intransigent, proscriptive approaches that will never be implemented given municipalities' limited resources and constrained taxing authority.

We believe California would benefit if the person holding the Public Member seat at the State Water Quality Control Board applied a pragmatic approach to enforcing water quality standards. I look forward to answering any questions and can be reached at (626) 457-1800.

Sincerely,

Philip A. Hawkey
Executive Director
San Gabriel Valley Council of Governments

REPORT

DATE: February 16, 2017

TO: SGVCOG Governing Board

FROM: Phil Hawkey, Executive Director

RE: **APPOINTMENTS TO THE COUNTY OF LOS ANGELES MEASURE H
REVENUE PLANNING PROCESS (PROCESS) GROUP**

RECOMMENDED ACTION

Appoint Joe Lyons (City of Claremont) and Linda Lowry (City of Pomona) to represent the SGVCOG on the Measure H Process Group.

BACKGROUND


In December 2016, the Los Angeles County Board of Supervisors (BOS) unanimously voted to place Measure H, a quarter-cent sales tax measure for homeless services on the March 7, 2017, ballot. This measure would raise an estimated \$355 million annually and would sunset after ten years.

The BOS passed a motion on February 7, 2017, to instruct the Chief Executive Officer (CEO) to bring together key stakeholders to develop recommendations to the BOS regarding the utilization of the revenue from Measure H. This group will include representatives from County departments, Los Angeles Homeless Services Authority, COGs, cities, homeless services agencies, the faith community, and persons with lived experience (Attachment A). The SGVCOG was invited to appoint two representatives to participate in the Planning Process Group which will have a total of four meetings as follows:

- **March 23, 2017:** Review process and presentation of information on each Homeless Initiative strategy, both current and new;
- **April 6, 2017:** Discuss funding of strategies and reach consensus to the extent possible;
- **April 13, 2017:** Discuss remaining strategies; and
- **May 10, 2017:** Discussion of outstanding areas and consideration of community feedback.

Draft recommendations for public comment will be released between April 13th and May 10th and final recommendations from this group is expected to go to the BOS on June 13, 2017.

Prepared by:


Christian Cruz
Management Analyst

Approved by: Marisa Creter
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – Process Group

MEASURE H REVENUE PLANNING PROCESS

Purpose

- Develop recommendations to the Board of Supervisors regarding the utilization of the revenue from Measure H, the March 7 special homeless sales tax measure, if the measure is approved by voters.
- Recommendations will cover three fiscal years, with annual revisions if needed.

Composition of the Planning Group

- Director, CEO Office of Homelessness - Lead
- One representative from each of the following County departments: CDC/HACoLA, DCFS, DPSS, DHS, DMH, DPH, LASD, Military and Veterans Affairs, Regional Planning, Probation, and Workforce Development, Aging, and Community Services
- Two representatives from LAHSA
- Two representatives from Home for Good and the Business Leaders Task Force
- Two representatives from LAHSA's Lived Experience Advisory Group
- Five faith community representatives
- Cities representing each Council of Governments (COG) and the North County Transportation Coalition (NCTC), and the City of Los Angeles – Two representatives each from the Gateway and San Gabriel COGs due to the number of cities they represent, one representative from the other COGs and NCTC, and two representatives from the City of Los Angeles
- Twelve homeless services provider representatives who will be the provider members of the Regional Homelessness Advisory Council (HI Strategy E17), including one representative per SPA, an additional representative from SPA 4, and three at-large provider members
- Five local homeless and housing policy experts

Timeline for Planning Process

Mid-March 2017	Planning Meeting #1: Review process and presentation of information on each strategy, both new and current. Planning meetings last three hours. Proposed meeting location is at the United Way.
April 2017	Planning Meetings #2 and #3: Discuss funding for each strategy. Reach consensus to the extent possible.
Late April – Early May 2017	Community Engagement to solicit input on the recommendations: 1. Community Web Meeting: Target community at large 2. Lived Experience Advisory Group Meeting: Individuals with lived experience of homelessness 3. Community feedback via Homeless Initiative website
Early May 2017	Planning Meeting #4: Further discussion of outstanding areas and community feedback. To the extent full consensus not reached, discuss if/how to convey lack of consensus in the Board letter.
5/25/2017	Homeless Policy Deputies Meeting: Review/discuss Board letter and recommendations to the Board
6/13/2017	Board of Supervisors meeting for review and deliberations on recommendations

REPORT

DATE: February 1, 2017

TO: City Managers' Steering Committee
Executive Committee
Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **FY 2016-17 2ND QUARTER FINANCIAL AND INVESTMENT REPORT**

RECOMMENDED ACTION

Receive and file.

BACKGROUND


Attachment A is the SGVCOG's FY 2016-17 2nd Quarter Financial and Investment Report. This includes additional detailed reporting that was recommended by the SGVCOG's Treasurer. Attachment B is ACE's 2nd Quarter Financial and Investment Report. Both reports were prepared by ACE staff, who now manages the SGVCOG's finances.

Prepared by:



Carlos Monroy
Director of Finance, ACE

Approved by:



Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – FY 2016-17 2nd Quarter Financial Report
Attachment B- ACE 2nd Quarter Financial and Investment Report



2017 2nd Quarter Reports December 31, 2016

Grants Receivable Aging Detail

As of December 31, 2016

Month	So. California Edison - Energy Wise	So. California Gas - Energy Wise	MTA	Totals	Notes
JUL-16	\$ -	\$ 6,681.01	\$ -	\$ 6,681.01	Received 1/4/17
SEP-16	-	9,624.63	7,809.79	17,434.42	MTA: Received 1/9/17 SCG: Received 1/12/17
OCT-16	-	7,899.00	7,588.76	15,487.76	SCG: Received 1/12/17
NOV-16	9,330.74	6,057.14	7,588.76	22,976.64	
DEC-16	<u>10,653.00</u>	<u>7,322.96</u>	<u>7,588.76</u>	<u>25,564.72</u>	
	<u>\$ 19,983.74</u>	<u>\$ 37,584.74</u>	<u>\$ 30,576.07</u>	<u>\$ 88,144.55</u>	

Comparative Summary Balance Sheet

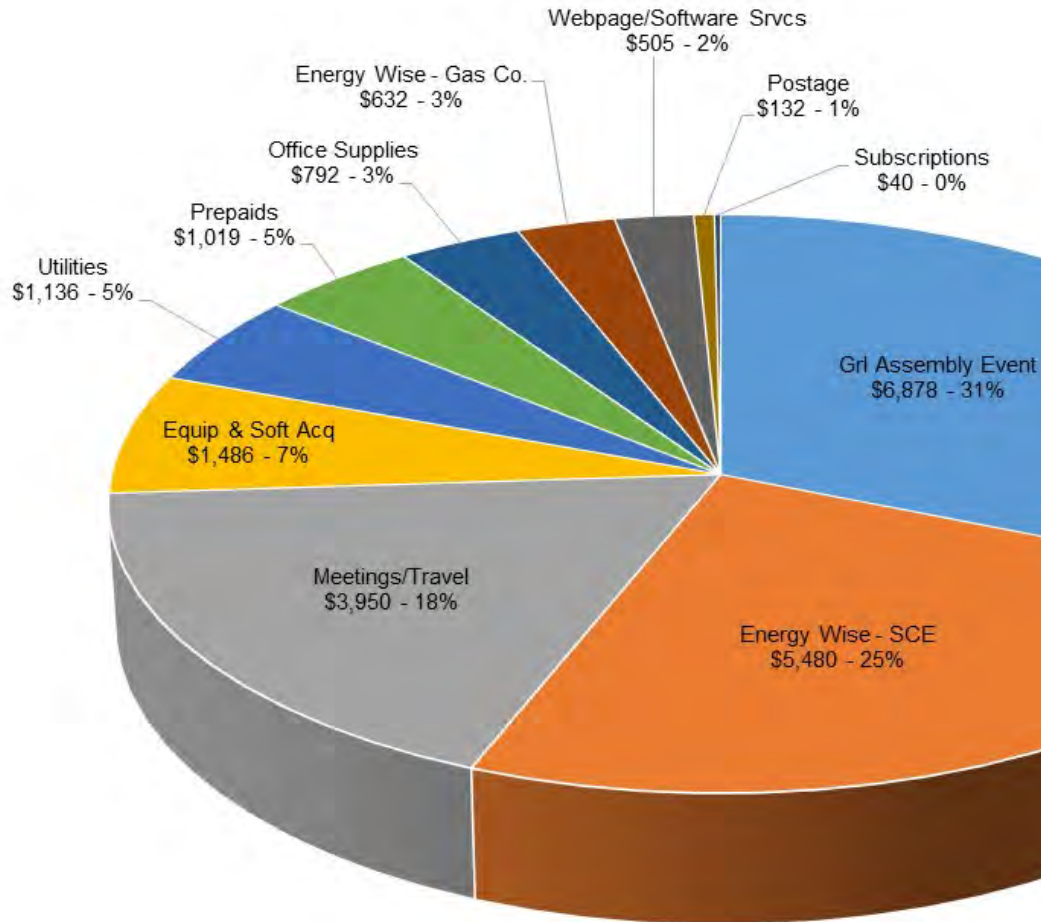
As of December 31, 2016

	<u>12.31.2016</u>	<u>Change</u>	<u>09.30.2016</u>
CBB - Checking	\$ 796,442	\$ (169,500)	\$ 965,942
CBB- 242-034-325 CD	55,535	14	55,521
CBB - 2766 Savings	1,587	0	1,586
CBB -242-034-953 CD	54,769	14	54,755
Petty Cash	400	-	400
LAIF	229,005	347	228,657
LAIF Maket Value	86	-	86
Cash and equivalents	<u>1,137,823</u>	<u>(169,125)</u>	<u>1,306,947</u>
Member Cities Receivable	800	(30,289)	31,089
Grants/Contracts Receivable	88,144	(12,375)	100,519
Receivables - Other	-	-	-
Receivables	<u>88,944</u>	<u>(42,664)</u>	<u>131,608</u>
Misc receivables, prepaids, and deferrals	41,342	9,024	32,318
Total assets	<u>1,268,109</u>	<u>(202,764)</u>	<u>1,470,873</u>
Accounts Payable	26,861	26,861	-
Unearned Revenues - Member Cities Dues	371,933	(185,967)	557,900
Pension Liability	538	-	538
Accruals, deferrals and other payables	30,357	(45,230)	75,587
Total liabilities	<u>429,689</u>	<u>(204,336)</u>	<u>634,025</u>
Net Position, beginning of period	783,697	(2,500)	786,197
Change in net position	54,723	4,072	50,651
Net Position, end of period	<u>\$ 838,420</u>	<u>\$ 1,573</u>	<u>\$ 836,848</u>

CITICARD Charges: Period October – December 2016

Attachment A

\$22,049



SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

2nd Quarter FY 2017 Budget Report

As of December 31, 2016

	General Fund	Transportation	SGVEWP	CEESP Phase 3	Oct/16 - Dec/16 Actual	FY 2017 Budget	% of Budget
1 General Operating Income							
2 Member Dues	\$ 349,744	\$ 24,233	\$ -	\$ -	\$ 373,977	\$ 745,909	50%
3 Sponsorships	12,551	-	-	-	12,551	10,500	120%
4 Hero Revenue	6,124	-	-	-	6,124	12,000	51%
5 Miscellaneous Revenue	-	1,073	-	-	1,073	2,500	43%
6 Interest	404	-	-	-	404	1,000	40%
7 <i>Total General Operating Income</i>	368,822	25,306	-	-	394,128	771,909	51%
8 Grants & Special Project Income							
9 MTA Consultant	-	44,239	-	-	44,239	88,413	50%
10 Energy Wise (SGVEWP) - Gas	-	-	42,983	-	42,983	80,000	54%
11 Energy Wise (SGVEWP) - Edison	-	-	66,198	-	66,198	109,000	61%
12 SCE CEESP Phase 3 Grant	-	-	-	15,846	15,846	47,850	33%
13 <i>Total Grants & Special Project Income</i>	-	44,239	109,181	15,846	169,265	325,263	52%
14 Total Income	368,822	69,545	109,181	15,846	563,393	1,097,172	51%
15 General Operating Expenses							
16 <u>Ongoing Operational Contracts</u>							
17 Legal Services	8,529	-	-	-	8,529	30,000	28%
18 Financial Audit Services	-	-	-	-	-	20,000	N/A
19 Treasurer	3,150	-	-	-	3,150	5,000	63%
20 Financial/Accounting Services (ACE)	13,533	-	-	-	13,533	28,000	48%
21 <u>Personnel</u>							
22 Salaries & Deferred Compensation	93,295	12,801	24,129	6,710	136,935	260,000	53%
23 Internship Program	-	-	32,763	3,645	36,408	40,500	90%
24 Benefits	19,214	1,825	2,504	311	23,854	33,600	71%
25 PERS & Employer Taxes	9,540	906	1,243	154	11,843	19,162	62%
26 Staff Training and Professional Development	-	-	-	-	-	5,000	N/A

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

2nd Quarter FY 2017 Budget Report

As of December 31, 2016

	General Fund	Transportation	SGVEWP	CEESP Phase 3	Oct/16 - Dec/16 Actual	FY 2017 Budget	% of Budget
27 <u>General & Administrative</u>							
28 Rent & Parking	18,430	-	17,861	1,021	37,312	72,627	51%
29 Utilities	1,232	-	1,194	68	2,494	8,025	31%
30 Postage	191	-	141	8	340	2,000	17%
31 Equipment & Software Acquisition	1,128	-	1,093	63	2,284	10,000	23%
32 Storage	743	-	720	41	1,504	2,671	56%
33 Office Supplies	819	-	794	45	1,658	5,000	33%
34 Miscellaneous maint/ops expense	12	-	12	1	25	5,000	1%
35 Meeting/Travel	4,544	-	4,075	233	8,852	40,000	22%
36 Dues & Subscriptions	54	-	52	3	110	3,500	3%
37 Administrative Fees	864	-	837	48	1,749	3,500	50%
38 Insurance	1,320	-	1,279	73	2,672	8,000	33%
39 General Assembly	10,315	-	-	-	10,315	13,000	79%
40 <u>Consultant Services</u>							
41 Management Services	65,000	-	-	-	65,000	156,000	42%
42 MTA Board Support	-	52,787	-	-	52,787	106,090	50%
43 Transportation Technical Support (ACE)	8,091	1,226	-	-	9,317	30,000	31%
44 Administrative Support (ACE)	19,456	-	-	-	19,456	20,000	97%
45 Media/Public Relations	2,000	-	-	-	2,000	2,000	100%
46 Information Technology	1,258	-	-	-	1,258	2,000	63%
47 Grant Writing Services	22,520	-	-	-	22,520	50,000	45%
48 Transportation Consultant	-	-	-	-	-	10,000	N/A
49 <u>Direct Expenses</u>							
50 Board Stipends & Taxes	3,704	-	-	-	3,704	11,000	34%
51 Printing / Publication	5,158	-	-	-	5,158	12,000	43%
52 <u>Direct Grant Expenses</u>							
53 SGVEWP Edison & Gas Expenses	-	-	20,483	-	20,483	40,000	51%
54 SCE CEESP Phase 3 Expenses	-	-	-	3,422	3,422	40,000	9%
55 <i>Total Grant & Special Project Expenses</i>	-	-	20,483	3,422	23,905	80,000	30%
56 Total Expenditures	314,100	69,545	109,181	15,846	508,671	1,093,674	47%
57 Net income (Loss)	\$ 54,723	\$ -	\$ -	\$ -	\$ 54,723	\$ 3,498	

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

Trial Balance
As of December 31, 2016

Flex Field	CC	Account	Description	Amount
ASSETS				
000-000-000-1010	000	1010	CBB - Checking	\$ 796,442
000-000-000-1020	000	1020	CBB- 242-034-325 CD	55,535
000-000-000-1030	000	1030	CBB - 2766 Savings	1,587
000-000-000-1040	000	1040	CBB -242-034-953 CD	54,769
000-000-000-1090	000	1090	Petty Cash	400
000-000-000-1100	000	1100	LAIF	229,005
000-000-000-1101	000	1101	LAIF Maket Value	86
000-000-000-1210	000	1210	Member Receivable	800
000-000-000-1220	000	1220	Grants/Contracts Receivable	88,144
000-000-000-1225	000	1225	Sponsorships Receivable	25
000-000-000-1232	000	1232	Rental Deposits Receivable	215
000-000-000-1291	000	1291	Receivables - Other	3,889
000-000-000-1400	000	1400	Prepaid Expense	13,959
000-000-000-1510	000	1510	Fixed Assets - Book	8,645
000-000-000-1600	000	1600	Accumulated Depreciation	(8,645)
000-000-000-1901	000	1901	Deferred Outflow of Resources	23,254
TOTAL ASSETS				\$ 1,268,109
LIABILITIES				
000-000-000-2010	000	2010	Accounts Payable	\$ 26,861
000-000-000-2102	000	2102	Citi Bank Card	2,844
000-000-000-2123	000	2123	Payroll Payable	(1)
000-000-000-2210	000	2210	Vacation Accrual	19,223
000-000-000-2300	000	2300	Empl Ded - 457 Contribution	118
000-000-000-2901	000	2901	Pension Liability	538
000-000-000-2902	000	2902	Deferred Inflow of Resources	8,172
000-000-000-2910	000	2910	Unearned Revenues - Member Cities Dues	371,933
TOTAL LIABILITIES				\$ 429,689
NET POSITION				
000-000-000-3101	000	3101	Net Position, beginning of period	\$ 783,697
000-000-000-3101	000	3101	Change in net position	54,723
000-000-000-3101	000	3101	Net Position, end of period	\$ 838,420
OPERATING REVENUES				
012-000-000-4010	012	4010	Revenues - Member Cities Dues	\$ 373,977
012-000-000-4015	012	4015	Revenues - Grl Assembly/Sponsorship/Ticket Sales	12,551
015-125-050-4103	015	4103	Grant Reimbursements - Energy Wise - SCE	66,198
015-130-050-4114	015	4114	Grant Reimbursements - CEESP 3 - SCE	15,846
015-120-040-4116	015	4116	Grant Reimbursement - MTA Board Support Svcs-Tran	44,239
015-125-060-4117	015	4117	Grant Reimbursements - Energy Wise - So Gas Co.	42,983
015-120-040-4118	015	4118	Grant Reimbursement - MTA Adm Fee - Board Support	1,073
012-000-000-4120	012	4120	Revenues - HERO Program	6,124
TOTAL OPERATING REVENUES				\$ 562,990
OPERATING EXPENSE				
012-000-000-5110	012	5110	G & A - Salaries and Wages	\$ 89,829
012-000-000-5111	012	5111	G & A - Stormwater Program - Salaries and Wages	14,657
012-000-000-5113	012	5113	G & A - Open Streets - Salaries and Wages	508
012-000-000-5114	012	5114	G & A - Vacation Time - Salaries and Wages	11,304
012-000-000-5116	012	5116	G & A - Holiday Pay - Salaries and Wages	4,250
012-000-000-5118	012	5118	G & A - Sick Time Pay - Salaries and Wages	672
012-000-000-5119	012	5119	G & A - Admn Leave, Jury Duty, Other	2,173
012-000-000-5121	012	5121	Fringe Benefits - Medical	670
012-000-000-5122	012	5122	Fringe Benefits - Long Term Disability	1,252
012-000-000-5123	012	5123	Fringe Benefits - Parking	1,733
012-000-000-5125	012	5125	G & A - Salaries and Wages - Auto Allowance	2,100
012-000-000-5126	012	5126	G & A - S & W - Medical In Lieu of - FT Staff	13,300
012-000-000-5128	012	5128	Salaries and Wages - Medical in Lieu of - PT Staff	4,200
012-000-000-5130	012	5130	Fringe Benefits - Retirement - CalPERS	4,103

SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS

Trial Balance
As of December 31, 2016

Flex Field	CC	Account	Description	Amount
012-000-000-5135	012	5135	Fringe Benefits - Workers Compensation	599
012-000-000-5151	012	5151	Employer Payroll Tax Allocation	7,741
012-000-000-5181	012	5181	Employer Payroll Tax Expense - Board Stipend	4
012-000-000-5310	012	5310	Rent - Other	37,312
012-000-000-5315	012	5315	Utilities	2,494
012-000-000-5320	012	5320	Postage	295
012-000-000-5325	012	5325	Office Supplies	1,658
012-000-000-5330	012	5330	Printing/Publications	5,158
012-000-000-5345	012	5345	Insurance	2,672
012-000-000-5350	012	5350	Dues & Subscriptions	110
012-000-000-5355	012	5355	Meetings/Travel	8,512
012-000-000-5360	012	5360	Administrative Fees	1,749
012-000-000-5365	012	5365	Storage	1,504
012-000-000-5370	012	5370	General Assembly Expense	10,315
012-000-000-5380	012	5380	Misc Maint/Op Expense	25
012-000-000-5505	012	5505	Contract Srvc - Executive Director	65,000
012-000-000-5510	012	5510	Contract Srvc - Treasurer	3,150
012-000-000-5525	012	5525	Contract Srvc - ACE Transportation Tech Support	9,317
012-000-000-5530	012	5530	Contract Srvc - ACE IT, Acctg & Fin'l Support	13,533
012-000-000-5540	012	5540	Contract Srvc - ACE Administrative Support	19,456
012-000-000-5550	012	5550	Media/Public Relations	2,000
012-000-000-5561	012	5561	Legal Expense - SGVCOG	8,473
012-000-000-5563	012	5563	Legal Expense - Conway	56
012-000-000-5586	012	5586	Grant Writing Services	22,520
012-000-000-5910	012	5910	Equipment & Soft Acquisition	2,284
012-000-000-5920	012	5920	Webpage/Software Services	1,258
014-000-000-5010	014	5010	Unallowable - DL	739
014-000-000-5180	014	5180	Unallowable - Board Stipend	3,700
014-000-000-5320	014	5320	Unallowable - Postage	45
014-000-000-5355	014	5355	Unallowable - Meetings/Travel	340
015-120-040-5110	015	5110	Salaries & Wages - Transportation (Prop A & C)-Tr	12,801
015-125-050-5110	015	5110	Energy Wise - SCE - Administration - DL	1,896
015-125-060-5110	015	5110	Energy Wise - SGC - Administration - DL	1,240
015-125-050-5111	015	5111	Energy Wise - SCE - Marketing - DL	4,891
015-125-060-5111	015	5111	Energy Wise - SCG - Marketing - DL	3,355
015-125-050-5112	015	5112	Energy Wise - SCE - Direct Implementation - DL	16,320
015-125-060-5112	015	5112	Energy Wise - SCG - Direct Implementation - DL	11,013
015-130-050-5112	015	5112	CEESP3 - SCE - Green Bldg Direct Impl - DL	227
015-130-050-5114	015	5114	CEESP 3 - SCE - Online Permitting Admn - DL	100
015-130-050-5116	015	5116	CEESP 3 - Online Permitting Direct Impl - DL	18
015-130-050-5119	015	5119	CEESP 3 - SCE - Point of Permit - Direct Impl - DL	4,247
015-120-040-5520	015	5520	Contract Srvc - MTA Board Support	52,787
015-125-050-6010	015	6010	Energy Wise - SCE - Program Mgt	10,992
015-125-060-6010	015	6010	Energy Wise - Gas Co. - Program Mgt	(120)
015-130-050-6013	015	6013	CEESP 3 - SCE - Program Mgt	2,322
015-125-060-6017	015	6017	Energy Wise - SC Gas Company - Program Mgt	3,658
015-130-050-6018	015	6018	CEESP 3 - SCE - Grant Management Expense	153
TOTAL OPERATING EXPENSE				\$ 508,670.5
NONOPERATING REVENUE				
012-000-000-4090	012	4090	Interest Income	404
				<u>509,074</u>
CHANGE IN NET POSITION				\$ 54,723



Alameda Corridor-East Construction Authority

Attachment B

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Finance Committee

FROM: Mark Christoffels
Chief Executive Officer

DATE: January 26, 2017

SUBJECT: Review of Quarterly Progress Reports

RECOMMENDATION: Receive and file a report on the ACE Quarterly Progress Reports for the period from October 1, 2016 through December 31, 2016

BACKGROUND: ACE is required to produce quarterly financial reports to update revenues, project budgets, expenditure forecasts, grant reimbursements, investments, and project schedules. Attached are exhibits that provide this required information and below is a summary of any changes from the prior quarter.

Exhibit I – ACE Revenue by Source

This exhibit details all funding authorized, allocated to projects, and remaining unallocated (surplus) since the inception of the ACE Project. During this review period there were no additional allocations, however project funding adjustments based on current total projected cost estimates have reduced the un-programmed surplus to \$5.3 million. If we are successful in obtaining the remaining funding needed for the Turnbull Canyon Road Grade Separation, these funds will be used on that project.

Exhibit II – ACE Project Funding by Source

The funding allocation for the entire ACE Project is distributed among projects in this Exhibit based on the available revenues identified in Exhibit I. Funding allocations are adjusted either up or down quarterly to reflect updated project cost estimates as the project design is further developed, right of way acquisition costs become known as appraisals are made and purchase agreements executed, and finally when construction bids are received. In addition, funding sources may need to be changed due to **modification on ACE's grant funding agreements with Caltrans and the MTA**. Project allocation changes are shown on the summary sheet at the end of Exhibit II.

Exhibit III – ACE Project Allocations vs. Estimate at Completion

This Exhibit tracks project allocations as compared to the estimated cost to complete for each project, along with other data. The current report shows that if the current ACE projects were to be completed based on what we know today; there would be an approximate \$2.6 million surplus. As the projects are bid out, or those in design are further developed, the cost estimates will be refined and the needed allocations adjusted **based on ACE's available balance of grant funds**.

Exhibit IV – Expenditure Forecasts

This is a cash flow forecast for active projects. The spreadsheets show full anticipated project costs regardless of whether the project is currently in design, right of way, or a construction phase. This allows staff to keep track of the overall program status and determine what remaining funds are available for future projects. The reasons for any changes shown in the Estimated at Completion (EAC) column are noted with footnotes at the bottom of the spreadsheet. Significant changes (additional funding allocated) to several projects based on a detailed review of the projects made over the past several months. The intent of these adjustments is to insure each project has sufficient funding allocated for a worst case scenario, before remaining funds in our program are allocated to our final project, Turnbull Canyon. The Durfee Road and Montebello Corridor Projects had their budgets adjusted by \$12.7m and \$18m respectively based on higher than expected land acquisition costs, utility relocation costs, and design modifications to accommodate City and property owner concerns. The **Fullerton Road Project's budget** increased by \$5.8m to provide a project contingency due to pending land acquisition cases, and the high number of notice of intent to file claim letters received from our contractor. The Temple Avenue Diversion Project budget was adjusted by \$6.1m based on recent estimates from Union Pacific Railroad for their crews to place the final segments of track and related track signal equipment. The remaining project budgets had minor adjustments to account for anticipated indirect costs.

Exhibit V – ACE Expenditures vs. Reimbursements

This exhibit captures the reimbursement status for all active or completed projects as of September 30, 2016. Since ACE must borrow funds to make current payments to its vendors, consultants, and contractors, and then seek reimbursement from its granting agencies, minimizing the time for reimbursements is a key component to avoid incurring significant interest costs on **ACE borrowed funds. ACE's policy is to try to bill and receive** reimbursements within 30 days. As noted in this exhibit, as of December 31, 2016, ACE was current on all of its requested grant reimbursements except for \$1,319,000 in receivables that were over 30 days. Staff believes these aged receivables should be collected within the next quarterly reporting period.

Exhibit VI – Project Schedules

This exhibit reflects current estimated schedules for different phases of active projects. **Changes from last quarter's report** are as follows:

Durfee Ave	Three-month delay based design revisions required by Union Pacific RR.
Fairway Ave	Three-month delay due to the design revision
Montebello	Three-month delay based on anticipated approval process for environmental documentation process

Exhibit VII – Treasury/Banking Investments

This exhibit has two components – a statement of net assets as of December 13, 2016 and an accounting of all banking and investments.

The exhibit shows that if ACE were to conclude all operations as of this date, it would have assets over liabilities of \$8,366,076 million after paying off its current liabilities including the CalPERS liabilities. In an agreement with CalPERS, ACE is currently paying down its unfunded and termination liabilities through additional payments made each month. CalPERS current published unfunded and termination liability numbers (shown on Exhibit VII) do not yet reflect all payments so our actual liability is much less than currently stated.

ACE's banking and investments remain in compliance with the SGVCOG investment policy.

Attachments

EXHIBIT I - ACE REVENUE BY SOURCE
As of December 31, 2016

Grant		Authorized	Adjustments	Note	Net Authorized	Allocated To Projects	Surplus	Allocated Inc/(Decr)
Federal								
TEA - 21	Sect 0491	4,655,048	(402,000)	a	4,253,048	4,253,048	-	
TEA - 21	Sect 1017	2,205,000	(141,317)	b	2,063,683	2,063,683	-	
TEA - 21	Sect 1138	17,250,000	-		17,250,000	17,250,000	-	
TEA - 21	Sect 1533	100,000,000	-		100,000,000	100,000,000	-	
TEA - 21	Sect 198	9,562,500	(572,760)	b	8,989,740	8,989,740	-	
Hiway Fund FY 01		1,500,000	(3,300)	b	1,496,700	1,496,700	-	
NCPD FY 2000		1,240,000	-		1,240,000	1,240,000	-	
NCPD FY 2001		2,400,000	(2,565)	b	2,397,435	2,397,435	-	
NCPD FY 2002		4,000,000	(116,000)	b	3,884,000	3,884,000	-	
NCPD FY 2003		1,495,000	(10,000)	b	1,485,000	1,485,000	-	
NCPD FY 2004		2,000,000	(119,163)	b	1,880,837	1,880,837	-	
STP FY 2006		4,200,000	(42,000)	b	4,158,000	4,158,000	-	
STP FY 2009		570,000	-		570,000	570,000	-	
STP FY 2010		500,000	(85)	b	499,915	499,915	-	
AAA FY 2010		1,349,000	(230)	b	1,348,770	1,348,770	-	
SAFETEA-LU FY 05	Sect 1701	2,528,000	(255,185)	c	2,272,815	2,272,815	-	
SAFETEA-LU FY 06	Sect 1701	2,528,000	(254,883)	c	2,273,117	2,273,117	-	
SAFETEA-LU FY 07	Sect 1701	2,528,000	(252,029)	c	2,275,971	2,275,971	-	
SAFETEA-LU FY 08	Sect 1701	2,528,000	(252,029)	c	2,275,971	2,275,971	-	
SAFETEA-LU FY 09	Sect 1701	2,528,000	(251,136)	c	2,276,864	2,276,864	-	
SAFETEA-LU FY 05	Sect 1934	3,000,000	(280,077)	c	2,719,923	2,719,923	-	
SAFETEA-LU FY 06	Sect 1934	6,000,000	(560,154)	c	5,439,846	5,439,846	-	
SAFETEA-LU FY 07	Sect 1934	7,500,000	(700,192)	c	6,799,808	6,799,808	-	
SAFETEA-LU FY 08	Sect 1934	7,500,000	(700,192)	c	6,799,808	6,799,808	-	
SAFETEA-LU FY 09	Sect 1934	6,000,000	(560,154)	c	5,439,846	5,439,846	-	
SAFETEA-LU FY 05	Sect 1301	3,125,000	(247,763)	c	2,877,237	2,877,237	-	
SAFETEA-LU FY 06	Sect 1301	6,250,000	(495,526)	c	5,754,474	5,754,474	-	
SAFETEA-LU FY 07	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-	
SAFETEA-LU FY 08	Sect 1301	7,812,500	(619,407)	c	7,193,093	7,193,093	-	
SAFETEA-LU FY 09	Sect 1301	6,250,000	(495,526)	c	5,754,474	5,754,474	-	
FRA		2,544,100	-		2,544,100	2,544,100	-	
PUC (Section 130)		10,000,000	-		10,000,000	10,000,000	-	
ISTEA (Nogales-LA)		6,936,147	-		6,936,147	6,936,147	-	
CMAQ (Nogales-LA)		6,347,000	-		6,347,000	6,347,000	-	
	Subtotal	252,643,795	(7,953,080)		244,690,715	244,690,715	-	
State								
ITIP		39,000,000	(18,426)	d	38,981,574	38,981,574	-	
PUC (Section 190)		10,000,000	-		10,000,000	10,000,000	-	
TCRP		150,000,000	(19,700,000)	e	130,300,000	130,300,000	-	
Prop 1B - HRCSA (Nogales-LA/Fullerton)		43,906,000	-		43,906,000	43,906,000	-	
TCIF (SG Trench/Baldwin/Fairway/Puente)		420,497,000	-		420,497,000	419,576,000	921,000	
	Subtotal	663,403,000	(19,718,426)		643,684,574	642,763,574	921,000	
Local								
MTA 1 (FY 98-02)	C 25%	37,500,000	(23,360,000)	f	14,140,000	14,140,000	-	
MTA 2 (FY 03-05)	C 10%	1,857,000	-		1,857,000	1,857,000	-	
MTA 2 (FY 03-05)	C 25%	13,178,000	-		13,178,000	13,178,000	-	
MTA 2 (FY 03-05)	AB 3090	9,308,000	-		9,308,000	9,308,000	-	
MTA 2 (FY 03-05)	STIP-RIP	5,496,000	-		5,496,000	5,496,000	-	
MTA 3 (FY 06-09)	C 25%	85,000,000	-		85,000,000	85,000,000	-	
MTA 4 (FY 09-15)	C 25%-Remaining	28,566,800	-		28,566,800	28,566,800	-	
MTA 5 (FY 09-15)	C 25%-Supplemental	112,324,000	-		112,324,000	112,324,000	-	9,979,000
MTA 6 (Nogales-LA)	C 25%	28,849,000	-		28,849,000	28,849,000	-	
MTA 7 (Phase II)	Measure R	400,000,000	-	g	400,000,000	399,587,000	413,000	30,590,000
	Subtotal	722,078,800	(23,360,000)		698,718,800	698,305,800	413,000	
Other Sources								
Railroad (UPRR/Metrolink)		40,552,000	-	h	40,552,000	36,910,000	3,642,000	6,044,000
Cities/LA County (Nogales-LA)		9,915,303	-		9,915,303	9,915,303	-	
Betterments (Cities/Metrolink)		35,527,807	-		35,527,807	35,527,807	-	
MWD (Brea Canyon)		2,207,402	-		2,207,402	2,207,402	-	
Property Sale		3,224,226	-		3,224,226	2,894,012	330,214	
	Subtotal	91,426,738	-		91,426,738	87,454,524	3,972,214	
TOTAL GRANTS		1,729,552,333	(51,031,506)		1,678,520,827	1,673,214,613	5,306,214	
Other Income								
Property Rental Income		139,316	-		139,316	-	139,316	
Recovered Costs		17,288	-	i	17,288	-	17,288	
	Subtotal	156,604	-		156,604	-	156,604	
TOTAL ACE Construction		1,729,708,937	(51,031,506)		1,678,677,431	1,673,214,613	5,462,818	46,613,000

Notes:

- Transferred by LA County to ACE for the Nogales-LA project.
- Federal budgetary reduction.
- Based on Caltrans updated OA, appropriations reduced by 10% instead of 15%.
- \$18K for Ramona lapsed in June 2008 prior to project closeout.
- \$19.7 million programmed to other entities (yet to be allocated by State).
- Allocated to City of LA.
- Of the \$400M Measure R funds, \$135M has executed MOU.
- Based on individual projects, UPRR paid 1/2 before and 1/2 after construction phase.
\$39.552M committed by UPRR but due to phasing of construction, only \$25.614M has been received.
- Costs recovered from audit after a project had been closed.

EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE
As of December 31, 2016

(\$ 000's)

Project	Task	Fed #	All																
			TEA-21	NCPD/STP	SAFETEA	ITIP	ISTEA/CMQ	FRA/PUC	TCRP	Prop 1B	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5	MTA 6	MTA 7	Railroad	Prop Sale
Total			4,463	-	-	-	-	-	-	-	-	-	-	100	-	-	4,363	-	-
212 At-Grade Crossing	Design	n/a	1,075	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ROW	n/a	17,378	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At-Grade Crossing Total	Constr	n/a	22,916	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			5,390	3,013	-	753	-	-	-	-	-	-	696	432	-	-	-	-	-
102 Baldwin	Design	(017)	37,237	-	21,008	-	-	-	-	-	-	9,382	2,500	4,347	-	-	-	-	-
	ROW	(028)	27,738	-	-	-	-	-	27,738	-	-	-	-	-	-	-	-	-	-
Baldwin Total	Constr	(017)	70,365	3,013	21,008	753	-	-	27,738	-	-	9,877	3,196	4,779	-	-	-	-	-
			9,046	-	6,984	-	-	-	-	-	-	-	-	2,062	-	-	-	-	-
208 Durfee	Design	(039)	32,624	-	1,349	-	-	-	-	-	-	-	-	10,865	-	-	13,961	-	-
	ROW	n/a	49,473	-	3,883	-	-	-	-	-	-	-	-	-	-	-	45,590	-	2,894
Durfee Total	Constr	n/a	91,143	-	1,349	14,422	-	-	-	-	-	-	-	-	-	-	-	-	-
			8,231	-	-	-	-	-	-	-	-	-	60	8,171	-	-	-	-	-
204 Fairway-LA	Design	(036)	31,603	-	-	-	-	-	-	-	-	-	-	657	-	-	30,946	-	-
	ROW	n/a	99,523	-	-	-	-	-	71,000	-	-	-	-	538	-	-	18,069	-	9,916
Fairway-LA Total	Constr	n/a	139,357	-	-	-	-	-	71,000	-	-	-	60	9,366	-	-	49,015	-	9,916
			10,698	-	-	-	-	-	-	-	-	-	-	1,970	-	-	8,728	-	-
207 Fullerton	Design	n/a	26,625	-	-	-	-	-	-	-	-	-	-	16,333	-	-	10,292	-	-
	ROW	n/a	115,061	-	-	-	-	-	53,366	-	-	-	-	12,173	-	-	37,176	4,508	7,838
Fullerton Total	Constr	n/a	152,384	-	-	-	-	-	53,366	-	-	-	-	30,476	-	-	56,196	4,508	7,838
			1,767	-	-	-	-	-	-	-	-	-	-	1,242	-	-	525	-	-
205 Hamilton	Design	n/a	22	-	-	-	-	-	-	-	-	-	-	22	-	-	-	-	-
	ROW	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Hamilton Total	Constr	n/a	1,789	-	-	-	-	-	-	-	-	-	-	-	-	-	525	-	-
			13,530	-	-	-	-	-	-	-	-	-	-	4,023	-	-	9,507	-	-
209 Montebello	Design	n/a	29,660	-	-	-	-	-	-	-	-	-	-	100	-	-	29,560	-	-
	ROW	n/a	116,855	-	-	-	-	-	-	-	-	-	-	-	-	-	99,404	17,451	-
Montebello Total	Constr	n/a	160,045	-	-	-	-	-	-	-	-	-	-	4,123	-	-	138,471	17,451	-
			4,706	932	-	-	-	-	-	-	-	-	-	-	1,766	-	-	-	2,008
250 Nogales-LA	Design	(032)	50,295	-	-	-	-	6,936	1,109	-	-	-	-	6,877	27,083	-	2,883	-	5,407
	ROW	(035)	66,087	3,321	570	12,810	6,347	16,435	-	25,600	-	-	-	-	-	-	-	-	1,004
Nogales-LA Total	Constr	(032)	121,088	4,253	570	12,810	13,283	17,544	-	25,600	-	-	-	6,877	28,849	-	2,883	-	8,419
			9,413	-	(0)	-	-	-	-	-	-	-	84	9,329	-	-	-	-	-
202 Puente	Design	(034)	30,828	-	-	-	-	-	-	-	-	-	-	9,683	-	-	21,145	-	-
	ROW	n/a	57,136	-	-	-	-	-	-	48,000	-	-	-	984	-	-	8,152	-	-
Puente Total	Constr	(040)	97,377	-	-	(0)	-	-	-	48,000	-	-	84	19,996	-	-	29,297	-	-
			33,458	120	1,881	11,913	-	-	-	-	3	27	3,006	1,365	-	-	15,144	-	-
201 SG Trench	Design	(030)	33,273	-	500	-	-	-	-	-	-	-	-	3,055	-	-	27,533	-	2,185
	ROW	n/a	246,026	-	-	-	-	-	-	237,778	-	-	-	-	-	-	5,323	-	2,923
SG Trench Total	Constr	(037)(038)	312,758	120	2,381	11,913	-	-	-	237,778	3	27	3,006	1,365	3,055	-	48,000	-	5,111
			7,265	4,680	-	-	-	-	-	-	1,168	151	978	288	-	-	-	-	-
106 Temple	Design	(009)	13,077	7,768	-	-	-	-	-	-	969	1,370	2,260	-	-	-	710	-	-
	ROW	(009)	77,822	36,073	3,884	1,043	-	1,387	-	-	33	7,589	13,505	3,950	-	-	10,358	-	-
Temple Total	Constr	(009)	98,165	48,522	3,884	1,043	-	1,387	-	-	2,169	9,110	16,743	4,238	-	-	11,068	-	-
			10,106	-	-	-	-	-	-	-	-	-	-	1,000	-	-	9,106	-	-
200 Turnhill Cyn	Design	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ROW	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Turnhill Cyn Total	Constr	n/a	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
			10,106	-	-	-	-	-	-	-	-	-	-	1,000	-	-	9,106	-	-

Attachment B

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EXHIBIT II - ACE PROJECTS FUNDING BY SOURCE
As of December 31, 2016

(\$ 000's)

Project	Task	Fed #	TEA-21	NCPD/STP	SAFETEA	ITIP	ISTEA/CMQ	FRA/PUC	TCRP	Prop 18	MTA 1	MTA 2	MTA 3	MTA 4	MTA 5	MTA 6	MTA 7	Railroad	Prop Sale	Cities/Better
101 Ramona																				
	Design	(002)	4,355	3,560	-	-	-	-	-	-	795	-	-	-	-	-	-	-	-	-
	ROW	(002)	8,156	2,400	-	-	-	-	-	-	215	5,494	48	-	-	-	-	-	-	-
	Constr	(002)	40,580	16,684	4,158	5,533	-	-	-	-	8,083	2,324	1,580	-	-	-	-	1,000	-	1,119
	Ramona Total		53,091	22,644	4,158	5,533	-	-	-	-	1,010	13,577	2,372	1,680	-	-	-	1,000	-	1,119
105 Nogales-AH																				
	Design	(005)	4,034	2,560	-	1,473	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	ROW	(005)	17,231	9,829	2,397	2,364	-	-	-	-	700	1,940	-	-	-	-	-	-	-	-
	Constr	(005)	28,534	1,841	-	21,580	-	-	4,406	-	382	225	-	-	-	-	-	-	-	100
	Nogales-AH Total		49,798	14,230	2,397	25,417	-	-	4,406	-	1,082	2,166	-	-	-	-	-	-	-	100
106 Sunset																				
	Design	(020)	4,739	-	-	-	-	-	4,400	-	-	-	339	-	-	-	-	-	-	-
	ROW	(026)	3,326	100	-	1,673	-	-	100	-	-	-	565	-	888	-	-	-	-	-
	Constr	TCRP	85,797	-	-	-	-	-	47,720	-	-	-	14,607	16,691	345	-	-	-	-	6,434
	Sunset Total		93,862	100	-	1,673	-	-	52,220	-	-	-	15,511	16,691	1,232	-	-	-	-	6,434
110 East End																				
	Design	(003)	4,295	1,952	1,240	-	-	-	-	-	-	97	-	-	-	-	-	-	-	-
	ROW	(003)	4,478	3,131	-	1,347	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Design	(010)	3,620	2,896	-	600	-	-	-	-	122	2	-	-	-	-	-	-	-	-
	ROW	(010)	9,431	5,718	-	2,255	-	-	-	-	-	286	919	253	-	-	-	-	-	-
	Constr	TCRP	57,176	-	-	407	-	-	46,780	-	-	433	9,557	-	-	-	-	-	-	-
	EE/Reservoir Total		79,000	13,697	1,240	5,561	-	-	46,780	-	122	818	10,530	253	-	-	-	-	-	-
111 Brea Canyon																				
	Design	(019)	4,556	1,191	-	410	-	-	2,500	-	-	-	455	-	-	-	-	-	-	-
	ROW	(027)	12,881	-	1,485	5,521	-	-	2,000	-	-	-	3,875	-	-	-	-	-	-	-
	Constr	TCRP	56,466	-	-	-	-	5,000	21,007	-	-	-	21,745	-	-	-	-	-	-	8,715
	Brea Canyon Total		73,903	1,191	1,485	5,521	410	-	5,000	25,507	-	-	26,075	-	-	-	-	-	-	8,715
309 Jump Start																				
	Design	(001)	8,057	6,072	-	265	-	-	-	-	1,541	-	179	-	-	-	-	-	-	-
	ROW	(001)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Constr	(001)	3,582	2,866	-	-	-	-	-	-	612	239	(134)	-	-	-	-	-	-	-
	Jump Start Sub-Total		11,639	8,938	-	265	-	-	-	-	2,153	239	45	-	-	-	-	-	-	-
312 JS - Mission																				
	Design	(006)	242	240	-	-	-	-	-	-	2	-	-	-	-	-	-	-	-	-
	ROW	(006)	158	160	-	-	-	-	-	-	-	(2)	-	-	-	-	-	-	-	-
	Constr	(015)	2,270	1,578	-	-	-	-	-	-	515	96	81	-	-	-	-	-	-	-
	JS - Mission Sub-Total		2,670	1,978	-	-	-	-	-	-	517	94	81	-	-	-	-	-	-	-
315 JS - Quad Gates																				
	Constr	(016)	4,832	3,863	-	-	-	-	-	-	888	38	43	-	-	-	-	-	-	-
320 IRRIS - Train																				
	Constr	(007)	2,936	2,164	-	-	-	-	-	-	374	167	231	-	-	-	-	-	-	-
321 JS - Phase 1																				
	Constr	(008)	3,553	2,845	-	-	-	-	-	-	96	615	(2)	-	-	-	-	-	-	-
322 JS - Phase 2																				
	Constr	(014)	4,991	3,992	-	-	-	-	-	-	-	1,000	(1)	-	-	-	-	-	-	-
325 IRRIS - Traffic																				
	Constr	(021)	3,520	2,502	-	-	-	-	-	-	-	727	290	-	-	-	-	-	-	-
	JS/Safety/IRRIS Total		34,141	26,282	-	265	-	-	-	-	4,028	2,880	686	-	-	-	-	-	-	-
Total Projects																				
			1,661,288	134,053	17,464	67,346	38,982	13,283	22,544	130,300	463,482	8,414	28,578	84,800	27,567	108,585	28,849	399,587	36,910	2,894
Start-up/Misc																				
			11,926	-	-	-	-	-	-	-	-	5,726	1,261	200	1,000	3,739	-	-	-	-
	ACE		1,673,215	134,053	17,464	67,346	38,982	13,283	22,544	130,300	463,482	14,140	29,839	85,000	28,567	112,324	28,849	399,587	36,910	2,894
Net Authorized Projects																				
			1,678,521	134,053	17,464	67,346	38,982	13,283	22,544	130,300	464,403	14,140	29,839	85,000	28,567	112,324	28,849	400,000	40,552	3,224
Allocated Projects																				
			1,673,215	134,053	17,464	67,346	38,982	13,283	22,544	130,300	463,482	14,140	29,839	85,000	28,567	112,324	28,849	399,587	36,910	2,894
Surplus / (Shortfall)																				
			5,306	(0)	0	(0)	(0)	(0)	(0)	(0)	921	-	-	0	-	-	-	413	3,642	330
Other Income																				
			157	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Net Income plus / (Shortfall)																				
			5,463	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-

MTA 1 : MOU P0004367
MTA 2 : MOU 8002
MTA 3-5 : AMENDMENTS TO MOU
MTA 6 : MOU P000F1159 (Nogales-LA)
MTA 7 : MOU 8002R (Measure R-Phase II)

Attachment B

Exhibit II - ACE PROJECTS FUNDING BY SOURCE
Changes in Funding on Active Projects
As of December 31, 2016
(\$ 000's)

Project	Task	9/30/2016	SAFETEA-LU	TEA-21	PUC	TCIF	MTA 5	MTA 6	Meas R	Railroad	City	12/31/2016	Comments
At-Grade Crossing	Design	3,707										4,463	Based on revised budget
	ROW	311										1,075	Based on revised budget
	Constr	15,822					764		756			17,378	Based on revised budget
At-Grade Crossing Total		19,840					(764)		2,320			22,916	
Baldwin	Design	5,390										5,390	
	ROW	37,237										37,237	
	Constr	27,738										27,738	
Baldwin Total		70,365										70,365	
Durfee	Design	8,738					308					9,046	Based on revised budget
	ROW	27,771					(308)		5,161			32,624	Based on revised budget
	Constr	41,872							7,601			49,473	Based on revised budget
Durfee Total		78,381										91,143	
Fairway-LA	Design	8,231										8,231	
	ROW	34,198							(2,595)			31,603	Based on revised budget
	Constr	96,928							2,595			99,523	Based on revised budget
Fairway-LA Total		139,357										139,357	
Fullerton	Design	10,583							115			10,698	Based on revised budget
	ROW	25,412							1,213			26,625	Based on revised budget
	Constr	110,622						9,979	(5,540)			115,061	Based on revised budget
Fullerton Total		146,617										152,384	
Hamilton	Design	1,767										1,767	
	ROW	22										22	
	Constr	-										-	
Hamilton Total		1,789										1,789	
Montebello	Design	12,970							550			13,530	Based on revised budget
	ROW	27,200							2,480			29,680	Based on revised budget
	Constr	101,830							15,025			116,855	Based on revised budget
Montebello Total		142,000										160,045	
Nogales-LA	Design	4,706										4,706	
	ROW	50,295										50,295	
	Constr	66,087										66,087	
Nogales-LA Total		121,088										121,088	
Pueente	Design	9,413										9,413	Based on revised budget
	ROW	30,163							665			30,828	Based on revised budget
	Constr	55,882							254			57,136	Based on revised budget
Pueente Total		95,458										97,377	
SG Trench	Design	33,458										33,458	
	ROW	33,273										33,273	
	Constr	246,026										246,026	
SG Trench Total		312,757										312,757	
Temple	Design	7,265										7,265	
	ROW	13,070										13,070	
	Constr	71,785										77,822	Based on revised budget
Temple Total		92,120										98,164	Based on revised budget
Turnbull Cyn	Design	10,106										10,106	
	ROW	-										-	
	Constr	-										-	
Turnbull Cyn Total		10,106										10,106	
NET CHANGE		-	-	-	-	-	-	9,979	30,590	6,044	-	46,613	

Exhibit III

ACE Projects Allocation vs. Actual Summary

As of December 31, 2016

		(\$ 000's)						
	Project	Cost Estimate (1997)	Cost Estimate (2006)	(Exhibit II) Total Allocated to Projects	ITD Expenditures (Exhibit V)	Estimate at ** Completion Exhibit IV	Variance (Allocated vs. Estimate at Completion)	Status
	Start-up/Misc			\$ 11,926	\$ 9,952			
ACE Projects								
1	At-Grade Crossing Safety Improvements	N/A	N/A	\$ 22,916	\$ 952	\$ 22,916	\$ -	Active
2	Durfee Road	N/A	N/A	91,143	20,279	91,143	-	Active
3	Fairway Drive (LA)	N/A	N/A	139,357	62,849	139,357	-	Active
4	Fullerton Road	N/A	N/A	152,384	38,778	152,384	-	Active
5	Montebello Corridor	N/A	N/A	160,045	3,267	160,045	-	Active
6	Nogales South (LA)	24,307	N/A	121,088	111,731	118,493	2,595	Active
7	Puente Avenue	N/A	N/A	97,377	60,682	97,377	-	Active
8	San Gabriel Trench	198,205	N/A	312,758	242,184	312,755	3	Active
9	Temple Avenue	35,985	80,272	98,165	90,197	98,165	-	Active
10	Turnbull Canyon Road	N/A	N/A	10,106	292	10,106	-	Preliminary
11	Baldwin Avenue	23,994	64,765	70,365	70,365	70,364	1	Closed
12	Brea Canyon	26,571	64,401	73,903	73,459	73,903	-	Closed
13	Crossing Safety/IRRIS	61,000	35,200	34,141	34,343	34,141	-	Closed
14	East End/Reservoir	56,571	69,180	79,000	78,960	79,000	0	Closed
15	Hamilton Blvd.	N/A	N/A	1,789	1,789	1,789	-	Closed
16	Nogales North (Alh)	39,636	54,599	49,798	49,797	49,798	0	Closed
17	Ramona Blvd.	14,489	47,102	53,091	53,091	53,091	-	Closed
18	Sunset Avenue	22,259	70,502	93,862	93,794	93,862	-	Closed
	Subtotal	\$ 503,017	\$ 486,021	1,673,215	\$ 1,096,761	\$ 1,658,689	\$ 2,600	

Estimated Total Project Cost	\$ 950,000	\$ 1,400,000
Net Authorized	\$ 1,678,520,827	
Allocated	1,673,214,613	
Available	\$ 5,306,214	

** Excludes Start-up/Misc of \$11.926M to agree with Exhibit-IV EAC.

Exhibit IV Expenditure Forecast (Active Projects)

As of December 31, 2016
(\$ millions)

ITD	Actual	Budget		Estimate ^A		Forecast			EAC ^C	
		2015	2016	2017	2018	2019	2020 ^B	Q1 FY17	Change	Q2 FY17
Active Projects										
At-Grade Crossing Safety	0.1	0.2	1.5	1.5	7.7	10.3	3.1	19.8	3.1 ^D	22.9
Durfee Road	7.6	2.6	14.2	17.3	24.6	18.5	20.5	78.4	12.7 ^E	91.1
Fairway Drive (LA)	37.8	12.1	25.7	25.7	23.1	27.8	12.9	139.4		139.4
Fullerton Road	26.8	14.1	26.0	15.1	31.4	34.0	31.0	146.6	5.8 ^F	152.4
Montebello Corridor	0.1	0.2	4.9	4.9	25.6	21.7	107.5	142.0	18.0 ^D	160.0
Nogales (LA)	88.4	24.3	3.8	5.8				118.2	0.3 ^G	118.5
Puente Ave	41.0	12.1	15.5	15.5	20.6	8.2		96.5	0.9 ^F	97.4
San Gabriel Trench	169.0	55.3	41.4	41.4	44.6	2.5		312.8		312.8
Temple	88.9	0.2		9.1				92.1	6.1 ^H	98.2
Turnbull Canyon Rd	0.0		0.5	0.5	9.5			10.0		10.0
Completed Projects										
Baldwin	69.9	0.5						70.4		70.4
Brea Cyn	73.9							73.9		73.9
Crossing Safety/IRRIS	34.2							34.2		34.2
East End/Reservoir	79.0							79.0		79.0
Hamilton Blvd.	1.8							1.8		1.8
Nogales (Alh)	49.8							49.8		49.8
Ramona	53.1							53.1		53.1
Sunset	93.8							93.8		93.8
Total	915.2	121.6	133.5	136.8	187.1	123.0	175.0	1,611.8	46.9	1,658.7

Note: Project forecasts include indirect cost.

^A 2017 estimate includes mid-year adjustments

^B Includes costs beyond 2020

^C EAC includes 2017 estimate

^D Updated design, utility relocations and construction estimates

^E Updated design, ROW acquisition and construction estimates

^F Updated utility relocations and construction estimates

^G Revised construction estimate

^H Additional railroad costs

Attachment B

Exhibit V

ACE Expenditures vs. Reimbursements

As of December 31, 2016

Reimbursement Status (\$ 000)						
Projects	ITD Expenditures	Received	Current/ 30 days or Less	Aged ** Receivable	To Be Billed	MTA Retention
At Grade Crossing	\$ 952	\$ 787	\$ 155	\$ 0.25	\$ 9	\$ 1
Baldwin	70,365	70,336	-	27	-	2
Durfee	20,279	18,432	-	55	1,769	24
Fairway Drive	62,849	60,871	1,324	177	461	16
Fullerton	38,778	34,467	1,658	458	2,059	137
Montebello	3,267	2,426	-	0	840	2
Nogales (LA)	111,731	104,378	-	273	6,640	439
Puente Ave.	60,682	59,189	1,209	192	70	22
SG Trench	242,184	237,184	4,830	75	82	13
Temple	90,197	89,368	-	-	830	-
Turnbull Cyn.	292	221	-	-	63	8
Brea Canyon	73,459	73,459	-	-	-	-
Crossing Safety / IRRIS	34,343	34,343	-	-	-	-
EE/Reservoir	78,960	78,960	-	-	-	-
Hamilton	1,789	1,738	-	51	-	-
Nogales (AH)	49,797	49,797	-	-	-	-
Ramona	53,091	53,091	-	-	-	-
Sunset	93,794	93,784	-	9	-	-
Sub-total Projects	1,086,809	1,062,829	9,176	1,319	12,823	662
Project Administration	9,952	9,889	-	-	63	-
Total ACE	\$ 1,096,761	\$ 1,072,719	\$ 9,176	\$ 1,319	\$ 12,886	\$ 662

** Represents retention billed MTA and collection is expected soon, pending completion of Measure R final audit report.

Exhibit VI

Project Schedules

As of 12/31/16

Activity Name	FY2017				FY2018				FY2019				FY2020				FY2021			
	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4
ACTIVE PROJECTS																				
At-Grade Crossing Safety																				
Design																				
Construction																				
Closeout																				
Durfee Avenue																				
Design																				
ROW Acquisition																				
Construction																				
Caltrans Closeout (Extends beyond reporting period)																				
Fairway Drive (LA)																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				
Fullerton Road																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				
Montebello Corridor																				
Design																				
ROW Acquisition																				
Construction (Extends beyond reporting period)																				
Caltrans Closeout (Occurs after reporting period)																				
Nogales (LA)																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				
Puente Avenue																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				

Exhibit VI Project Schedules As of 12/31/16

Activity Name	FY2017				FY2018				FY2019				FY2020				FY2021			
	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4	FQ1	FQ2	FQ3	FQ4
San Gabriel Trench																				
Design (Completed)																				
ROW Acquisition (Completed)																				
Construction																				
Caltrans Closeout																				
Turnbull Canyon																				
Design																				
ROW Acquisition																				
Construction (Extends beyond reporting period)																				
Caltrans Closeout (Occurs after reporting period)																				
COMPLETED AND CLOSED																				
No Projnum																				
Nogales Street (Alh)																				
Ramona Blvd																				
Brea Canyon Blvd																				
Temple Ave																				
East End/Reservoir																				
Crossing Safety/IRRIS																				
Sunset Avenue																				
Hamilton Blvd																				
Baldwin Ave																				

Exhibit VII

Treasury / Banking Investments

As of December 31, 2016

	12.31.2016	Change	09.30.2016
Cash on hand			
Operating Account	\$ 2,801,880	\$ (82,376)	\$ 2,884,255
Money Market Account	12,105,329	1,884,576	10,220,753
Money Market (UPRR Contributions)	7,693,912	6,240	7,687,672
Total cash on hand	22,601,121	\$ 1,808,440	20,792,680
Investments			
LAI	1,587,750	2,409	1,585,341
CBT - Portfolio	30,910,119	109,869	30,800,250
Total investments	32,497,869	112,278	32,385,591
Current - 30 days or less	9,175,815	(1,119,803)	10,295,618
Aged Receivable	1,319,214	1,319,214	-
To Be Billed	12,885,904	3,053	12,882,850
MTA Retention	661,782	(1,221,970)	1,883,752
Total Exhibit V	24,042,714	(1,019,506)	25,062,220
Other receivables, prepaids and deferred costs	7,396,669	493,251	6,903,418
Total Cash, Cash Equivalents & Receivables	86,538,373	1,394,464	85,143,909
Liabilities			
Payables & other Accruals	2,027,080	(97,594)	2,124,674
Unearned revenues	24,952,780 (a.)	1,481,153	23,471,627
MTA Working Capital Loan	45,000,000	-	45,000,000
Total liabilities	71,979,860	1,383,559	70,596,301
Fund balance			
Resources net of actual liabilities	14,558,513	10,905	14,547,608
Less estimated:			
CalPERS - Unfunded Liability	947,089 (b.)	(90,948)	1,038,037
CalPERS - Unfunded Termination Liability	5,245,348 (b.)	1,290,667	3,954,681
Resources net of estimated liabilities	\$ 8,366,076	\$ 1,199,719	\$ 9,554,890

a.) Represents surplus property appraised value, net proceeds from sale of ROW surplus properties, advanced UPRR funding, disallowed retention, and Betterment funds billed in advance to City of Industry for Fairway Drive and Fullerton projects.

b.) Updated based on CalPERS's annual valuation report as of June 30, 2015.

Exhibit VII

Treasury / Banking Investments

As of December 31, 2016

Deposit/ Investment Amount 12.31.2016	% of Invest- ments	Bank Deposits	Maximum Maturity	Maximum Percent of Portfolio	Maximum Investment in One Issuer
		Ace deposits are held by Citizens Business Bank (CBB) under a deposit agreement in amounts not to exceed \$50 million. Under the agreement, CBB maintains collateral deposits of at least 110% of the value of all ACE deposits at Bank of New York Mellon in eligible securities. The CBB deposits accounts are:			
\$ 2,801,880		Checking Account			
\$ 19,799,241		Money Market Accounts (3) *			
\$ 22,601,121		Total Deposits			
		Permitted Investments **			
\$ 13,009,162	40.07%	Government Securities (3.0 - 5.00 years)	5 years	50%	15%<=
\$ 9,131,503	28.13%	Corporate Bonds (3.40 - 4.99 years)	5 years	30%	10%<=
\$ 2,727,292	8.40%	Gov't Mortgages (4.06 - 4.78 years)	5 years	15%	None stated
\$ 736,529	2.27%	Municipals (4.7 - 5.03 years)	None stated	None stated	None stated
\$ 4,533,577	13.96%	CDs (2.75 - 5.01 years)	5 years	30%	10%<=
\$ 751,857	2.32%	Money Markets	None stated	None stated	None stated
\$ 30,889,919	95.15%	Subtotal Investments - Book value *			
\$ 1,587,750	4.89%	State's Local Agency Investment Fund	None stated	None stated	None stated
\$ 32,477,669	100.00%	Total Investments			
\$ 55,078,790		Total			

* Note: Includes \$20,163,447 of available unearned revenues

** Complies with SGVCOG Investment Policy

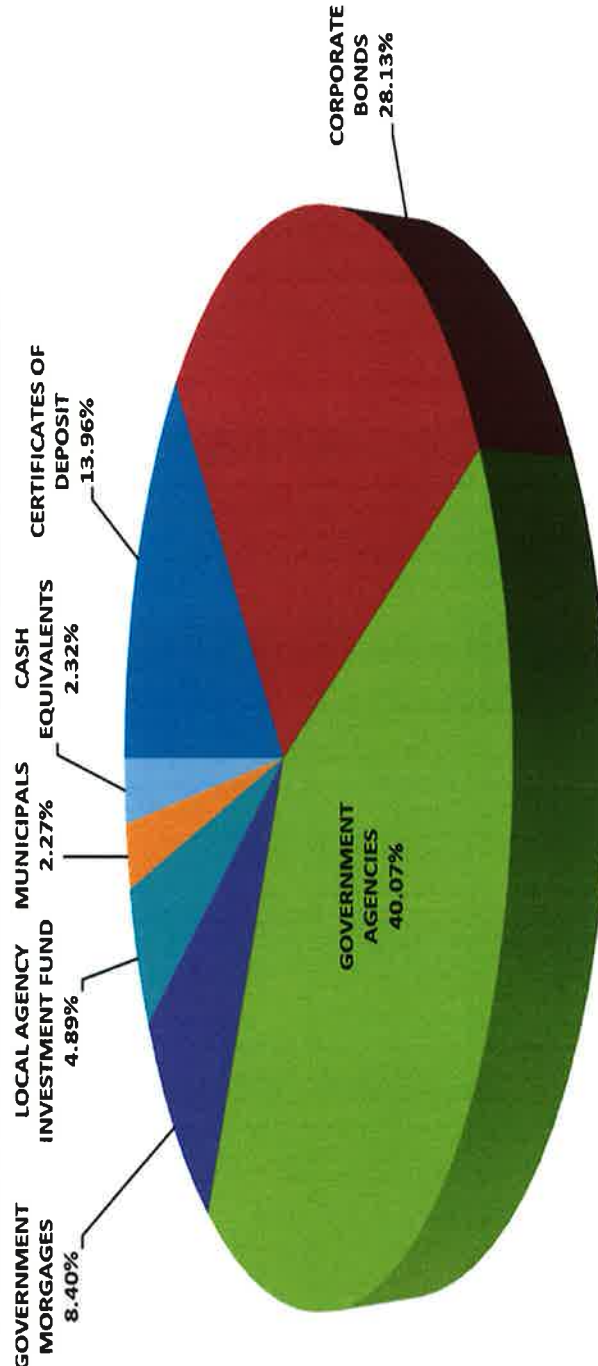
Fixed Income Investments at 12-31-2016 - Summary



Alameda Corridor - East Construction Authority
Office of ACE Construction Authority Finance Director/Treasurer

ASSET ALLOCATION

Assets (Dollars)	Current Par Value	Current Book Value	Market Value	Mkt/Book
CERTIFICATES OF DEPOSIT	4,534,370	4,533,577	4,517,448	99.64%
CORPORATE BONDS	9,111,000	9,131,503	9,037,362	98.97%
GOVERNMENT AGENCIES	12,863,066	13,009,162	12,711,976	97.72%
GOVERNMENT MORTGAGES	2,545,046	2,727,292	2,592,217	95.05%
LOCAL AGENCY INVESTMENT FUND	1,587,750	1,587,750	1,587,750	100.00%
MUNICIPALS	690,000	736,529	731,542	99.32%
CASH EQUIVALENTS	751,857	751,857	751,857	100.00%
Totals (Dollars)	32,083,088	32,477,669	31,930,152	98.31%



Fixed Income Composition by Book Value

Par Value: Or face value is the amount of money redeemed to the bondholder once the bonds matures
Book Value: Is the par value or face value plus any unamortized premiums or less any unamortized discounts.
Market Value: Is the current price at which the bond is trading
Mkt/Book: Measures the market value over the book value of a bond.

Fixed Income Investments Portfolio

December 31, 2016

Cusip	Name	Coupon	Yield to Maturity	Purchase Date	Maturity Date	Current Price	Bid Value	Market Value	Current Book Value
3136GJMM55	Fannie Mae	0.80	0.837	12/10/2013	11/28/2017	99.884	250.000	249.635	248.494
3135GJ0J46	Fannie Mae	1.25	1.338	2/26/2016	2/26/2019	99.743	200.000	199.486	199.486
3136GJCQ98	Fannie Mae	1.42	1.536	5/11/2016	2/5/2020	99.579	150.000	149.369	151.575
3136G3CQ78	Fannie Mae	1.55	2.227	7/28/2016	7/28/2021	96.813	300.000	193.626	200.000
3136G3CXZ3	Fannie Mae	1.50	2.125	7/28/2016	7/28/2021	97.047	300.000	291.141	300.000
3136G3Y333	Fannie Mae	1.40	2.080	8/25/2016	8/25/2021	96.785	400.000	387.140	399.924
3135G0N666	Fannie Mae	1.40	2.084	8/24/2016	8/24/2020	97.387	400.000	389.548	399.924
3136G3CQ56	Fannie Mae	1.65	2.256	9/23/2016	9/23/2021	97.083	1,000.000	970.830	999.720
3136G3CQ56	Fannie Mae	1.65	2.256	9/23/2016	9/23/2021	97.083	1,000.000	970.830	999.720
3136G3E1V1	Fannie Mae	1.63	2.250	10/28/2016	10/28/2021	97.057	250.000	249.686	249.686
3136G3CF4F	Fannie Mae	1.55	2.211	10/31/2016	10/28/2021	96.891	200.000	193.782	200.000
3133EC5V2	Federal Farm Credit Bank	1.19	1.271	12/6/2013	12/4/2018	99.609	625.000	622.556	617.613
3133FE7QK1	Federal Farm Credit Bank	1.62	2.271	4/12/2016	4/12/2021	96.936	500.000	484.680	499.545
313378FK90	Federal Home Loan Bank	1.88	1.626	4/28/2014	3/8/2019	101.161	250.000	252.903	250.742
3130AENAI1	Federal Home Loan Bank	1.40	1.760	10/29/2015	10/29/2019	98.615	200.000	197.230	200.000
313380FB8	Federal Home Loan Bank	1.38	1.465	11/5/2015	9/13/2019	99.663	365.000	363.770	363.785
3130ASNTK6	Federal Home Loan Bank	1.64	1.922	7/8/2016	7/14/2021	95.189	100.000	98.189	100.000
3130ASNVW9	Federal Home Loan Bank	1.30	1.885	8/3/2016	5/1/2020	97.894	400.000	391.576	400.000
3130A9GS4	Federal Home Loan Bank	1.70	2.237	10/12/2016	10/12/2021	98.479	600.000	584.838	600.000
3130AA2S26	Freddie Mac	1.80	2.123	11/30/2016	11/26/2021	97.473	300.000	295.437	299.727
3134G3CQ08	Freddie Mac	1.68	2.420	8/25/2016	8/25/2021	96.531	400.000	386.124	400.000
3134G89L7	Freddie Mac	1.60	2.333	8/25/2016	8/25/2021	96.559	700.000	675.913	700.000
3134GAEE0	Freddie Mac	1.50	2.282	9/30/2016	9/30/2021	96.676	1,000.000	966.760	999.480
3134GANK3	Freddie Mac	1.60	2.433	9/30/2016	9/30/2021	98.371	800.000	786.968	799.480
3137ABEP7	Freddie Mac	4.19	2.316	9/7/2016	10/25/2020	97.451	325.558	316.451	351.233
3137ABEFH9	Freddie Mac	3.99	2.538	9/7/2016	6/25/2020	106.517	466.000	528.326	547.013
3134GARB2	Freddie Mac	2.05	2.291	10/27/2016	10/27/2021	96.751	300.000	290.253	300.000
3134GAZR8	Freddie Mac	1.60	2.154	12/30/2016	12/30/2021	99.508	200.000	199.016	200.000
880591EQ1	Tenn Valley Authority DTD	1.75	1.530	10/6/2014	10/15/2021	100.858	200.000	201.716	200.358
880591EL2	Tenn Valley Authority DTD	3.88	2.063	9/19/2016	2/15/2021	107.602	500.000	538.010	555.440
Government Securities (3.0 - 5.00 years)									
0206UMLM42	Ally Bank Medium	1.30	1.611	9/15/2016	6/16/2019	99.165	250.000	247.913	250.000
0670AKHU90	American Express	1.60	1.496	7/18/2014	7/23/2019	100.769	171.377	171.377	171.377
05580AFAT	BMW Bank North America	1.20	1.559	9/13/2016	8/26/2020	98.988	250.000	247.422	250.000
05580ACZ25	BMW Bk North, America DTD	2.20	1.896	10/8/2015	9/30/2020	101.440	250.000	253.601	249.950
05580P6C66	BMW Bk North, America Salt Lake	2.00	1.770	11/20/2013	11/15/2018	101.095	250.000	252.738	249.488
140420D64	Capital One Bank	1.65	1.919	9/13/2016	8/31/2021	98.730	249.000	245.837	249.000
140420F21	Capital One Bank	1.65	1.966	9/14/2016	9/14/2021	98.407	250.000	246.018	250.000
140420B82	Capital One Bank Medium	1.60	1.898	7/13/2016	5/4/2021	98.293	250.000	245.733	249.408
140420YS3	Capital One Bank USA	1.60	1.898	7/13/2016	5/4/2021	98.293	250.000	245.733	249.408
140432PA42	Capital One Bank Medium	2.35	1.969	10/8/2015	10/16/2020	100.821	163.993	163.993	163.993
2548272W20	Discover Bank DTD	1.85	1.833	12/14/2016	12/14/2020	100.065	200.000	200.130	200.000
36830KEU5	GE Capital Retail Bank	1.50	1.418	11/15/2013	11/22/2017	100.321	250.000	250.803	250.000
36157QTF4	GE Capital Retail Bank	2.00	1.768	11/19/2013	11/23/2018	101.108	250.000	252.770	248.725
619165GX5	Morton Community Bank	1.60	1.752	7/16/2016	6/16/2020	99.483	200.000	198.965	200.000
87164YML5	Synchrony Bank DTD	1.55	1.913	7/13/2016	6/29/2021	98.292	200.000	245.731	249.463
949763AW6	Wells Fargo Bank	1.30	1.588	9/14/2016	9/6/2019	99.164	250.000	247.910	250.000
949763AZ9	Wells Fargo Bank	1.95	1.987	9/14/2016	9/14/2021	98.403	250.000	246.007	250.000
949763AZ9	Wells Fargo Bank CD	1.75	1.929	9/14/2016	6/17/2021	99.164	250.000	246.007	250.000
CBS (3.27 - 5.01 years)									
039158AS5	Air Products	1.20	1.206	11/14/2013	10/15/2017	99.977	1,205.000	1,204.723	1,197.402
02665VMBG5	American Honda Finance	1.70	2.449	9/15/2016	9/9/2021	96.506	1,400.000	1,351.084	1,392.034
05531FAL7	BB&T Corp	1.60	1.569	11/22/2013	8/15/2017	100.113	500.000	500.565	500.056
05531FAU0	BB&T Corp	2.63	2.452	9/2/2015	6/29/2020	100.783	925.000	932.243	929.494
149121L6U7	Caterpillar Financial Serv Corp	1.70	2.560	9/9/2016	8/9/2021	96.051	1,746.000	1,677.050	1,738.545
40426HPJ55	HSBC USA INC	2.63	2.398	12/4/2013	9/24/2018	101.024	1,000.000	1,010.240	1,011.622
437076BB7	Home Depot	2.25	2.956	11/7/2012	9/10/2018	101.352	1,000.000	1,013.520	1,008.708
784495B57	PepsiCo Inc	4.00	2.466	11/28/2013	1/15/2020	107.605	100.000	107.505	108.942
784495B57	PepsiCo Inc	1.70	1.700	11/28/2013	4/7/2020	99.776	500.000	498.680	495.737
882080A08	Texas Instruments	1.65	1.710	9/9/2015	8/3/2019	99.776	500.000	498.680	495.737
9111312AMB	United Parcel Service (3.40 - 4.99 years)	3.13	2.352	6/10/2016	1/15/2021	103.354	185.000	191.205	197.672
Corporate Bonds (3.40 - 4.99 years)									
31381NMB3	Federal Nat'l Mtge Assn#FNA65783	3.84	2.543	12/10/2013	1/1/2020	105.746	156.626	165.626	166.758
31381P3Z9	Fannie Mae Pool #467116	3.78	3.718	12/10/2013	9/1/2018	100.046	500.000	500.230	530.781
31381CN69	Fannie Mae Pool #467613	3.74	3.271	11/21/2013	4/1/2018	101.890	683.735	696.658	744.631
31381C5P7	Fannie Mae Pool #468054	3.59	3.090	11/21/2013	6/1/2018	102.096	455.999	465.557	493.762
31381SDV1	Fannie Mae Pool #469116 DTD	2.94	2.595	11/21/2013	9/1/2018	101.544	631.1280	641.1027	666.691
31407184U8	Fannie Mae Pool #536563	5.00	3.795	4/29/2016	10/1/2020	104.863	2,17.405	2,123.119	2,124.969
Govt Credit Tranches (3.08 - 3.78 years)									
758148G00	Ronald Chait Tranches	4.00	2.981	11/18/2013	8/1/2018	104.433	250.000	261.106	264.743
010831BM6	Alameda County JPA	5.00	3.489	11/21/2013	12/1/2018	106.917	440.000	471.435	471.786
31607AZ08	Municipals (4.7 - 6.03 years)	2.27%	106.021	10/7/2015		99.000	690.000	731.642	736.629
Money Markets									
2.32%	Fidelity Prime Mon Mar-ins	1.00				751.857	751.857	751.857	751.857
TOTAL (Dollars)									
							\$ 30,496,338	\$ 30,342,402	\$ 30,589,919



Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 www.theaceproject.org

MEMO TO: ACE Construction Authority Finance Committee

FROM: Mark Christoffels
Chief Executive Officer

DATE: January 26, 2017

SUBJECT: Update on Working Capital Financing Program

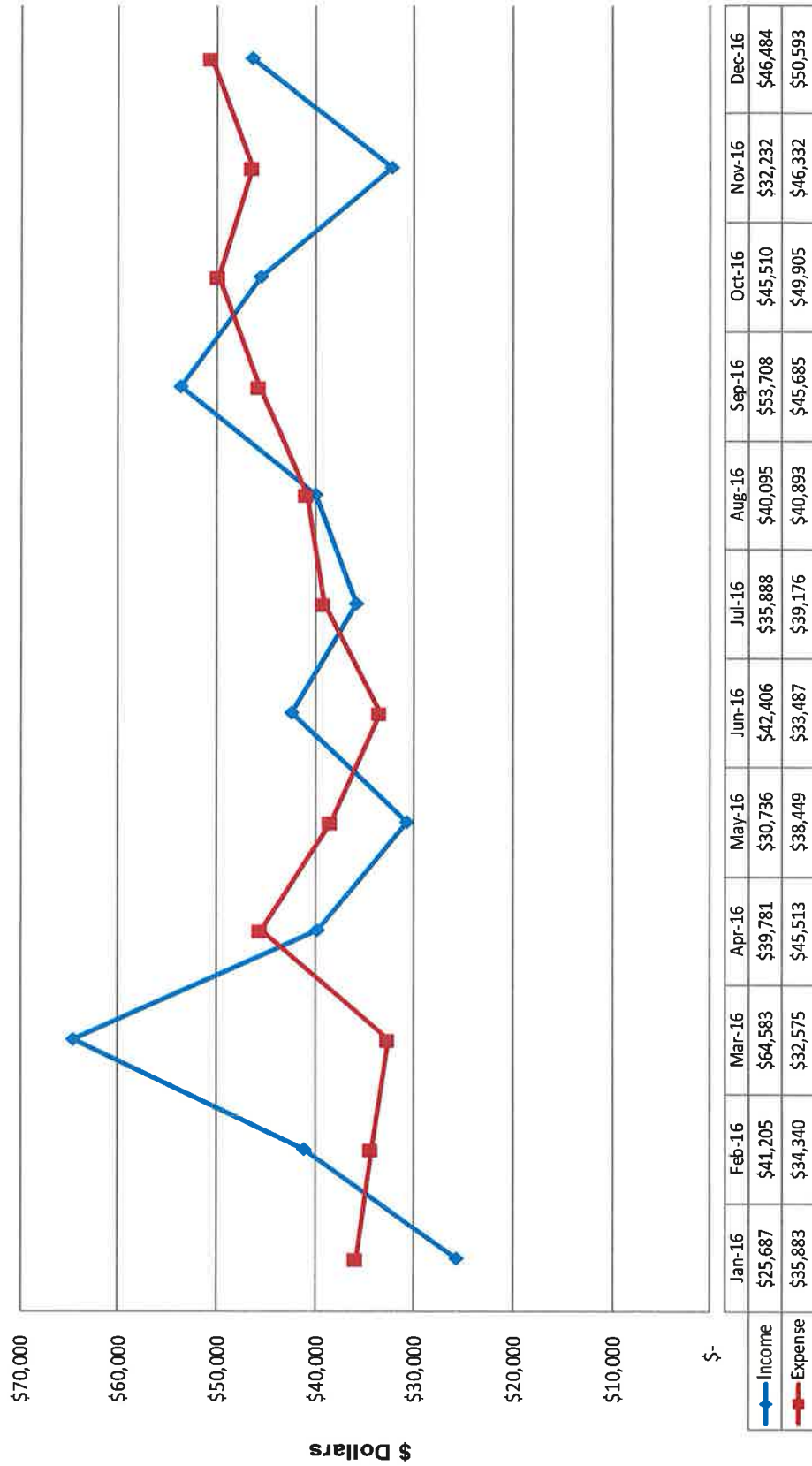
RECOMMENDATION: Receive and file a report on the ACE's Working Capital Financing Program for the period from October 1, 2016 through December 31, 2016

BACKGROUND: ACE's revenue is primarily based on grant funding which is allocated on a reimbursement basis. In order to meet its financial obligations under the contracts issued, ACE must obtain working capital through borrowing and cash on hand. The attached documents identify ACE's working capital investment returns and how much of our incurred debt is available for short term investments.

ACE staff has been working hard to keep receivables (essentially grant reimbursements) at less than 30 days. A benefit of reducing aging receivables is that ACE's cost of borrowing is substantially reduced because we are able to maintain a healthy balance in our short-term investments. For the months of July, August, and September, the cost of borrowing was \$146,830 and the interest income on short-term investments was \$124,226 for a net interest expense of \$22,604 on a \$45m loan.

Attachment

ACE Construction Authority Cost of Borrowing



REPORT

DATE: February 1, 2017

TO: City Managers' Steering Committee
Executive Committee
Governing Board Delegates and Alternates

FROM: Phil Hawkey, Executive Director

RE: **FY 2016-17 BUDGET AMENDMENT #2**

RECOMMENDED ACTION

Recommend Governing Board adopt Resolution 17-03 approving Amendment #2 to the FY 2016-17 budget.

BACKGROUND

Staff is recommending some minor revisions to the FY 2016-17 budget related to the completion of one grant-funded project, payroll taxes and financial and administrative support services. The overall impact of the proposed revision is to have a net year-end balance of -\$24,511.

Prepared by: _____

Marisa Creter
Marisa Creter
Assistant Executive Director

Approved by: _____

Phil Hawkey
Phil Hawkey

ATTACHMENTS

Attachment A– Explanation of Revisions to Revenue and Expenses
Attachment B – Resolution 16-32

Attachment A - Summary of Proposed Revisions (FY 2016-17)

Line	Note
3, 42	The SGVCOG held its first General Assembly in October 2016. Initially, it was anticipated that the SGVCOG would receive approximately \$10,500 in sponsorships to offset the cost of the event. Including ticket sales for attendees, the total revenues for the event were \$12,551. The total cost was \$10,500. Therefore, the SGVCOG netted approximately \$2,051 on this event.
5, 27	<p>Miscellaneous Revenue reflects revenue from two sources:</p> <ul style="list-style-type: none"> • MTA MOU administrative fees: The SGVCOG receives a 3% administrative fee associated with the funding that is used to contract with the SGVCOG Transportation/Metro Board Consultant. The total amount to be received in FY 2016-17 for administration is \$2,146. • CalPERS Repayment: In November, the SGVCOG Governing Board took action to convert the Executive Director position from a consultant position to an in-house staff position due to a determination by CalPERS regarding the applicability of the Public Employment Pension Reform ACT (PEPRA) to this position. As a result of that action, CalPERS determined that the SGVCOG and the employee were required to submit payment for the CalPERS contribution that would have been withheld during the time in which the now-employee was employed as a consultant. The total amount of the contributions owed is approximately \$25,000. This includes both the employee and employer contribution. PEPRA prohibits employers from covering employee contributions for employees hired after January 1, 2013. Therefore, the employee is being invoiced for the employee share of the back payments (approximately \$11,000).
10, 24	In 2016, the SGVCOG Governing Board approved a three-year contract with SoCalGas (SCG) for administration of the San Gabriel Valley Energy Wise Partnership (SGVEWP). Typically, the SGVCOG does not expend its full budget. This program is primarily staffed through SGVCOG interns, and the full costs of the intern positions (including payroll taxes and overhead) are reimbursed through the grant. Staff is recommending increasing both the anticipated revenues and expenditures by \$20,000 to reflect additional SGVEWP projects and initiatives. There is no net impact as a result of this revision.
12, 57	SGVCOG staff recently completed work on the SCE CEESP Phase 3 grant, which funded projects related to energy efficiency including a green building guidebook, online permitting, and a home energy assessment program. In addition to staff labor and expenses, additional funding was included in the FY 2016-17 budget to reimburse cities for software costs associated with the online permitting task. However, no invoices were received and all work has been completed on this grant. Therefore, the final grant revenue and expenditures for FY 2016-17 reflect only SGVCOG labor and expenses. The final revenue calculation was reduced by \$32,004, from \$47,850 to \$15,845 and the final expenditure calculation was reduced by \$37,525, from \$40,000 to \$2,475. The net impact of these changes was to increase net revenues by \$5,521.
13	In January 2017, the SGVCOG was awarded an additional \$80,000 towards its SGVEWP to assist the cities of West Covina, Pomona, South Pasadena and Monrovia

REPORT

	with energy benchmarking. Energy benchmarking allows cities to inventory their facilities' energy usage and compare it to similar facilities. All work will be completed in-house and must be completed by December 2017. Because this grant is paid on a reimbursement basis, only half of the grant award (\$40,000) is being included in the FY 2016-17 budget. The remainder will be included in the FY 2017-18 budget.
18	SGVCOG General Counsel has been directed by the Executive Committee to perform work outside of the scope of the retainer services related to ongoing communication from CalPERS. General Counsel estimates that the cost for this work will not exceed \$5,000.
20	In February 2016, the Governing Board approved a contract with Vincenti Lloyd and Stutzman for treasurer services. The scope of work includes reviewing the quarterly financial reports and reporting to the Executive Committee. The annual budget is not to exceed \$22,500, and the costs are shared between ACE and SGVCOG. It was originally anticipated that the majority of the costs (75%) would be attributed to reviewing ACE's financial documents. However, the allocation of time currently averages approximately 60/40, weighted towards review of SGVCOG financial documents. Therefore, staff is recommending that the budget be revised to increase the anticipated annual costs by \$8,500, from \$5,000 to \$13,500.
21, 46	Staff is recommending increasing the budget for both financial/accounting services and administrative services by \$4,000 and \$5,000 respectively, reducing net revenues by \$9,000. Both of these services are provided by ACE staff via Memorandums of Understanding that were approved by the Governing Board in February 2016. ACE administrative and finance staff have assisted on special projects this year, including the preparation of the SGVCOG's updated financial policy and participation in the Caltrans pre-award audit. These increases reflect the additional labor associated with assisting on these efforts.
23, 25, 26, 44	<p>Adjustments to these budget items are related to two actions taken by the SGVCOG Governing Board:</p> <ul style="list-style-type: none"> • Executive Director position: As discussed above, in November, the SGVCOG Governing Board took action to convert the Executive Director position from a consultant position to an in-house staff position. The annual salary for this position is \$150,000, and there are additional costs associated with benefits, taxes, and PERS contributions. The line items associated with staff salaries, benefits, and PERS/Employer Taxes were increased to reflect the conversion of this position (pro-rated to a seven-month period from December – June). The benefits line item also includes \$9,800 in back payment of health insurance benefits to the employee (\$700 X 14 months). The line item for management consultant services was reduced by \$91,000 to reflect termination of that agreement with Kelly Associates Management Group effective December 1, 2016. • SGVEWP Position: In January 2017, the Governing Board approved addition of a new limited-term management analyst position to manage the SGVEWP. The cost of this position, including salary, benefits, and overhead, will be fully reimbursed by the SGVEWP. Staff is currently undertaking a recruitment for this position and anticipates that the position will be filled by March 2017.

REPORT

	Therefore, the staff salaries, benefits, and PERS/Employers Taxes line items were adjusted to reflect the four-month pro-rated cost of this position (\$21,150).
52	In March, the SGVCOG President formed the Ad Hoc ACE/ Large Capital Project Subcommittee to review and make recommendations related to the future of the SGVCOG and whether it should be primarily a planning agency or should it also have the internal capacity to implement and build large capital projects. The ad hoc committee began meeting in August and presented its initial recommendations to the Governing Board in January. In September, the Governing Board approved an amendment to the Budget that provided up to \$10,000 to hire a technical consultant to assist this committee and provide information, recommendations, and research. However, all work has been completed in-house. Therefore, staff is recommending eliminating this expenditure. The net impact of this change is to increase net revenues by \$10,000.

	Adopted Budget FY 16/17	Adopted Amendment #1	Proposed Amendment #2	Change (+/-)
1 General Operating Income				
2 Member Dues	\$ 745,909	\$ 745,909	\$ 745,909	\$ -
3 Sponsorships	-	10,500	12,551	\$ 2,051
4 Hero Revenue	12,000	12,000	12,000	\$ -
5 Miscellaneous Revenue	-	2,500	13,146	\$ 10,646
6 Interest	1,000	1,000	1,000	\$ -
7 <i>Total General Operating Income</i>	<u>758,909</u>	<u>771,909</u>	<u>784,606</u>	
8 Grants & Special Project Income				
9 MTA Consultant	88,413	88,413	88,413	\$ -
10 Energy Wise (SGVEWP) - Gas	80,000	80,000	100,000	\$ 20,000
11 Energy Wise (SGVEWP) - Edison	109,000	109,000	109,000	\$ -
12 SCE CEESP Phase 3 Grant	47,850	47,850	15,846	\$ (32,004)
13 SGVEWP Strategic Plan Grant			40,000	\$ 40,000
14 <i>Total Grants & Special Project Income</i>	<u>325,263</u>	<u>325,263</u>	<u>353,259</u>	
15 Total Income	<u>1,084,172</u>	<u>1,097,172</u>	<u>1,137,865</u>	
16 General Operating Expenses				
17 <u>Ongoing Operational Contracts</u>				
18 Legal Services	30,000	30,000	35,000	\$ 5,000
19 Financial Audit Services	20,000	20,000	20,000	\$ -
20 Treasurer	5,000	5,000	13,500	\$ 8,500
21 Financial/Accounting Services (ACE)	28,000	28,000	32,000	\$ 4,000
22 <u>Personnel</u>				
23 Salaries & Deferred Compensation	260,000	260,000	364,167	\$ 104,167
24 Internship Program	40,500	40,500	60,500	\$ 20,000
25 Benefits	33,600	33,600	56,700	\$ 23,100
26 PERS & Employer Taxes	19,162	19,162	34,122	\$ 14,960
27 Calpers Payment (Includes FY 2015-16)	-	-	25,000	\$ 25,000
28 Staff Training and Professional Development	5,000	5,000	5,000	\$ -
29 PER Unfunded Liability	-	-		
30 <u>General & Administrative</u>				
31 Rent & Parking	72,627	72,627	72,627	\$ -

		Adopted Budget FY 16/17	Adopted Amendment #1	Proposed Amendment #2	Change (+/-)
32	Utilities	8,025	8,025	8,025	\$ -
33	Postage	2,000	2,000	2,000	\$ -
34	Equipment & Software Acquisition	10,000	10,000	10,000	\$ -
35	Storage	2,671	2,671	2,671	\$ -
36	Office Supplies	5,000	5,000	5,000	\$ -
37	Miscellaneous maint/ops expense	5,000	5,000	5,000	\$ -
38	Meeting/Travel	40,000	40,000	40,000	\$ -
39	Dues & Subscriptions	3,500	3,500	3,500	\$ -
40	Administrative Fees	3,500	3,500	3,500	\$ -
41	Insurance	8,000	8,000	8,000	\$ -
42	General Assembly	-	13,000	10,500	\$ (2,500)
43	<u>Consultant Services</u>				
44	Management Consultant Services	156,000	156,000	65,000	\$ (91,000)
45	MTA Board Support	106,090	106,090	106,090	\$ -
46	Transportation Technical Support (ACE)	30,000	30,000	30,000	\$ -
47	Administrative Support (ACE)	20,000	20,000	25,000	\$ 5,000
49	Media/Public Relations	2,000	2,000	2,000	\$ -
50	Information Technology	2,000	2,000	2,000	\$ -
51	Grant Writing Services	50,000	50,000	50,000	\$ -
52	Transportation Consultant	-	10000	-	\$ (10,000)
52	<u>Direct Expenses</u>				
53	Board Stipends & Taxes	11,000	11,000	11,000	\$ -
54	Printing / Publication	12,000	12,000	12,000	\$ -
55	<u>Direct Grant Expenses</u>		-		
56	SGVEWP Edison & Gas Expenses	40,000	40,000	40,000	\$ -
57	SCE CEESP Phase 3 Expenses	40,000	40,000	2,475	\$ (37,525)
58	Total Expenditures	1,070,675	1,093,675	1,162,376	
59	Net income (Loss)	\$ 13,497	\$ 3,497	\$ (24,511)	

RESOLUTION NO. 17-03

**RESOLUTION OF THE SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS
(SGVCOG) APPROVING AMENDMENT #2 TO THE FY 2016-17 BUDGET**

WHEREAS, the SGVCOG Governing Board adopted the FY 2016-17 Budget on May 19, 2016;

WHEREAS, annual budget serves as the basis for the SGVCOG's programs and activities;

WHEREAS, since the adoption of the budget the SGVCOG has updated information regarding revenues and expenditures;

NOW, THEREFORE, BE IT RESOLVED that the Governing Board approves Amendment #2 to the FY 2016-17 budget to incorporate the following changes (as shown in Exhibit A):

1. Increase Sponsorship revenues by \$2,051 from \$10,500 to \$12,551.
2. Increase Miscellaneous revenues by \$10,646 from \$2,500 to \$13,146.
3. Increase Energy Wise (Gas) revenues by \$20,000 from \$80,000 to \$100,000.
4. Reduce revenues by \$32,004 from the CEESP Phase 3 grant, from \$47,850 to \$15,846.
5. Add SGVEWO Strategic Plan Grant revenues of \$40,000.
6. Increase Legal Services expenses by \$5,000 from \$30,000 to \$35,000.
7. Increase Treasurer expense by \$8,500 from \$5,000 to \$13,500.
8. Increase Financial/Accounting Services expenses by \$4,000, from \$28,000 to \$32,000.
9. Increase Salaries & Deferred Compensation expense by \$104,167 from \$260,000 to \$364,167.
10. Increase Internship Program expenses by \$20,000 from \$40,500 to \$60,500.
11. Increase Benefits expenses by \$23,100 from \$33,600 to \$56,700.
12. Increase PERS and Employer Taxes expenses by \$14,960, from \$19,162 to \$34,122.
13. Add Calpers Payment expenses of \$25,000.
14. Reduce General Assembly expenses by \$2,500 from \$13,000 to \$10,500.
15. Reduce Management Consultant Services by \$91,000 from \$156,000 to \$65,000.
16. Increase Administrative Support expenses by \$5,000, from \$20,000 to \$25,000.
17. Remove Transportation Consultant expenses, currently budgeted at \$10,000.
18. Reduce CEESP Phase 3 expenses by \$37,525, from \$40,000 to \$2,475.

PASSED AND ADOPTED by the Governing Board of San Gabriel Valley Council of Governments, County of Los Angeles, in the County of Los Angeles, State of California, on the 16th day of February, 2017.

San Gabriel Valley Council of Governments

Gene Murabito, President

Attest:

I, Philip A. Hawkey, Executive Director and Secretary of the Board of Directors of the San Gabriel Valley Council of Governments, do hereby certify that Resolution 17-03 was adopted at a regular meeting of the Governing Board held on the 16th day of February, 2017, by the following roll call vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Philip A. Hawkey, Secretary

REPORT

DATE: February 16, 2017

TO: SGVCOG Governing Board

FROM: Phil Hawkey, Executive Director

RE: AD HOC LEGISLATIVE COMMITTEE

RECOMMENDED ACTION

Appoint to the Ad Hoc Legislative Committee: Juli Costanzo, City of San Gabriel; Bob Pacheco, City of Walnut; Ginna Escobar, City of Pomona; Kevin Stapleton, City of Covina; Thomas Wong, SGV Water Districts; Juventino Gomez, City of El Monte; and Chris Freeland, City of West Covina.

BACKGROUND

The SGVCOG Legislative Ad-Hoc Committee began meeting in October 2016. The goal of this Committee was to develop a recommended scope of work and process to establishing a legislative committee. It included participation from the following agencies: Covina, El Monte, Glendora, Rosemead, Walnut, Water Districts, and West Covina.

The key recommendations are as follows:

- The Legislative Committee would operate as an Ad-Hoc Committee for one Legislative cycle to determine how a permanent Policy Committee could best serve the COG.
- Committee membership will have seven members as follows: four Governing Board delegates or alternates and three outside members including one City Manager.
- The SGVCOG 1st Vice President will chair the Committee.
- Policy Committees will continue to identify pertinent legislation and make recommendations directly to the Executive Committee and Governing Board and copy the Legislative Committee.
- The Legislative Committee will be responsible for tracking legislation referred by the Committee members and Policy committees.
- **Only** if there is an extreme urgency on legislation will the Legislative Committee recommend legislation directly to the Executive Committee for the consideration of the Governing Board.

On January 19, 2017, the Governing Board adopted the proposed Committee structure and a call for Committee nominations was called.

APPOINTMENTS

Individuals that were interested in being appointed were required to submit their names to COG Staff by February 2nd, 2017 at 5:00 pm. Based on the adopted Committee structure, membership

REPORT

was capped at (7) members four (4) COG members one of which needed to be from the Executive Committee and three (3) outside members one of which needed to be from the City Manager TAC. The 1st Vice President will Chair the Committee and appoint the committee members based on submitted nominations until a regular committee is established. Those individuals selected by the 1st Vice President are as follows:

(4) COG members:

- Juli Costanzo, City of San Gabriel
- Bob Pacheco, City of Walnut
- Ginna Escobar, City of Pomona
- Kevin Stapleton, City of Covina

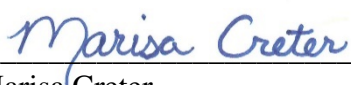
(3) outside members:

- Thomas Wong, SGV Water Districts
- Juventino Gomez, City of El Monte
- Chris Freeland, City of West Covina

Prepared by: _____


Christian Cruz
Management Analyst

Approved by: _____


Marisa Creter
Assistant Executive Director

REPORT

DATE: February 16, 2017

TO: SGVCOG Governing Board

FROM: Phil Hawkey, Executive Director

RE: **ACE/LARGE CAPITAL PROJECTS AD HOC COMMITTEE REPORT**

RECOMMENDED ACTIONS

1. Approve the report of the ACE/Large Capital Projects Ad Hoc Committee.
2. Direct staff to undertake the necessary actions to develop and staff a new Transportation Planner position (i.e. develop near-term funding plan for position, prepare revisions to SGVCOG salary resolution, develop job description, and initiate recruitment).
3. Develop a multi-year plan to integrate ACE, as an ongoing integral part of the SGVCOG, to allow for potential future capacity to construct capital projects in the San Gabriel Valley pending future specific direction from the Governing Board. Report back within six months.
4. Direct ACE and SGVCOG staff to further integrate administrative functions.
5. Consult with legal counsel of ACE and SGVCOG to identify necessary changes to SGVCOG JPA and Bylaws.

BACKGROUND

As part of its Strategic Planning process in early 2016, the SGVCOG Governing Board identified the need to conduct an assessment about the future of ACE and the role of the SGVCOG in planning, funding, and constructing large capital projects. As a result, the SGVCOG president, Gene Murabito, formed an Ad Hoc Committee with the purpose of studying and fully exploring these issues. The ACE/ Large Capital Projects Ad Hoc Committee was tasked with assessing the future of the SGVCOG and whether it should be primarily a planning agency or should it also have the internal capacity to implement and build large capital projects. A key issue relates to the future of ACE and whether it should dissolve upon completion of its mission in six years or should ACE be reformed and restructured as a division of the SGVCOG that would be responsible for the construction of large capital projects in the San Gabriel Valley.

At its January 2017 meeting, the Governing Board received the ACE/Large Capital Projects Ad Hoc Committee Draft Report for informational purposes only, with the intention that Governing Board members have time to review it and be prepared to vote on its acceptance at this meeting. Since the January Governing Board meeting, members of the Ad Hoc Committee met with Caltrans District 7, including the Chief Deputy Directors and several Deputy District Directors. Caltrans was very receptive to a continued and expanded role of ACE, particularly in functional areas that are difficult for Caltrans due to regulations and long approval processes such as right-of-way acquisition and design/build contracting. If the Governing Board opts to move forward with ACE in this role, Caltrans recommended establishing a master agreement that defines the cooperative relationship. This would be similar to what they have established with SANBAG and SANDAG.

Staff is seeking direction on the following near-term actions:

- Creating a new Transportation Planner/Program Manager position
- Developing a plan to fully integrate ACE staff functions into the SGVCOG
- Affirming the continuation of ACE with the potential to take on an expanded role pending the delivery of a long-term plan for integration

Transportation Planner/Program Manager

With the passage of Measure M, San Gabriel Valley transportation projects and programs will receive more than \$3 billion in local sales tax funds over the coming decades¹. Measure M funding will be passed through eight programs established by the SGVCOG. Over the course of the Ad Hoc Committee's work, it became apparent that whatever organizational form emerged from the effort, it must include added capacity for the SGVCOG to plan and program several categories of the Measure M funding; possibly as soon as Fall 2017.

The Transportation Planner/Program Manager would be responsible for working with cities, technical committees, and Metro on planning and programming in each of the funding categories. Together, they would develop project design standards, scope, tasks, costs, and timeline, before making recommendations to decision-making bodies. Subject to Governing Board direction, SGVCOG staff would work with Metro staff to develop a Memorandum of Understanding (MOU) to fund this position using Measure M funding. It is anticipated that this would be similar in structure to the existing agreements that South Bay and Gateway COGs have to utilize Measure R funding for this purpose. Once an MOU was developed and approved by the Governing Board, staff would incorporate this funding in the FY 2017-18 budget. At the same time, staff would develop a job description, conduct a salary survey of similar positions, and present an updated salary resolution to create this new classification. It is anticipated that this could be completed as early as March 2017. This would allow for the position to be recruited and filled in early FY 2017-18.

ACE/COG Staff Integration

The COG currently contracts with ACE for Financial Accounting and Budget Management services, for Payroll and Human Resource support, for Information Technology assistance, and for Transportation Planning leadership. This support is provided through three Memorandums of Understanding (MOUs) between ACE and the COG. Under the terms of these MOUs, the COG pays fully burdened rates for these services and ACE is reimbursed for all staff time spent on COG projects. Staff will review these MOUs and work with ACE to develop cost-effective strategies for integrating current functions. Additionally, ACE and COG staffs will work to determine how other functions performed by ACE staff (e.g. contracts management, auditing, grant writing and government relationship) could be utilized by the COG to support the COG's core activities and strategic plan.

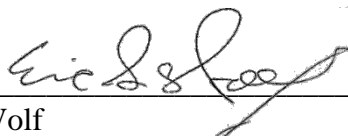
¹ \$1.019 billion in Measure M funding will be directly subvented to the Foothill Goldline Construction Authority for construction of Foothill Gold Line Phase 2B.


Long-Term Integration Plan

ACE and COG staff will work to develop a long-term integration plan that will address the questions and issues identified by the Ad Hoc Committee, the City Managers' Steering Committee, and the Governing Board. Staff will report back monthly to the Ad Hoc Committee, provide an interim update to the Governing Board, and present a final report to the Governing Board no later than July 2017. Questions to be addressed in the report include the following:

- What changes are needed in the SGVCOG Joint Powers Authority and the SGVCOG By-Laws to expand the authority of ACE to serve the entire San Gabriel Valley?
- What changes are appropriate for the ACE governance board structure?
- What will be the process for SGVCOG /ACE to decide to take responsibility for a major capital project?
- How can SGVCOG and ACE personnel structures be better integrated?
- How can the organization be structured to minimize ACE staffing needs while expanding and contracting capacity to manage capital projects?
- How can project liability be managed in order to mitigate SGVCOG member exposure?
- How can organizations and agreements be structured to guarantee that project cost overruns do not create a financial exposure for SGVCOG members?
- How can the COG insure that any CalPERS liability of ACE is paid from ACE resources?

The ACE/Large Capital Projects Ad Hoc Committee Report will be reviewed and acted upon at the February 16 Governing Board meeting. The results of the Caltrans meeting are incorporated into the report as the only change from the version received by the January Governing Board. Staff recommends acceptance of the recommended actions and seeks guidance on near-term actions.

Prepared by: 
Eric Wolf
Senior Management Analyst

Approved by: 
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – ACE/Large Capital Projects Ad Hoc Committee Report

**OFFICERS**

President
Gene Murabito

1st Vice President
Kevin Stapleton

2nd Vice President
Cynthia Sternquist

3rd Vice President
Margaret Clark

MEMBERS

Alhambra

Arcadia

Azusa

Baldwin Park

Bradbury

Claremont

Covina

Diamond Bar

Duarte

El Monte

Glendora

Industry

Irwindale

La Cañada Flintridge

La Puente

La Verne

Monrovia

Montebello

Monterey Park

Pasadena

Pomona

Rosemead

San Dimas

San Gabriel

San Marino

Sierra Madre

South El Monte

South Pasadena

Temple City

Walnut

West Covina

First District, LA County
Unincorporated Communities

Fourth District, LA County
Unincorporated Communities

Fifth District, LA County
Unincorporated Communities

SGV Water Districts

January 19, 2017

President Gene Murabito, San Gabriel Valley Council of Governments
Governing Board, San Gabriel Valley Council of Governments

**RE: ACE/LARGE CAPITAL PROJECTS AD HOC COMMITTEE DRAFT
REPORT**

Dear President Murabito and Governing Board Members:

Based on your desire that the SGVCOG conduct an assessment of the future of the Alameda Corridor-East Construction Authority (ACE) and the role of the SGVCOG in planning, funding, and constructing large capital projects, I am submitting the attached draft report for your consideration, discussion, and potential adoption over the coming months. This report is the culmination of diligent work completed by the ACE/Large Capital Projects Ad Hoc Committee and presents the context, process, and recommendations of their exhaustive work.

The Ad Hoc Committee worked with thoughtfulness and patience, meeting twice a month for more than half a year in order to thoroughly discover and scrutinize all aspects of this important decision. With the passage of Measure M and the knowledge that San Gabriel Valley will receive over \$3 billion in the coming decades, the committee's efforts took on added importance. There was strong consensus for hiring a Transportation Planner to support Measure M planning and programming, and for better integrating the relationship between the ACE staff and the SGVCOG staff. Further study will be devoted to what role ACE should play in transportation construction management and the nuances involved in completing a transition to that role.

I would like to thank the committee for their professionalism and care. They respectfully addressed every point of view and acted at all times with concern for the long term health of the SGVCOG, as well as the reputation and benefit of San Gabriel Valley. I welcome your thoughts and ideas in response to this draft report.

Sincerely,

John Fasana

Chair, ACE/Large Capital Projects Ad Hoc Committee
San Gabriel Valley Council of Governments

Report of the ACE/ Large Capital Projects Ad Hoc Committee**EXECUTIVE SUMMARY:**

The ACE/Large Capital Projects Ad Hoc Committee was appointed in June, 2016 by SGVCOG President Gene Murabito to study the future role of the SGVCOG as a planning agency and possibly modifying the role of ACE (Alameda Corridor-East Construction Authority) in order to give the SCVCOG the ability to implement and construct capital projects. The Ad Hoc Committee undertook the following activities:

- Studied the history of the SGVCOG and ACE;
- Evaluated the issues of risks and liability involved with construction;
- Examined the liabilities of PERS for both ACE and SGVCOG;
- Explored four case studies of major projects that might benefit from a more active role by the SGVCOG in construction;
- Compared how other COGs operate; and
- Developed guiding principles to identify core issues that should influence any decision about the future of the SGVCOG.

With the passage of Measure M in November 2016, the San Gabriel Valley region is now guaranteed to receive over \$3.3 billion in funding over the next 40 years, including hundreds of millions of dollars for transportation programs to be administered through the SGVCOG. It is important to note that the Measure M funds are intended to be leveraged in securing matching state, federal or other funds which will be needed to complete most, if not all, of the SGVCOG's priority projects.

The Ad Hoc Committee is recommending to the Governing Board that the SGVCOG expand its organizational capacity by creating a transportation planning division and hire a transportation planner to manage the implementation of Measure M in the San Gabriel Valley. In addition, the Ad Hoc Committee recommends that the SGVCOG develop a plan for integrating ACE as an integral part of the COG to allow for the potential to construct capital projects throughout the San Gabriel Valley pending specific direction from the Governing Board.

RECOMMENDED ACTION:

1. Approve the report of the ACE/Large Capital Projects Ad Hoc Committee.
2. Direct staff to undertake the necessary actions to develop and staff a new Transportation Planner position (i.e. develop near-term funding plan for position, prepare revisions to SGVCOG salary resolution, develop job description, and initiate recruitment).
3. Develop a multi-year plan to integrate ACE, as an ongoing integral part of the SGVCOG, to allow for potential future capacity to construct capital projects in the San Gabriel Valley pending future specific direction from the Governing Board. Report back within six months.
4. Direct ACE and SGVCOG staff to further integrate administrative functions.
5. Consult with legal counsel of ACE and SGVCOG to identify necessary changes to SGVCOG JPA and Bylaws.

BACKGROUND:

ACE was created by the SGVCOG in 1998 as a subsidiary of the SGVCOG. It was created with a specific narrow mission to address the traffic congestion caused by the expansion of freight rail traffic from the Ports of Los Angeles and Long Beach. For the past 18 years, ACE has had great success in securing more than \$1.6 billion in funding to construct grade separations to facilitate freight railroad movement through the southern portion of the San Gabriel Valley.

The mission of the ACE project is approaching completion in the next few years, and the SGVCOG must determine next steps. The expertise and excellent reputation of the ACE organization presents an opportunity to address an expanded and new scope of projects, but there are inherent risks and costs with this type of new endeavor.

In addition, with the passage of Measure M in Los Angeles County in November 2016, the SGVCOG will be responsible for guiding the allocation and implementation of over \$3.3 billion in capital projects and programs. The SGVCOG will either need to expand its capacity to handle these funds, or allow Metro to manage the funds in a manner guided by the advice of the SGVCOG.

As part of its Strategic Planning process in early 2016, the SGVCOG Governing Board identified the need to conduct an assessment about the future of ACE and the role of the SGVCOG in planning, funding, and constructing large capital projects. As a result, the SGVCOG president, Gene Murabito, formed an ad-hoc committee with the purpose of studying and fully exploring these issues.

Existing Structure

Currently, ACE operates as a subsidiary unit of the SGVCOG, but as a quasi-independent agency reporting to the ACE Board of Directors. ACE has a separate Chief Executive Officer who reports to the ACE Board, and all ACE employees report to the Chief Executive Officer. As specified in the SGVCOG JPA and bylaws, the SGVCOG Governing Board is responsible for approving ACE's scope of projects and annual budget. All other functions, including approving contracts, property acquisition, and hiring of staff, are delegated to the ACE Board of Directors. The ACE Board of Directors is comprised of the following members (all of which have, or did have, at least one ACE project within their jurisdiction):

- LA County
- El Monte
- Industry
- Montebello
- Pomona
- San Gabriel

Additionally, the SGVCOG President or his/her designee serves on the Board as a voting member.

In February 2015, the SGVCOG Governing Board approved a memorandum of understanding (MOU) with ACE to have ACE staff provide technical assistance related to transportation planning. Under this MOU, the CEO of ACE is compensated by SGVCOG to periodically perform the functions of the Transportation Director for the SGVCOG. This role was most active in the

development of the mobility matrix, as well in the communications with Metro and Caltrans on behalf of the SGVCOG. This work by the CEO of ACE as the Transportation Director of SGVCOG entails only a few hours a month and compensation from the SGVCOG is paid to ACE, which offsets the compensation that the CEO receives from ACE.

In February 2016, the SGVCOG Governing Board approved two additional MOUs to allow ACE staff to provide administrative/HR, IT and financial management support services. ACE is fully reimbursed for these labor costs.

Committee Purpose, Members, and Process

The ACE/ Large Capital Projects Ad Hoc Committee was tasked with assessing the future of the SGVCOG and whether it should be primarily a planning agency or should it also have the internal capacity to implement and build large capital projects.¹ A key issue relates to the future of ACE and whether it should close operations and dissolve upon completion of its mission or should ACE be reformed and restructured as a division of the SGVCOG that would be responsible for the construction of large capital projects in the San Gabriel Valley.

Two alternative future roles considered were as follows:

1. The SGVCOG should focus on being a planning agency that concentrates on assessing the needs of the San Gabriel Valley, developing proposals and plans that address those needs, pursuing grants and funding sources to pay for programs and capital projects, including transportation and capital improvements, and collaborating with appropriate agencies to construct the large capital improvements; OR
2. The SGVCOG should expand its organizational capacity from strictly a policy and planning agency, to become a construction agency as well. In addition to planning for transportation and large capital projects, the SGVCOG might take responsibility for managing the implementation of, and even constructing, these projects. These projects might include new highway construction, bridges, freeway interchanges, and bicycle paths, as well as non-transportation projects (e.g. storm water facilities).

The Committee considered several variations of each alternative.

The Ad Hoc Committee was comprised of the following members:

- John Fasana, Councilmember, City of Duarte, Chair
- Gene Murabito, Mayor of Glendora and SGVCOG President
- Terry Tornek, Mayor, City of Pasadena
- Victoria Martinez, Vice Mayor, City of El Monte
- Jack Hadjinian, Councilmember, City of Montebello
- Cynthia Sternquist, Councilmember, City of Temple City
- Sam Pedroza, Mayor, City of Claremont

¹ For the purposes of this report, the terms “planning”, “programs” and “projects” are used as follows:

- Planning: studies to determine current infrastructure assessments, future infrastructure needs, feasibility studies, preliminary environmental reports, preliminary cost estimates, and potential funding sources.
- Programs: a group of projects intended to implement a specific subregional goal or need.
- Projects: individual infrastructure improvements that can be constructed as stand-alone projects with independent merit.

- Cruz Baca, Councilmember, City of Baldwin Park
- Javier Hernandez, Transportation Deputy, LA County District #1
- Dave Perry, Transportation Deputy, LA County District #5
- Linda Lowry, City Manager, City of Pomona
- David Liu, Public Works Director, City of Diamond Bar

Phil Hawkey, Executive Director of SGVCOG and Mark Christoffels, CEO of ACE, were advisory to the Ad Hoc Committee. SGVCOG staff Marisa Creter and Eric Wolf also assisted the work of the Ad Hoc Committee.

Throughout September and October, the committee discussed four case studies (SR-57/SR-60 Interchange, Greenway Network, SR-71 Completion, and I-605 Hot Spots) as a means of considering the role the SGVCOG and the ACE could play in construction planning and management. Considerable attention was paid to the issues of liability and risk management involved with construction. The experience of ACE demonstrated that prudent management with comprehensive insurance can protect the organization. The legal structure of the Joint Powers Authority makes it a stand-alone legal entity for which the member cities of the JPA are protected from legal liability.

The issue of CalPERS liability for the ACE organization was studied by the Ad Hoc Committee, especially recognizing that the agency may terminate in a few years. A review of audit reports concluded that more than adequate funds have been set aside at ACE to adequately cover its CalPERS obligations.

Next, the committee reviewed other COG organizational and governance models and determined that there are a wide variety of different Council of Government structures in California, each organized to meet specific regional needs, as well as funding and partnership opportunities.

The Ad Hoc Committee gave time to establish some overriding principles that should guide any future actions of the SGVCOG in addressing the needs of the San Gabriel Valley. Guiding Principles were created and approved by the Ad Hoc Committee, against which the committee's recommended future SGVCOG structure could be evaluated.

Context: Opportunities and Challenges

Measure M funding

With the passage of Measure M, San Gabriel Valley transportation projects and programs identified and prioritized by SGVCOG will receive more than \$3 billion in local sales tax funds over the coming decades. Significant Measure M funding will be passed through eight programs established by the SGVCOG expressly for San Gabriel Valley projects:

- (1) Active Transportation (\$231 million)
- (2) Bus System Improvement (\$55 million)
- (3) First/Last Mile and Complete Streets (\$198 million)
- (4) Highway Demand Management (\$231 million)
- (5) Goods Movement (\$33 million)
- (6) Highway Efficiency (\$534 million)
- (7) ITS/Technology (\$66 million)

(8) Subregional Equity (\$199 million)

Over the course of the ad hoc committee's work, it became apparent that whatever organizational form emerges from the effort, it must include added capacity for the SGVCOG to manage the Measure M funding assigned to the San Gabriel Valley and to secure matching funds, as needed to complete project budgets.

Partner Agencies

Representatives from the Ad Hoc Committee met with key staff from Metro, including CEO Phil Washington, on November 29th. During that meeting, Metro staff referenced the Measure M Program Management Plan (PMP) that was presented to the Metro Board in October 2016. That report can be accessed here:

http://theplan.metro.net/wp-content/uploads/2016/11/report_prgm_mgmt_2016_11.pdf.

Metro indicated that the SGVCOG's proposal to take a more active role in planning, programming, and constructing projects and programs was consistent with the PMP, and Metro was supportive of subregional efforts that would facilitate projects being completed on-time and within budget.

A separate meeting was held with staff from Caltrans Region 7 for the purpose of identifying the relationship that might occur between Caltrans and the SGVCOG regarding constructing transportation projects. Caltrans was very willing, inviting the COG and ACE to take on projects on a case-by-case basis depending on Caltrans' capacity for management. They identified win-win areas such as Design and Rights-of-Way Acquisition that might more easily be accomplished by ACE due to complex Caltrans rules and processes. (It is important to note that ACE is currently constructing freeway improvements Lemon Avenue on- and off-ramps) related to a grade separation detour route under agreement with Caltrans and the Cities of Diamond Bar and Industry. So this relationship would not be entirely new.

GUIDING PRINCIPLES

The Ad Hoc Committee developed Guiding Principles intended to define the core elements of the organizational structure and operating requirements of any new agency or division within the SGVCOG that would take on planning, programming, and construction projects. The following guiding principles were approved by the Committee:

Threshold Criteria & Member Benefit

- SGVCOG action will result in a measurable benefit to the region and member cities and/or non-action will result in a measurable disadvantage or loss to the San Gabriel Valley region.
- Collaborative relationships with impacted communities, LA Metro, Caltrans, LA County and/or other entities are explored before SGVCOG acts to plan or implement a program or project.
- Majority support from SGVCOG members is secured before a major program or project is undertaken.²

² Preliminary concept planning is considered part of normal administration as part of assembling information for the SGVCOG Governing Board to consider as part of their review and approval of a program or project.

Liability & Risk

- Structures are in place, including proper insurance and indemnification, to ensure there is no financial exposure or increased legal liability to member cities as a result of SGVCOG taking action.
- Agreements have been defined for long term ownership and maintenance by a responsible entity of the completed project.

Financial Impact

- SGVCOG may pursue funding for planning activities that may, or may not, result in programs or projects, but could fund staff costs.
- SGVCOG will not proceed with a program or project without securing all funding sources necessary to complete the phase.
- Member agencies may volunteer to fund a program, project, or study through an assessment in which only the participating members benefit from the work.
- SGVCOG may secure short term financing to fund start-up costs or accelerate a program or project with approval of a majority of SGVCOG members.

Legal Authority & Project Oversight

- Action will conform to SGVCOG's existing legal authority. If it does not, all legal risks and changes to authority will be identified before taking action.
- Oversight may be performed by a new organization created by SGVCOG that could plan, program, or implement projects in the San Gabriel Valley, and the SGVCOG might enter into agreements with this organization for the completion of those programs or projects.

COMMITTEE RECOMMENDATIONS:

The Ad Hoc Committee considered various roles the SGVCOG could assume with respect to transportation planning, programming and construction, and the organizational and governance models necessary to support these new roles. In terms of potential roles, the Ad Hoc Committee considered a spectrum of possible activities the SGVCOG could assume. Example activities the SGVCOG could undertake (from least to most resource intensive) are listed below:

- Participate on selected consultation panels (with Metro as lead);
- Prioritize projects;
- Program and allocate funding, including managing a subregional call for projects;
- Lead the effort to advocate for additional funding for projects;
- Serve as lead for design; and
- Serve as lead for construction.

The key recommendations of the Ad Hoc Committee are:

- 1) With the passage of Measure M, there developed strong consensus that, at a minimum, the SGVCOG should expand its transportation planning and programming capacity. Specifically, it was identified that the SGVCOG should hire a Transportation Planner who can coordinate all Measure M program management activities. This Transportation Planner, and potential future support staff, will be funded from Measure M revenues.

- 2) The other major question then is what role should ACE have within the SGVCOG organization and its role in constructing new projects throughout the San Gabriel Valley. ACE should continue its current grade separation mission in the Alameda Corridor East while the SGVCOG develops a plan to integrate ACE as an integral part of the COG with future capacity to construct capital projects through the San Gabriel Valley pending future specific direction from the Governing Board.

Items to be considered as SGVCOG develops an integration plan include, but are not limited to:

- Changes to the SGVCOG Bylaws;
- Changes to the SGVCOG JPA;
- Financial decisions;
- ACE/SGVCOG staff integration (The attached organizational chart is representative of numerous options the Ad Hoc Committee considered.);
- Short and long range programs and projects; and
- Project/Program relationships with Metro and Caltrans.

With guidance from SGVCOG Governing Board, implementation of these recommendations will be presented in the form of Governing Board actions to amend the SGVCOG bylaws and Joint Powers Authority Agreement.

This report is being presented for information and discussion at the January 19, 2017 Governing Board meeting. The Governing Board will consider taking action to approve the recommendations included in the report at its February 16, 2017 meeting. If approved, actions that have budget impact, including the creation of a new transportation planner position, will be incorporated into the FY 2017-2018 budget, that will be presented to the Governing Board for adoption on May 18th, 2017. The Ad Hoc Committee will continue to meet monthly to monitor the development of the multi-year integration plan. Staff will present an update on the integration plan to the Governing Board by July 2017.

This report of the ACE/Large Capital Projects Ad Hoc Committee is submitted to the Governing Board with the endorsement of the Ad Hoc Committee as indicated below:

- John Fasana, Councilmember, City of Duarte Chair
- Gene Murabito, Mayor of Glendora and President SGVCOG
- Terry Tornek, Mayor, City of Pasadena
- Victoria Martinez, Vice Mayor, City of El Monte
- Jack Hadjinian, Councilmember, City of Montebello
- Cynthia Sternquist, Councilmember, City of Temple City
- Sam Pedroza, Mayor, City of Claremont
- Cruz Baca, Councilmember, City of Baldwin Park
- Javier Hernandez, Transportation Deputy, LA County District #1
- Dave Perry, Transportation Deputy, LA County District #5
- Linda Lowry, City Manager, City of Pomona
- David Liu, Public Works Director, City of Diamond Bar

Attachment A

February 16, 2017

Revised 2/7/2017

REPORT

DATE: February 16, 2017

TO: SGVCOG Governing Board

FROM: Phil Hawkey, Executive Director

RE: **LOS ANGELES COUNTY MEASURE H (1/4 CENT SALES TAX FOR HOMELESS SERVICES)**

RECOMMENDED ACTION

Provide direction to staff.

BACKGROUND

On December 6, 2016, the Los Angeles County Board of Supervisors (BOS) unanimously voted to place a quarter-cent sales tax measure for homeless services on the March 7, 2017, ballot (Attachment A). This measure would raise an estimated \$355 million annually and would sunset after ten years. The funding would support the strategies identified in the County Wide Homeless Initiative Plan (HI). Specifically, the funding would support the following strategies:

- Provide homeless prevention assistance for families and individuals;
- Provide, subsidized housing to disabled individuals utilizing federal housing subsidies and partner with cities to expand rapid re-housing;
- Provide family reunification subsidies and interim/bridge housing for those exiting institutions;
- Increase and subsidize employment for homeless adults as well as veterans' benefits advocacy;
- Provide case management and services for jail in-reach, regional integrated re-entry network, and for the criminal record clearing project;
- Provide mental health, substance use, counseling services, and rental subsidies for permanent supportive housing;
- Create a coordinated county-wide outreach system, strengthen the coordinated entry system, enhance the emergency shelter system, and enhance services for transition age youth; and
- Increase affordable homeless housing and preserve current homeless housing for families and individuals;

This measure needs a two-thirds majority in order to pass, and it will complement Measure HHH, which was passed by voters in the City of Los Angeles in November 2016. Measure HHH authorizes \$1.2 billion in general bonds for capital construction of housing for the homeless.

PLANNING AND IMPLEMENTATION PROCESS

If Measure H passes, the BOS intends to develop recommendations for the distribution of funding through an inclusive planning process. The proposed schedule is as follows:

- **Mid-March:** Review process and eligible Strategies
- **April:** Discuss and develop recommendations for funding
- **April/May:** Seek community input on the recommendations
- **Early May:** Discuss community feedback and outreach
- **Late May:** Homeless Policy Deputies meeting to review and discuss recommendations to the BOS
- **June:** BOS meeting to review/deliberate on recommendations

As a part of this process, Measure H Revenue Planning Process Group will be formed to provide recommendations on the utilization of the revenue from Measure H to the BOS. That group will be comprised of representatives from various L.A. County departments, homeless service providers, homeless policy experts, and representatives from each area COG. The SGVCOG will be allowed two representatives to participate in the revenue planning group and it is expected that the group will meet four times. There will be an opportunity for public input after the third meeting and recommendations developed from this group are expected to go to the BOS on June 13th for final approval.

It is anticipated that cities and service providers will be eligible to apply for funds through a competitive process. The funds would be distributed to LA County Service Planning Areas (SPAs) based on need, utilizing the most recent Los Angeles Homeless Services Authority (LAHSA) count data. Each SPA's estimated homeless population is as follows:

- **SPA-1 (Antelope Valley):** 3,038 (7%)
- **SPA-2 (San Fernando Valley):** 7,094 (16%)
- **SPA-3 (San Gabriel Valley):** 2,612 (6%)
- **SPA-4 (Metro Los Angeles):** 11,860 (27%)
- **SPA-5 (West Los Angeles):** 4,659 (11%)
- **SPA-6 (South Los Angeles):** 7,459 (17%)
- **SPA-7 (East Los Angeles):** 3,469 (8%)
- **SPA-8 (South Bay):** 3,669 (8%)

In anticipation of Measure H providing an ongoing revenue source for homeless services, the BOS directed the Community Development Commission develop a proposed Memorandum of Understanding (MOU) with cities and public housing authorities. These MOUs are intended to support the creation of additional Permanent Supportive Housing (PSH) by codifying existing informal agreements to guide case management services, increase, coordination, identify priority populations and incentivize the participation of other jurisdictions. The report and framework was provided to the BOS on December 9, 2016 (Attachment C).


SGVCOG COMMITTEE REVIEW

The SGVCOG Homelessness Committee reviewed Measure H at its January 2017 meeting and approved a motion to forward Measure H to the Governing Board to consider support.

This item was also reviewed at the February City Managers' Steering Committee meeting. The Steering Committee recommended that the SGVCOG not take a position on this measure. Their recommendation was based on the following concerns:

- **Revenue Planning Process:** The enabling ordinance does not provide any detailed information regarding the use of funding, beyond indicating that the funding will be used to support the County-wide Homeless Initiative. For example, it does not include information about how funding will be distributed across the County (i.e. will funding be allocated by SPA according to homeless count data or will another formula be used?). It also does not address whether all funds will be allocated competitively or if any agencies will receive a direct allocation. Additionally, while the LA County CEO's Office has committed to forming a Measure H Revenue Planning Process Group, that is not identified in the ordinance.
- **Coordination with Cities:** The enabling ordinance does not indicate how the County will work with cities to ensure that projects and programs that are funded through Measure H and implemented with concurrence and in coordination with cities. The City Managers' Steering Committee expressed concern that the funding could be used to support projects and programs for which there was local opposition and that cities would not have any channel through which to address these concerns with the County. Alternatively, if the property where the proposed project or program is sited is owned by the County, it could be outside local zoning standards.
- **Composition of Citizen's Oversight Advisory Board:** The ordinance references a Citizen's Oversight Advisory Board, which has the authority to review all expenditures related to the measure. This board would be comprised of five members, with each member of the Board of Supervisors appointing one member. The ordinance requires that at least one member have financial expertise and one have expertise related to homeless services. As this is the only advisory board referenced in the ordinance, the City Managers' Steering Committee expressed concern that it does not include any city representatives.

Staff is seeking direction from the Governing Board.

Prepared by: 
Christian Cruz
Management Analyst

Approved by: 
Marisa Creter
Assistant Executive Director

ATTACHMENTS

Attachment A – Measure H Enabling Ordinance
Attachment B – Tax Measure Overview and Strategies Eligible for Funding
Attachment C – MOU Framework Report

ORDINANCE NO. _____

An ordinance amending Title 4, Revenue and Finance of the Los Angeles County Code, to add Chapter 4.73—Transactions and Use Tax to Prevent and Combat Homelessness, relating to a special countywide transactions and use tax to prevent and combat homelessness within Los Angeles County.

The people of the County of Los Angeles ordains as follows:

SECTION 1. Chapter 4.73 is hereby added to read as follows:

Chapter 4.73

Transactions and Use Tax to Prevent and Combat Homelessness

Sections:

- 4.73.010 Title.
- 4.73.020 Operative Date.
- 4.73.030 Purpose.
- 4.73.040 Expenditure Plan.
- 4.73.050 Special Account.
- 4.73.060 Community Oversight and Accountability.
- 4.73.070 Accountability Measures.
- 4.73.080 Contract with State.
- 4.73.090 Transactions Tax Rate.
- 4.73.100 Place of Sale.
- 4.73.110 Use Tax Rate.
- 4.73.120 Adoption of Provisions of State Law.
- 4.73.130 Limitations on Adoption of State Law and Collection of Use.
- 4.73.140 Permit Not Required.

- 4.73.150 Exemptions and Exclusions.
- 4.73.160 State Law Amendments.
- 4.73.170 Amendment of Ordinance.
- 4.73.180 Enjoining Collection Forbidden.
- 4.73.190 Severability.
- 4.73.200 Effective Date.
- 4.73.201 Execution.
- 4.73.010 Title.**

This Chapter shall be known as the "Transactions and Use Tax to Prevent and Combat Homelessness" ordinance. The County of Los Angeles hereinafter shall be called "County." This ordinance shall be applicable in the incorporated and unincorporated territory of the County.

4.73.020 Operative Date.

Except as provided for in Section 4.73.050, the "Operative Date" means the first day of the first calendar quarter commencing more than 110 days after the adoption of this ordinance, the date of such adoption being as set forth below.

4.73.030 Purpose.

This ordinance is adopted to achieve the following and directs that the provisions hereof be interpreted in order to accomplish those purposes:

- A. To impose a retail transactions and use tax in accordance with the provisions of Part 1.6 (commencing with section 7251) of Division 2 of the Revenue and Taxation Code and section 7285.5 of Part 1.7 of Division 2 which authorizes the County to adopt this tax ordinance which shall be operative if two thirds of the electors voting on

the measure vote to approve the imposition of the tax at an election called for that purpose.

B. To adopt a retail transactions and use tax ordinance that incorporates provisions identical to those of the Sales and Use Tax Law of the State of California insofar as those provisions are not inconsistent with the requirements and limitations contained in Part 1.6 of Division 2 of the Revenue and Taxation Code.

C. To adopt a retail transactions and use tax ordinance that imposes a tax and provides a measure therefor that can be administered and collected by the State Board of Equalization in a manner that adapts itself as fully as practicable to, and requires the least possible deviation from, the existing statutory and administrative procedures followed by the State Board of Equalization in administering and collecting the California State Sales and Use Taxes.

D. To adopt a retail transactions and use tax ordinance that can be administered in a manner that will be, to the greatest degree possible, consistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, minimize the cost of collecting the transactions and use taxes, and at the same time, minimize the burden of record keeping upon persons subject to taxation under the provisions of this ordinance.

E. To adopt a retail transactions and use tax ordinance for the specific purpose of preventing and combatting homelessness within Los Angeles County. Revenues generated by the retail transactions and use tax shall be used to sustain the implementation of the County's Homeless Initiative's recommended strategies, adopted by the Board of Supervisors on February 9, 2016, and as otherwise directed by the

Board of Supervisors to address the causes and effects of homelessness, consistent with this Chapter.

4.73.040 Expenditure Plan.

A. Consistent with Subsection E of Section 4.73.030, above, the revenues generated by the retail transactions and use tax will be expended by the County pursuant to an expenditure plan approved by the Board of Supervisors prior to June 30th of each year. The annual expenditure plan will include, but not be limited to, the following projects:

1. Prevent Homelessness:
 - a. Homeless Prevention Program for Families;
 - b. Homeless Prevention Program for Individuals.
2. Subsidize Housing:
 - a. Expand Rapid Rehousing;
 - b. Provide subsidized housing to homeless disabled individuals pursuing Supplemental Security Income;
 - c. Facilitate utilization of federal housing subsidies;
 - d. Family reunification housing subsidies;
 - e. Interim/bridge housing for those exiting institutions.
3. Provide Case Management and Services:
 - a. Mental health, substance use, and counseling services;
 - b. Regional Integrated Re-entry Network;
 - c. Jail In-reach;
 - d. Criminal Record Clearing Project;
 - e. Provide services for Permanent Supportive Housing.

4. Increase Income:
 - a. Increase employment for homeless adults by supporting social enterprise;
 - b. Subsidized employment for homeless adults;
 - c. Countywide Supplemental Security/Social Security Disability income, and Veterans benefits advocacy.
5. Create a Coordinated System:
 - a. Expand the Countywide Outreach System;
 - b. Strengthen the Coordinated Entry System;
 - c. Enhance the Emergency Shelter System;
 - d. Enhance services for transition age youth.
6. Affordable Housing for the Homeless:
 - a. Preserve current affordable housing;
 - b. Promote the development of affordable housing for homeless families and individuals.
7. Other services to address the causes and effects of homelessness.

B. To the extent feasible, revenues from the retail transactions and use tax shall be used to leverage additional public and private resources to address the causes and effects of homelessness, consistent with this Chapter.

C. Revenues from the retail transactions and use tax may be awarded as grants to public agencies and non-profit organizations to address the causes and effects of homelessness, consistent with this Chapter. The Board of Supervisors shall adopt policies and procedures for the solicitation and award of such grants. Nothing herein precludes the County from using revenue generated by the retail transactions and use

tax for contracting with for-profit contractors and private businesses in compliance with applicable law.

4.73.050 Special Account.

Any retail transactions and use tax proceeds shall be deposited in a special account, created and maintained by the County, and used only for the specific purposes identified in Subsection E of Section 4.73.030, above, in accordance with Section 4.73.030, above.

4.73.060 Community Oversight and Accountability

A. The Citizens' Homelessness Initiative Oversight Advisory Board ("Advisory Board") is hereby created.

B. The Advisory Board shall be comprised of five members appointed by the Board of Supervisors. Each Supervisorial District shall nominate one member for appointment by the Board of Supervisors. The Advisory Board shall include at least one member that meets each of the following criteria:

1. A professional from the field of municipal/public finance and/or accounting and budgeting with a minimum of ten years of relevant experience in evaluating financial transactions and program cost-effectiveness; and

2. An individual working in the homelessness services, research, or advocacy field in a management position with a minimum of ten years of relevant experience.

The Advisory Board members shall be governed by and comply with State conflict of interest laws (e.g., Government Code section 87000 et seq.; and section 1090 et seq.) and the County's conflict of interest policies. The members shall have no legal action pending against Los Angeles County and are prohibited from acting in any

activity directly or indirectly involving funding provided through this ordinance during their tenure on the Advisory Board. Advisory Board members shall not have direct interest or employment with any public or private entity, which receives funding provided through this ordinance.

C. The Advisory Board shall do all of the following:

1. Semi-annual review of all expenditures from the retail transactions and use tax;
2. Publish a complete accounting of all allocations each year, posting the information on the County's publicly accessible Internet Web site; in a downloadable spreadsheet format, including information about the location and footprint of each funded project, its objectives, status, and outcomes, any matching funds used, and the applicable program from the expenditure plan schedule;
3. Submit periodic evaluations to the County of the retail transactions and use tax expenditures, which may at the Board of Supervisors' direction be undertaken by independent researchers, identifying any changes needed to meet the objectives of the Homeless Initiative.

D. Members of the Advisory Board shall serve a term of four years at the pleasure of the Board of Supervisors, and no member may serve more than two consecutive four-year terms. The Board of Supervisors may, by order, extend this length of service or waive this limit for individuals or the Advisory Board as a whole. A member's position shall become vacant upon his or her death, resignation, or removal by the Board of Supervisors. In the case of such a vacancy, the Supervisorial District from which the vacancy arose shall nominate a successor for appointment by the Board of Supervisors to fill the unexpired term.

E. Members of the Advisory Board shall not be compensated for their service, but may be reimbursed for actual and necessary expenses incurred in the performance of their duties.

4.73.070 Accountability Measures.

For so long as any proceeds of the retail transactions and use tax remain unexpended, the Auditor-Controller shall cause a report to be prepared by an independent auditor and filed with the Board of Supervisors no later than December 31st of each year, stating: (i) the amount of retail transactions and use tax proceeds collected and expended in such year; and (ii) the status of any projects or description of any services or programs funded from proceeds of the retail transactions and use tax.

4.73.080 Contract with State.

Prior to the operative date, the County shall contract with the State Board of Equalization to perform all functions incident to the administration and operation of this transactions and use tax ordinance; provided, that if the County shall not have contracted with the State Board of Equalization prior to the operative date, it shall nevertheless so contract and in such a case the operative date shall be the first day of the first calendar quarter following the execution of such a contract.

4.73.090 Transactions Tax Rate.

For the privilege of selling tangible personal property at retail, a transaction tax is hereby imposed upon all retailers in the incorporated and unincorporated territory of the County at the rate of 0.25% of the gross receipts of any retailer from the sale of all tangible personal property sold at retail in said territory for a period of ten (10) years beginning on and after the operative date of this ordinance.

4.73.100 Place of Sale.

For the purposes of this ordinance, all retail sales are consummated at the place of business of the retailer unless the tangible personal property sold is delivered by the retailer or his agent to an out-of-state destination or to a common carrier for delivery to an out-of-state destination. The gross receipts from such sales shall include delivery charges, when such charges are subject to the State sales and use tax, regardless of the place to which delivery is made. In the event a retailer has no permanent place of business in the State or has more than one place of business, the place or places at which the retail sales are consummated shall be determined under rules and regulations to be prescribed and adopted by the State Board of Equalization.

4.73.110 Use Tax Rate.

A use tax is hereby imposed on the storage, use or other consumption in the County of tangible personal property purchased from any retailer on and after the operative date of this ordinance for storage, use or other consumption in said territory at the rate of 0.25% of the sales price of the property for a period of ten (10) years beginning on and after the operative date of this ordinance. The sales price shall include delivery charges when such charges are subject to State sales or use tax regardless of the place to which delivery is made.

4.73.120 Adoption of Provisions of State Law.

Except as otherwise provided in this ordinance and except insofar as they are inconsistent with the provisions of Part 1.6 of Division 2 of the Revenue and Taxation Code, all of the provisions of Part 1 (commencing with section 6001) of Division 2 of the Revenue and Taxation Code are hereby adopted and made a part of this ordinance as though fully set forth herein.

4.73.130 Limitations on Adoption of State Law and Collection of Use**Taxes.**

In adopting the provisions of Part 1 of Division 2 of the Revenue and Taxation Code:

A. Wherever the State of California is named or referred to as the taxing agency, the name of this County shall be substituted therefor. However, the substitution shall not be made:

1. When the word "State" is used as a part of the title of the State Controller, State Treasurer, State Board of Equalization, State Treasury, or the Constitution of the State of California;

2. Where the result of that substitution would require action to be taken by or against this County or any agency, officer, or employee thereof rather than by or against the State Board of Equalization, in performing the functions incident to the administration or operation of this ordinance.

3. In those sections, including, but not necessarily limited to sections referring to the exterior boundaries of the State of California, where the result of the substitution would be to:

a. Provide an exemption from this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not otherwise be exempt from this tax while such sales, storage, use or other consumption remain subject to tax by the State under the provisions of Part 1 of Division 2 of the Revenue and Taxation Code, or;

b. Impose this tax with respect to certain sales, storage, use or other consumption of tangible personal property which would not be subject to tax by the State under the said provision of that code.

4. In sections 6701, 6702 (except in the last sentence thereof), 6711, 6715, 6737, 6797 or 6828 of the Revenue and Taxation Code.

B. The word "County" shall be substituted for the word "State" in the phrase "retailer engaged in business in this State" in section 6203 of the Revenue and Taxation Code, and in the definition of that phrase in section 6203.

4.73.140 Permit Not Required.

If a seller's permit has been issued to a retailer under section 6067 of the Revenue and Taxation Code, an additional transactor's permit shall not be required by this ordinance.

4.73.150 Exemptions and Exclusions.

A. There shall be excluded from the measure of the transactions tax and the use tax the amount of any sales tax or use tax imposed by the State of California or by any city, city and county, or county pursuant to the Bradley-Burns Uniform Local Sales and Use Tax Law or the amount of any state-administered transactions or use tax.

B. There are exempted from the computation of the amount of transactions tax the gross receipts from:

1. Sales of tangible personal property, other than fuel or petroleum products, to operators of aircraft to be used or consumed principally outside the County in which the sale is made and directly and exclusively in the use of such aircraft as common carriers of persons or property under the authority of the laws of this State, the United States, or any foreign government.

2. Sales of property to be used outside the County which is shipped to a point outside the County, pursuant to the contract of sale, by delivery to such point by the retailer or his agent, or by delivery by the retailer to a carrier for shipment to a consignee at such point. For the purposes of this paragraph, delivery to a point outside the County shall be satisfied:

a. With respect to vehicles (other than commercial vehicles) subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, and undocumented vessels registered under Division 3.5 (commencing with section 9840) of the Vehicle Code by registration to an out-of-County address and by a declaration under penalty of perjury, signed by the buyer, stating that such address is, in fact, his or her principal place of residence; and

b. With respect to commercial vehicles, by registration to a place of business out-of-County and declaration under penalty of perjury, signed by the buyer, that the vehicle will be operated from that address.

3. The sale of tangible personal property if the seller is obligated to furnish the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. A lease of tangible personal property which is a continuing sale of such property, for any period of time for which the lessor is obligated to lease the property for an amount fixed by the lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs (3) and (4) of this section, the sale or lease of tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease

has the unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

C. There are exempted from the use tax imposed by this ordinance, the storage, use or other consumption in this County of tangible personal property:

1. The gross receipts from the sale of which have been subject to a transactions tax under any state-administered transactions and use tax ordinance.

2. Other than fuel or petroleum products purchased by operators of aircraft and used or consumed by such operators directly and exclusively in the use of such aircraft as common carriers of persons or property for hire or compensation under a certificate of public convenience and necessity issued pursuant to the laws of this State, the United States, or any foreign government. This exemption is in addition to the exemptions provided in sections 6366 and 6366.1 of the Revenue and Taxation Code.

3. If the purchaser is obligated to purchase the property for a fixed price pursuant to a contract entered into prior to the operative date of this ordinance.

4. If the possession of, or the exercise of any right or power over, the tangible personal property arises under a lease which is a continuing purchase of such property for any period of time for which the lessee is obligated to lease the property for an amount fixed by a lease prior to the operative date of this ordinance.

5. For the purposes of subparagraphs 3 and 4 of this section, storage, use, or other consumption, or possession of, or exercise of any right or power over, tangible personal property shall be deemed not to be obligated pursuant to a contract or lease for any period of time for which any party to the contract or lease has the

unconditional right to terminate the contract or lease upon notice, whether or not such right is exercised.

6. Except as provided in subparagraph 7, a retailer engaged in business in the County shall not be required to collect use tax from the purchaser of tangible personal property, unless the retailer ships or delivers the property into the County or participates within the County in making the sale of the property, including, but not limited to, soliciting or receiving the order, either directly or indirectly, at a place of business of the retailer in the County or through any representative, agent, canvasser, solicitor, subsidiary, or person in the County under the authority of the retailer.

7. "A retailer engaged in business in the County" shall also include any retailer of any of the following: vehicles subject to registration pursuant to Chapter 1 (commencing with section 4000) of Division 3 of the Vehicle Code, aircraft licensed in compliance with section 21411 of the Public Utilities Code, or undocumented vessels registered under Division 3.5 (commencing with section 9840) of the Vehicle Code. That retailer shall be required to collect use tax from any purchaser who registers or licenses the vehicle, vessel, or aircraft at an address in the County.

D. Any person subject to use tax under this ordinance may credit against that tax any transactions tax or reimbursement for transactions tax paid to a County imposing, or retailer liable for a transactions tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code with respect to the sale to the person of the property the storage, use or other consumption of which is subject to the use tax.

E. When contracting with the State Board of Equalization pursuant to section 4.73.080 to administer the tax imposed by this ordinance, it shall be the County's intent,

and any agreement shall ensure, that the combined rate limit specified in Revenue and Taxation Code section 7251.1 is not exceeded in any district within the County that has imposed a transactions and use tax pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code in effect on or before the effective date of this ordinance. The agreement shall include that appropriate steps are taken by the Board of Equalization to ensure that the County tax imposed by this ordinance, when aggregated with all other transactions and use taxes imposed pursuant to Part 1.6 of Division 2 of the Revenue and Taxation Code within that district, will 1) not cause the rate of the transactions and use tax within the district to exceed the combined rate limit; 2) not cause any person subject to the tax imposed by this ordinance to pay more than the legally permissible combined rate; and 3) have no impact on the revenue received by each district within the County as the result of any transactions and use tax imposed by the district on or prior to the effective date of this ordinance.

4.73.160 State Law Amendments.

All amendments subsequent to the effective date of this ordinance to Part 1 of Division 2 of the Revenue and Taxation Code relating to sales and use taxes and which are not inconsistent with Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, and all amendments to Part 1.6 and Part 1.7 of Division 2 of the Revenue and Taxation Code, shall automatically become a part of this ordinance, provided however, that no such amendment shall operate so as to affect the rate of tax imposed by this ordinance.

4.73.170 Amendment of Ordinance.

Except for amendments that would increase the tax rate, impose the tax on transactions and uses not previously subject to the tax (unless the amendment occurs

pursuant to Section 4.73.160), extend the tax, or be inconsistent with the purposes of this ordinance, the Board of Supervisors may amend this ordinance without submitting the amendment to the voters for approval.

4.73.180 Enjoining Collection Forbidden.

No injunction or writ of mandate or other legal or equitable process shall issue in any suit, action or proceeding in any court against the State or the County, or against any officer of the State or the County, to prevent or enjoin the collection under this ordinance, or Part 1.6 of Division 2 of the Revenue and Taxation Code, of any tax or any amount of tax required to be collected.

4.73.190 Severability.

If any provision of this ordinance or the application thereof to any person or circumstance is held invalid, the remainder of the ordinance and the application of such provision to other persons or circumstances shall not be affected thereby.

4.73.200 Effective Date.

This ordinance relates to the levying and collecting of the County's Transactions and Use Tax to Prevent and Combat Homelessness and shall take effect immediately upon approval by a majority of the electorate voting in an election on this ordinance.

4.73.201 Execution.

The Chair of the Board of Supervisors is authorized to attest to the adoption of this ordinance by the voters of the County.

I hereby certify that the foregoing ordinance was PASSED, APPROVED and ADOPTED by the people of the County of Los Angeles voting on the 7th day of March, 2017.

Chair of the Board of Supervisors



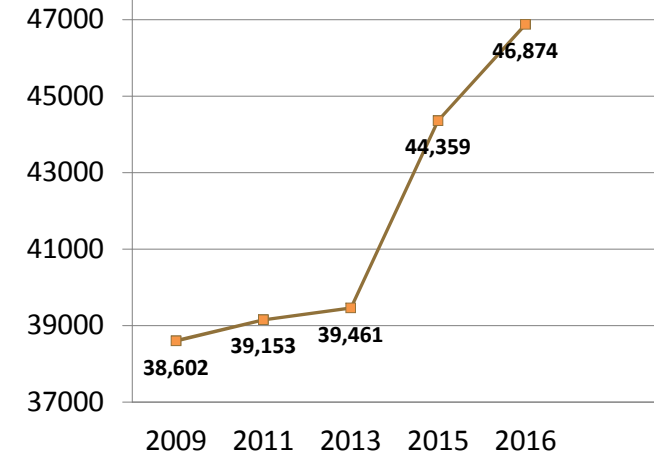
Securing Dedicated Revenue to Combat Homelessness Across Los Angeles County

March 2017 Special Ballot Measure H



Attachment B County's Current Homeless Population

Homeless Count
Daily Homeless Population* (in Los Angeles County)

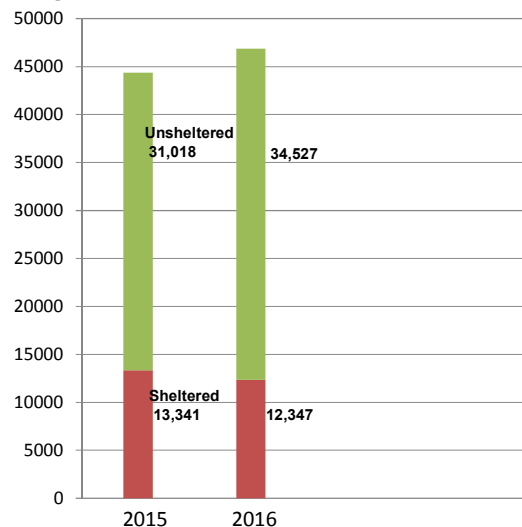


*Homeless Count Data provided by Los Angeles Homeless Services Authority



Sheltered vs. Unsheltered

Total Homeless Population - Sheltered and Unsheltered



Data provided by Los Angeles Homeless Services Authority



Los Angeles County Homeless Initiative (HI)

- In February 2016, Los Angeles County adopted a **coordinated set of 47 strategies** to combat homelessness, including strategies in which cities, businesses and faith leaders can participate.
- Inclusive and collaborative planning process involving over 1100 experts and community members focused on what works.



Item #22







What the Plan Does

- 47 strategies covering six areas:
 - Prevent Homelessness
 - Subsidize Housing
 - Increase Income
 - Provide Case Management and Services
 - Create a Coordinated System
 - Increase Affordable/Homeless Housing



Attachment B Homeless Housing/Services Gap

<u>Housing Type</u>	<u>Total Gap (units)*</u>	<u>Description</u>
 Permanent Supportive Housing	15,341	Provides intensive support services to chronically homeless persons
 Rapid Re-Housing	8,376	Provides short-term housing assistance. Each unit can potentially house 2 households per year
 Emergency Shelter	2,279	Provides crisis housing to unsheltered persons on the path to permanent housing
 Homeless Prevention	2,555	Provides stabilizing housing assistance that keeps people and families from falling out of housing and into the homeless system

*Homeless Housing Gaps in the County of Los Angeles, Los Angeles Homeless Services Authority, January 2016



Ongoing Funding Needed

- Unmet need for homeless housing/services
 - **\$450 million per year***
(not counting construction costs)
- Current funding
 - \$100 million one-time funds



Proposed March 7 Measure

- ¼ percent increase to the County's sales tax commencing after July 1, 2017, to fund services, rental subsidies and housing
- Tax revenue estimate: \$355 Million annually for ten years (solely to be used to combat homelessness)



Legal Requirements

- Citizens' Oversight Advisory Board would monitor and evaluate spending of tax revenue
- Requires an independent auditor to report on the amount of tax revenues collected and expended and the status of projects and services funded
- Tax revenue dedicated to funding support services intended to complement "Brick and Mortar" Initiatives to build housing



Attachment B Strategies Eligible for Funding

Preventing Homelessness

- Homeless Prevention Program for Families (Strategy A1)
- Homeless Prevention Program for Individuals* (Strategy A5)

* New strategy



Strategies Eligible for Funding continued

Subsidizing Housing and Related Housing Services

- Provide Subsidized Housing to Homeless Disabled Individuals Pursuing SSI (Strategy B1)
- Partner with Cities to Expand Rapid Re-Housing (Strategy B3)
- Facilitate Utilization of Federal Housing Subsidies (Strategy B4)
- Family Reunification Housing Subsidies (Strategy B6)
- Interim/Bridge Housing for those Exiting Institutions (Strategy B7)



Strategies Eligible for Funding continued

Employment Assistance

- Increase Employment for Homeless Adults by Supporting Social Enterprise (Strategy C2)
- Countywide SSI/SSDI and Veterans Benefits Advocacy (Strategies C4, C5 and C6)
- Subsidized Employment for Homeless Adults* (Strategy C7)

* New strategy

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Strategies Eligible for Funding

continued

Providing Case Management and Services

- Jail In-Reach (Strategy D2)
- Regional Integrated Re-Entry Network (Strategy D4)
- Criminal Record Clearing Project (Strategy D6)
- Provide Mental Health, Substance Use, Counseling Services and Rental Subsidies for Permanent Supportive Housing* (Strategy D7)

* New strategy



Strategies Eligible for Funding

continued

Increasing Affordable Homeless Housing

- Preserve current homeless housing and promote the development of affordable housing for homeless families and individuals* (Strategy F7)

* New strategy



Strategies Eligible for Funding

continued

Creating a Coordinated System

- Countywide Outreach System (Strategy E6)
- Strengthen the Coordinated Entry System (Strategy E7)
- Enhance the Emergency Shelter System (Strategy E8)
- Enhanced Services for Transition Age Youth (Strategy E14)



Planning Process

Recommendations to the Board of Supervisors regarding the distribution of the revenue from the March 2017 ballot measure will be developed through an inclusive planning process which will bring together:

- County
- Los Angeles Homeless Services Authority
- United Way - Home for Good
- Cities and Councils of Government
- Homeless service providers and technical advisors
- People with lived homeless experience

Item #22



Planning Timeline - 2017

- **Mid March:** Review process and eligible strategies (current and new)
- **April:** Discuss and develop recommendations for funding
- **April/May:** Seek community input on the recommendations (Web Meeting, Lived Experience Advisory Group and On-line Comments)
- **Early May:** Discuss community feedback and reach consensus
- **Late May:** Homeless Policy Deputies Meeting to review and discuss recommendations to the Board
- **June:** Board meeting to review/deliberate on recommendations

Attachment B



Office of Homeless Initiative

Kenneth Hahn Hall of Administration
County of Los Angeles
500 West Temple Street, Room 493
Los Angeles, CA 90012
(213) 974 - 2326
homelessinitiative@lacounty.gov

Community Development Commission

December 9, 2016

TO: Each Supervisor

FROM: Sean Rogan
Executive Director**SUBJECT: REPORT BACK ON FRAMEWORK FOR A PROPOSED MEMORANDUM OF UNDERSTANDING TO FACILITATE A COORDINATED COUNTYWIDE STRATEGY ON CONSTRUCTION OF PERMANENT HOUSING, ALLOCATION OF RENT SUBSIDIES AND PROVISION OF SUPPORTIVE SERVICES**

On October 25, 2016, the Board of Supervisors (Board) directed the Community Development Commission (Commission), in consultation with the Executive Director of the Los Angeles Homeless Services Authority (LAHSA), the Chief Executive Officer (CEO), and County Counsel, to provide a written report, as part of the implementation of the Homeless Initiative (HI), on a framework for a proposed Memorandum of Understanding (MOU) that would facilitate a coordinated countywide strategy on construction of permanent housing, allocation of rent subsidies and provision of supportive services. This correspondence serves as a report back to the Board's aforementioned directive, and provides background on the subject matter, a proposed framework for a MOU, and recommended next steps.

Background

On February 9, 2016, the Board approved the Los Angeles County HI recommendations including 47 Strategies to combat homelessness, which included various strategies to increase the supply of affordable/permanent supportive housing, maximize the availability of subsidized housing, and improve and expand supportive services. The development of an adequate supply of affordable housing is the foundation to effectively combat homelessness. Both the comprehensive planning process and implementation have led to unprecedented cooperation and engagement between County departments, service providers, philanthropy and cities within Los Angeles County (County).

Of the 47 strategies, six seek to increase the supply of affordable/permanent supportive housing. The success of numerous other strategies rest on the ability of persons experiencing homelessness to locate housing in the private market with the assistance of various rental subsidies administered by Public Housing Authorities (PHAs), rapid-rehousing subsidies administered by LAHSA and other rental assistance provided by County departments.

Efficacy of Permanent Supportive Housing to Combat Homelessness

Permanent Supportive Housing (PSH) is a proven solution to end homelessness. PSH combines non-time limited affordable housing, rental/operating subsidies and supportive services. The

combination of these three strategies help the homeless stabilize. Supportive housing improves housing stability, employment, mental and physical health, and school attendance; and reduces active substance use. People in supportive housing are able to reintegrate into the community and live more productive lives.

To effectively combat homelessness, the County and local jurisdictions should continue to remove barriers to the development of affordable/permanent supportive housing and streamline allocation of supportive services, rental and operating subsidies to encourage the creation of a robust pipeline of PSH projects. The County can play a key role in supporting the creation of this pipeline of PSH developments by creating a mechanism to provide Intensive Case Management Services (ICMS) and other appropriate services for completed projects.

Future Increase in Permanent Supportive/Affordable Housing Production

Los Angeles City voters approved the \$1.2 billion HHH bond measure in November 2016. City officials expect to produce 1,000 housing units on an annual basis for the next ten years. The State of California's No Place Like Home Initiative (NPLH) will provide the County with an estimated \$650 million over four years to finance acquisition, construction, rehabilitation, or preservation, and to capitalize operating reserves for permanent supportive housing for individuals or households who are homeless, chronically homeless, or at risk of chronic homelessness with mental illness. Together with the County's commitment to reach an annual allocation of \$100 million towards affordable housing, these two funding sources will dramatically increase the supply of affordable housing. The majority of these units will be PSH.

Current financial models for PSH leverage public financing from local jurisdictions and agencies with capital and financing from the private sector. The majority of the capital is provided through Low Income Housing Tax Credit (LIHTC) investors. Construction and permanent financing is provided by financial institutions. Acquisition and pre-development financing is provided through various public and private entities, including Community Development Financial Institutions (CDFIs). In addition to capital financing, the long-term financial feasibility of PSH requires rental/operating subsidies and supportive services to provide stable cash flow and operations.

Upcoming health reform opportunities, such as the Whole Person Care pilots, the Health Home Program, and the Drug Medi-Cal Organized Delivery System, will create additional resources for the provision of supportive services for the chronically homeless. On their own, these sources cannot meet the demand for services that an additional 11,500-15,700 PSH units will require.

Successful and financially viable PSH requires capital, operating subsidies and supportive services. Given the increase in capital resources, investment in supportive services must keep pace with unit production. *A source of ongoing revenue to fund supportive services is needed to guarantee the success and financial feasibility of future PSH units.* Should such an ongoing source be secured, a mechanism is needed for the County to provide ICMS for completed projects and to incentivize the participation of cities and other PHAs to site and build PSH in their jurisdictions.

Permanent Supportive Housing through Tenant Based Vouchers

Development of newly constructed PSH units typically requires a minimum of three years. The supply of available permanent supportive housing may also be expanded through the use of tenant based vouchers. In addition to supporting the development of new PSH units by committing Project Based Vouchers (PBVs), PHAs can elect to dedicate a portion of their turnover Housing Choice Vouchers (HCVs) to people experiencing homelessness. Both the Housing Authority of the County of Los Angeles (HACoLA) and Housing Authority of the City of Los Angeles (HACLA) use HCVs to house people experiencing homelessness. The client receives an HCV and proceeds to find a unit on the private housing market.

HACoLA developed the highly effective Landlord Veteran Incentive Program (VIP) to encourage more landlords to rent to homeless Veterans holding a Veterans Affairs Supportive Housing (VASH) voucher. The VASH program combines HCV rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). Because VASH alone was not enough to quickly move veterans from the streets into safe housing, additional measures were needed to make VASH successful in a very tight housing market like Los Angeles.

The Board of Supervisors provided funding for VIP and its suite of incentives for landlord and housing location supports for Veterans. VIP is a model program and its elements should be implemented in current and future landlord incentive programs. HACoLA also operates the Homeless Incentive Program (HIP). Private landlords have not been as willing to rent to homeless clients as they were to veterans. A further complication has been HIP's lack of the full suite of incentives and supports that lead to VIP's success. Adjustments informed by VIP are currently under consideration for HIP. These adjustments will bolster HIP participation by landlords and improve client retention.

In addition to providing ICMS for newly constructed PSH units, the County should consider committing ICMS for each homeless client that is housed with an HCV. The County may wish to consider providing assistance to smaller PHAs for replication of landlord incentive programs like VIP and HIP. An ongoing revenue source for homeless services would be needed to provide this assistance.

Memoranda of Understanding and other Mechanisms to Document Agreements Between Jurisdictions and Agencies

If an ongoing revenue source for homeless services is secured, the County's Comprehensive Housing Strategy for permanent housing should be guided by an agreement between the County, PHAs and cities within the County. This agreement should codify existing informal agreements for ICMS, provide guidance, increase coordination, identify priority populations and incentivize the participation of other jurisdictions in the County's efforts to end chronic homelessness. Potential mechanisms to accomplish this include: A Memorandum of Understanding (MOU), a Mutual Cooperation Agreement, Interagency agreement or a Supportive Housing Agreement as New York City and New York State chose to execute.

Interagency and cross-jurisdictional agreements can be effective tools to address problems that require several parties to work together for successful resolution. For example, in 2011, HACoLA and HACLA executed an Interagency Agreement for the VASH Program to assist a total of 1,650 homeless Veterans and their families. This agreement enhanced homeless Veterans' ability to place their vouchers by allowing them to lease units within HACoLA's jurisdiction if they had a HACLA voucher and vice versa. This agreement replaced an otherwise cumbersome portability process.

In addition, there is a Master Services Agreement between the County and Commission as well as the County and the HACoLA, which allows the entities to provide specialized functions for each other. For each specialized function, the entities subsequently execute either a funding agreement or a MOU to specify the services to be performed by each entity and the funding source to be provided.

While there are many models for interagency and cross-jurisdictional agreements, the motion adopted by the Board of Supervisors specifically identifies a MOU as a tool to facilitate a coordinated countywide strategy on construction of permanent housing, allocation of rent subsidies and provision of supportive services. The following framework can be used for a MOU or any other interagency and cross-jurisdictional PSH agreement the Board of Supervisors may choose to execute in the future.

Framework for a Memorandum of Understanding

The framework for a proposed MOU should include the following elements to incentivize the participation of Los Angeles County's 88 cities in the fight to end homelessness:

1. Establish a term for the MOU. A ten-year term sends a strong message to LIHTC Investors, conventional lenders and other private entities that the County, PHAs and cities are committed to the development of PSH and mitigating certain risks associated with its development.
2. Establish the number of permanent supportive housing units that will be developed over the term of the MOU.
3. Delineate respective roles and responsibilities of each government entity with respect to capital, rental/operating subsidies and supportive services.
 - a. Capital – Capital will typically be provided by local jurisdictions in the form of a residual receipts loans to developers building PSH units. Donated and ground leased (with a de minimis payment) land may also be considered as a capital commitment. The cities that are parties to the MOU will commit to provide capital for a specific number of PSH units.
 - b. Rental/Operating Subsidies – A large percentage of the Rental/Operating subsidy will typically be provided through Public Housing Authorities in the form of PBVs. Additionally, the Los Angeles County Department of Health Services is providing rental subsidy commitments for units set aside for Frequent Users of the County's

- Health Services. The PHAs and local agencies that are parties to the MOU will commit to provide rental subsidies for a specified period of time and for a specified number of units. The length of commitment for rental/operating subsidies should be of a term sufficient to underwrite permanent conventional debt to finance PSH units.
- c. Supportive Services – Supportive Services will be provided by the County and will provide ICMS, linkage to appropriate health and other supportive services to chronically homeless and homeless individuals in PSH units built under this MOU.
4. Establish the County's commitment to provide a customized package of supportive services for every new unit of PSH built with capital subsidies from a municipality, built on donated or ground leased city owned land.
 5. Establish the County's commitment to provide a customized package of supportive services for every new unit of PSH with a PBV provided by a PHA.
 6. Establish the County's commitment to provide a customized package of supportive services for every new unit of PSH created through the use of a tenant based HCV provided by a PHA.
 7. Establish the County's commitment to provide a customized package of supportive services for every new unit of PSH with a long-term rental/operating subsidy with an enforceable long-term commitment from another government entity.
 8. Allocate and target supportive service resources to underserved areas of the County.
 9. Allocate and target supportive service resources and PSH unit production goals to a range of homeless populations informed by the Homeless Count and other data sources.
 10. Address tenant selection and referral through the Coordinated Entry System (CES), Housing for Health Access and Referral system or other current and future patient/client identification and referral systems utilized by the Health Agency.
 11. Create or identify an existing oversight body that will meet on no less than a quarterly basis to monitor implementation of the MOU.
 12. Delineate the duties of the oversight body, including a mechanism to allow mid-course adjustments based on resource utilization and availability, overall PSH production, and PSH gaps in difficult to develop areas of the County.

Next Steps

A MOU or other form of inter-governmental agreement to be determined by the Board of Supervisors, should be prepared to guide and underpin PSH development over the next ten years. The agreement should detail the level of supportive services the County is willing to commit

Each Supervisor
December 9, 2016
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to permanent supportive housing developed with capital subsidies from cities, PBVs from PHAs, HCVs, and other capital and rental subsidies. The framework outlined here provides the key elements that the agreement needs to address. The Board of Supervisors should identify the most appropriate County agency to lead or co-lead the development and negotiation of the MOU with cities and PHAs.

If you have any questions, please contact Maria Cabildo, Director of Homeless Initiatives at (626) 586-1664 or Maria.Cabildo@lacdc.org.

c: Each Deputy
Chief Executive Office