

SOUTHERN CALIFORNIA



ASSOCIATION of
GOVERNMENTS

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MEETING OF THE

EXECUTIVE/ADMINISTRATION COMMITTEE

PLEASE NOTE TIME

Thursday, October 4, 2012

9:00 a.m. – 10:00 a.m.

**SCAG Main Office
818 W. 7th Street, 12th Floor
Board Room
Los Angeles, CA 90017
(213) 236-1800**

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Deby Salcido at (213) 236-1993 or via email salcido@scag.ca.gov

Agendas & Minutes for the Executive/Administration Committee are also available at: www.scag.ca.gov/committees/eac.htm

SCAG, in accordance with the Americans with Disabilities Act (ADA), will accommodate persons who require a modification of accommodation in order to participate in this meeting. SCAG is also committed to helping people with limited proficiency in the English language access the agency's essential public information and services. You can request such assistance by calling (213) 236-1993. We require at least 72 hours (three days) notice to provide reasonable accommodations. We prefer more notice if possible. We will make every effort to arrange for assistance as soon as possible.

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Executive/Administration Committee
Members – October 2012

Members

Representing

Chair 1.	Hon. Glen Becerra	Simi Valley	District 46
Vice-Chair 2.	Hon. Greg Pettis	Cathedral City	District 2
2nd Vice-Chair 3.	Hon. Carl Morehouse	San Buenaventura	District 47
Imm. Past Pres. 4.	Hon. Pam O'Connor	Santa Monica	District 41
5.	Hon. Lisa Bartlett	Dana Point	TCA
6.	Hon. James Johnson	Long Beach	District 30
7.	Hon. Paula Lantz	Pomona	District 38
8.	Mr. Randall Lewis	Ex-Officio	Lewis Group of Companies
9.	Hon. Larry McCallon	Highland	District 7
10.	Hon. Keith Millhouse	Moorpark	VCTC
11.	Hon. Judy Mitchell	Rolling Hills Estates	District 40
12.	Hon. Kris Murray	Anaheim	District 19
13.	Hon. Jeff Stone		Riverside County
14.	Hon. Cheryl Viegas-Walker	El Centro	District 1
15.	Hon. Alan Wapner	Ontario	SANBAG
16.	Hon. Dennis Zine	Los Angeles	District 50
17.	VACANT		CEHD Vice-Chair
18.	VACANT		Tribal Government Representative

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EXECUTIVE/ADMINISTRATION COMMITTEE

AGENDA

OCTOBER 4, 2012

The Executive/Administration Committee may consider and act upon any of the items listed on the agenda regardless of whether they are listed as information or action items.

CALL TO ORDER & PLEDGE OF ALLEGIANCE

(Hon. Glen Becerra, Chair)

PUBLIC COMMENT PERIOD – Members of the public desiring to speak on items on the agenda, or items not on the agenda, but within the purview of the Committee, must fill out and present a Public Comment Card to the Assistant prior to speaking. Comments will be limited to three (3) minutes per speaker provided that the Chair has the discretion to reduce this time limit based upon the number of speakers. The Chair may limit the total time for all public comments to twenty (20) minutes.

REVIEW AND PRIORITIZE AGENDA ITEMS

PRESIDENT'S REPORT

		<u>Page No.</u>
<u>AB 109 – The 2011 Public Safety Realignment Act Discussion</u>	Attachment	1

EXECUTIVE DIRECTOR'S REPORT

(Hasan Ikhata, Executive Director)

<u>Regional Council E-Voting System Update</u>	Attachment	8
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<u>2013 Regional Council Meeting Schedule</u>	Attachment	10
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ACTION ITEM

- | | | |
|--|-------------------|-----------|
| 1. <u>Approval of Resolution to Congress Averting FY 2013 Sequestration Cuts and Develop Budget Compromise</u> | Attachment | 11 |
|--|-------------------|-----------|

Recommended Action: Approve Resolution No. 12-543-2 which urges Congress to pass and the White House to sign legislation to avert across-the-board Fiscal Year 2013 sequestration cuts and to come together to develop a long-term budget compromise.

CONSENT CALENDAR

Approval Items

- | | | |
|--|-------------------|-----------|
| 2. <u>Minutes of the July 5, 2012 Meeting</u> | Attachment | 24 |
| 3. <u>Minutes of the August 22, 2012 Special Meeting</u> | Attachment | 30 |
| 4. <u>Minutes of the September 6, 2012 Meeting</u> | Attachment | 33 |

EXECUTIVE/ADMINISTRATION COMMITTEE

AGENDA

OCTOBER 4, 2012

<u>CONSENT CALENDAR</u> - continued		<u>Page No.</u>
5. <u>2012 Investment Policy</u>	Attachment	38
6. <u>Contracts \$200,000 or Greater: Contract No. 12-031-C1, Fullerton Transit Loop Feasibility Study, "Fullerton Forward"</u>	Attachment	45
7. <u>SCAG Sponsorship: Active Transportation Forum, October 26, 2012 at \$500</u>	Attachment	49
8. <u>Support of Cap-and-Trade Coalition Principles</u>	Attachment	50
9. <u>Grant Application to Conduct a Health Impact Assessment Demonstration Project</u>	Attachment	68
10. <u>Proposed Memorandum of Understanding (MOU) Between the Southern California Association of Governments (SCAG) and Korea Research Institute for Human Settlements (KRIHS) to Promote Joint Research and Exchange Technical Information</u>	Attachment	71
11. <u>Proposed Memorandum of Understanding (MOU) Between Southern California Association of Governments (SCAG) and the Myongji University (MJU) to Promote Joint Research and Exchange Technical Information</u>	Attachment	76
12. <u>Proposed Memorandum of Understanding (MOU) Between the Southern California Association of Governments (SCAG) and the Institute of Policy and Management (IPM) of the Chinese Academy of Sciences (CAS) to Promote Joint Research and Exchange Technical Information</u>	Attachment	81
<u>Receive and File</u>		
13. <u>Contracts/Purchase Orders and/or Amendments Between \$5,000 - \$200,000</u>	Attachment	86

<u>CFO MONTHLY FINANCIAL REPORT</u> <i>(Basil Panas, Acting Chief Financial Officer)</i>	Attachment	105
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FUTURE AGENDA ITEMS

Any Committee member or staff desiring to place items on a future agenda may make such a request.

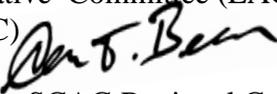
ANNOUNCEMENTS

ADJOURNMENT

The next Executive/Administration Committee Meeting is scheduled for Thursday, November 1, 2012, at the SCAG Los Angeles Office.

REPORT

DATE: October 4, 2012

TO: Executive/Administrative Committee (EAC)
Regional Council (RC) 

FROM: Glen Becerra, President SCAG Regional Council

SUBJECT: AB 109 – The 2011 Public Safety Realignment Act Discussion

BACKGROUND:

Per the discussion at the September 6, 2012 RC meeting, letters have been sent inviting Sheriffs, District Attorneys, Chief Probation Officers, and County Executive Officers to the October 4, 2012 meeting for discussion regarding the impacts of AB 109, the 2011 Public Safety Realignment Act, chaptered into law April 4, 2011. A copy of the bill may be accessed online from the legislative counsel website at: http://www.leginfo.ca.gov/pub/11-12/bill/asm/ab_0101-0150/ab_109_bill_20110404_chaptered.html. We are expecting a good response from our invited guests to attend and discuss this matter with you.

The enacted legislation contains numerous statutory and technical changes to implement changes to the Budget Act of 2011. The bill expands the authority of local correctional administrators to use alternative custody methods for low level/non-violent offenders, and establishes day for day credit for offenders serving time in jail.

With respect to Post-Release Supervision, bill provisions include:

- Specifies the population to be released onto post-release supervision (non-violent/serious, no third strike conviction, no high risk sex offenders);
- Requires the Local Corrections Community partnership to create an implementation plan for post release supervision of offenders and to make recommendations to county board of supervisors;
- Requires the county board of supervisors to designate a county agency to be responsible for post-release supervision;
- Requires notification by the California Department of Corrections and Rehabilitation (CDCR) to counties regarding who is being released into post release supervision;
- Requires the court to establish a process to determine violations of conditions of post-release supervision and revocations;
- Sets parameters for one time offenders to be on post-release supervision and provides authority for release.

Regarding State Parole statutes, significant provisions are:

- Specifies who remains on state parole (violent/serious conviction, third strike conviction, high risk sex offenders);
- Specifies that only 'lifers' can be returned to state prison for a parole violation;
- Adds the courts as the authority for determining revocations.

REPORT

For Low Level Offenders, the bill provisions are as follows:

- Redefine a felony to include imprisonment in a county jail for more than a year;
- Amend PC Section 1170 to providing that punishment incarcerations of 16 months, two, or three years be served in county jail unless the person has a prior violent, serious, or sex offense (in which case they serve time in state prison);
- Provides that counties can contract with the state to house felony offenders;
- Stop state intake and allows local agencies to contract with state corrections department for housing juvenile offenders.

The bill stipulates the act will become operative only upon creation of a community corrections grant program and upon an appropriation to fund the grant program.

Meeting Discussion

Dr. Katherine Telles, Assistant Professor from Cal-State University, Los Angeles who has been gathering available information regarding AB 109 impacts to counties and cities, has been invited to provide a presentation. She will provide brief comments and then our invited guests will share their impacts and solutions with the members. I have scheduled time for you to ask questions of our guests and discuss potential next steps.

ATTACHMENT:

Powerpoint Presentation: AB 109

AB 109: WHAT IS IT AND HOW CAN WE UNDERSTAND ITS IMPACT?

Katharine Tellis, PhD MSW ktellis@calstatela.edu

Assistant Professor, Cal State LA School of Criminal Justice & Criminalistics

Legal Context

- Brown v. Plata (2011)
 - CA's 33 prisons must reduce population to 137.5% of design capacity by May 24, 2013
- AB 109 enacted in October 2011 as a solution to reduce overcrowding, costs, and recidivism
 - Administrated via Community Corrections Partnerships (CCP) throughout CA counties
 - Counties assume responsibility for Post-release Community Supervision of non-serious, non-violent, non-sexual offenders

In Los Angeles County as of August 2012

- 9,823 individuals were on Postrelease Community Supervision
- 26% of individuals released October – December 2011 were arrested for a new crime within 6 months
- On September 30, 2011, LA County Jail population was 15,463. By July 31, 2012 it was 18,928; realigned population accounted for 30% of this population (5,035 (27%) N3 offenders and 602 (3%) parole violators)
- SOURCE: CCJCC Realignment Update Report, August 31, 2012

But, average citizens hear about it this way...

- “Man suspected in attempted sexual assault in Merced had been freed early” Merced Sun Star, 9/5/12
- A convicted sex offender accused of attempting to sexually assault a 20-year-old woman Saturday had been released early from the Merced County Jail just days before the incident. The suspect, Gabriel Fuentes, was released under the guidelines of Assembly Bill 109, the state's prison realignment law.

Other examples

- “New charges for sex offenders, free despite parole violations” ABC30.com, 9/20/12
- “Prison realignment blamed for more fights, drugs in county jails” KGET.com, 9/20/12
- “Ventura County wrestles with justice realignment plan” Ventura County Star, 9/11/12
- “Midyear Spike in Violent Crime Raises Concerns About Causes” NBC 7 San Diego, 8/30/12
- “California calls prison release plan unsafe” LA Times, 9/17/12

Issues raised for policy makers and criminal justice professionals

- The nation’s, and California’s, persistent fiscal crises have made corrections a prime focus for policy makers
- Data-driven, evidenced-based findings are critical to inform policy development
- The true impact of AB 109 remains an empirical question to be answered systematically rather than anecdotally

How can we systematically evaluate the impact of AB 109?

- | | |
|--|---|
| <ul style="list-style-type: none"> □ Process Evaluation □ <i>Is AB 109 being implemented as intended and with fidelity?</i> <ul style="list-style-type: none"> ▣ Eligibility criteria ▣ Consequences of “no shows” ▣ Risk assessment process ▣ Responses to new violations | <ul style="list-style-type: none"> □ Outcome Evaluation □ <i>What are the effects of AB 109?</i> <ul style="list-style-type: none"> ▣ Local jails? ▣ Probation departments? ▣ Crime rates? ▣ Type and extent of recidivism? |
|--|---|

Important considerations

- Active engagement from stakeholders
- Recognition of variation in implementation across counties
- Build upon existing efforts
- Hearing your thoughts/concerns/suggestions specific to your agencies and communities

Research Team

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Questions

- What was supposed to happen under AB 109 vs. what is happening in your county? What have been the biggest challenges in implementation?
- What types of interagency collaboration has AB 109 fostered in your county?
- What other factors are critical to understand any changes in the crime rate?
- What's the most important thing you would like to learn from an evaluation study of AB 109?

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REPORT

DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Hasan Ikhtrata, Executive Director, (213) 236-1800, ikhtrata@scag.ca.gov

SUBJECT: Regional Council E-Voting System Update

RECOMMENDED ACTION:

For Information Only – No Action Required

EXECUTIVE SUMMARY:

SCAG’s Information Technology division has completed market analysis and cost estimates for electronic voting systems for SCAG’s RC meetings. This analysis covered a wide range of systems, from standalone systems to comprehensive solutions that include advanced features to further increase agency transparency and potentially support multiple meeting locations to reduce travel costs. SCAG staff is proceeding with the e-voting project in 2 (two) phases: 1) staff will rent or procure a low-end, interim e-voting system to be installed and fully functional by February 2013; and 2) a competitive bid process for a longer-term solution will be completed by September 2013. Staff will provide the RC with a status update and possible demonstration of the interim solution in November 2012.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan, Goal 4: Develop, maintain and promote the Utilization of State of the Art Models, Information Systems and Communication Technologies. Objective: Integrate advanced information and communication technologies.

BACKGROUND:

Staff research has found that SCAG faces unique challenges when considering a voting system, such as the size of the Board and facility limitations. Staff has determined that the following features and capabilities are required:

- 1) Reasonable cost in relation to monthly use and functionality
- 2) Ability to support a large number of voting members with 100% accuracy
- 3) Ability to support ad hoc rather than assigned seating
- 4) Does not require extensive conference facility upgrades

Although not required, the following features and capabilities are desirable:

- 1) Option to integrate with other meeting systems including agenda and minutes management, as well as web streaming of RC meetings
- 2) Option to assist the Chair with speaker request feature
- 5) Option to expand voting capabilities to policy committees at a reasonable cost
- 6) Option to support geographically-distributed voting to reduce travel, if feasible

Voting System Options

SCAG staff has identified four types of voting systems that provide the required features and functionality. The following list indicates system options and total estimated costs inclusive of hardware and software required to implement the solution:

REPORT

- a. Voting Module that integrates with full Meeting and Agenda Suite - \$100 to \$150k up front + \$200 to \$430 monthly cost
- b. Custom Standalone Voting System - \$120 to \$160k
- c. Microphone-based Voting System - \$120 to \$170k
- d. Smart Card Audience Response System - \$60k (annual maintenance \$6k) or full service rent for \$5k per meeting

SCAG will acquire an interim solution based on Option d - Smart Card Audience Response System, as the interim solution. This will require little to no up-front cost with a per meeting rental fee. Any rental fees may be credited to the purchase of the system if such purchase is found to be cost-effective over the interim period.

SCAG staff has eliminated the following voting solution because it does not meet SCAG's requirements:

- a. Basic Audience Response System – intended for large audience polling. Accuracy not guaranteed

Schedule

SCAG staff will complete an informal bid for a Smart Card Audience Response System, or other equivalent interim system, in October 2012. If the selected system passes staff testing, staff will schedule a demonstration of the devices and system at the November 2012 RC meeting. Upon RC acceptance of the system, staff will implement this interim solution in early 2013. In a separate effort, staff will commence a formal, competitive bid for a long-term e-voting solution in November 2012.

FISCAL IMPACT:

It is anticipated that this item will be charged to the General Fund.

ATTACHMENT:

None



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Cheryl Viegas-Walker, El Centro

Transportation
Keith Millhouse, Ventura County Transportation Commission

**Regional Council
Executive/Administration Committee
and
Policy Committees**

2013 MEETING SCHEDULE*

Meetings are held on the 1st Thursday of each month

Executive/Administration Committee 9:00 a.m. – 10:00 a.m.
CEHD – EEC – TC 10:00 a.m. – 12:00 p.m.
Regional Council 12:15 p.m. – 2:00 p.m.

January 3, 2013

February 7, 2013

March 7, 2013

April 4, 2013

May 2-3, 2013 General Assembly

June 6, 2013

July 25, 2013

August – DARK

September 5, 2013 (Rosh Hashana) / (League of CA Cities Annual Conference, Sept. 18-20, 2013)

October 3, 2013

November 7, 2013

December 5, 2013

***Dates subject to change by the Regional Council**

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DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Glen Becerra, President SCAG Regional Council

SUBJECT: Approval of Resolution to Congress Averting FY 2013 Sequestration Cuts and Develop Budget Compromise

RECOMMENDED ACTION:

Approve Resolution No. 12-543-2 which urges Congress to pass and the White House to sign legislation to avert across-the-board Fiscal Year 2013 sequestration cuts and to come together to develop a long-term budget compromise.

EXECUTIVE SUMMARY:

Support the efforts of the Los Angeles County Economic Development Corporation (LAEDC) and local government, business and labor stakeholders to urge Congress and the President to reach a budget compromise that will avert the automatic Sequestration cuts that will otherwise occur pursuant to federal law on January 2, 2013, should further budget action not pass. LAEDC has reported an estimated near immediate loss of approximately 225,000 jobs statewide due to sequestration cuts, representing a loss of \$22 billion in the state's Gross Domestic Product (GDP). Avoiding further job loss in Southern California communities is consistent with adopted RC policy direction as part of the Southern California Job Recovery and Economic Strategy. Approval of the proposed Regional Council Resolution is recommended and it is suggested that SCAG member cities consider adopting a similar Resolution urging support (Resolution template attached).

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective b) Identify and support legislative initiatives.

BACKGROUND:

The Budget Control Act of 2011 (BCA) (Pub.L. 112-25, S. 365) signed by the President on August 2, 2011 set the discretionary funding level for FY 2013 at \$1.047 trillion. Within that amount, the law set the discretionary spending limit at \$686 billion for the "security category" (everything in the Pentagon, DHS, the VA, the intelligence community, and the defense side of the Energy Department, as well as all foreign aid) and \$361 billion for the "non-security category" (everything else in the discretionary budget). The BCA also allows the cap to increase by \$1.05 billion in FY 2013 if disability fraud and Medicare fraud enforcement is increased by a certain amount.

More recently, following announcement on July 31, 2012 by House Speaker Jim Boehner (R-OH) and Senate Majority Leader Harry Reid (D-NV) of a bipartisan agreement with the White House on the outline of a six-month continuing resolution (CR) funding the discretionary spending of the federal government for the first half of fiscal year 2013 (October 2012 through March 2013), the Senate on September 22 passed a CR voting 62-30 to fund government activities and functions through March 27. The House passed its version of the CR on September 13. The \$524 billion CR adheres to the Budget Control Act stipulations that

REPORT

include a government-wide \$26.6 billion cut in discretionary spending from fiscal 2011 levels; it maintains a federal pay freeze through April and includes nearly \$90 billion for the war in Afghanistan and other global military operations. The CR, which must be enacted by September 30 to avert potentially a government shutdown, is expected to soon be signed into law by President Barack Obama.

Passage of the six-month stopgap measure, which for the most part essentially freezes spending at current levels, reflects recognition by Congress of the large number of important fiscal policy issues the Congress will attempt to address during the lame-duck session, including:

- The expiration of the 2001 and 2003 President Bush tax cuts at year end;
- The expiration of the ‘temporary’ payroll tax reduction from the 2009 ARRA law at year end;
- Numerous business tax credits that expired at the end of 2011 but which can be extended at any time before businesses file 2012 tax returns;
- The expiration of extended unemployment benefits at year end;
- The expiration of the Medicare provider “doc fix” at year end;
- Possible increase to the debt ceiling.

If the negotiations over all of the moving parts of federal fiscal policy in the post-election lame-duck session in November and December do not result in an agreement, then the BCA's automatic "sequestration" cuts will take place on January 2, 2013, resulting in automatic across-the-board 7.8 percent cuts in non-defense discretionary appropriations and cuts of at least 10 percent in defense discretionary programs. (The President can choose to exempt defense payroll accounts from sequestration, which would then cause the size of the cuts in non-payroll Pentagon accounts to increase sharply, the exact amounts have not yet been calculated by the Office of Management and Budget).

State and Local Economic Impacts

Automatic sequestration cuts would be devastating to the overall California economy and the Southern California economy in particular due the high concentration of defense and aerospace industries located within the region, including the ancillary industrial and service sectors supporting these industries. LAEDC has reported an estimated near immediate loss of approximately 225,000 jobs statewide due to sequestration cuts, representing a loss of \$22 billion in the state’s Gross Domestic Product (GDP). While all areas of the region would be significantly affected, cuts would be especially pronounced in Los Angeles County, resulting in revenue losses of \$2 billion for defense contracts alone. Further, it is estimated that total direct, indirect and induced impacts to Southern California would affect 276,000 jobs, \$20.6 billion in wages, more than \$66 billion in economic impact returning almost \$2.4 billion to state and local governments in tax revenue.

In recognition of the enormous negative impacts that sequestration cuts would have upon Southern California’s economy, on August 9, 2012 the LAEDC formed a strike team known as the L.A. Jobs Defense Council consisting of defense and aerospace-related industry leaders, jobs and community advocates, and regional public officials to mitigate the effects of sequestration cuts imposed by Congress. This group has prepared a letter to Senators Boxer and Feinstein with copies to members of the Armed Services Committees of the Senate and House, and to the California Congressional Delegation, to be signed by over 40 Southern California elected officials, business and labor leaders, urging all parties to come together to reach a balanced budget solution that will avert the severe sequestration cuts and its resulting damage to the state’s economy. SCAG supports the efforts of the L.A. Jobs Defense Council given their consistency with adopted RC policy regarding avoiding further job loss in Southern California communities as part of the

REPORT

Southern California Job Recovery and Economic Strategy. Attached is a proposed Regional Council resolution urging Congress and the White to take legislative action to avert sequestration cuts. Similarly, a draft resolution urging the same policy objective has also been prepared for adoption by any local government jurisdictions that wish to assist these efforts.

ATTACHMENTS:

1. Resolution No. 12-543-2
2. Stop Sequestration Cuts Congressional Letter
3. Stop Sequestration Cuts Template Resolution

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RESOLUTION NO. 12-543-2

**A RESOLUTION OF THE SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS (SCAG) URGING MEMBERS
OF CONGRESS TO PASS AND THE WHITE HOUSE TO SIGN
LEGISLATION TO AVERT ACROSS-THE-BOARD
FISCAL YEAR 2013 SEQUESTRATION CUTS AND TO
COME TOGETHER TO DEVELOP A LONG-TERM
BUDGET COMPROMISE**

WHEREAS, the impacts of the \$1.2 trillion in across-the-board, forced federal cuts proposed under sequestration will have serious and deleterious effects on our local, regional, state and national economies—putting at-risk hundreds of thousands of high-wage, high-skill aerospace and other defense-related jobs as well as tens of thousands of non-defense jobs and countless critical social services programs in education, housing, healthcare and other human services areas; and

WHEREAS, the George Mason University report titled “The Economic Impact of the Budget Control Act of 2011 on DOD & non-DOD Agencies” dated July 17, 2012 (GMU Report), states that the nation’s economy will lose \$215 billion in gross domestic product, shed 2.14 million jobs and swell the unemployment rate by as much as 1.5 percentage points due to sequestration cuts in the first two fiscal years alone; and

WHEREAS, the GMU Report states that California will be most directly and severely affected by these cuts, losing a total of 225,464 jobs (with 135,209 coming from defense-related cuts and 90,255 from non-defense related cuts) and \$22 billion in gross state product; and

WHEREAS, the current uncertainty surrounding the implementation of sequestration has already led many companies to issue layoff notices and reduce outlays in preparation of these looming cuts; and

WHEREAS, Southern California represents the heart of the nation’s aerospace industry, with total direct, indirect and induced impacts of 276,000 jobs, \$20.6 billion in wages, more than \$66 billion in economic impact and returning almost \$2.4 billion to state and local governments in tax revenue; and

WHEREAS, the County of Los Angeles has a long history with aerospace and other defense-related industries and currently has close to 60,000 direct jobs in aerospace and other defense-related industries with a significant wage premium, out-earning those in the manufacturing sector as a whole by 73%, on average; and

WHEREAS, local efforts are currently underway and being led by the L.A. Jobs Defense Council – a coalition comprised of business, government and labor leaders – to, first and foremost, avert sequestration from occurring effective January 2, 2013, but to also prepare the region for the impacts of sequestration should these forced cuts occur.

NOW, THEREFORE, BE IT RESOLVED by the Regional Council of the Southern California Association of Governments, to urge members of Congress to pass; and the White House to sign legislation to avert across-the-board fiscal year 2013 sequestration cuts and to come together to develop a long-term budget compromise.

APPROVED AND ADOPTED by the Regional Council of the Southern California Association of Governments at a regular meeting this 4th day of October, 2012.

Hon. Glen Becerra
President, SCAG
Councilmember, City of Simi Valley

Attested by:

Hasan Ikhata
Executive Director

Approved as to Form:

Joann Africa
Chief Counsel

September 24, 2012 (amended with additional signatures)

The Honorable Dianne Feinstein
United States Senate
331 Hart Senate Office Building
Washington, DC 20510

The Honorable Barbara Boxer
United States Senate
112 Hart Senate Office Building
Washington, DC 20510

Re: Stop Sequestration Cuts and Save California Jobs

Dear Senators Feinstein and Boxer:

We, the undersigned, a network of civic stewards representing various organizations and sectors (e.g., business, labor, education, nonprofit, and public sectors) from California's diverse economic regions, who are dedicated to protecting the hundreds of thousands of workers, countless families and entire communities throughout the State that will be severely and cruelly affected by the automatic, across-the-board \$1.2 trillion in federal spending cuts (sequestration) set to trigger on January 2, 2013, urge your leadership to pass legislation to avert the fiscal year 2013 sequestration cuts and to bring together your Congressional colleagues to find a balanced, bipartisan and long-term budget compromise that protects California and the nation going forward.

Without your urgent attention and swift action, the \$1.2 trillion in federal spending cuts over 10 years will mercilessly shrink defense and non-defense discretionary spending (including critical programs in community development, education, health, housing, workforce development and numerous other discretionary grants to states and localities) and do so in a way that not only frustrates the still sluggish national and California economies, but that triggers the following near-term – almost immediate – threats to our economic security:

- A projected 2.14 million jobs lost in the United States, including 225,464 jobs lost in California.¹
- An estimated \$215 billion reduction in the nation's gross domestic product (GDP), including an almost \$23 billion reduction in California's gross state product (GSP).²

¹ Stephen S. Fuller, Ph.D., George Mason University, *The Economic Impact of the Budget Control Act of 2011 on DOD & non-DOD Agencies* (July 17, 2012).

² Id.

Here in California, especially in Southern California, the impacts of these draconian, forced spending cuts will affect almost every area of life for our residents. Bear in mind that California represents the heart of the nation's aerospace and other defense-related industries – which include aerospace products and parts as well as analytical instrument manufacturing. The estimated [direct, indirect and induced] economic and fiscal contributions (2010) of the aerospace industry in California are about \$93 billion in output (\$66 billion in Southern California), almost 393,000 annual jobs (276,000 in Southern California) with \$29.7 billion in labor income (about \$21 billion in Southern California), and an estimated \$9.9 billion in federal, state and local taxes.³ In San Diego County alone, more than 25 percent of the county's total jobs are supported by defense-related spending.⁴

What's more, the uncertainty surrounding sequestration has already had significant impacts on many companies' willingness to spend and hire. And can you think of a worse time to put Californians in uncertain risk with almost two million of our neighbors still out of work and with the nation's third highest unemployment rate (10.7 percent)? While we all understand and agree that the job and loss of GDP and GSP figures are overwhelming and scary, the other underlying effects of sequestration are similarly alarming, including:

- The very real likelihood that the U.S. economy could be pushed back into a recession in the first half of 2013 and that the federal unemployment rate could spike by as much as 1.5 percent nationally.⁵
- The loss of innovation-driving companies in various sectors of our economy and the lost technological spillover effects provided by these "incubators of innovation." (Indeed, the economic contribution of impacted industries reaches far beyond the dollar value of the products produced and the number of people employed.)
- California's ability to fund and deliver human and social services programs will not only be undermined directly by the discretionary cuts to state and local programs, but will also face severe budgetary shortfalls from an overall decline in economic output, hundreds of thousands of jobs lost (and the added stress that mass joblessness places on state and local social services programs) and a major reduction in personal earnings, savings and spending. In turn, this will result in plummeting quality of life, overall health and general well-being measures – all of which are so closely linked with increased unemployment.

There is simply no greater immediate threat to our economic recovery and longer-term economic wellbeing than these looming sequestration cuts. For the sake of both the California and national economies, we ask you to carry on your stellar records in DC of protecting jobs here at home in California and urge you to find a way to avert the fiscal year 2013 cuts and to help bring all sides together to ensure that a long-term, balanced and thoughtful budget solution is reached.

³ Source: Estimates by LAEDC Economic & Policy Analysis Department.

⁴ Source: San Diego Military Advisory Council, *San Diego Military Economic Impact Study* (June 20, 2012).

⁵ See generally, Fuller, note 2 above.

Sincerely,



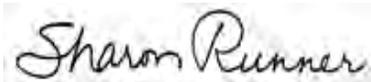
Bill Allen
President/CEO
**Los Angeles County Economic
Development Corporation**



Mark Cafferty
President/CEO
**San Diego Regional Economic
Development Corporation**



Leigh Nixon
President
**Chambers of Commerce
Alliance of Ventura & Santa
Barbara Counties**



Honorable Sharon Runner
State Senator (R-17)
**District 17, California State
Senate**



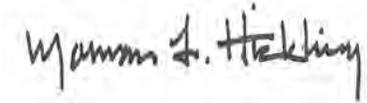
Ted W. Lieu
State Senator (D-28)
**District 28, California State
Senate**



John D. Welty
President
**California State University,
Fresno**



Bill Buratto
President/CEO
**Ventura County Economic
Development Association**



Norm Hickling
Co-Chair, LA Jobs Defense Council
**Senior Deputy, LA County
Supervisor Mike Antonovich**



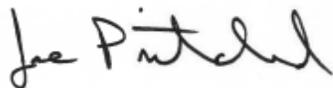
Jonas Peterson
President/CEO
**Santa Clarita Valley Economic
Development Corporation**



Robert N. Christensen
Vice President
4ward Sciences, Inc.



Steve Knight
State Assemblymember (R-36)
**District 36, California State
Assembly**



Joe Pritchard
Chairman
**Port of San Diego Ship Repair
Association**

Derry Pence
President
**Port of San Diego Ship Repair
Association**

Michael Manchak
President/CEO
**Economic Vitality Corporation
of San Luis Obispo County**

Glenn Barney
Vice President
**COM DEV International Ltd. -
USA**

Bradley H. Feldman
President
**Cubic Defense Applications,
Inc**

John Kelsall
Chairman
**BizFed, Los Angeles County
Business Federation**

Scott K. Celley
Vice President, External Affairs
TriWest Healthcare Alliance

Carl Guardino
President/CEO
**Silicon Valley Leadership
Group**

Robert Nascenzi
President/CEO
DefenseWeb Technologies

Thella Bowen
President
**San Diego County Regional
Airport Authority**

Barbara DeBoom
President/CEO
**Palm Desert Area Chamber of
Commerce**

Cynthia Kurtz
President/CEO
**San Gabriel Valley Economic
Partnership**

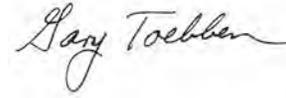
Paul Little
President/CEO
**Pasadena Chamber of
Commerce & Civic Association**



Larry Blumberg
Executive Director
**San Diego Military Advisory
Council**



Jim Lazarus
Senior Vice President
**San Francisco Chamber of
Commerce**



Gary Toebben
President/CEO
**Los Angeles Area Chamber of
Commerce**



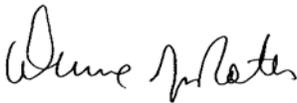
Mel Layne
President
**Greater Antelope Valley
Economic Alliance**



Supervisor Don Knabe, Fourth
District
**Los Angeles County Board of
Supervisors**



George Burden
Co-Chair, LA Jobs Defense
Council
**Secretary Treasurer U.A.W.
Local 148, Long Beach, CA**



Duane Roth
CEO
CONNECT



Vicki Medina
Executive Director
Antelope Valley Board of Trade



Ruben Barrales
President/CEO
**San Diego Regional Chamber of
Commerce**



Lucy Dunn
President/CEO
**Orange County Business
Council**



George Nagy
President/CEO
Mojave Desert Bank



Patricia Donaldson
President
**South Bay Association of
Chambers of Commerce**



Matthew R. Mahood
President/CEO
**San Jose Silicon Valley Chamber
of Commerce**



Paul Granillo
President/CEO
**Inland Empire Economic
Partnership**



Joe Haraburda
President, Chief Executive Officer
**Oakland Metropolitan Chamber
of Commerce**



Randy Gordon
President/CEO
**Long Beach Area Chamber of
Commerce**



Jim Light
Vice President/General Manager
LinQuest



Ashley Hall
Chairman
Southwest Defense Alliance



Gurbax Sahota
President/CEO
**California Association for Local
Economic Development**



Sylvia Ballin
Councilmember
City of San Fernando



Rosa Perez
Councilmember
City of Huntington Park

cc:

Senator Carl Levin, Chair, Armed Services
Committee
Representative Buck McKeon, Chair, Armed
Services Committee
Representative Joe Baca
Representative Xavier Becerra
Representative Howard Berman
Representative Mary Bono Mack
Representative John Campbell
Representative Judy Chu
Representative Susan Davis
Representative David Dreier
Representative Sam Farr
Representative Elton Gallegly
Representative Janice Hahn
Representative Mike Honda
Representative Darrell Issa
Representative Jerry Lewis
Representative Daniel Lungren
Representative Kevin McCarthy
Representative Jerry McNerney
Representative George Miller
Representative Devin Nunes
Representative Laura Richardson
Representative Lucille Roybal-Allard
Representative Loretta Sanchez
Representative Adam Schiff
Representative Jackie Speier
Representative Mike Thompson
Representative Henry Waxman

Members of the U.S. Senate Armed Services
Committee
Members of the U.S. House of
Representatives Armed Services Committee
Representative Karen Bass
Representative Howard Berman
Representative Brian Bilbray
Representative Ken Calvert
Representative Lois Capps
Representative Jim Costa
Representative Jeff Denham
Representative Anna G. Eshoo
Representative Bob Filner
Representative John Garamendi
Representative Wally Herger
Representative Duncan Hunter
Representative Barbara Lee
Representative Zoe Lofgren
Representative Doris O. Matsui
Representative Tom McClintock
Representative Gary Miller
Representative Grace Napolitano
Representative Nancy Pelosi
Representative Dana Rohrabacher
Representative Ed Royce
Representative Linda Sanchez
Representative Brad Sherman
Representative Pete H. Stark
Representative Maxine Waters
Representative Lynn Woolsey

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MOBILIZING L.A. IN DEFENSE OF JOBS

Draft Resolution

“A RESOLUTION OF THE COUNCIL/BOARD OF THE CITY/COUNTY OF _____, URGING MEMBERS OF CONGRESS TO PASS AND THE WHITE HOUSE TO SIGN LEGISLATION TO AVERT ACROSS-THE-BOARD FISCAL YEAR 2013 SEQUESTRATION CUTS AND TO COME TOGETHER TO DEVELOP A LONG-TERM BUDGET COMPROMISE.”

WHEREAS, the impacts of the \$1.2 trillion in across-the-board, forced federal cuts proposed under sequestration will have serious and deleterious effects on our local, regional, state and national economies—putting at-risk hundreds of thousands of high-wage, high-skill aerospace and other defense-related jobs as well as tens of thousands of non-defense jobs and countless critical social services programs in education, housing, healthcare and other human services areas; and

WHEREAS, the George Mason University report titled “The Economic Impact of the Budget Control Act of 2011 on DOD & non-DOD Agencies” dated July 17, 2012 (GMU Report), states that the nation’s economy will lose \$215 billion in gross domestic product, shed 2.14 million jobs and swell the unemployment rate by as much as 1.5 percentage points due to sequestration cuts in the first two fiscal years alone; and

WHEREAS, the GMU Report states that California will be most directly and severely affected by these cuts, losing a total of 225,464 jobs (with 135,209 coming from defense-related cuts and 90,255 from non-defense related cuts) and \$22 billion in gross state product; and

WHEREAS, the current uncertainty surrounding the implementation of sequestration has already led many companies to issue layoff notices and reduce outlays in preparation of these looming cuts; and

WHEREAS, Southern California represents the heart of the nation’s aerospace industry, with total direct, indirect and induced impacts of 276,000 jobs, \$20.6 billion in wages, more than \$66 billion in economic impact and returning almost \$2.4 billion to state and local governments in tax revenue; and

WHEREAS, the County of Los Angeles has a long history with aerospace and other defense-related industries and currently has close to 60,000 direct jobs in aerospace and other defense-related industries with a significant wage premium, out-earning those in the manufacturing sector as a whole by 73%, on average; and

WHEREAS, local efforts are currently underway and being led by the L.A. Jobs Defense Council – a coalition comprised of business, government and labor leaders – to, first and foremost, avert sequestration but to also prepare the region for the impacts of sequestration should these forced cuts occur; and

NOW, THEREFORE, BE IT RESOLVED, by the council/board of the city/county of _____, that the council/board urge members of Congress to pass and the White House to sign legislation to avert across-the-board fiscal year 2013 sequestration cuts and to come together to develop a long-term budget compromise.”

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SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
EXECUTIVE/ADMINISTRATION COMMITTEE (EAC)
July 5, 2012

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE/ADMINISTRATION COMMITTEE. A RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Executive/Administration Committee (EAC) held its meeting at the SCAG Offices, in Los Angeles, California. The meeting was called to order by Hon. Glen Becerra, Chair, City of Simi Valley, District 46, at 9:00 a.m. A quorum was present.

Members Present

Hon. Glen Becerra, Simi Valley, President	District 46
Hon. Ginger Coleman, Apple Valley	District 65
Hon. James Johnson, Long Beach	District 30
Hon. Paula Lantz, Pomona	District 38
Hon. Keith Millhouse, Moorpark	VCTC
Hon. Carl Morehouse, 2 nd Vice-President	District 47
Hon. Pam O'Connor, Santa Monica, Imm. Past President	District 41
Hon. Greg Pettis, Cathedral City, 1st Vice-President	District 2
Hon. Jeff Stone	Riverside County
Hon. Cheryl Viegas-Walker, El Centro	District 1
Hon. Alan Wapner, Ontario	SANBAG
Hon. Dennis Zine, Los Angeles	District 50
Mr. Randall Lewis	Lewis Group of Companies

Members Not Present

Hon. Lisa Bartlett, Dana Point	TCA
Hon. Mark Calac, Pechanga Band of Luiseno Indians	Tribal Govt. Representative
Hon. Kris Murray, Anaheim	District 19

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Hon. Glen Becerra, Chair, called the meeting to order at 9:00 a.m.

PUBLIC COMMENT PERIOD

No Public Comments were received.

REVIEW and PRIORITIZE AGENDA ITEMS

PRESIDENTS REPORT

Hon. Glen Becerra, Chair, reported that the EAC met on June 27, 2012 so that the Policy Committee Chairs and Vice-Chairs could discuss the common principles and proposed charters for the newly formed SCAG Subcommittees. More details and outcomes of that meeting will be provided in item one (1) of the EAC agenda today.

Hon. Becerra announced that Amy Lemisch, Director of the California Film Commission, will provide a presentation regarding adopting a Model Film Ordinance later today at the Regional Council meeting. Hon. Becerra noted that adopting the Model Film Ordinance will assist local efforts in the economic development strategy for the Southern California region and supports Phase II of SCAG's Southern California Economic Recovery and Job Creation Strategy.

Hon. Becerra stated that he intends to send a letter including a copy of the Model Film Ordinance to all cities and counties within SCAG, asking that they adopt the ordinance, once modifications have been made.

EXECUTIVE DIRECTOR'S REPORT

Hasan Ikhata, Executive Director, provided highlights of the Executive Director's report which was previously sent via email to the EAC members. Mr. Ikhata commented on the passage of HR 4348 legislation (MAP 21) a \$105 billion federal transportation reauthorization bill through September 30, 2014. This is welcomed news because the transportation legislation includes significant policy changes which are consistent with a majority of the policy provisions approved and directed by the Regional Council.

Mr. Ikhata commented on a number of annual sub-regional General Assemblies and other year-end activities that he, Board Officers and Executive Staff participated across the region. Some activities included the June 7th VCOG Annual Dinner; the June 14th SANBAG 2nd General Assembly; the June 21st WRCOG 21st Annual General Assembly; and, the June 25th CVAG General Assembly. Mr. Ikhata acknowledged the board members who traveled from short and long distances to attend each event.

Mr. Ikhata announced that he and Immediate Past President, Pam O'Connor were honored by Move LA at their annual event on June 13, 2012 for the work of the Regional Council on the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) . Additionally, on June 28th, he noted that he received the Dykstra Award for Excellence in

Government by the American Society for Public Administration (ASPA) Greater Los Angeles Chapter. Mr. Ikhata noted that he accepted both awards on behalf of the Regional Council. Mr. Ikhata reported that the California Legislature in Sacramento continues to debate whether to include funding in the state budget (from Prop 1A funds) for the State's High Speed Rail system, including the first construction segment for Fiscal Year (FY) 2013. Consideration of the final budget may be carried over to August if there are not sufficient votes. The legislature has to approve the budget in order for the treasurer to issue the bonds, which is the essential source for Prop 1A funds. Mr. Ikhata also noted that out of the nine (9) agencies, OCTA did not sign the MOU. He emphasized the importance of being part of the negotiations for the \$1 billion investment which will support the Southern California region in terms of phased projects to improve regional connectivity with the Los Angeles-San Diego-San Luis Obispo (LOSSAN) Rail Corridor and the Metrolink System in conjunction with the development of the proposed State HSR system. Sharon Neely, Chief Deputy Executive Director, is preparing to send the signed MOU and project list, which was finalized by the Regional transportation agency CEO's, to the CHSRA on Monday, July 9, 2012.

Hon. Keith Millhouse asked how the Prop 1A funding will be allocated. Sharon Neely explained that the California Assembly Budget Committee approved \$500 million for Southern California, \$600 million for Northern California, and \$2.5 billion for the Central Valley. A total of \$6 billion Prop 1A is unallocated.

Mr. Ikhata reported that the Information Technology staff is working to provide the Regional Council members with an improved interactive voting system. Staff will provide an update to the Committee at its September 6, 2012 meeting.

In closing, Mr. Ikhata announced that on June 26, 2012, SCAG's Fiscal Year 2012-2035 Overall Work Program (OWP) was approved by the Federal Transit Authority and the Federal Highway Administration. In reference to the state budget and the Governor's proposed tax initiatives, in the event the proposed tax initiatives are not successful, the Governor's plan does include automatic trigger budget cuts. The budget cuts will not impact SCAG's budget.

ACTION ITEMS

1. New SCAG Subcommittees

Hon. Glen Becerra, Chair, again reported that the Policy Committee Chairs and Vice-Chairs met as part of the special EAC meeting on June 27, 2012 to discuss the proposed common principles and scopes for the six (6) Subcommittee Charters. The draft Charters for each Subcommittee denote the membership, purpose, and structure for each committee. President Becerra also noted that at today's Joint meeting of the Policy Committees, focus discussion will be on the application process, the reporting recommendations and other concerns or issues for each respective subcommittee membership. Those recommendations will be forwarded to the Regional Council today for further discussion and approval of the New SCAG Subcommittees.

The EAC took no action but based upon the consensus of the group, the discussion of the proposed subcommittees would be continued to today's Joint Policy Committees meeting.

CONSENT CALENDAR

Approval Items

2. Minutes of the June 7, 2012 Meeting
3. SCAG Memberships and Sponsorship of Annual Events—Coalition for Clean Air's 2012 California Air Quality Awards, June 21, 2012 at \$1,000
4. ACA 23 (Perea) – Local Government Transportation Projects: Special Taxes-Voter Approval

Item #5 was pulled for separate discussion by Councilmember Paula Lantz.

5. AB 1446 (Feuer): Los Angeles County Metropolitan Authority – Transactions and Use Tax

Councilmembers Paula Lantz and James Johnson expressed concern regarding the effects of extending AB 1446 (Feuer) which would allow the Los Angeles County Metropolitan Authority (MTA) to indefinitely extend its existing half-cent (½) transaction and use tax (sales tax) related to transportation, subject to voter approval in Los Angeles County.

A motion was made (Pettis) to Support AB 1446 (Feuer). Motion was seconded (Stone) and Passed with two (2) in Opposition (Lantz and Johnson).

6. Invitation and Sponsorship from the Chinese Academy of Science to Attend a Conference in Beijing, China
7. SCAG Executive Director Invitation to Participate in Sao Paulo, Brazil Workshop

Receive and File

8. Contracts/Purchase Orders and/or Amendments between \$5,000 - \$200,000

A motion was made (Pettis) to approve the Consent Calendar, Items #2-4; 6-8. Motion was seconded (Stone) and UNANIMOUSLY APPROVED.

INFORMATION ITEM

9. Regional Plug-In Electric Vehicle Activities

At the request of Councilmember Jeff Stone, a presentation on activities related to Plug-In Electric Vehicles (PEVs) was given by Jennifer Sarnecki, SCAG Project Manager.

Ms. Sarnecki reported that SCAG has taken a leadership position toward developing a Regional PEV Readiness Plan for Southern California which compliments the 2012-2035 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS). SCAG is collaborating with key partners including, but not limited to Southern California Edison

(SCE) and the South Coast Air Quality Management District (SCAQMD) to identify the best locations for charging infrastructure.

Ms. Sarnecki provided an overview of the key Regional PEV Activities:

- Convene regional stakeholders to discuss PEV Readiness issues and opportunities;
- SCAG received a grant award of \$300,000 from the U.S. Department of Energy to develop a Regional PEV Readiness Plan and conduct outreach;
- SCAG received a grant award of \$200,000 from the California Energy Commission to develop Subregional Plans to support PEV Readiness for the South Bay Cities Council of Governments and for the Western Riverside Council of Governments; and
- SCAG procured the UCLA Luskin Center to prepare Regional and Subregional PEV Readiness Plans.

Ms. Sarnecki commented on the barriers to PEV adoption and the types of electric vehicles that are currently in the market. Councilmember Viegas-Walker requested staff to provide outreach to the private sector and to include the actual charge time in future presentations. Councilmember Stone requested that staff discuss this with SCAG's lobbyist, and to look into funding for rebates in order to make purchasing electric vehicles more affordable to consumers.

CFO MONTHLY FINANCIAL REPORT

Due to time constraints, the CFO Monthly Financial Report was deferred to the Regional Council meeting.

FUTURE AGENDA ITEMS

There were no future agenda items requested.

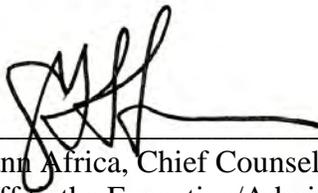
ANNOUNCEMENTS

There were no announcements.

ADJOURNMENT

The meeting adjourned at 10:10 a.m. The next regular meeting of the Executive/Administration Committee will be held on Thursday, September 6, 2012 at the SCAG Los Angeles office.

Minutes Approved by:



Joann Africa, Chief Counsel
Staff to the Executive/Administration Committee

EXECUTIVE/ADMINISTRATION COMMITTEE ATTENDANCE REPORT

Member (including Ex-Officio) LastName, FirstName	Representing	X = County Represented						JULY	AUG	SEPT	OCT	NOV	DEC
		IC	LA	OC	RC	SB	VC						
Becerra, Glen, Chair	Simi Valley						X	X					
Bartlett, Lisa	Dana Point			X									
Coleman, Ginger	Apple Valley					X		X					
Johnson, James	Long Beach		X					X					
Lantz, Paula	Pomona		X					X					
Lewis, Randall, Ex Officio	Lewis Op. Corp.					X		X					
McCallon, Larry	Highland					X							
Millhouse, Keith	VCTC						X	X					
Morehouse, Carl, 2nd VP	San Buenaventura						X	X					
Mitchell, Judy	Rolling Hills Estates		X					X					
Murray, Kris	Anaheim			X									
O'Connor, Pam, Imm. Past Pres.	Santa Monica		X					X					
Pettis, Gregory, 1st VP	Cathedral City				X			X					
Stone, Jeff	Riverside County			X	X			X					
Walker-Viegas, Cheryl	El Centro	X						X					
Wapner, Alan	Ontario					X		X					
Zine, Dennis	Los Angeles		X					X					
	Totals	1	5	3	2	4	3						

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
EXECUTIVE/ADMINISTRATION COMMITTEE (EAC)
SPECIAL MEETING
August 22, 2012

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE/ADMINISTRATION COMMITTEE. A RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Executive/Administration Committee (EAC) held a Special meeting at the SCAG Offices, in Los Angeles, California. The meeting was called to order by Hon. Glen Becerra, Chair, City of Simi Valley. A quorum was present.

Members Present

Hon. Glen Becerra, Simi Valley, Chair	District 46 (Via Teleconference)
Hon. Greg Pettis, Cathedral City, 1st Vice -President	District 2 (Via Teleconference)
Hon. Carl Morehouse, San Buenaventura, 2 nd Vice-President	District 47 (Via Videoconference)
Hon. Pam O'Connor, Santa Monica, Imm. Past President	District 41 (Via Videoconference)
Hon. James Johnson, Long Beach	District 30
Hon. Larry McCallon, Highland	District 7 (Via Videoconference)
Hon. Keith Millhouse, Moorpark	VCTC
Hon. Judy Mitchell, Rolling Hills Estate	District 40 (Via Teleconference)
Hon. Kris Murray, Anaheim	District 19 (Via Teleconference)
Mr. Randall Lewis	Lewis Operating Corp. (Via Teleconference)
Hon. Cheryl Viegas-Walker, El Centro	District 1 (Via Teleconference)
Hon. Alan Wapner, Ontario	SANBAG (Via Teleconference)

Members Not Present

Hon. Paula Lantz, Pomona	District 38
Hon. Jeff Stone	Riverside County
Hon. Dennis Zine, Los Angeles	District 50

CALL TO ORDER

Hon. Glen Becerra, Chair, called the meeting to order at 2:45 p.m.

PUBLIC COMMENT PERIOD

No Public Comments were given.

PRESIDENT'S REPORT

Update on Appointments to Subcommittees

Hasan Ikhata, Executive Director, commented that although there was significant outreach to the Regional Council and Policy Committee Members regarding their participation on the subcommittees, however, there was not enough participation from all six (6) counties. Mr. Ikhata stated that there was considerable interest from representatives of Los Angeles County and from members of the private sector. Mr. Ikhata asked the EAC to consider fulfilling the remaining vacancies with those representatives.

Several EAC members discussed the equitable balance of representation within each subcommittee and recommended that the private sector be given an opportunity to participate. Discussion ensued on the type of outreach that should be implemented in order to generate greater representation on SCAG's subcommittees, including contacting the RC and Policy Committee Members directly.

Hon. Glen Becerra, Chair, stated that he would personally extend the opportunity to specific members before offering membership to the other sectors. He also stated his intent is to follow-up with phone calls and/or ask staff to send an additional email along with an application to RC and Policy Committee members. The members will have the option to participate in a maximum of two (2) subcommittees. Once all of the outreach has been completed, the final recommendations will be incorporated and the appointments will be made at the September 6, 2012 RC meeting. Hon. Becerra also reported that he received valuable feedback from the Policy Committee Chairs and Vice-Chairs and made some changes based on their recommendations.

EXECUTIVE DIRECTOR'S REPORT

Update on Subcommittee Work Plans

Hasan Ikhata, Executive Director, reported that draft Work Plans for each of the six (6) Subcommittees have been developed based upon the approved Subcommittee Charters and will be presented to the Policy Committees and Regional Council in September 2012. He also reported on the important discussions that are currently taking place between the regions and Caltrans which pertain to the two year federal bill and implementation of the apportionments for highway federal funding in FY '13 and '14 . He noted that Sharon Neely, Chief Deputy Executive Director, has been working with other agencies on a consensus and staff will provide an update when results are known.

ACTION ITEMS

1. Waiver of RC Policy to Allow Video-conferencing of the September 6, 2012 Regional Council Meeting

Hasan Ikhata, Executive Director, requested the EAC, acting on behalf of the Regional Council (RC), authorize to waive Article VI, Section 1.11 of the RC Policy Manual to allow video-conferencing of the September 6, 2012 Regional Council meeting to accommodate the large number of RC members attending the upcoming League of California Cities Annual Conference in San Diego.

After a brief discussion, including the determination that the video-conferencing accommodation will ensure a quorum, a motion was made (Morehouse) to waive Article VI, Section 1.11 of the RC Policy Manual. Motion was Seconded (Millhouse). A roll call vote was taken. Motion passed Unanimously.

2. Authority to Join in Amicus Brief Effort Related to Cleveland National Forest Foundation et al. v. San Diego Association of Governments (SANDAG) ET AL. (County of San Diego Superior Court, Case No. 37-2011-00101593- CU-TT-CTL)

Hasan Ikhata, Executive Director, informed the EAC that the litigation challenging SANDAG's 2050 Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) is proceeding and staff was informed that preparation to file an amicus brief by public agencies in support of SANDAG is currently underway. Mr. Ikhata requested the EAC, acting on behalf of the RC, authorize staff to join in the amicus brief effort related to the SANDAG litigation.

A motion was made (McCallon) to approve staff's recommendation to join in the amicus brief effort related to the SANDAG litigation. Motion was Seconded (Millhouse). A roll call vote was taken. Motion passed Unanimously.

ADJOURNMENT

The meeting adjourned at 3:25 p.m. The next regular meeting of the Executive/Administration Committee will be held on Thursday, September 6, 2012 at the SCAG Los Angeles Office.

Minutes Approved by:



Joann Africa, Chief Counsel
Staff to the Executive/Administration Committee

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SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS
EXECUTIVE/ADMINISTRATION COMMITTEE (EAC)

September 6, 2012

MINUTES

THE FOLLOWING MINUTES ARE A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE/ADMINISTRATION COMMITTEE. A RECORDING OF THE ACTUAL MEETING IS AVAILABLE FOR LISTENING IN SCAG'S OFFICE.

The Executive/Administration Committee (EAC) held its meeting at the SCAG Offices, in Los Angeles, California. The meeting was called to order by Hon. Glen Becerra, Chair, City of Simi Valley, District 46, at 9:25 a.m. A quorum was not present.

Members Present

Hon. Glen Becerra, Simi Valley, President	District 46
Hon. Larry McCallon, Highland	District 7
Hon. Keith Millhouse, Moorpark	VCTC
Hon. Pam O'Connor, Santa Monica, Imm. Past President	District 41
Mr. Randall Lewis	Lewis Group of Companies

Members Not Present

Hon. Lisa Bartlett, Dana Point	TCA
Hon. James Johnson, Long Beach	District 30
Hon. Paula Lantz, Pomona	District 38
Hon. Carl Morehouse, 2 nd Vice-President	District 47
Hon. Kris Murray, Anaheim	District 19
Hon. Greg Pettis, Cathedral City, 1st Vice-President	District 2
Hon. Jeff Stone	Riverside County
Hon. Cheryl Viegas-Walker, El Centro	District 1
Hon. Alan Wapner, Ontario	SANBAG
Hon. Dennis Zine, Los Angeles	District 50

CALL TO ORDER & PLEDGE OF ALLEGIANCE

Due to a lack of a quorum, Hon. Glen Becerra, Chair, called the meeting to order at 9:25 a.m. for the purpose of only hearing items of information. Hon. Becerra indicated that all agenda items requiring action would not be acted upon by the EAC but instead would be forwarded directly to the Regional Council.

PUBLIC COMMENT PERIOD

No Public Comments were received.

REVIEW and PRIORITIZE AGENDA ITEMS

There was no reprioritization of the agenda.

PRESIDENTS REPORT

Hon. Glen Becerra, Chair, reported that an update of SCAG's current activities was previously sent to the Regional Councilmembers by email. Hon. Becerra announced that the New Member Orientation is scheduled to be held at SCAG on Tuesday, September 11, 2012 from 11:00 a.m.-1:00 p.m. and invited the EAC members to participate.

Hon. Becerra congratulated Hon. Pam O'Connor, Immediate Past President for her selection as an honoree at the upcoming Mobility 21 Conference for Public Sector Leader of the Year Award. The Mobility 21 Conference is being held on Friday, September 28, 2012 in Anaheim California, at the Disneyland Hotel. Registration is open to all SCAG members.

Hon. Becerra thanked the Policy Committee Chairs and Vice-Chairs on their valuable feedback and recommendations for the newly formed SCAG Subcommittee (Subcommittee) memberships. Hon. Becerra stated that the Subcommittee appointments will be made at the Regional Council meeting later today.

EXECUTIVE DIRECTOR'S REPORT

Hasan Ikhata, Executive Director, provided highlights of the Executive Director's report which was previously sent via email to the EAC members. Mr. Ikhata introduced Joseph Silvey who will serve as SCAG's General Counsel to the Regional Council on a part-time basis.

Mr. Ikhata expressed that he is aware that there is some concern over the new Subcommittees, including the costs involved. Due to the limited timeline of each subcommittee, he asked the membership to keep their focus on the objectives and deliverables outlined in each subcommittee's respective "Subcommittee Work Plan", which was included in the Regional Council (RC) agenda packet.

Mr. Ikhata commented on the 2012 Air Quality Management Plan (AQMP) for the South Coast air basin. He stated that comments on the revised Draft AQMP will be forwarded to the South Coast Air Quality Management District (AQMD) until the final hearing by the AQMD Governing Board which is scheduled for November 2, 2012. At the October 4, 2012 RC meeting, Barry Wallerstein, AQMD Executive Director, is scheduled to provide a presentation and address questions on the 2012 AQMP.

Mr. Ikhata commented on the ongoing action stemming from the AIR v. EPA decision, specifically with respect to the one-hour Ozone State Implementation Plan and impact upon transportation control measures. Joann Africa, Chief Counsel, provided a brief update regarding recent actions by the U.S. Environmental Protection Agency (EPA) related to the matter and indicated that staff continues to work with partner agencies, including EPA and AQMD, on addressing the matter. Staff will provide updates as needed.

As reported in the Executive Director's Monthly Report, Mr. Ikhata also commented that highway sanctions were enacted upon the Imperial County air district by the EPA. On July 27,

2012 a settlement agreement was reached. As a result, the highway sanctions are anticipated to last no more than six (6) months. In addition, due to the highly collaborative efforts by staff of the EPA, Federal Highway Administration (FHA), California Department of Transportation (Caltrans), California Air Resource Board (ARB), Imperial County Transportation Commission (ICTC), Imperial County Air Pollution Control District and SCAG, the impact of the highway sanctions has been minimized to two (2) projects.

CONSENT CALENDAR

Due to a lack of a quorum, all agenda items on the Consent Calendar were forwarded to the Regional Council for action.

For information, Sharon Neely, Chief Deputy Executive Director, explained that with respect to agenda item #7, the Legislative/Communications and Membership Committee recommended “support” of the Cap & Trade Coalition Principles. Additional details of the Cap and Trade Allocation of Revenues summary can be found on the first page of the Legislative Update board report which was included in the Regional Council agenda packet.

Approval Items

1. Minutes of the July 5, 2012 Meeting
2. Minutes of the August 22, 2012 Meeting
3. Contracts \$200,000 or Greater: Contract No. 12-033-1, Integrated Transit and Land Use Planning for the Foothill Blvd./5th Street Bus Rapid Transit (BRT) Corridor
4. Contracts \$200,000 or Greater: Contract No. 12-043-C1-On-Call Economic Advisory and Outreach Services
5. 2012 Investment Policy
6. SCAG Memberships and Sponsorships
7. Support of Cap-and-Trade Coalition Principles
8. AB 919 (Perez): Salton Sea Restoration; AB 1410 Salton Sea Restoration I

Receive and File

9. Contracts/Purchase Orders and/or Amendments between \$5,000 - \$200,000

CFO MONTHLY FINANCIAL REPORT

Basil Panas, Acting Chief Financial Officer, reported that he attended the annual general meeting at the Joint Powers Insurance Authority (JPIA) on July 18, 2012, and learned that the efforts of the JPIA in reducing risk exposures has begun to show positive results in claims experience for general liability and in workers' compensation. The JPIA credits its Loss Control Action Plan (LossCAP), in which SCAG is participating, for the positive results.

In addition, Mr. Panas reported that SCAG will receive a \$1.2 million reduction in funding from the FHWA and the Federal Transportation Agency (FTA) due to rescissions in the FY 2012 allocations. The reduction will require SCAG to reprioritize its carryover projects.

Hasan Ikhata, Executive Director announced that there are plans to hold a regional forum to discuss public safety concerns and other issues relating to AB 109 which was signed into law last year. AB 109 is the "California Public Safety Realignment Act" which establishes "post-release community supervision" and shifts custody of felons sentenced for non-violent, non-sex offenses in state prisons to county jails. Because of its significant impact upon the six (6) counties, President Glen Becerra is preparing an invitation letter directed to law enforcement agencies, Chief Executive Officers (CEOs) and other representatives within the SCAG region to participate in the forum. The forum is scheduled to take place at the October 4, 2012 RC meeting.

FUTURE AGENDA ITEMS

There were no future agenda items requested.

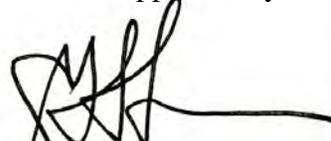
ANNOUNCEMENTS

Mr. Ikhata reported that the California Legislature passed the Public Pension Reform Bill (AB 340), which will impact SCAG employees beginning January 1, 2013. SCAG's Executive Team is reviewing the details of the bill and additional clarifications will be forthcoming.

ADJOURNMENT

The meeting adjourned at 10:00 a.m. The next regular meeting of the Executive/Administration Committee will be held on Thursday, October 4, 2012 at the SCAG Los Angeles office.

Minutes Approved by:



Joann Africa, Chief Counsel
Staff to the Executive/Administration
Committee

EXECUTIVE/ADMINISTRATION COMMITTEE ATTENDANCE REPORT

Member (including Ex-Officio) LastName, FirstName	Representing	X = County Represented						JULY	AUG	SEPT	OCT	NOV	DEC
		IC	LA	OC	RC	SB	VC						
Becerra, Glen, Chair	Simi Valley						X	X		X			
Bartlett, Lisa	Dana Point			X									
Johnson, James	Long Beach		X					X					
Lantz, Paula	Pomona		X					X					
Lewis, Randall, Ex Officio	Lewis Op. Corp.					X		X		X			
McCallon, Larry	Highland					X				X			
Millhouse, Keith	VCTC						X	X		X			
Morehouse, Carl, 2nd VP	San Buenaventura						X	X					
Mitchell, Judy	Rolling Hills Estates		X					X					
Murray, Kris	Anaheim			X									
O'Connor, Pam, Imm. Past Pres.	Santa Monica		X					X		X			
Pettis, Gregory, 1st VP	Cathedral City				X			X					
Stone, Jeff	Riverside County			X	X			X					
Walker-Viegas, Cheryl	El Centro	X						X					
Wapner, Alan	Ontario					X		X					
Zine, Dennis	Los Angeles		X					X					
	Totals	1	5	3	2	3	3						

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DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Basil Panas, Acting CFO, 213-236-1817, panas@scag.ca.gov

SUBJECT: 2012 Investment Policy

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Recommend that the Regional Council approve the 2012 Statement of Investment Policy as amended.

EXECUTIVE SUMMARY:

SCAG's Statement of Investment Policy is included as Article X of the Regional Council Policy Manual. This policy is currently subject to annual review and re-approval by the Regional Council. Staff recommends re-approval of this policy with amendments.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 3 - Enhance the Agency's Long Term Financial Stability and Fiscal Management.

BACKGROUND:

The Statement of Investment Policy (Section 17: Modification and Legislative Changes) states that the Executive/Administration Committee shall be responsible for modifying investment guidelines as conditions warrant and submit the modified guidelines for re-approval by the Regional Council on an annual basis.

The proposed changes to the Statement of Investment Policy are specifically underlined in the attachment and summarized as follows:

- The reporting frequency has been changed to monthly instead of quarterly and is not required to appear on the Consent Calendar (page 2). When the Investment Subcommittee was active, it met on a quarterly basis. The Investment Subcommittee is no longer active and information on SCAG's investments is instead included in the monthly CFO report which is not a Consent Calendar item.
- The funding vehicle for SCAG's other post-employment benefits has been named as the *California Employer's Retiree Benefit Trust* (page 3). Pay-as-you-go has been added as an option for funding SCAG's supplemental defined benefit pension plan. This is the option currently used by SCAG. SCAG pays the costs of the supplemental retirement benefits as they are paid to the retirees.
- The only option in the current policy is an annuity, which may not be the best choice for SCAG (page 3) because it requires a lump sum for prefunding.

FISCAL IMPACT:

None.

ATTACHMENT:

2012 Statement of Investment Policy

SCAG STATEMENT OF INVESTMENT POLICY

Section 1: Purpose

This SCAG Statement of Investment Policy is intended to provide standards and guidelines for the prudent investment of funds by SCAG in conducting its investment and cash management responsibilities. The goal is to strengthen the overall financial condition of SCAG, while earning a return on our investments with safety and liquidity.

Section 2: Objective

The Policy is designed to achieve and maintain adequate working capital to support our Planning and Support Operations, and to grow our available resources and funds to the fullest extent possible. **SCAG** attempts to obtain a market rate of interest without assuming undue risk to principal. The objectives of such investments are: 1) the long term preservation of capital, 2) adequate cash resources to meet our short term financial needs for liquidity; and 3) to earn a competitive rate of return on capital.

Section 3: Scope

This investment policy applies to activities of **SCAG** with regard to investing the financial assets of all funds, including the following: General Fund, Special Revenue Funds, and Trust Funds, and any other Funds that may be created from time to time.

Section 4: Investment Responsibility

Investments are the responsibility of the Chief Financial Officer and the Manager of Accounting. This includes the authority to select investments, engage professional services, to open accounts with banks, brokers and dealers, to establish safekeeping accounts or other arrangements for the custody of securities, and report to oversight bodies. Those persons authorized to execute transactions include: 1) Chief Financial Officer or his/her director designee, 2) Manager of Accounting or his/her staff designee, and 4) those specifically approved and added by the Executive/Administration Committee (**EAC**) of the Regional Council (**RC**). Brokers and dealers are to be provided with a list of specified names of those persons authorized to execute transactions.

Section 5: Internal Controls

The Chief Financial Officer and the Manager of Accounting shall establish the investment function so that specific responsibility for the performance of duties is assigned with a clear line of authority, accountability and reporting. The functions of authorizing, executing and recording transactions, custody of investments and performing reconciliations are to be handled by separate persons to reduce the risk that a person is in a position to conceal errors or fraud in the normal course of duty.

While no internal control system, however elaborate, can guarantee absolute assurance that assets are safeguarded, it is the intent of the internal control system to provide reasonable assurance that management of the investment function meets our objectives. These internal controls shall be reviewed annually by the independent auditor.

Section 6: Reporting

The **EAC** shall be responsible for reporting the status of investments to the **RC** on a monthly basis. Reports are to be submitted by the Chief Financial Officer to the **EAC** and/or the Investment Subcommittee following the end of each reporting period. These reports shall show the type of investment, institution, interest rate, date of maturity, compliance to the investment policy, a verification of adequacy of working capital to meet our operating needs and market value for all investments. The reports shall appear in the consent calendar of all agendas.

Section 7: Prudence

The standard of prudence to be used by investment officials shall be the “prudent person” rule and shall be applied in the context of managing all aspects of the overall portfolio. Investments shall be made with care, skill, prudence, and diligence under the circumstances then prevailing, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs.

Section 8: Authorized Investments

A. Surplus Funds

Funds may be invested in any instrument allowable by the State of California Government Code Section 53600 et seq. so long as the investment is appropriate when **SCAG’s** investment objectives and policies are taken into consideration. Within the context of the limitations, the following are authorized:

- US Treasury Obligations (Bills, Notes and Bonds)
- US Government Agency Securities and Instrumentality’s of Government Sponsored Corporations
- Banker’s Acceptances
- Commercial Paper
- Repurchase Agreements
- Certificates of Deposit
- Negotiable Certificates of Deposit
- Passbook Savings Accounts
- Interest Bearing Checking Accounts
- Intermediate Term Corporate Notes
- Bank Money Market Accounts
- Local Agency Investment Fund (State Pool)
- Los Angeles County Investment Fund (County Pool)
- Shares of Beneficial Interest issued by a Joint Powers Authority organized pursuant to California Government Code Section 6509.7 that invests in the securities and obligations authorized in Section 53601 (a) through (n).
- Other investments that are, or may become, legal investments through the State of California Government Code.

B. Other Post-Employment Benefits Funding

All funding approved for this purpose shall be invested in the irrevocable trust for post-employment benefits administered by the California Public Employees Retirement System (CalPERS), also known as the California Employer's Retiree Benefit Trust (CERBT).

C. Supplemental Defined Benefit Pension Plan Funding

All funding approved for this purpose shall be invested in an annuity selected according to criteria prescribed by SCAG procurement policies and SCAG's financial and operational needs, or funded on a pay-as-you-go basis.

Section 9: Prohibited Investments

SCAG shall not invest any funds in inverse floaters, range notes, or interest-only strips that are derived from a pool of mortgages. **SCAG** shall not invest any funds in any security that could result in a zero interest accrual if held to maturity.

Section 10: Investment Criteria

Criteria for selecting investments and order of priority are:

A. SAFETY

The safety and risk associated with an investment refers to the potential loss of principal, interest or a combination of these amounts. **SCAG** shall only invest in those financial instruments whose safety and quality comply with State law and SCAG's risk tolerance.

B. LIQUIDITY

This refers to the ability to convert an investment into cash at any moment in time with a minimal chance of losing some portion of principal or interest. Since liquidity is an important investment quality, especially when the need for immediate access to funds may occur unexpectedly, potential fluctuations in market value are to be an important consideration when selecting an investment. SCAG's portfolio shall provide for adequate liquidity as indicated by SCAG's cash projections.

C. YIELD

Yield is the potential dollar earnings an investment can provide and sometimes is described as the rate of return. SCAG shall attempt to maximize return consistent with criteria A and B above.

Section 11: Diversification

SCAG will diversify use of investment instruments to avoid incurring unreasonable risks inherent in over investing in specific instruments, individual financial institutions or maturities. Diversification strategies shall be established within the guidelines of Government Code Section 53600 et seq., and periodically reviewed.

Section 12: Investment Pools

SCAG has determined that use of investment pools is a practical investment option. **SCAG** will utilize guidelines established by the California Municipal Treasurers Association and California Society of Municipal Finance Officers to ensure the safety of investment pools.

Section 13: Maturity Limitations

Every investment instrument purchased must have a term remaining to maturity of five years or less, unless RC approval was obtained three months in advance.

Section 14: Safeguarding of Assets and Records

Securities purchased from broker/dealers shall be held in third-party safekeeping in **SCAG's** name and control, whenever possible. Monthly statements received from the financial institution are reconciled to the investment reports by the Senior Accountant. Review of safety, liquidity, and yields of investment instruments; and reputation and financial condition of investment brokers is to be done by the **EAC**. The periodic review of the investment portfolio, including investment types, purchase price, market values, maturity dates, and investment yields as well as conformance to the stated investment policy will also be performed by the **EAC**.

Section 15: Qualified Institutions

If **SCAG** decides not to use investment pools, **SCAG** shall prepare and maintain a listing of financial institutions which are approved for investment purposes. In addition, a list will be maintained of approved broker/dealers selected by credit worthiness, who maintain an office in the State of California. All financial institutions and broker/dealers who desire to become bidders for investment transactions must supply the following: audited financial statements, proof of National Association of Security Dealers' certification, trading resolution, proof of California registration, and certification of having read this Investment Policy. An annual review of the financial condition and registrations of qualified bidders will be conducted by the **EAC**.

Section 16: Monitoring and Adjusting the Portfolio

SCAG will monitor the contents of the portfolio, the available markets and the relative values of competing instruments and will adjust the portfolio accordingly based on our Investment Policy. Investment counselors may be engaged to assist in the performance of this work with the approval of the **EAC**.

Section 17: Modification and Legislative Changes

The **EAC** shall be responsible for modifying investment guidelines as conditions warrant and submit same for re-approval by the **RC** on an annual basis. This annual approval may be on the consent agenda unless there are amendments to this Policy. Any State of California legislative action, that further restricts allowable maturities, investment type or percentage allocations, will be incorporated into **SCAG's** Statement of Investment Policy and supersede any and all previous applicable language.

Section 18: Segregation of Responsibilities

A. FUNCTION	B. RESPONSIBILITY
Develop Statement of Investment Policy	Chief Financial Officer Manager of Accounting
Recommend modifications to Statement of Investment Policy	Chief Financial Officer Legal Counsel Manager of Accounting Investment Subcommittee
Approve Statement of Investment Policy and appointment of Oversight Committee	Executive/Administration Committee
Adopt Statement of Investment Policy	Regional Council
Select Investments	Chief Financial Officer Manager of Accounting Outside Investment Manager
Approve transactions	Chief Financial Officer or Manager of Accounting
Execute investment transactions and fax completed trade information to SCAG	Outside Investment Manager
Investment verification (match broker confirmation to trade information provided by outside Investment Manager to SCAG investment records)	Senior Accountant
Record investment transactions into SCAG's accounting records	Senior Accountant – General Ledger
Reconcile investment records to accounting records and bank statements	Senior Accountant – General Ledger
Security	Time Certificates of Deposit will be maintained in SCAG's safe in the care of the Manager of Accounting. All other investment securities will be held in safekeeping in the trust department of SCAG's Depository bank, or other third party custodian as designated by the Chief Financial Officer.

Section 19: Executive/Administration Committee and Investment Subcommittee

The **EAC** is empowered to review and make recommendations on the Investment Policy and Investment Strategy of **SCAG** to strengthen the internal controls of the management of funds. The **EAC** may, in its discretion, establish an Investment Subcommittee to assist the **EAC** to achieve the goals and objectives of this Investment Policy.

19.1 Purpose of the Investment Subcommittee

- A. To review and make recommendations about this Investment Policy and Investment Strategy.
- B. To review investments on a periodic basis and to report any exceptions to this Investment Policy immediately to the RC.
- C. To be responsive to EAC requests.

19.2 Membership

The total membership shall consist of five (5) members: **EAC** Chairman and two (2) Members (selected by the **EAC** members), Chief Financial Officer, and Manager of Accounting.

19.3 Functions and Duties

- A. Annually

To review and approve the Statement of Investment Policy; to review the financial condition of broker/dealers and financial institutions.

- B. Quarterly

To review investments made during the previous quarterly period; to provide a status report to the **EAC**.

- C. Monthly

To develop and carry out the ongoing investment strategy in accordance with the Investment Policy; to recommend amendments to the Statement of Investment Policy.

- D. The function of the **EAC** and the Investment Subcommittee is to provide policy guidance that gives the operating staff standards and guidelines to work within on a day-to-day basis. By this, it is meant that each individual trade need not be approved by this Committee at the time it is transacted, provided that it falls within the scope of the Statement of Investment Strategy.

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DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Basil Panas, Acting Chief Financial Officer, (213) 236-1817, panas@scag.ca.gov

SUBJECT: Contracts \$200,000 or Greater: Contract No. 12-031-C1, City of Fullerton Transit Loop Feasibility Study "Fullerton Forward"

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve Contract No. 12-031-C1, with The Planning Center/DC&E, Inc., in an amount not-to-exceed \$276,808 to prepare a transit feasibility study.

EXECUTIVE SUMMARY:

Staff recommends approval of contract 12-031-C1 in which the consultant shall prepare a feasibility analysis, plan, financing strategy, as well as an implementation program for the City of Fullerton. The Transit Loop will link together the Fullerton Transportation Center, Colleetown (includes California State University, Fullerton and Hope International University), Fullerton College, Fullerton High School, Raymond Elementary School, Downtown Fullerton, Fullerton Civic Center, Commonwealth and Chapman commercial corridors, as well as the surrounding neighborhoods.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.

BACKGROUND:

Staff recommends executing the following contract \$200,000 or greater:

<u>Consultant/Contract #</u>	<u>Contract Purpose</u>	<u>Contract Amount</u>
The Planning Center/DC&E, Inc. (12-031-C1)	The consultant shall prepare a feasibility analysis, plan, financing strategy, as well as an implementation program for the City.	\$276,808

FISCAL IMPACT:

Funding is available in the FY 2012/13 budget.

ATTACHMENTS:

Consultant Contract No. 12-031-C1

CONSULTANT CONTRACT 12-031-C1

Recommended Consultant:	The Planning Center/DC&E Inc.	
Background & Scope of Work:	<p>The objective of this grant project is to prepare a feasibility analysis, plan, financing strategy, and implementation program for a Town Gown Transit Loop. The Transit Loop will link together the Fullerton Transportation Center, Collegetown (includes California State University, Fullerton and Hope International University), Fullerton College, Fullerton High School, Raymond Elementary School, Downtown Fullerton, Fullerton Civic Center, Commonwealth and Chapman commercial corridors, as well as the surrounding neighborhoods.</p> <p>The consultant shall work in close coordination and collaboration with the City of Fullerton City Council, Planning and Transportation Commissions, staff, as well as Caltrans, Orange County Transportation Authority (OCTA) and other agency stakeholder partners to provide recommendations and an implementation plan.</p>	
Project's Benefits & Key Deliverables:	<p>The project will show the extent of economic benefit of implementing a new transit service in this corridor to the City. Key report deliverables include, but are not limited to, a current project area assessment, up to six possible alignments for the new transit service, an economic development analysis, and a funding and financing strategy.</p>	
Strategic Plan:	<p>This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.</p>	
Contract Amount:	Total not-to-exceed	\$276,808
	The Planning Center/DC&E Inc (prime consultant)	\$82,071
	BAE Urban Economics (subconsultant)	\$94,150
	IBI Group (subconsultant)	\$57,653
	Lilley Planning Group (subconsultant)	\$32,679
	MindMixer URS Corporation (subconsultant)	\$10,255
	<p>Note: The Planning Center/DC&E Inc. originally proposed \$298,464 but the staff negotiated the price down to \$276,808 without reducing the scope of work. This contract is subject to a pre-award audit.</p>	
Contract Period:	Notice to Proceed through a period of 12 months	
Project Number:	145.SCG02021.01 \$276,808 Funding sources: FTA and Local	
Request for Proposal (RFP):	<p>SCAG staff notified 1,685 firms of the release of RFP 12-031-C1. Staff also advertised the RFP on The Planning Institute's website, American Planning Association's website, Transit Talent website, and posted it on SCAG's bid management system. A total of 135 firms downloaded the RFP. SCAG received the following twelve (12) proposals in response to the solicitation:</p>	

The Planning Center (4 subconsultants)	\$298,464
AECOM (1 subconsultant)	\$193,223
RBF Consulting (1 subconsultant)	\$249,516
HR&A Advisors, Inc. (2 subconsultants)	\$249,750
City Design Studio LLC (5 subconsultants)	\$269,925
Strategic Economics , Inc. (5 subconsultants)	\$270,097
The Arroyo Group (6 subconsultant)	\$279,465
Crandall Arambula PC (2 subconsultants)	\$279,771
Parsons Brinkerhoff, Inc. (2 subconsultants)	\$294,046
Gateway Planning (4 subconsultants)	\$299,784
Economic & Planning Systems, Inc. (2 subconsultants)	\$323,786
LSA Associates (4 subconsultants)	\$349,765

Selection Process: The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP, and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the three (3) highest ranked offerors.

The PRC consisted of the following individuals:

Jay Bond, Associate Vice President / Campus Architect, Cal State Fullerton
 Jay Eastman, Senior Planner, City of Fullerton
 Kelly Hart, Project Manager, Rail Programs Division, OCTA
 Maureen El Harake, Chief Public Transportation, Caltrans D12
 Stephen Fox, Senior Regional Planner, SCAG

Basis for Selection: The PRC recommended The Planning Center/DC&E for the contract award because the consultant:

- Demonstrated, more than any other proposer, a better technical approach to the issues faced by Fullerton relating to land use, economics and local issues. Specifically, the Planning Center:
 - A. Addressed the risks posed by economic realities that can affect the project implementation phase, with far more extensive detail than did other proposers.
 - B. Provided in-depth analysis of the importance of outreach activities by detailing the potential impediments that can occur as Fullerton is trying to implement the plan, which is intended to create a sense of place to improve student mobility and quality of life, and improve multi modal transportation planning.

- Demonstrated excellent experience and the best understanding of street cars, other potential transportation modes and the economic feasibility of the development-oriented transit that the City of Fullerton envisioned implementing through this study.
- Demonstrated more than any other proposer, the competence of the sub consultants proposed to meet the project's objectives with demonstrated understanding of the local issues, culture and the City's needs.

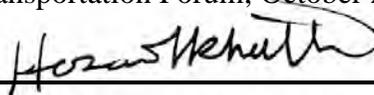
Although The Planning Center/DC&E did not propose the lowest price, they demonstrated a greater grasp of the scope, technical approach needed and the issues facing Fullerton. Especially the land-use economics, which is a critical factor for the City to establish a development-oriented transit plan. Lower priced firms would have likely been required to increase their cost to match the level of effort provided by The Planning Center/DC&E, to provide the desired high quality product.

DATE: October 4, 2012

TO: Executive Administrative Committee (EAC)
Regional Council (RC)

FROM: Sylvia Patsaouras, Acting Director of Strategy, Policy & Public Affairs,
patsaour@scag.ca.gov, (213) 236-1806

SUBJECT: SCAG Sponsorship: Active Transportation Forum, October 26, 2012 at \$500

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve.

EXECUTIVE SUMMARY:

The Legislative/Communication and Membership Committee (LCMC) met on September 19, 2012 and recommended approval of up to \$500 sponsorship of the University of California, Irvine, Active Transportation Forum "Creating a Healthy Orange County: Enhancing our Active Transportation Network" on October 26, 2012.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

BACKGROUND:

The University of California, Irvine (UCI) Department of Public Health and the Alliance for Healthy Orange County (AHOC) will be holding a forum on October 26, 2012 at UCI from 10:00 am -1:30 pm. The forum will aim to make connections between policymakers, planners, traffic engineers, bicycle and pedestrian advocates, and healthcare leaders. The goals of the forum include: a) identify barriers and opportunities; b) share best practices; and c) develop priorities for Active Transportation as a region. A \$500 sponsorship will help underwrite the cost of the forum and provide funding for an ongoing campaign to promote healthy living in Orange County and includes SCAG's logo on the forum signage and materials, acknowledgment of the sponsorship during the event, and two forum registrations.

FISCAL IMPACT:

Up to \$500 (these funds are included in the approved FY13 budget).

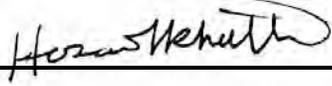
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DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Sharon A. Neely, Chief Deputy Executive Director, neely@scag.ca.gov, (213)-236-1992

SUBJECT: Support of Cap-and-Trade Coalition Principles

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
Support.

EXECUTIVE SUMMARY

The Legislative/Communications and Membership Committee at its August 2, 2012 meeting forwarded a recommendation of support of the coalition cap & trade principles for approval by the Regional Council. A stakeholder coalition group consisting of the League of California Cities, the California State Association of Counties, the California Alliance for Jobs, California Transit Association, and Transportation California, has been formed and have developed a set of principles to ensure that an equitable portion of collected revenues from the Cap-and-Trade Program be dedicated for transportation purposes.

As part of the implementation of AB 32 (the California Global Warming Solutions Act of 2006), the California Air Resources Board (ARB) has adopted regulations to establish a new Cap-and-Trade Program to cap greenhouse gas emissions statewide. AB 32 calls for the reduction of greenhouse gases to 1990 levels by the year 2020. Apart from the reduction of emissions, the cap-and-trade program stands to generate significant revenues. ARB plans to sell 66 million allowances in FY 2012-2013, generating an estimated \$660 million to \$3.3 billion (depending on the price per ton, which would range between a minimum of \$10 and maximum of \$50). There is currently legislation in both houses of the legislature focused on the allocation of Cap-and-Trade revenues.

BACKGROUND

This report summarizes an update on Cap-and-Trade activities by the ARB and the Legislature as well as activities by other entities to ensure that an equitable portion of collected revenues be dedicated for transportation purposes. CARB has adopted regulations to establish a new cap-and-trade program to cap greenhouse gas (GHG) emissions statewide as part of the implementation of AB 32 (Núñez and Pavley), Chapter 488, Statutes of 2006, the Global Warming Solutions Act of 2006. AB 32 calls for the reduction of GHG emissions to 1990 levels by the year 2020.

According to ARB, a total reduction of 80 million metric tons (MMT), or roughly 16% compared to business as usual, is necessary to achieve the 2020 limit. Approximately 78% of the reductions will be achieved through identified regulatory measures. ARB proposes to achieve the balance of reductions necessary to meet the 2020 limit (approximately 18 MMT) through a Cap-and-Trade Program. Producers of approximately 80% of the state's GHG emissions are subject to the cap, which reduces emissions by about 20% at a rate of 2% per year in 2013 and 2014 and 3% percent per year through

2020. Motor vehicle fuels will be subject to the cap starting in 2015. The remaining 20% of emissions derive from smaller entities and are uncapped sectors.

The first auction of emission allowances by the ARB is scheduled to be held in November 2012, with subsequent auctions to be held in February and May 2013. As part of its regulations, ARB has set a floor price of \$10 per ton and a ceiling of \$50 per ton. Based on the 66 million allowances that ARB plans to sell in FY 2012-13, this will generate between \$660 million to \$3.3 billion in FY 2012-13. Governor Brown’s proposed 2012–13 budget assumes ARB will raise \$1 billion from the auctions for the budget year. ARB estimates annual revenue from the auction of GHG emission allowances to range from \$2 billion to \$5 billion in 2013, with that amount increasing to between \$17 billion and \$67 billion in later years.

Transportation comprises about 40% of the state’s share of GHG emissions; thus, the sale of emissions allowances from Cap-and-Trade represent a significant new funding opportunity for the transportation sector, and low-carbon transportation improvements should receive a substantial share of proceeds from the Cap-and-Trade Program.

TRANSPORTATION FUNDING COALITION PRINCIPLES FOR CAP AND TRADE AUCTION REVENUES

A coalition group consisting of the League of California Cities, the California State Association of Counties, the California Alliance for Jobs, California Transit Association, and Transportation California, has been formed to ensure that an equitable portion of collected revenues from the cap-and-trade program be dedicated for transportation purposes. The principles provide policy input to determine how distribution of collected cap-and-trade revenues for transportation and infrastructure would be apportioned. Members of the Coalition have sent a letter to the ARB providing their input on broad areas of consensus concerning cap-and-trade revenue allocations. A copy of the letter is attached to this report.

San Diego Association of Governments (SANDAG), Metropolitan Transportation Commission (MTC) and CALCOG have also endorsed the Coalition principles. The LCMC, at its August 21, 2012 meeting, reviewed these principles and has forwarded a recommendation of support of the Coalition cap & trade principles to the EAC and the RC.

The Coalition principles consist of the following (more detail can be found in their attached letter):

1. Dedicate the allocation of revenues related to fuels to transportation investments. This is consistent with the longstanding policy of the state to dedicate revenues related to motor vehicle fuels to transportation. It also assures a political and legal nexus between the costs and benefits of the program.
2. Invest a major portion of fuels related revenues to implement the AB 32 regulatory program by reducing GHG emissions from transportation. Dedicate revenues directly into transit and road operations and maintenance, as well as transit and complete streets infrastructure within existing urban infill and rural communities. These funds must be invested in a way that implements AB 32 using, where applicable, the SB 375 regional strategies. In regions not within an MPO where SB 375 does not apply, other measurable greenhouse gas reduction strategies can be developed within regional transportation plans.

3. Structure the investments to favor integrated transportation and land use strategies. Funds should be allocated regionally by population, recognizing that different strategies are needed to achieve GHG reductions in different areas of the state. To maximize cost effective GHG reduction, additional incentives for regions with Sustainable Community Strategies that exceed GHG reduction targets, or equivalent Blueprint Plans or other regional plans. Within each region, funding should be allocated primarily through a competitive grant program based on cost effectiveness of GHG emission reductions from combined land use and transportation infrastructure and operations investments.
4. Improve modeling and verification systems to evaluate GHG reduction potential. Funding should be allocated to the development of performance measurement tools for local and regional actions that will allow evaluation and prediction of the GHG reduction and cost effectiveness of investment and land use strategies.
5. Allow flexibility at the regional and local level to develop the most cost effective ways to meet GHG reduction goals through transportation and land use investments.
6. Provide the incentives and assistance that local governments need to make SB 375 work.
7. Project-funding determinations should be done at the regional level under established statewide criteria to encourage local innovation and flexibility.

OTHER MPO ACTIONS

The Metropolitan Transportation Commission (MTC) approved cap-and-trade principles on June 27, 2012 (report attached). Their principles include:

- Authority of the Legislature to adjust the expenditure plan;
- A similar share of cap-and-trade allowance revenue to be allocated to transportation projects as the total GHGs attributable to transportation (40%);
- Distribution of cap-and-trade allowance revenues for transportation to MPOs to help achieve GHG reduction targets included in each region’s Sustainable Communities Strategy;
- Each region’s share of allowance revenue determined by formula based on a geographically equitable distribution of funds.

The San Diego Association of Governments (SANDAG) endorsed cap-and-trade principles at their July 27th Board meeting (report attached). Their principles include:

- Dedicate the allocation revenues related to fuel to transportation investments.
- Ensure revenues are dedicated to public transportation.
- Provide an equitable distribution of funds.
- Ensure revenues are invested consistent with regional plans and Sustainable Communities Strategies.
- Ensure project eligibility criteria are created in collaboration with Metropolitan Planning Organizations (MPOs).

PENDING LEGISLATION

The Assembly and Senate budget subcommittees have adopted language that would dedicate “at least \$500 million” of cap-and-trade revenues towards General Fund (GF) expenditures to help reduce the deficit. Both houses rejected the Administration’s proposal to appropriate the balance of funds to an expenditure plan that would be developed by the Administration at a later date on the grounds that it

REPORT

denies the Legislature the opportunity to adjust the expenditure plan. Instead, the draft budget includes language stating that the appropriation of additional funds beyond those used to offset GF expenditures will be contingent upon the enactment of future legislation.

There are currently two primary Cap-and-Trade bills pending in the Legislature to guide this process:

- AB 1532 – John A. Perez (D)
California Global Warming Solutions Act of 2006: Greenhouse Gas Reduction Fund

As amended, this bill would create the Greenhouse Gas Reduction Fund (GHGRF), and requires moneys in the GHGRF to facilitate the achievement of feasible and cost-effective reductions of Greenhouse Gas (GHG) emissions in the state. The bill requires administering agencies, including ARB and any other state agency identified by the Legislature to allocate those moneys to measures and programs that meet specified criteria. The bill would require ARB to develop three investment plans that identify the anticipated expenditures of moneys appropriated from the account, to submit each plan to the budget committees of each house of the Legislature, and to adopt each investment plan.

Additionally, the bill requires that each investment plan identify the anticipated expenditures of moneys appropriated from the fund. Each investment plan must list and describe the key measures and strategies that the state is relying on to achieve GHG emissions, reduction targets by sectors, analyze gaps, where applicable, in current state strategies to meeting the state's GHG emissions reduction goals by sector, and identify priority programmatic investments of moneys appropriated from the fund that will facilitate the achievement of feasible and cost-effective GHG emissions reductions toward achievement of reduction targets by sector.

The Governor would be required to submit a budget to the Legislature that includes specified appropriations consistent with each investment plan and would require the Legislature to consider these appropriations when adopting the Budget Act. The bill would require the state board to annually submit a report no later than December of each year to the appropriate committees of the Legislature on the status of projects and their outcomes and any changes ARB recommends need to be made to the investment plan.

As amended, prior bill provisions specifying that each investment plan adopted by ARB be exempt from the California Environmental Quality Act (CEQA) have been removed, thus no CEQA plan exemption provision remains in the bill.

Senate Floor Amendments of August 24, 2012 strike and add requirements and criteria for the expenditure of revenue and the development of investment plans for revenue collected pursuant to the California Global Warming Solutions Act. Specifically, the amendments (1) strike the requirement that the state determine a measure or program is consistent with requirements, as established by the California Supreme Court in *Sinclair Paint Co .v. State Board of Equalization*; (2) add specified investments to the purposes for the use of GHGRF moneys; (3) add specified criteria for the California Environmental Protection Agency (CalEPA) to consider when developing a methodology that identifies priority communities for investment; (4) strike duplicative requirements and adds new requirements related to investment in priority communities area to GHGRF investment

REPORT

plans; (5) require that if ARB and CalEPA find that less than 10% of all available moneys from a fiscal year was invested in priority community investment areas the Governor include in the annual budget additional allocations to projects in priority community investment areas equal to the difference between 25% of the prior year's allocation and the actual allocation; and (6) require ARB to hold one public hearing on the required report prior to its submission to the Legislature.

AB 1532 passed the Assembly by a vote of 49-27 on May 29, 2012. The bill was referred to the Senate Committee on Environmental Quality on June 7, 2012. The bill was amended by the author and Bill passed out of Senate Appropriations Committee (5-2) on August 20, 2012. On August 27, 2012 after substantive amendments on August 24, 2012 the bill was re-referred from Senate 3rd Reading File to Senate Committee on Environmental Quality, where absent rule waiver the bill must be heard and pass prior to floor session only beginning on August 29, 2012. Last day to amend bills on the floor is September 2, 2012; last day to pass bills is September 9, 2012. Staff will provide an oral update at the meeting.

The following summarizes support and opposition on record for the bill by the following organizations, agencies, and groups:

Support

American Federation of State, County and Municipal Employees, AFL-CIO
American Lung Association
American Society of Landscape Architects -California
Asian Pacific Environmental Network
Audubon California
Big Sur Land Trust
Bolsa Chica Land Trust
Breathe California
California Association of Local Conservation Corps
California Biomass Energy Alliance
California Clean DG Coalition
California Climate and Agriculture Network
California Housing Partnership Corporation
California Infill Builders Federation
California Interfaith Power & Light
California ReLeaf
California State Association of Counties
California Transit Association
California Urban Forests Council
California Watershed Coalition
California Watershed Network
Californians Against Waste
CALSTART
Coalition for Clean Air
Electrification Leadership Council

REPORT

Ella Baker Center, Green Collar Jobs Campaign
Energy Independence Now
Environmental Defense Center
Environmental Defense Fund
Friends of Harbors, Beaches and Parks
Global Green
Golden Gate Audubon Society
Greenlining Institute
Honda North America
Intelligent Transportation Society of California
Land Trust of Santa Cruz County
Los Angeles County Metropolitan Transportation Authority
Marin Agricultural Land Trust
Nature Conservancy
Natural Resources Defense Council
Non-Profit Housing Association of Northern California
Open Space District
Pacific Forest Trust
Peninsula Open Space Trust
San Francisco Bay Area Rapid Transit District
Santa Clara County Open Space Authority
Sensys Networks
Silicon Valley Leadership Group
Sonoma County Agricultural Preservation and Open Space
District
State Building and Construction Trades Council of
California
Sunrun
Trust for Public Land
Union of Concerned Scientists
Waste Management
Water Replenishment District of Southern California
Wilderness Society

Opposition

American Council of Engineering Companies of California
California Asian Pacific Chamber of Commerce
California Business Properties Association
California Chamber of Commerce
California Chapter of the American Fence Association
California Fence Contractors' Association
California Framing Contractors Association
California Grocers Association
California Independent Oil Marketers Association
California League of Food Processors

California Manufacturers & Technology Association
California Metals Coalition
California Retailers Association
California Taxpayers Association
Can Manufacturers Institute
Chemical Industry Council of California
Engineering Contractors' Association
Flasher/Barricade Association
Golden State Builders Exchange
Marin Builders' Association
National Federation of Independent Business
United Contractors
Western State Petroleum Association

SB 1572 – Senator Fran Pavley (D)

California Global Warming Solutions Act of 2006: AB 32 Investment Fund

As amended, provides revised expenditure of funds derived from the auction of greenhouse gas (GHG) allowances pursuant to the cap-and-trade program adopted by ARB pursuant to AB 32 (Núñez), Chapter 488, statutes of 2006. As amended the bill appropriates auction revenues collected in the 2012-13 fiscal year, that are not used by the Department of Finance (DOF) to offset General Fund expenditures pursuant to the Budget Act, to ARB to be allocated as follows:

1. 60% to fund GHG reduction projects undertaken by industries covered by the Cap-and-Trade program.
2. 10% to the Strategic Growth Council to be awarded to Metropolitan Planning Organizations (MPOs) or councils of governments (COGs) for regional and local GHG reduction plans and local climate innovation projects.
3. Continuously appropriates to ARB any moneys collected by ARB from the sale of allowances to the University of California (UC) and the California State University (CSU) for ARB to expend on GHG reduction projects undertaken by UC or CSU.
4. Continuously appropriates to ARB any moneys collected by ARB from the sale of allowances to a water supplier for ARB to expend for purposes of reducing GHG emissions associated with water suppliers.

Funds awarded to MPOs or COGs for regional and local GHG reduction plans shall be awarded based on statewide criteria developed by the Strategic Growth Council, and ARB that prioritize investments in projects that cost-effectively reduce GHG emissions, integrate transportation infrastructure and land use strategies, and achieve additional greenhouse gas emissions reductions and community benefits through integration with local energy, water, public health, or resource conservation strategies.

The bill specifies that in regions with sustainable community strategies or an alternative planning strategy for which ARB has accepted a metropolitan planning organization's determination that the sustainable communities' strategy or the alternative planning strategy would, if implemented, achieve the greenhouse gas emissions reduction targets.

REPORT

Funds allocated by the Strategic Growth Council may be used for any of the following:

- Integrated land use and transportation infrastructure development, design, construction, or planning, including, but not limited to, complete street retrofits, street scape improvements, multiuse trails, electric vehicle charging infrastructure, natural gas refueling infrastructure, and transit infrastructure implemented with complementary land use changes, including passenger or commuter rail, transit-oriented affordable housing, and other infrastructure that provides access to a diverse mix of housing types, jobs, schools, and recreational, commercial, retail, and other services of the neighborhood level, as well as other integrated infrastructure and land use strategies that demonstrate GHG emission reductions.
- Transportation efficiency measures that provide greenhouse gas emissions reduction benefits, including, but not limited to, expansion and greenhouse gas reduction of transit services, road and bridge maintenance with safety retrofits, roadway operations, and demand management strategies.
- Performance measurement systems to evaluate GHG emissions reductions from integrated projects and program administrative costs.

SB 1572 passed the Senate by a vote of 23-13 on May 31, 2012. The bill was amended by the author and passed out of Assembly Appropriations Committee (11-5) on August 16, 2012 and, following substantive amendments on August 24, 2012 was referred back to Assembly Natural Resources Committee on August 27, 2012 where a hearing was held on August 29, 2012. Floor session began August 29, 2012, last day to amend bills on the floor was September 2, 2012 and last day to pass bills is September 9, 2012. Staff will provide an oral update at the RC meeting.

On record support and opposition of the bill include:

Support

American Lung Association
California Energy Efficiency Industry Council
Coalition for Adequate School Housing
County School Facilities Consortium
Santa Clara County Open Space Authority
School Energy Coalition
University of California

Opposition

American Council of Engineering Companies
California Asian Pacific Chamber of Commerce
California Business Properties Association
California Chamber of Commerce
California Chapter of the American Fence Association
California Fence Contractors Association
California Grocers Association
California Independent Oil Marketers Association
California League of Food Processors

REPORT

California Manufacturers & Technology Association
California Metals Coalition
California Retailers Association
California Taxpayers Association
Can Manufacturers Institute
Chemical Industry Council of California
Engineering Contractors' Association
Flasher/Barricade Association
Golden State Builders Exchanges
Marin Builders' Association
National Federation of Independent Business
United Contractors

ATTACHMENTS:

1. Transportation Funding Coalition Cap-and-Trade Letter
2. MTC Staff Report: Cap-and-Trade Advocacy Principles
3. SANDAG Staff Report: Proposed Cap-and-Trade Principles

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July 27, 2012

Re: Transportation Funding Coalition for Cap and Trade Auction Revenues

The California Alliance for Jobs, Transportation California, California Transit Association, and more recently local and regional government associations have been exploring ways to invest cap and trade revenue to address both the greenhouse gas reduction goals of AB 32 and critical transportation system maintenance and operation needs identified in the California Transportation Commission's Statewide Transportation Needs Assessment over the next ten years.

Our unifying principle is that auction revenues derived from vehicle fuels should be used to fund transportation system needs in a way that achieves AB 32 objectives and builds on the framework of SB 375 and other GHG reduction strategies. We believe that by integrating investments in new mobility, new infrastructure, and new jobs we can create healthy communities and better quality of life for all – while measurably reducing greenhouse gas emissions consistent with AB 32 and legal requirements for spending allocation revenues.

By targeting revenues and incentives toward local governments in support of regional planning goals we can leverage a cost effective investment portfolio across both transportation infrastructure and efficiency measures to yield the greatest GHG reductions associated with the transportation sector. Allocating funding to promote combining strategies will maximize GHG reduction while reinforcing SB 375, regional blueprints, other regional plans and local innovation.

Implementing SB 375 and other GHG-reducing regional plans outside of metropolitan planning organizations (MPOs) requires rebuilding aging infrastructure within urban infill and rural areas targeted for more intense development. This includes the maintenance and operation needs of local roads and transit systems, as well as active transportation infrastructure for walking and bicycling. By investing in an integrated transportation system, cost effective GHG reductions can also be achieved from approaches like rural resource infrastructure, intercity rail, and roadway management strategies. All of these transportation investments can yield even greater GHG reductions when combined with supporting land use strategies.

All of these investments are consistent with AB 32 and with meeting California's transportation infrastructure needs. These investments will create jobs, improve the movement of goods and enhance the economic performance of the state. Overall, we think this program should:

- Create cost-effective greenhouse gas reduction investments
- Leverage infrastructure investments across transportation and related land use strategies
- Foster collaboration and performance measurement
- Promote innovation in GHG reduction beyond AB 32 regulations
- Invest in existing communities by offsetting the high cost of infill development
- Support co-benefits/goals related to health, equity, energy, jobs, water, and agriculture

We want to work with CARB to craft an effective strategy to achieve maximum GHG reductions and long term co-benefits under AB 32 by investing a major portion of revenues related to fuels in integrated transportation and land use strategies consistent with the SB 375, the California Regional Blueprint plans and other regional planning processes. As a starting point, we want to suggest a few concepts for consideration in the development of your investment strategy:

1. ***Dedicate the allocation revenues related to fuels to transportation investments.***
This is consistent with the longstanding policy of the state to dedicate revenues related to motor vehicle fuels to transportation. It also assures a political and legal nexus between the costs and benefits of the program.
2. ***Invest a major portion of fuels related revenues to implement the AB 32 regulatory program by reducing GHG emissions from transportation.*** Dedicate revenues directly into transit and road operations and maintenance, as well as transit and complete streets infrastructure within existing urban infill and rural communities. These funds must be invested in a way that implements AB 32 using, where applicable, the SB 375 regional strategies. In regions not within an MPO where SB 375 does not apply, other measurable greenhouse gas reduction strategies can be developed within regional transportation plans.
3. ***Structure the investments to favor integrated transportation and land use strategies.*** Funds should be allocated regionally by population, recognizing that different strategies are needed to achieve GHG reductions in different areas of the state. To maximize cost effective GHG reduction, additional incentives for regions with Sustainable Community Strategies that exceed GHG reduction targets, or equivalent Blueprint Plans or other regional plans. Within each region, funding should be allocated primarily through a competitive grant program based on cost effectiveness of GHG emission reductions from combined land use and transportation infrastructure and operations investments.
4. ***Improve modeling and verification systems to evaluate GHG reduction potential.*** Funding should be allocated to the development of performance measurement tools for local and regional actions that will allow evaluation and prediction of the GHG reduction and cost effectiveness of investment and land use strategies.
5. ***Allow flexibility at the regional and local level to develop the most cost effective ways to meet GHG reduction goals through transportation and land use investments.***
6. ***Provide the incentives and assistance that local governments need to make SB 375 work.***
7. ***Project-funding determinations should be done at the regional level under established statewide criteria to encourage local innovation and flexibility.***

We hope you will give us the opportunity to work with you to refine these concepts and take advantage of this opportunity to make AB 32 a key component of California's transportation investment program.

Sincerely,

**California Alliance for Jobs
California Transit Association
Transportation California
California State Association of Counties
League of California Cities**

Agenda Item 10b



METROPOLITAN
TRANSPORTATION
COMMISSION

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Memorandum

TO: Commission

DATE: June 20, 2012

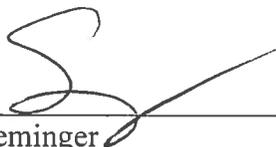
FR: Executive Director

W. I. 1131

RE: Cap-and-Trade Advocacy Principles

Attached are seven advocacy principles for how the state should spend allowance revenue generated from the “cap-and-trade” program, a new element of the state’s strategy to reduce greenhouse gas (GHG) emissions consistent with AB 32 (Nuñez) — the Global Warming Solutions Act of 2006. These principles are slightly revised from the version that was approved by the Legislation Committee at their June 8 meeting. Since that meeting, MTC legislative staff has been in discussions with representatives of various statewide organizations (including the California Alliance for Jobs, the California Transit Association, the California League of Cities, and the California State Association of Counties) that are advocating for transportation to receive 100 percent of allowance revenue from transportation fuels.

Given California’s longstanding commitment to investing taxes associated with gasoline and diesel fuel back into the transportation system, combined with the fact that the revenue potential from 100 percent of transportation fuel-related allowances is expected to be considerably higher than 40 percent of total allowances remaining after General Fund offsets (as proposed in the original recommendation), staff suggests that the Commission consider approving the attached revision to the Legislation Committee recommendation.



Steve Heminger

Attachment

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Legislative Advocacy Principles for the State's Cap-and-Trade Program

1. A multi-year expenditure plan for the use of cap-and-trade revenue should be developed by the Administration, with ample opportunity for public input. The Legislature should be empowered to make adjustments to the plan before final adoption by the Air Resources Board.
2. In addition to meeting the legal nexus requirement, the expenditure plan should seek to maximize other benefits to California, including improved mobility, livability, public health and social equity.
3. ~~Given that transportation contributes almost 40 percent of the state's GHG emissions, a similar share of the allowance revenue (remaining after General Fund-eligible expenditures are offset) should go towards projects that reduce emissions from the transportation sector.~~

Allowance revenue from transportation fuels should be dedicated to transportation investments. This is consistent with the longstanding policy of the state to dedicate revenue related to motor vehicle fuels to transportation. It also assures a political and legal nexus between the costs and benefits of the program.

4. To help implement SB 375, cap-and-trade revenue funds dedicated to transportation — other than those of a statewide nature, such as high-speed or intercity rail — should be distributed to MPOs to help them achieve the GHG reduction targets included in each region's Sustainable Communities Strategy (SCS).
5. Each region's share of allowance revenue should be determined on a formula basis that reflects a geographically equitable distribution of funds.
6. Project eligibility in the transportation sector should include any transportation project that can meet the legal nexus test for fees, including projects that reduce GHG emissions as well as those that mitigate the *effects* of GHG emissions, (such as climate adaptation projects). MPOs would be responsible for ensuring that projects funded by allowance proceeds satisfy all legal requirements.
7. Projects funded by MPOs must be consistent with each region's SCS. Project selection should be done competitively with priority given to projects that reduce GHG emissions in the near term, while also supporting other key state and regional goals.



**BOARD OF DIRECTORS
JULY 27, 2012**

**AGENDA ITEM NO. 12-07-15
ACTION REQUESTED - APPROVE**

PROPOSED CAP-AND-TRADE PRINCIPLES

File Number 7300400

Introduction

In fall 2011, the California Air Resources Board (CARB) adopted regulations to establish the first cap-and-trade program in the nation. The first auction for the cap-and-trade program is scheduled for November 2012, and this year the Legislature is expected to pass legislation to determine how the proceeds from the auction would be used. In order to respond to various proposals currently under consideration by the Legislature, staff has drafted proposed cap-and-trade principles. This report provides an overview on the state cap-and-trade program, discusses pending state legislation, and includes proposed principles, which would provide a guide as cap-and-trade bills move through the state legislative process and as future administrative guidelines and regulations are developed.

Recommendation

The Board of Directors is asked to approve the proposed SANDAG Cap-and-Trade Principles as included in this report.

Discussion

Assembly Bill 32 (AB 32) (Nunez, 2006), the Global Warming Solutions Act of 2006, calls for the reduction of greenhouse gas emissions to 1990 levels by 2020. To implement AB 32, the CARB Climate Scoping Plan report outlined strategies for meeting the greenhouse gas (GHG) emission reduction targets, including direct regulations, alternative compliance mechanisms, monetary and nonmonetary incentives, voluntary actions, market-based compliance mechanisms like a cap-and-trade system, and an implementation fee to fund the program.

In 2011, CARB adopted regulations to establish a new cap-and-trade program to cap GHG emissions statewide. Producers of about 80 percent of the state's GHG emissions are subject to the cap, which would reduce emissions by about 20 percent through 2020. Sectors subject to the cap include refineries, power plants, industrial facilities, and transportation fuels. Motor vehicle fuels will be subject to the cap starting in 2015.

As part of the regulation, CARB plans to auction 66 million allowances in FY 2012-2013, which is anticipated to generate \$660 million to \$3.3 billion. The first cap-and-trade auction is scheduled for November, with additional auctions scheduled for February and May 2013. The FY 2012-2013 budget authorizes at least \$500 million for use in offsetting existing General Fund costs of GHG mitigation activities. It also specifies that additional expenditures related to GHG emissions reductions be made pursuant to future legislation.

Full implementation of the 2050 Regional Transportation Plan and its Sustainable Communities Strategy (2050 RTP/SCS) is dependent on stable funding sources. The 2050 RTP/SCS includes nearly \$21 billion (in year of expenditure) through 2020 for investments in major corridors, transportation

demand and system management projects and programs, active transportation projects, Safe Routes to Transit, Safe Routes to School, and Smart Growth Incentive programs. The 2050 RTP/SCS is based on current and reasonably available sources and levels of funding. It assumed continuation of existing levels of state and federal funding through the current Regional Transportation Improvement Program period (FY 2015), and some additional new revenues through FY 2020 (based on historic funding and revenue growth levels). Cap-and-trade revenues could provide a new source of state funds to assist in the implementation of the 2050 RTP/SCS.

As described in further detail below, the California Senate and Assembly have introduced legislation that would establish a cap-and-trade account and outline eligible recipients, projects, and programs for the funds. The Assembly version of the bill includes broad categories for cap-and-trade investments, and outlines a process for CARB to create three investment plans starting in 2013 until 2020 for the distribution of funds. The Senate version of the bill is more detailed; it requires projects that are funded to meet overall goals of reducing GHG emissions and includes a list of priority project categories, including a percentage for each priority project category to be funded by cap-and-trade proceeds.

Pending Legislation

AB 1532 (Perez) California Global Warming Solution Act of 2006: GHG Reduction Account

AB 1532 was introduced by Speaker John Perez (D-Los Angeles) on January 23, 2012, and was last amended June 18, 2012. This bill would establish the Greenhouse Gas Reduction Account and set goals for achieving feasible and cost-effective reductions in GHG emissions. The bill's stated goals include:

- Maximize economic, environmental, and public health benefits to the state
- Foster job creation by promoting in-state GHG emission reduction projects
- Complement efforts to improve air quality
- Direct investment toward the most disadvantaged communities and households in the state
- Provide opportunities for small business, schools, affordable housing developers, water agencies, local governments, and other community institutions to reduce GHG emissions

The bill also would provide that funds may be used to reduce GHG emissions through investments in the following areas:

- Clean and efficient energy
- Low-carbon transportation and infrastructure
- Natural resource protection
- Research, development, and deployment of innovative technology, measures, and practices

AB 1532 would require CARB to do the following:

- Adopt guidelines regarding the allocation and allowable uses of money, including establishing criteria for receiving funding, a process to verify qualifications of recipients, and monitoring requirements
- Develop and adopt three investment plans (FY 2013-2014, FY 2015-2017, and FY 2018-2020) with each investment plan identifying the anticipated expenditures, establishing priorities for allocation of moneys, identifying specific categories of programs and projects, identifying levels of expenditures for each category, and identifying the state agencies best qualified to implement the plan
- Coordinate with Natural Resources Agency, the California Environmental Protection Agency, Department of Food and Agriculture, and Business, Transportation, and Housing Agency
- Hold at least two public hearings prior to the adoption of the investment plan
- Submit the investment plan to the legislative budget committees prior to adoption of each investment plan for review
- Provide the Governor a plan detailing proposed appropriations from the Greenhouse Gas Reduction Account

AB 1532 would require the Governor to include a proposed appropriation in his annual budget and would allow the Legislature to consider adopting the appropriation as part of the annual budget process.

SB 1572 (Pavley) California Global Warming Solutions Act of 2006: AB 32 Investment Fund

SB 1572 was introduced by Senator Fran Pavley (D-Agoura Hills), and was last amended on June 25, 2012. This bill would create the Greenhouse Gas Reduction Account and would require all revenues collected by CARB from the auction or sale of allowances to be deposited into the account and available, upon appropriation by the Legislature.

SB 1572 would do the following:

- Provide that no funds will be expended if the total auction revenues in the FY 2012-13 are less than \$550 million
- Require that 50 percent of auction revenues collected in FY 2012-13, or \$250 million, whichever is less, go to priority projects listed in the bill; the other 50 percent would remain in the account
- Require projects funded by the bill to comply with the following:
 - Achieve GHG reductions at a reasonable cost
 - Achieve budgetary savings for families, businesses, schools, universities, companies regulated under cap-and-trade program, community institutions, and state, local, and regional governments

- o Protect existing jobs in the state by minimizing leakage
- o Benefit the most adversely impacted and disadvantaged communities
- o Provide opportunities for small businesses, schools, local governments, and other entities to participate in and benefit from statewide and regional efforts to reduce GHG emissions
- Create the following priority projects:
 - o K-12 Energy Projects, Public University Projects, Rapid Transition Assistance for Industrial Facilities, Residential Energy Efficiency, Energy in Agriculture Priority Projects, Sustainable Land Use and transportation, Good Movement, Lower-Emission School Bus Program, and Clean Vehicle Rebate Project

Proposed SANDAG Cap-and-Trade Principles

The SANDAG 2012 Legislative Program includes two priorities that support the overall goal of a cap-and-trade program at the state or federal level: Goal No. 3A, which supports access to resources and technical tools that will enable SANDAG to implement the 2050 RTP/ SCS; and Goal No. 12B, which supports energy-related legislation consistent the Regional Energy Strategy.

In order to respond to various proposals currently under consideration by the Legislature, staff drafted proposed cap-and-trade principles for consideration. On July 13, 2012, the Executive Committee discussed the proposed principles and directed staff to include an additional principle regarding the importance of providing funding for public transit from cap-and-trade auction proceeds. The Executive Committee also asked that the proposed principles be included for Board action in July, and that a presentation by CARB on cap-and-trade proposals be scheduled for a future Board Policy meeting.

The proposed cap-and-trade principles are:

- **Dedicate the allocation revenues related to fuel to transportation investments.** Since the transportation sector contributes about 40 percent of the state’s greenhouse gas (GHG) emissions, a similar share of the allowance revenues should be dedicated to projects and programs that reduce GHG emissions from the transportation sector.
- **Ensure revenues are dedicated to public transportation.** In lawsuits filed on the 2050 Regional Transportation Plan and its Sustainable Communities Strategy, the Attorney General and other petitioners assert that SANDAG should accelerate investment in the region’s public transportation system. The state should dedicate cap-and-trade auction revenues to public transportation, as a near-term source of state funds to advance the transit projects and programs included in regional plans.
- **Provide an equitable distribution of funds.** Each region’s share of allowance revenues should be allocated on a formula basis to reflect a geographically equitable distribution of funds.
- **Ensure revenues are invested consistent with regional plans and Sustainable Communities Strategies.** Eligible projects should be consistent with a CARB-approved and regionally adopted Sustainable Communities Strategy.

- **Ensure project eligibility criteria are created in collaboration with Metropolitan Planning Organizations (MPOs).** MPOs should collaborate with CARB to develop statewide eligibility thresholds that provides maximum flexibility for implementation at the regional level.

Next Steps

Pending approval by the Board of Directors, staff will use the proposed principles to evaluate bills as they make their way through the legislative process and as future administrative guidelines and regulations are developed. Staff also will work with CARB to schedule a presentation at the September 14, 2012, Board Policy meeting, focusing on a more comprehensive discussion of cap-and-trade issues at the state level.

GARY L. GALLEGOS
Executive Director

Key Staff Contact: Genevieve Morelos, (619) 699-1994, Genevieve.Morelos@sandag.org

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DATE: October 4, 2012

TO: Executive and Administration Committee (EAC)
Regional Council (RC)

FROM: Hasan Ikhata, Executive Director, ikhata@scag.ca.gov, 213-236-1944

SUBJECT: Grant Application to Conduct a Health Impact Assessment Demonstration Project

RECOMMENDED EAC ACTION:

Recommend that the Regional Council authorize SCAG Executive Director or his designee to apply for, and if awarded, accept grant funds for up to \$75,000 to conduct a health impact assessment demonstration project.

RECOMMENDED RC ACTION:

Authorize SCAG Executive Director or his designee to apply for, and if awarded, accept grant funds for up to \$75,000 conduct a health impact assessment demonstration project.

EXECUTIVE SUMMARY:

The Robert Wood Johnson Foundation and The Pew Charitable Trusts are sponsoring a grant opportunity entitled the “Health Impact Project: Advancing Smarter Policies for Healthier Communities” (the “Health Impact Project Grant”). The Health Impact Project Grant supports Health Impact Assessment (HIA) demonstration projects which help inform decision-making. SCAG staff proposes to submit a grant proposal that assesses the health impacts of High Quality Transit Areas (HQTAs) near freeway corridors. It is important to note that the HIAs define health more broadly than just the illness focus. Health determinants considered in the grant proposal may include: air quality; affordable housing; accessibility to jobs, educational opportunities, and health care facilities; physical activity opportunities using active transportation including walking and bicycling; and noise impacts. If awarded, staff anticipates that the HIA demonstration project will inform development of the 2016-2040 Regional Transportation Plan/Sustainable Communities Strategy. To address the project needs and to increase the competitiveness of SCAG’s proposal, staff proposes an in-kind match of up to \$75,000 for staff work time to perform certain project tasks.

STRATEGIC PLAN:

This item supports SCAG’s Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies.

BACKGROUND:

The *Health Impact Project: Advancing Smarter Policies for Healthier Communities* is a collaborative effort between the Robert Wood Johnson Foundation and The Pew Charitable Trusts who recently announced grant opportunities to support the development of health impact assessment demonstration projects. These projects are intended to inform future policy decisions and demonstrate the value of HIAs. The national partners of the HIA demonstration projects under the Health Impact Project Grant include the U.S. Center for Disease Control and Prevention and the University of California, Los Angeles.

REPORT

The Health Impact Project Grant encourages the use of HIAs to help decision-makers identify potential health impacts of proposed policies, projects, and programs, and to make recommendations that enhance health benefits and reduce adverse consequences and any associated costs. Up to five (5) demonstration project grants will be awarded nationwide, with an additional project grant reserved for California. Grant awards will not exceed \$75,000 per demonstration project and must be completed within 18 months.

The 2012 -2035 RTP/SCS development process highlighted the increasing importance of public health issues in regional planning with the involvement of significantly more health stakeholders than previous RTPs. These public health issues include, for example, the potential health benefits of active transportation, and the potential health impacts of living within close proximity to roadways with high traffic volumes. Following the adoption of the 2012–2035 RTP/SCS, the RC directed staff to form subcommittees, including a Public Health Subcommittee, to further consider public health in regional planning in Southern California.

It is important to note that the HIAs define “health” broadly. Public health research has demonstrated the profound importance of social and economic factors in addition to environmental conditions to assess a community’s overall health. The following is SCAG’s draft proposal for the Health Impact Project Grant:

Project Title: Health Impact Assessment of High Quality Transit Areas (HQTAs) near Freeways in Southern California

Project Approach:

While the specific details of the grant proposal are still being developed, it will first assess the health impacts of HQTAs near selected freeways on specific health determinants. These health determinants may include: air quality; affordable housing; accessibility to jobs, educational opportunities, and health care facilities; physical activity opportunities using active transportation including walking and bicycling; and noise impacts. Health outcomes will also include cancer and respiratory-related diseases, pedestrian and bicycle injury and fatality rates.

The grant proposal will follow the process recommended by the National Research Council’s 2011 Report on *Improving Health in the United States*: 1) scoping, 2) assessment, 3) reporting, 4) recommendation, and 5) monitoring and evaluation.

A literature review will be conducted to identify relationships between changes in land use/transportation and selected health determinants and outcomes. Scenarios will reflect different levels of housing development, active transportation, transit investment, and community design. The grant proposal will also engage stakeholders throughout the process as well as enlisting their input in refining the overall scope. Utilizing different quantitative methods including sketch planning models and econometric modeling is expected to occur in the assessment phase.

Project Results Utilization:

The demonstration project is intended to inform the SCAG policy decision for the 2016-2040 RTP/SCS. SCAG staff will present project findings to the Policy Committees and RC as related to the 2016-2040 RTP/SCS. Project results are also expected to be valuable to other metropolitan regions, particularly those in the southern and western United States that have historically been allocating growth near its freeway systems.

REPORT

Project Partners:

The grant announcement encourages participation from organizations representing a range of fields and sectors, such as transportation, education, economics, agriculture and natural resources. Previous experience with HIAs is not required. However, as a requirement of the grant application, SCAG must seek partnership with entities with expertise in public health issues including agencies such as the county’s public health departments and universities. Partners are expected to provide health related data, consultation and advice throughout the Project period. Additional outside consultant assistance will also be needed to perform many of the project tasks.

In-Kind Match:

Though an in-kind match is not required, staff proposes to include up to \$75,000 of in-kind match to account for staff time in managing the grant and perform certain project tasks to increase the competitiveness of the proposal.

Project Schedule:

October 12, 2012 – Grant application due

January 31, 2013 – Grant award announcement

April 2013 – Estimated starting time of grant project activities, if awarded

October 2014 – Estimated grant project completion timeframe

FISCAL IMPACT:

If awarded, SCAG will receive up to \$75,000 to complete the demonstration project over an 18-month period. In addition, up to \$75,000 in staff time will be utilized as an in-kind match to support the project.

ATTACHMENT:

None

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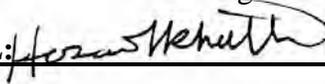
DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Sharon A. Neely, Chief Deputy Executive Director, (213) 236-1992, neely@scag.ca.gov

SUBJECT: Proposed Memorandum of Understanding (MOU) Between the Southern California Association of Governments (SCAG) and Korea Research Institute for Human Settlements (KRIHS) to Promote Joint Research and Exchange Technical Information

EXECUTIVE DIRECTOR'S APPROVAL:



RECOMMENDED ACTION:

Approve the MOU between SCAG and the KRIHS to promote joint research and exchange technical information and authorize the SCAG Executive Director or his designee to execute the MOU.

EXECUTIVE SUMMARY:

The Korea Research Institute for Human Settlements (KRIHS), founded in October 1978 under the 'Act of KRIHS Establishment' by the Korean Government, is an official research agency for the government of the Republic of Korea. KRIHS is one of the affiliated research institutes administered by the Korea Research Council for Economics, Humanities and Social Sciences (KCESRI), which is supervised by the Prime Minister. KRIHS has conducted a wide array of research projects in the fields of national and regional planning, environmental planning, urban planning and design, transportation planning, construction economy, housing and land policies, and geospatial information system. KRIHS desires to develop a cooperative relationship with SCAG to promote joint research and exchange technical information.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective a: Develop and maintain planning models that support regional planning and Objective c: Maintain a leadership role in the modeling and planning data/GIS communities.

BACKGROUND:

The mission of KRIHS is to provide Korean government with long-term and short-term plans and policies to lead to more efficient use of land resources and to improve the balance of development between urban and rural areas. KRIHS has nearly 300 research staff members who carry out various research projects in the areas of national and regional planning, the environment, regional and urban development, infrastructure, land use, transportation and geospatial information system.

KRIHS was established to address these spatial policy issues in October 1978. With the enactment of the Act on the Establishment, Management and Promotion of Government-Sponsored Research Institutes in 1999, KRIHS has become one of research institutes under the supervision of KCESRI. This is a supervisory body specially created to oversee those research institutes involved in the fields of economics and social studies under the Prime Minister.

During Executive Director, Hasan Ikhata's visit to Korea in 2011, there was a general agreement that SCAG and KRIHS establish a cooperative relationship to exchange information and research. SCAG and

REPORT

KRIHS envision a collaborative relationship which will benefit both agencies in sharing best practices in planning processes and technology. That exchange of experiences in land use and transport related issues can also benefit both agencies in developing better solutions. The cooperative relationship could develop into joint research, joint seminars and workshops, and the exchange of technical information and publications.

FISCAL IMPACT:

Funding is not provided to any parties under this MOU.

ATTACHMENT:

Proposed MOU between SCAG and KRIHS

Memorandum of Understanding

between

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

and

THE KOREA INSTITUTE FOR HUMAN SETTLEMENTS

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) and THE KOREA INSTITUTE FOR HUMAN SETTLEMENTS (KRIHS) (hereinafter referred to as “the Parties”) agree to the following Memorandum of Understanding (MOU) for the purpose of promoting mutual cooperation in the fields of public policy and urban and regional planning.

Article I

The purpose of this MOU is to foster research capabilities in the areas of public policy, and urban and regional planning on the basis of a cooperative, mutually beneficial relationship between the Parties.

Article II

The Parties shall mutually cooperate to perform the following activities and meet on a case-by-case basis to discuss additional details and terms as deemed necessary:

1. Co-hosting open forums and joint symposia, etc.
2. Exchanging information and periodical publications
3. Implementing joint research on public policy and urban and regional planning

Article III

Proposals for all cooperative activities may be initiated by either Party, but are subject to approval by both Parties. Activities including joint projects and conferences will be co-sponsored by both Parties as mutually agreed. The objective, content, form, duration, costs, and other terms and conditions of each cooperative activity shall be the subject of a separate agreement or instrument, as appropriate, to be concluded by the Parties.

Article IV

Scientific information derived from cooperative activities may be made available through customary channels according to the normal procedures of each Party. For publication of results derived from joint research projects, either Party shall obtain prior consent from the other Party.

Article V

This Memorandum of Understanding shall be effective from the date of signing and shall be valid for three years. It shall be automatically renewed on that date and will remain valid and effective unless either Party notifies in writing the other Party, at least six months before the renewal date, of its intention to terminate the agreement.

IN WITNESS WHEREOF, the Parties have caused this agreement, signed by their authorized representatives, to be executed in duplicate copies in English with each of the copies being equally authentic.

**For SOUTHERN CALIFORNIA
ASSOCIATION FOR GOVERNMENTS**

**For KOREA RESEARCH INSTITUTE
FOR HUMAN SETTLEMENTS**

**Hasan IKHRATA
Executive Director**

**Yang Ho PARK
President**

Date: _____

Date: _____

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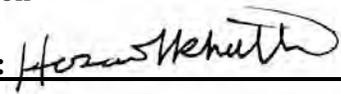
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DATE: October 4, 2012

TO: Executive/Administration Committee (EAC)
Regional Council (RC)

FROM: Sharon A. Neely, Chief Deputy Executive Director, (213) 236-1992, neely@scag.ca.gov

SUBJECT: Proposed Memorandum of Understanding (MOU) Between Southern California Association of Governments (SCAG) and the Myongji University (MJU) to Promote Joint Research and Exchange Technical Information

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve the MOU between SCAG and MJU to promote joint research and exchange technical information, and authorize the SCAG's Executive Director or his designee to execute the MOU.

EXECUTIVE SUMMARY:

MJU was founded in 1948 and is located in South Korea. It is home to more than 25,000 students and nearly 500 full-time faculty. It makes an effort to conduct creative and innovative research on governance, community development, transportation, sustainability, globalization, etc., and to build global partnerships for improving the quality and effectiveness of the related public policies and planning around the world. MJU desires to develop a cooperative relationship with SCAG to promote joint research and exchange technical information. SCAG staff seeks approval by the EAC and RC of the attached MOU, and authority for the Executive Director or his designee to execute the MOU.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective a: Develop and maintain planning models that support regional planning and Objective c: Maintain a leadership role in the modeling and planning data/GIS communities.

BACKGROUND:

"Myongji" means the genuine knowledge that lights up the world. MJU was founded in 1948 and is located in South Korea. It provides students with higher education in the fields of engineering, science, and the humanities. MJU is home to more than 25,000 students and approximately 500 full-time faculty. It has two (2) campuses: one in downtown Seoul and the other in the City of Yongin, 35 km south of Seoul. It is made up of six (6) colleges, encompassing 34 departments and divisions, a graduate school, and eight (8) specialized postgraduate programs. It contains top-notch faculty, curriculums, and cutting edge educational facilities. MJU makes an effort to conduct creative and innovative research on governance, community development, transportation, sustainability, globalization, and to build global partnerships for improving the quality and effectiveness of the related public policies and planning around the world.

During Executive Director Hasan Ikhata's visit to Korea in 2011, there was a general agreement that SCAG and MJU establish a cooperative relationship to exchange information and research. SCAG and MJU envision a collaborative relationship which will benefit both agencies in sharing research on governance, community development, transportation, sustainability, and globalization. That exchange of research can

REPORT

also benefit both institutions in developing better solutions. The cooperative relationship could develop into joint research, joint seminars and workshops, and the exchange of technical information and publications.

FISCAL IMPACT:

Funding is not provided to any parties under this MOU.

ATTACHMENT:

Proposed MOU between SCAG and MJU

Memorandum of Understanding

between

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

and

MYONGJI UNIVERSITY

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) and MYONGJI UNIVERSITY (MJU) (hereinafter referred to as “the Parties”) agree to the following Memorandum of Understanding (MOU) for the purpose of promoting mutual cooperation in the fields of public policy and planning.

Article I

The purpose of this MOU is to foster research capabilities in the areas of public policy and planning on the basis of a cooperative, mutually beneficial relationship between the Parties.

Article II

The Parties shall mutually cooperate to perform the following activities and meet on a case-by-case basis to discuss additional details and terms as deemed necessary:

1. Co-hosting open forums and joint symposia, etc.
2. Exchanging information and periodical publications
3. Implementing joint research on governance, community development, transportation, sustainability, globalization, etc.

Article III

Proposals for all cooperative activities may be initiated by either Party, but are subject to approval by both Parties. Activities including joint projects and conferences will be co-sponsored by both Parties as mutually agreed. The objective, content, form, duration, costs, and other terms and conditions of each cooperative activity shall be the subject of a separate agreement or instrument, as appropriate, to be concluded by the Parties.

Article IV

Scientific information derived from cooperative activities may be made available through customary channels according to the normal procedures of each Party. For publication of results derived from joint research projects, either Party shall obtain prior consent from the other Party.

Article V

This Memorandum of Understanding shall be effective from the date of signing and shall be valid for three years. It shall be automatically renewed on that date and will remain valid and effective unless either Party notifies in writing the other Party, at least six months before the renewal date, of its intention to terminate the agreement.

IN WITNESS WHEREOF, the Parties have caused this agreement, signed by their authorized representatives, to be executed in duplicate copies in English with each of the copies being equally authentic.

**For SOUTHERN CALIFORNIA
ASSOCIATION FOR GOVERNMENTS**

For MYONGJI UNIVERSITY

**Hasan IKHRATA
Executive Director**

**Byong-Jin YOU
President**

Date: _____

Date: _____

DRAFT

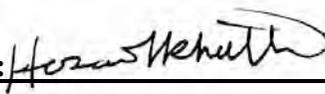
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DATE: October 4, 2012

TO: Regional Council (RC)
Executive/Administrative Committee (EAC)

FROM: Sharon A. Neely, Chief Deputy Executive Director, (213) 236-1992, neely@scag.ca.gov

SUBJECT: Proposed Memorandum of Understanding (MOU) Between the Southern California Association of Governments (SCAG) and the Institute of Policy and Management (IPM) of the Chinese Academy of Sciences (CAS) to Promote Joint Research and Exchange Technical Information

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:

Approve the MOU between SCAG and the IPM of the Chinese Academy of Sciences (CAS) to promote joint research and exchange technical information and authorize SCAG's Executive Director or his designee to execute the MOU.

EXECUTIVE SUMMARY:

The IPM of the Chinese Academy of Sciences is a top Chinese think-tank for macro-level decision-making on sustainable socioeconomic development and strategic policy formation. After an initial discussion during the Economic, Environmental, and Energy Discussion (EEED) conference in Beijing in July 2012, both parties desire to develop a cooperative relationship to promote joint research and exchange technical information on Greenhouse Gas (GHG) emission reduction strategies.

STRATEGIC PLAN:

This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective a: Develop and maintain planning models that support regional planning and Objective c: Maintain a leadership role in the modeling and planning data/GIS communities.

BACKGROUND:

The IPM of the CAS publishes the "China Sustainable Development Report" annually for Chinese Governments at all levels and is playing a key role in guiding and supporting China's political decision-making in low-carbon sustainable development through research, integration of resources, strategic planning and policy making. IPM has a total of 110 staff, including 99 academic professionals.

In July 2012, SCAG staff attended the EEED conference in Beijing sponsored by IPM. The goal of the conference was to bridge and incorporate global knowledge in economic development and data management, and to exchange knowledge in GHG emission reduction strategies through local policies on sustainable transportation, land use planning and environmental preservation. During the conference, IPM Senior Management indicated that SCAG's experience in regional planning would be very useful to both China and IPM, and looked forward to an enhanced collaboration with SCAG including signing an MOU.

REPORT

Through the conference, SCAG and IPM enhanced their understanding of each other's perspectives and challenges. We expect that future cooperation among nations, especially between SCAG and China, will benefit both countries in addressing the important global climate change issue.

FISCAL IMPACT:

Funding is not provided to any parties under this MOU.

ATTACHMENT:

Proposed MOU Between SCAG/IPM of CAS

Memorandum of Understanding

between

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS

and

THE INSTITUTE OF POLICY AND MANAGEMENT

OF THE CHINESE ACADEMY OF SCIENCES

THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) and THE INSTITUTE OF POLICY AND MANAGEMENT OF THE CHINESE ACADEMY OF SCIENCES (IPM) (hereinafter referred to as “the Parties”) agree to the following Memorandum of Understanding (MOU) for the purpose of promoting mutual cooperation in the fields of climate change, energy and environment policy, and sustainable development strategy.

Article I

The purpose of this MOU is to foster research capabilities in the areas of climate change, energy and environment policy, and sustainable development strategy on the basis of a cooperative, mutually beneficial relationship between the Parties.

Article II

The Parties shall mutually cooperate to perform the following activities and meet on a case-by-case basis to discuss additional details and terms as deemed necessary:

1. Co-hosting open forums and joint symposia, etc.
2. Exchanging information and periodical publications
3. Implementing joint research on climate change, energy and environment policy, and sustainable development strategy

Article III

Proposals for all cooperative activities may be initiated by either Party, but are subject to approval by both Parties. Activities including joint projects and conferences will be co-sponsored by both Parties as mutually agreed. The objective, content, form, duration, costs, and other terms and conditions of each cooperative activity shall be the subject of a separate agreement or instrument, as appropriate, to be concluded by the Parties.

Article IV

Scientific information derived from cooperative activities may be made available through customary channels according to the normal procedures of each Party. For publication of results derived from joint research projects, either Party shall obtain prior consent from the other Party.

Article V

This Memorandum of Understanding shall be effective from the date of signing and shall be valid for three years. It shall be automatically renewed on that date and will remain valid and effective unless either Party notifies in writing the other Party, at least six months before the renewal date, of its intention to terminate the agreement.

IN WITNESS WHEREOF, the Parties have caused this agreement, signed by their authorized representatives, to be executed in duplicate copies in English with each of the copies being equally authentic.

**For SOUTHERN CALIFORNIA
ASSOCIATION FOR GOVERNMENTS**

**For INSTITUTE OF POLICY AND
MANAGEMENT OF THE CHINESE
ACADEMY OF SCIENCES**

**Hasan IKHRATA
Executive Director**

**Rongping MU
Director-General**

Date: _____

Date: _____

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DATE: October 4, 2012
TO: Executive/Administration Committee (EAC)
Regional Council (RC)
FROM: Basil Panas, Acting Chief Financial Officer, (213) 236-1817, panas@scag.ca.gov
SUBJECT: Contracts/Purchase Orders and/or Amendments between \$5,000 - \$200,000

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
For Information Only - No Action Required.

STRATEGIC PLAN:
This item supports SCAG'S Strategic Plan, Goal 3: Enhance the Agency's Long Term Financial Stability and Fiscal Management.

BACKGROUND:

SCAG executed the following Contracts between \$25,000 and \$200,000

<u>Consultant/Contract #</u>	<u>Contract's Purpose</u>	<u>Contract Amount</u>
1. Data Products, Research & Systems (12-030-C1)	The consultant shall provide the design, development, and implementation of SCAG's Geodatabase, a system of storing data and electronic maps.	\$148,573
2. Melendrez (12-022-C1)	As part of the Compass Blueprint program, the consultant shall conduct a study for the City of Glendale. Among other things, the study shall examine the possibilities for creating frontage roads along the State Route 134 (SR-134) freeway east of Space 134 (the identified project area), to connect residential neighborhoods to downtown Glendale.	\$124,453
3. AECOM Inc. (12-001-B19)	As part of the Compass Blueprint program, the consultant shall assist the Downtown Los Angeles Neighborhood Council (DLANC) with assessing transportation-related conditions and mobility improvements including parking, bicycle, and pedestrian planning to help develop strategies to reclaim streets and sidewalks for people, and to encourage trips in modes other than a car.	\$121,956

REPORT

SCAG executed the following Contracts between \$25,000 and \$200,000

<u>Consultant/Contract #</u>	<u>Contract's Purpose</u>	<u>Contract Amount</u>
4. AECOM Inc. (12-001-B10)	As part of the Compass Blueprint program, the consultant shall assist the City of Rancho Palos Verdes with developing the Western Avenue Corridor Strategy and Vision Plan.	\$121,885
5. Burke, Williams, & Sorensen, LLP (12-045-SSG1)	The consultant shall provide the necessary General Counsel legal services to SCAG.	\$120,000
6. Regional Economic Models, Inc. (13-003-SS)	The consultant shall provide Transight Econometric software to assist staff with its modeling analysis.	\$53,000
7. Zepol Corporation (12-040-C1)	The consultant shall provide trade data information for use in SCAG's regional goods movement planning efforts.	\$29,916

SCAG executed the following Purchase Orders (PO's) between \$5,000 and \$200,000

<u>Vendor</u>	<u>PO Purpose</u>	<u>PO Amount</u>
Qwest Communications Corp.	FY13 Internet and IT Connection Service	\$130,000
Canon Financial Services, Inc.	FY13 Copy Equipment Lease	\$72,000
SAS Institute, Inc.	FY13 SAS Support	\$50,142
Employment Development Dept.	FY13 Unemployment Insurance	\$50,000
Caliper Corporation	FY13 Transcad Software Support	\$49,683
New Horizons CLC of Southern Calif.	FY13 Computer & Other Training	\$49,500
Graycon, Inc.	FY13 Cooling Unit For Server Room Fee	\$45,756
United Imaging	FY13 Printer Cartridges	\$41,300
AT&T / CalNet	FY13 Voice & Data Service	\$40,000
Office Depot Business Services Div.	FY13 Office Supplies	\$40,000
Citycom Real Estate Services	FY13 San Bernardino Office Rent	\$36,500
Canon Business Solutions-West Inc.	FY13 Copy Maintenance	\$35,000
Microsoft Corporation	FY13 GP Dynamics Support	\$26,364
Ametron Audio/ Video Inc.	FY13 Regional Council Meeting Video Taping	\$26,000
Regional Economic Models, Inc.	Economic Modeling Software (13-002-S1)	\$22,500
Granicus, Inc.	FY13 Software Support	\$19,356
CDW Government, Inc.	FY13 HP EVA 4400 Renewal	\$16,248
CQ Roll Call Subscription	FY13 Subscription For Fednet	\$15,936
Sparkletts	FY13 Coffee & Beverage Services	\$15,000
Conferencing Advisors, Inc.	FY13 Video Conferencing Equipment Support	\$11,878
PlanetBids, Inc	Online Bid Management Svc	\$11,000
Xerox Corporation	FY13 Xerox Printer Lease & Maintenance	\$9,861

REPORT

<u>Vendor</u>	<u>PO Purpose</u>	<u>PO Amount</u>
Consiliant Technologies, LLC	FY13 Hitachi Storage Support	\$9,333
Xerox Corporation	FY13 Graphics Printer Supplies	\$8,000
University of Southern California	2012 Staff Retreat Facility Rental	\$8,000
Citilabs Inc.	FY13 Cubeland, Voyager Software Maintenance	\$7,811
Clean Sweep Janitor Service	FY13 Janitorial Service For Imperial	\$5,600
CDW Government, Inc.	FY13 Software Renewal	\$5,248
Westin Bonaventure Hotel & Suites	Deposit For 2012 Regional Council Summit	\$5,000
Tech Depot	FY13 IT Purchases	\$5,000
FedEx	FY13 Courier Service	\$5,000
The Pep Boys	FY13 Fleet Car Maintenance	\$5,000

SCAG executed the Amendment between \$5,000 and \$200,000

<u>Consultant/Contract #</u>	<u>Amendment's Purpose</u>	<u>Amendment Amount</u>
Capital Representation Group (11-009-G1)	This amendment will allow the consultant to provide additional support and analysis to issues pertaining to implementation of Phase II of the Southern California Economic Recovery & Job Creation Strategy. This has become necessary now that SCAG will be developing and supporting additional legislation related to Phase II of the Southern California Economic Recovery & Job Creation Strategy.	\$19,000
AgreeYa Solutions, Inc. (12-012-C1)	This amendment will enable the consultant to create a software solution that will allow users not located in SCAG offices to be able to securely access SCAG's various web-enabled resources that are currently limited only to individuals that are on-premise.	\$9,900

FISCAL IMPACT:

Funding is available in the FY 2012/13 budget.

ATTACHMENT:

Contract and Amendment Summaries

CONSULTANT CONTRACT 12-030-C1

Recommended Consultant: Data Products, Research & Systems

Background & Scope of Work: The purpose of this project is to provide SCAG with high quality, professional, and timely advanced Geographic Information System (GIS) data services and support to ensure that SCAG maintains a leadership position and utilizes current processes for the collection, storage and dissemination of data to both internal and external stakeholders. The advanced GIS data services will enhance SCAG's GIS system with high performance, scalability, efficiency, flexibility, and sustainability.

The consultant shall provide the design, development, and implementation of SCAG's Geodatabase (a system of storing data and electronic maps). They will provide technical advice on how SCAG should leverage additional functionalities from GIS technology products. They will provide on-site support, best practice documentation, training materials and bi-weekly progress reports with monthly face-to-face meetings.

Project's Benefits & Key Deliverables: The project's benefits and key deliverables include, but are not limited to:

- Enhanced Geodatabase containing SCAG's major GIS files;
- Providing five (5) intermediate and (5) advanced GIS training sessions to SCAG's member jurisdictions; and
- Updated GIS datasets, including counties, cities, parcels, traffic analysis zones, and subregions.

Strategic Plan: This item supports SCAG's Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective a: Develop and maintain planning models that support regional planning; Objective b: Develop, maintain and enhance data and information to support planning and decision-making in a timely and effective manner; and Objective c: Maintain a leadership role in the modeling and planning data/GIS communities.

Contract Amount:	Total not-to-exceed	\$148,573
	Data, Products, Research & Systems (prime consultant)	\$111,238
	Cambridge Systematics (subconsultant)	\$37,335

Note: Data, Products, Research & Systems originally proposed \$151,749, but staff negotiated the price down to \$148,573 without reducing the scope of work.

Contract Period: July 31, 2012 through July 31, 2013

Project Numbers:

12-045.SCG0694.01	\$20,000
12-045.SCG0142.12	\$100,313
13-045.SCG0142.12	\$28,260

Funding sources: Consolidated Planning Grant FHWA, FTA, and TDA

Request for Proposal (RFP):

SCAG staff notified 769 firms of the release of RFP 12-030-C1. Staff advertised the RFP on SCAG's bid management system. A total of 87 firms downloaded the RFP. SCAG received the following five (5) proposals in response to the solicitation:

Data, Products, Research & Systems (1 subconsultant)	\$151,749
VSolvit (1 subconsultant)	\$39,450
Multiregional Policy Analysis (1 subconsultant)	\$99,977
Statistical Research Inc. (2 subconsultants)	\$191,899
Quartic Solutions (no subconsultants)	\$575,070

Selection Process:

The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP, and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the three (3) highest ranked offerors.

The PRC consisted of the following individuals:

Javier Minjares, Regional Planning Specialist, SCAG
Ping Wang, Regional Planning Specialist, SCAG
Alex Yu, Manager of Application Development, SCAG

Basis for Selection:

The PRC recommended Data, Products, Research & Systems for the contract award because the consultant:

- Was in the range of what the Proposal Review Committee (PRC) determined it would take to meet the required deliverables. Although the selected consultant did not propose the lowest price, the PRC members determined that the selected consultant demonstrated the best understanding of the Scope of Work (SOW) and clearly and fully described technical approaches for each task and subtask. The lower priced firms did not demonstrate a complete understanding of the SOW and did not propose a technical approach that fully addressed the requirements in the SOW. Specifically, one firm did not describe the American Community Survey data update in their technical approach or deliverables. The firm also did not describe a technical approach for Task 4, which provides GIS expertise on spatial statistical analysis, assisting and coordinating GIS workshops and seminars. Also, the PRC did not believe that the lower priced firms included enough hours to perform the work by the required schedule nor demonstrate the familiarity and breadth of experience of the selected vendor;
- Provided the best overall value to SCAG by their excellent record of past performance based on their references, financial and staff resources for timely performance, and their ability to provide SCAG with GIS Services and support comprehensively and professionally; and
- Demonstrated extensive experience dealing with large databases, such as those that SCAG maintains. They demonstrated a clear understanding of the interrelationship between the GIS effort involved in this project and how it folds into SCAG's Travel Demand Modeling, other SCAG data/information, and its ultimate part in the development of the Inter-Governmental Review (IGR) Database, long range transportation plan, integrated transportation land use model, etc.

CONSULTANT CONTRACT 12-022-C1

Recommended Consultant:	Melendrez												
Background & Scope of Work:	The consultant shall provide consultant services for a Compass Blueprint Demonstration Project for the City of Glendale. Specifically, the consultant shall provide a feasibility study to create frontage roads along the State Route 134 (SR-134) freeway east of Space 134 (the identified project area), that will weave well-established residential neighborhoods to downtown Glendale. The consultant shall conduct workshops with the community stakeholders, including resident businesses, property owners, and staff. They will prepare three (3) preliminary concept plans, and prepare a cost benefit analysis for a freeway cap park (a park development over the freeway) identified in the preliminary concept plans.												
Project's Benefits & Key Deliverables:	<p>The project's benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Concept plans and visual renderings of Space 134 that will provide a visioning framework to reopen connections between well-established residential neighborhoods and the City's civic, cultural, and business core, expand open space access, and add value to downtown properties; and• Workshops, reports, preliminary concept plans, cost benefit analysis, and a final report.												
Strategic Plan:	This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.												
Contract Amount:	<table border="0" style="width: 100%;"><tr><td style="width: 50%;">Total not-to-exceed</td><td style="text-align: right;">\$124,453</td></tr><tr><td>Melendrez (prime consultant)</td><td style="text-align: right;">\$79,952</td></tr><tr><td>Metcalf Associates (subconsultant)</td><td style="text-align: right;">\$6,000</td></tr><tr><td>Dannenbrook Planning (subconsultant)</td><td style="text-align: right;">\$9,040</td></tr><tr><td>KPFF (subconsultant)</td><td style="text-align: right;">\$20,569</td></tr><tr><td>Rifkin - RTPG (subconsultant)</td><td style="text-align: right;">\$8,892</td></tr></table> <p>Note: Melendrez originally proposed \$166,174, but staff negotiated the price down to \$124,453 without reducing the scope of work.</p>	Total not-to-exceed	\$124,453	Melendrez (prime consultant)	\$79,952	Metcalf Associates (subconsultant)	\$6,000	Dannenbrook Planning (subconsultant)	\$9,040	KPFF (subconsultant)	\$20,569	Rifkin - RTPG (subconsultant)	\$8,892
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KPFF (subconsultant)	\$20,569												
Rifkin - RTPG (subconsultant)	\$8,892												
Contract Period:	July 16, 2012 through July 16, 2013												
Project Number:	12-065.SCG0137.01 \$124,453 Funding sources: Consolidated Planning Grant – FHWA and TDA												
Request for Proposal (RFP):	SCAG staff notified 1,655 firms of the release of RFP 12-001-B22. Staff also advertised the RFP in the American Planning Association's website and the Urban Transportation Monitor, and posted it on SCAG's bid management system. A total of 159 firms downloaded the RFP. SCAG received the following six (6) proposals in response to the solicitation:												

Melendrez (4 subconsultants)	\$166,174
AECOM (2 subconsultants)	\$149,727
Cooper Carey (2 subconsultants)	\$164,305
SWA Group (3 subconsultants)	\$172,147
URS Corporation (2 subconsultants)	\$252,539
Roesling Nakamura (4 subconsultants)	\$296,202

Selection Process: The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP, and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the three (3) highest ranked offerors.

The PRC consisted of the following individuals:

Melanie Bradford, Associate Transportation Planner, Caltrans District 7
Michael Nilsson, Mobility Planner, City of Glendale
Jung A Uhm, Senior Regional Planner, SCAG
Annette Vartanian, Analyst, City of Glendale

Basis for Selection: The PRC recommended Melendrez for the contract award because the consultant:

- Provided the best overall value to SCAG. Other firms proposed lower prices but the PRC awarded the contract to the selected consultant because it was in the range of what the PRC determined it would take to meet the required deliverables. Specifically, the other firms did not provide creative and innovative approaches that were specific to the City’s social, economic, and physical context, nor did they demonstrate the knowledge and experience in working with various stakeholders for collaboration;
- Demonstrated a highly interactive and phased approach with a clear short-term and long-term vision centered on implementation. Also, their visioning approach, which involved the City, community members and stakeholders, demonstrated a very strong and strategic collaborative plan when compared to other firms;
- Provided an analysis and understanding of the scope of work that included a much more broad area, which covered cultural, social, environmental, and economic benefits to the City;
- Demonstrated the most extensive experience with projects of similar size and scope by assembling a team of experts for this project who demonstrated a comprehensive understanding of the scope of work that was gained from experience with prior relevant projects concerning open space, mobility, accessibility, transit corridors, and pedestrian bridges; and
- Offered an effective approach to meet SCAG’s requirements by acknowledging the importance of consensus building with the City in the early visioning process in order to move forward with the necessary political support when compared to other firms.

CONSULTANT CONTRACT 12-001-B19

**Recommended
Consultant:**

AECOM

**Background &
Scope of Work:**

The consultant shall provide consultant services for a Compass Blueprint Demonstration Project for the Downtown Los Angeles Neighborhood Council (DLANC). The consultant shall address issues of mobility, livability, prosperity and sustainability in the downtown Los Angeles community by providing an opportunity to engage local stakeholders about their unique issues and needs. They will assess transportation-related conditions and mobility improvements including parking, bicycle, and pedestrian planning to help develop strategies to reclaim streets and sidewalks for people to encourage trips in transportation modes other than a car. Further, long-term and short-term community greening goals will be identified with a focus on reducing environmental impacts, including greenhouse gas emissions.

**Project's Benefits
& Key Deliverables:**

The project's key benefits and deliverables include, but are not limited to:

- Addressing issues of mobility, livability, prosperity, and sustainability in the community;
- Identifying key issues within the community that degrade the environment, developing goals for a more sustainable future, and coming to a consensus on an overall vision for a greener Downtown Los Angeles through a series of interactive activities and an ongoing exhibit;
- A Sustainability Analysis to help participants evaluate various options and come to an informed consensus on the most sustainable future vision; and
- A list of key recommendations, priorities and strategies that will be used by community leaders and the City to improve mobility, environmental, economic, and physical conditions in Downtown Los Angeles through the Vision Downtown project.

Strategic Plan:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.

Contract Amount:

Total not-to-exceed	\$121,956
AECOM (prime consultant)	\$82,956
Robert Group (subconsultant)	\$10,000
Iteris, Inc. (subconsultant)	\$10,000
Devine Strategies (subconsultant)	\$8,000
Greg Fischer (subconsultant)	\$8,000
Gil Kelly (subconsultant)	\$3,000

Note: AECOM originally proposed \$151,026, but staff negotiated the price down to \$121,956 without reducing the scope of work.

Contract Period:

July 16, 2012 through July 16, 2013

Project Number: 12-065.SCG0137.01 \$121,956
Funding sources: Consolidated Planning Grant – FHWA and TDA

Request for Proposal (RFP): SCAG staff notified 1,623 firms of the release of RFP 12-001-B19. Staff also advertised the RFP in the American Planning Association’s website and the Urban Transportation Monitor, and posted it on SCAG’s bid management system. A total of 188 firms downloaded the RFP. SCAG received the following nine (9) proposals in response to the solicitation:

AECOM (5 subconsultants)	\$151,026
Point C (3 subconsultants)	\$175,483
The Planning Center (5 subconsultants)	\$180,887
Moore Iacofano Goltsman (2 subconsultants)	\$192,918
Peter Ellis (3 subconsultants)	\$340,592
Interface (3 subconsultants)	\$362,052
Forma (9 subconsultants)	\$376,833
RTKL Associates (4 subconsultants)	\$396,744
Gensler (7 subconsultants)	\$433,060

Selection Process: The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP, and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the four (4) highest ranked offerors.

The PRC consisted of the following individuals:

Angus Chan, Associate Transportation Planner, Caltrans District 7
Philip Estes, Planner, Los Angeles County (DLANC)
Arlene Granadosin, Associate Regional Planner, SCAG
Gretchen Siemers, Planner, Los Angeles County (DLANC)
Veronica Siranosian, Senior Planner, URS

Basis for Selection: The PRC recommended AECOM for the contract award because the consultant:

- Proposed the lowest price;
- Demonstrated the most comprehensive and broadest range of services and solutions that will meet SCAG’s requirements. Specifically, public outreach, sustainability, carbon-footprinting, urban design, and transportation;
- Demonstrated the best understanding of the proposed scope of work by demonstrating their knowledge of Downtown Los Angeles, and previous public outreach experience, expertise in carbon-footprinting, and approach to exploring additional funding resources to continue visioning efforts for downtown Los Angeles;
- Best described their extensive experience in similar projects completed in the Downtown Los Angeles Fashion District, Ventura, Los Angeles Clean Tech Corridor, 101 Hollywood Freeway’s Part 101 and various visioning efforts internationally; and
- Demonstrated the most innovative, and effective approach to meet SCAG’s requirements. Specifically, their previous experience and utilization of innovative and creative outreach tools and strategies.

CONSULTANT CONTRACT 12-001-B10

Recommended Consultant:

AECOM Inc.

Background & Scope of Work:

City of Rancho Palos Verdes seeks to develop the Western Avenue Corridor Strategy and Vision Plan, a corridor and streetscape revitalization strategy for a 2-mile stretch of Western Avenue that traverses the City.

Western Avenue is largely comprised of concrete and asphalt, and the City believes that it lacks community appeal. The Vision Plan will provide the City with a sustainability-oriented blueprint for transforming this commercial corridor into a vibrant streetscape with a coordinated approach for bicycle, pedestrian, and transit activity that will benefit the community and local businesses.

Project's Benefits & Key Deliverables:

The project's key benefits and deliverables include, but are not limited to:

- Developing an identity/brand for the Western Avenue corridor;
- Developing guidelines and policies that unify the overall vision and strengthen the core Western Avenue businesses and residences, and increase community appeal;
- A site analysis of existing conditions, and current vs. proposed usage of Western Avenue;
- A traffic analysis and inventory of the existing parcels and right-of-way on Western Avenue;
- Streetscape design improvements, including urban greening elements and complete streets concepts;
- Recommendations and strategies for implementation of the Vision Plan; and
- A strategic implementation plan for working with multiple agencies and coordinating with regional and State goals.

Strategic Plan:

This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.

Contract Amount:

Total not-to-exceed	\$121,885
AECOM Inc. (prime consultant)	\$113,872
Fransen Co. (subconsultant)	\$8,013

Note: AECOM originally proposed \$219,928, but staff negotiated the price down to \$121,885 without reducing the scope of work (they offered more than what the RFP requested).

Contract Period:

Notice to Proceed through February 15, 2013

Project Number:

12-065.0137.01 \$60,842
13-065.0137.01 \$61,043
Funding sources: Consolidated Planning Grant – FHWA and TDA

Request for Proposal (RFP):

SCAG staff notified 1,905 firms of the release of RFP 12-001-B10. Staff also advertised the RFP in the American Planning Association's website and the Urban

Transportation Monitor, as well as the Planning Institute, and posted it on SCAG's bid management system. A total of 207 firms downloaded the RFP. SCAG received the following twelve (12) proposals in response to the solicitation:

AECOM Inc. (1 subconsultant)	\$219,928
FORMA (no subconsultant)	\$98,785
Alta Planning + Design (3 subconsultants)	\$160,478
Gwynne Pugh Urban Studio(4 subconsultants)	\$167,504
The Planning Center (3 subconsultants)	\$207,280
Hogle -Ireland (3 subconsultants)	\$209,994
Gruen Associates (3 subconsultants)	\$215,374
MIG (2 subconsultants)	\$219,596
David Evans & Associates (3 subconsultants)	\$226,791
SWA Group (4 subconsultants)	\$297,628
Johnson Fain (5 subconsultants)	\$587,311
Gensler (5 subconsultants)	\$663,796

Selection Process:

The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP conducted the selection process in a manner consistent with all applicable federal and state contracting regulations. After evaluating the proposals, the PRC interviewed the three (3) highest ranked offerors.

The PRC consisted of the following individuals:

Eduardo Schonborn , Senior Planner, City of Rancho Palos Verdes
 Joel Rojas, Community Development Director, City of Rancho Palos Verdes
 Peter Brandenburg, Senior Regional Planner, SCAG

Basis for Selection:

The PRC recommended AECOM for the contract award because the consultant:

- Demonstrated a depth of understanding, and knowledge of, the project area that was unmatched by any of the other firms;
- More than any other firm, AECOM outlined the challenges and opportunities facing the Western Avenue corridor and the City generally;
- Demonstrated the most sophisticated, detailed and comprehensive understanding of the planning context in which Western Avenue should be considered in. In particular, AECOM emphasized the project's existing and potential linkages to the ongoing San Pedro waterfront revitalization efforts and to other planning and political factors in the neighboring City of Los Angeles;
- Demonstrated the ability and experience in navigating and integrating the City of Los Angeles' attributes and making them an asset to Western Avenue revitalization rather than an impediment. None of the other respondents demonstrated this capacity;
- Included a specialized retail strategy subconsultant on its team to assist with the economic development aspects of the project. This was indicative of a more comprehensive and detailed approach to developing an economic development strategy required for this project; and
- Provided a robust economic development approach, which was not included by any of the other firms.

Although AECOM was not the lowest priced firm, AECOM offered more scopes than what was requested in the RFP. Negotiations reduced the price without reducing the integrity of the required scope of work.

CONSULTANT CONTRACT 12-045-SSG1

Recommended Consultant:	Burke, Williams, & Sorensen, LLP
Background & Scope of Work:	A General Counsel has served the Regional Council in the past. The position was established to help support the agency and Regional Council. Increased activities have led to the necessity of filling the General Counsel position. In the interim, the consultant shall provide the necessary personnel to provide General Counsel legal services to SCAG. Specifically, Joseph Silvey will serve as SCAG's General Counsel for Regional Council and External Affairs. Services in connection with this contract may include, but are not limited to: advising and consulting with the SCAG's Regional Council and its Committees on legal matters; attending Metropolitan Planning Organization (MPO) Executive Director's meetings with other MPO legal counsels; attending other meetings as directed by SCAG's Executive Director or Chief Deputy Executive Director; collaborating as needed on items of Regional Council interest; and reviewing, as necessary, SCAG Bylaws for future opportunities to improve clarity.
Project's Benefits & Key Deliverables:	The project's benefits and key deliverables include, but are not limited to: providing legal guidance and/or services to SCAG's Executive Director, Chief Deputy Executive Director and SCAG Regional Council, as requested.
Strategic Plan:	This item supports SCAG's Strategic Plan, Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies; Objective a: Create and Facilitate a Collaborative and Cooperative Environment to Produce Forward Thinking Regional Plans.
Contract Amount:	Total not-to-exceed \$120,000 Burke, Williams, & Sorensen, LLP (prime consultant)
Contract Period:	September 1, 2012 through September 30, 2013
Project Number:	800-0160.01 \$120,000 Funding source: General Fund
Request for Proposal (RFP):	Not Applicable
Basis for Selection:	SCAG awarded Burke, Williams, & Sorensen, LLP a sole source contract because of Mr. Silvey's extensive knowledge and expertise with advising and consulting public agencies on legal matters.

CONSULTANT CONTRACT 13-003-S1

Recommended Consultant:	Regional Economic Models, Inc.
Background & Scope of Work:	<p>As part of the development of the 2012-2035 Regional Transportation Plan (RTP) and Sustainable Communities Strategy (SCS), SCAG staff needs to perform econometric analyses for the Goods Movement, Regional Economic Strategy development, and Transportation Finance programs. Staff used the REMI, Policy Insight software for these analyses. As SCAG continues forward with future analyses, especially as it relates to Goods Movement and SCAG's Economic Impact Analysis, staff must use the same analytical framework to ensure the work previously done is directly compatible and consistent with subsequent analyses.</p> <p>Staff initiated its modeling analysis using REMI's Policy Insight software, under a temporary license that was at no cost to SCAG. Due to the extensive and complex nature of the analysis, staff was not able to complete its work under the temporary license for two (2) reasons: 1) the free license expired on July 13, 2012; and 2) staff desires to complete the analysis at an enhanced level. Therefore, staff wishes to upgrade from REMI's Policy Insight software to REMI's Transight econometric software, which has more functionality.</p>
Project's Benefits & Key Deliverables:	The project's key benefit and deliverable is the REMI's Transight econometric software, which has more functionality than SCAG's current econometric software.
Strategic Plan:	This item supports SCAG's Strategic Plan Goal 1: Improve Regional Decision Making by Providing Leadership and Consensus Building on Key Plans and Policies, and Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies.
Contract Amount:	Total not-to-exceed \$53,000 Regional Economic Models, Inc. (prime consultant)
Contract Period:	July, 17, 2012 through June 30, 2013
Project Number:	055-0704A.02 \$53,000 Funding source: Consolidated Planning Grant – FHWA and TDA
Request for Proposal (RFP):	Not Applicable
Basis for Selection:	The REMI Transight proprietary software is only available through REMI, Inc., as they have no authorized resellers of their software. If SCAG does not acquire the software, the analyses being performed by the Goods Movement and Economic Impact Analysis would be incomplete. The Goods Movement Study requires the Transight module (which also contains the Policy Insight Module) that is unique to the REMI model.

CONSULTANT CONTRACT 12-040-C1

Recommended Consultant: Zepol Corporation

Background & Scope of Work: The purpose of this procurement is to obtain trade data information for use in SCAG's regional goods movement planning efforts. Staff shall use the information to assess the cargo throughput trends associated with the Ports of Los Angeles, Long Beach and Port Hueneme. The data will also be compared with trends associated with Seaports in North America.

The consultant shall provide SCAG staff with access to and permit use of its online database applications, TradeIQ and Tradeview.

Project's Benefits & Key Deliverables: The online database will allow SCAG staff to conduct an in-depth study for all shipments to practically every importer in California. It will also allow access to specific California ports: Los Angeles, Long Beach, and Port Hueneme. The key deliverable is a 60 month subscription that allows five (5) user licenses to access the consultant's database over the internet.

Strategic Plan: This item supports SCAG's Strategic Plan, Goal 3: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective b: Develop, maintain and enhance data and information to support planning and decision making in a timely and effective manner.

Contract Amount:	Total not-to-exceed	\$29,916
	Zepol Corporation	\$29,916

Note: Zepol Corporation originally proposed \$30,095, but staff negotiated the price down to \$29,916 without reducing the scope of work.

Contract Period: June 28, 2012 through June 27, 2017

Project Number: 130.SCG00162.02 \$29,916
Funding sources: Consolidated Planning Grant – FTA and TDA

Request for Proposal (RFP): SCAG staff notified three (3) firms of the release of RFP 12-040-C1. This was an Informal Procurement (i.e., a procurement that staff estimated to be less than \$50,000). SCAG received the following three (3) proposals in response to the solicitation:

Zepol Corporation	\$30,095
Datamyne, Inc.	\$118,560
PEIRS	\$193,800

Selection Process: The Proposal Review Committee (PRC) evaluated each proposal in accordance with the criteria set forth in the RFP, and conducted the selection process in a manner consistent with all applicable federal and state contracting regulations.

The PRC consisted of the following individuals:

Mike Jones, Senior Regional Planner, SCAG

Javier Minjares, Regional Planner Specialist, SCAG

Rajeev Seetharam, Senior Regional Planner, SCAG

Basis for Selection: The PRC recommended Zepol Corporation for the contract award because the consultant:

- Provided the lowest cost proposal;
- Included historical trade information data in the subscription;
- Allows trade data information to be accessed using any computer with a username and password, without Internet Protocol (IP) address restrictions;
- Provides access to U.S. Census Data (providing import and export data);
- Allows sharing and publication of the data; and
- Allows unlimited number of dataset downloads.

Other firms were deficient in the following areas:

- Higher cost, and charged a separate fee for additional users and historical data; and
- Had restrictions on number of downloads, sharing and publishing data, and Internet Protocol (IP) address (user is billed if data accessed from different IP address).

CONTRACT 11-009-C1 AMENDMENT 2

Consultant:	Capital Representation Group								
Background & Scope of Work:	<p>In December 2010, SCAG awarded Contract 11-009-G1 to Capital Representation Group (“Consultant”) to be the agency’s state government affairs legislative consultant/lobbyist and assist SCAG in Sacramento with identifying and implementing strategies through the California State Legislative appropriations process that supports SCAG adopted legislative activities.</p> <p>This year SGAG’s legislative priorities had expanded and consequently staff amended the contract to reflect the new legislative priorities. The consultant’s additional tasks include, but are not limited to: preparing and reviewing draft legislative language related to the Southern California Job Recovery & Economic Strategy, including suggesting amendments on key legislative priorities, arranging briefings and scheduling visits for Regional Council Members, SCAG executive management, and other SCAG staff with appropriate members of California State Legislature, legislative staff, and key Governor’s Administration officials, and preparing memos advising staff and the Regional Council on pending high priority legislative issues.</p>								
Project’s Benefits & Key Deliverables:	<p>The project’s benefits and key deliverables include, but are not limited to:</p> <ul style="list-style-type: none">• Monitoring of legislation of interest to SCAG, including committee hearings;• Having representation at State Transportation, Appropriations, Budget, and Economic and/or Jobs Committees, or any other legislative committees;• Having an advocate in Sacramento to actively promote SCAG’s priorities; and• Monitoring and reporting on legislation of interest to SCAG, as well as monitoring the project/programming/allocation discussions and actions of state government, specifically the California Transportation Commission, the California Department of Transportation (Caltrans), the California Air Resources Board (ARB), and the Strategic Growth Council.								
Strategic Plan:	This item supports SCAG’s Strategic Plan, Goal 2: Obtain Regional Transportation Infrastructure Funding and Promote Legislative Solutions for Regional Planning Priorities; Objective 1: Identify new infrastructure funding opportunities with state, federal and private partners; Objective 2: Identify and support legislative initiatives.								
Amendment Amount:	<table><tr><td>Amendment 2</td><td style="text-align: right;">\$19,000</td></tr><tr><td>Amendment 1 (administrative - no change to contract’s value)</td><td style="text-align: right;">\$0</td></tr><tr><td>Original contract value</td><td style="text-align: right;"><u>\$233,000</u></td></tr><tr><td>Total contract value is not-to-exceed</td><td style="text-align: right;">\$252,000</td></tr></table>	Amendment 2	\$19,000	Amendment 1 (administrative - no change to contract’s value)	\$0	Original contract value	<u>\$233,000</u>	Total contract value is not-to-exceed	\$252,000
Amendment 2	\$19,000								
Amendment 1 (administrative - no change to contract’s value)	\$0								
Original contract value	<u>\$233,000</u>								
Total contract value is not-to-exceed	\$252,000								
	<p>This amendment does not exceed \$75,000 or 30% of the contract’s original value. Therefore, in accordance with the SCAG Procurement Manual Section 1.4.5, version 10, the amendment does not require the Regional Council’s approval.</p>								
Contract Period:	December 1, 2010 through June 30, 2014								
Project Number:	12-800-0160.0 \$78,000 Funding source: General Fund								

**Basis for the
Amendment:**

The consultant has significant and relevant experience already as SCAG's consultant/lobbyist for the past 21 months and has proved to be a vital asset in Sacramento. The consultant has a firm grasp of SCAG's legislative priorities and initiatives, and is well abreast of transportation, appropriations, and budget issues. The consultant has significant experience dealing with Metropolitan Planning Organizations (MPO) and similar areas of legislative objectives, including, but not limited to, transportation funding, safety, clean air, congestion management, congestion pricing, goods movement, etc. When the original contract was executed, SCAG had yet to develop the Southern California Economic Recovery & Job Creation Strategy. Staff required this amendment to allow the consultant's substantive input, analysis, and clarity to issues pertaining to the economy, economic development and job creation. The consultant has over 30 years of experience in Sacramento, and has forged relationships that have not only enabled them to continue with the scope of work outlined in the original contract, but to also perform the revised work tasks.

CONTRACT 12-012-C1 AMENDMENT 2

Consultant: AgreeYa Solutions, Inc.

Background & Scope of Work: In November 2011, SCAG awarded Contract 12-012-C1 to AgreeYa Solutions to assist with the redesign of SCAG’s main Internet site. Goals for this site are to increase interactive components; provide a more succinct message and content relevant to particular audiences; design a site that facilitates multiple contributors and approval workflows; and develop a SCAG brand across all of SCAG’s varied programs and activities.

The purpose of this amendment is to add funding that shall enable the consultant to create a software solution that will allow users not located in SCAG offices to be able to securely access SCAG’s various web-enabled resources that are currently limited only to individuals that are on site.

The consultant shall be responsible for completing all architecture, and development work associated with designing and building this security tool.

Project’s Benefits & Key Deliverables: The project’s benefits and key deliverables include, but are not limited to:

- Technical development effort of the overall redesign and website implementation;
- Review and implement any needed changes of the existing SharePoint architecture including design, configuration, and implementation of security and authentication solutions utilizing Claims Authentication and Microsoft Forefront Unified Access Gateway (UAG);
- Develop custom web parts and solutions within SharePoint 2010 to meet SCAG’s requirements and provide an interactive and dynamic website experience for SCAG visitors;
- Style all custom site elements including master pages, page layouts and web parts;
- Develop custom workflows in SharePoint using Nintex Workflow designer;
- Provide SharePoint development and architecture assistance to SCAG’s internal development team on other SharePoint related development activities such as custom workflows development; and
- Conduct knowledge transfer to SCAG’s webmaster, Administrator, and development team throughout the project.

Strategic Plan: This item supports SCAG’s Strategic Plan, Goal 4: Develop, Maintain and Promote the Utilization of State of the Art Models, Information Systems and Communication Technologies; Objective d: Integrate advanced information and communication technologies.

Amendment	Amendment 2	\$9,980
Amount:	Amendment 1 (administrative - no change to contract’s value)	\$0
	Original contract value	<u>\$189,600</u>
	Total contract value is not-to-exceed	\$199,580

This amendment does not exceed \$75,000 or 30% of the contract's original value. Therefore, in accordance with the SCAG Procurement Manual Section 1.4.5, version 10, the amendment does not require the Regional Council's approval.

Contract Period: November 15, 2011 through July 31, 2012

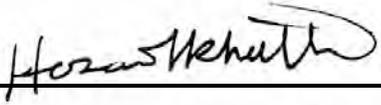
Project Number(s): 090.SCG0148.01 \$199,580
811.SCG01163.07 \$9,980
Funding source: Consolidated Planning Grant – FHWA and Indirect

Basis for the Amendment: A Microsoft tool which would allow users to sign-on to various SCAG websites was determined to be inadequate; therefore, the most effective option was to have the consultant customize a generic software tool to meet SCAG's needs.

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REPORT

DATE: October 4, 2012
TO: Executive/Administration Committee (EAC)
Regional Council (RC)
FROM: Basil Panas, Acting Chief Financial Officer, (213) 236-1817, panas@scag.ca.gov
SUBJECT: CFO Monthly Report

EXECUTIVE DIRECTOR'S APPROVAL: 

RECOMMENDED ACTION:
For Information Only-No Action Required.

STRATEGIC PLAN:
This item supports SCAG's Strategic Plan, Goal 3: Enhance the Agency's Long Term Financial Stability and Fiscal Management.

ACCOUNTING
SCAG submitted the final FY 2011/12 Consolidated Planning Grant (CPG) invoice to the California Department of Transportation (Caltrans) along with the Statement of Expenditures and 4th Quarter In-kind Match report. The final expenditures for FY 2011/12 were:

Metropolitan Planning (PL/FHWA)	\$21,352,979
FTA Sec. 5303	\$ 7,336,388
FTA Sec. 5304	\$ 398,015
State Planning and Research (Discretionary)	\$ 504,092
State Planning and Research (Planning)	\$ 11,673
Blueprint Planning Study, Year 4	\$ 496,579
Proposition 85	\$ 193,701
TOTAL	\$30,293,427

BUDGET & GRANTS (B&G):
B&G staff submitted the Final FY 2011/12 4th Quarter Progress Report to Caltrans. This report included Fiscal Year 2011/12 year-end final expenditures. A meeting with Caltrans to review the report and the 2011/12 Overall Work Program (OWP) Accomplishments is scheduled for 9:00 a.m. on October 18, 2012, at the SCAG Los Angeles offices.

B&G staff, in collaboration with the Planning Departments, organized, labeled and completed all OWP products for Fiscal Year 2011/12 and submitted them to Caltrans on September 14, 2012.

Caltrans awarded six (6) Federal Transportation Planning Grants for Fiscal Year 2012/13. The combined funding award for Fiscal Year 2012/13 will authorize SCAG to receive \$627,654. The funds will be sub-allocated to local governments/agencies within the region for transportation planning related activities. B&G staff is the process of finalizing the related grant scopes of work and timelines and schedules; as well as adding the six (6) projects to the Fiscal Year 2012/13 OWP.

REPORT

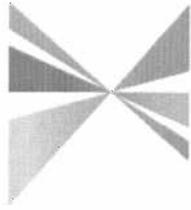
CONTRACTS:

During the month of August 2012, the Contracts Department issued three (3) Requests for Proposal (RFP's); awarded one (1) contract; issued six (6) contract amendments; and issued 51 Purchase Orders to support ongoing business and enterprise operations. Staff also administered 91 consultant contracts, as well as five (5) Continuing Cooperative Agreements (CCA's).

Contracts staff continued to negotiate better pricing and reduced costs for services. During the month of August 2012, staff realized approximately \$20,841 in budget savings, thus bringing the current fiscal year cumulative budget savings total to approximately \$21,958.

ATTACHMENT:

August 2012 CFO Monthly Status Report



**SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS**

Office of the Chief Financial Officer

Monthly Status Report

AUGUST 2012



**SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS**

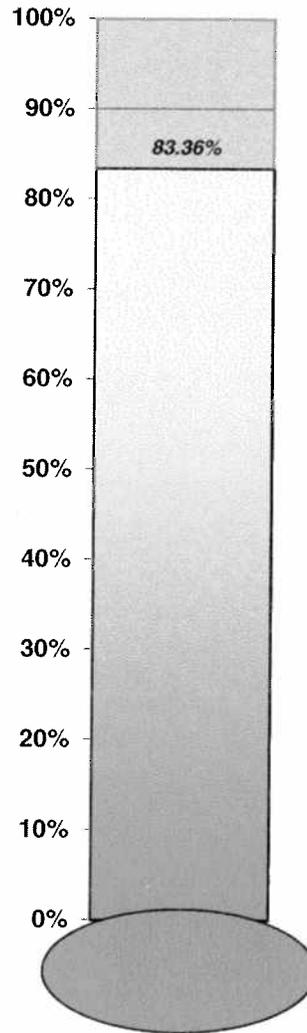
OVERVIEW

As of September 13, 2012, there are 158 paid members and 26 memberships pending. There are 7 cities in the SCAG region who are still being recruited for membership.

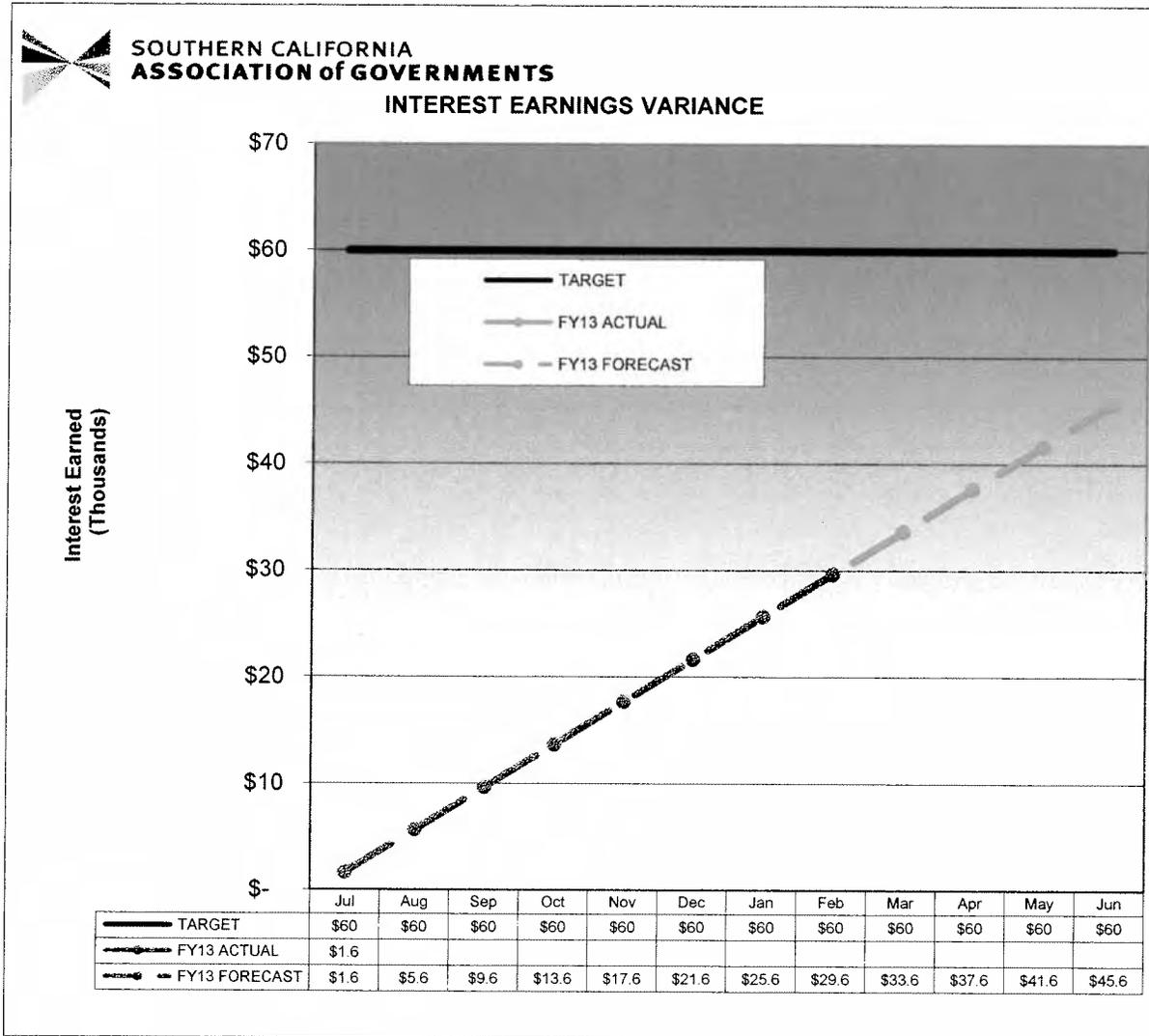
SUMMARY

FY13 Membership Dues	<u>\$ 1,820,868.00</u>
Total Collected	<u>\$ 1,517,918.00</u>
Percentage Collected	<u>83.36%</u>

**FY13 Membership
Dues Collected**



Office of the CFO
Interest Earnings Variance



OVERVIEW

Actual interest income is plotted against the target amount. The amount earned through July was \$1,638. The LA County Pool earned 0.77% in July.

SUMMARY

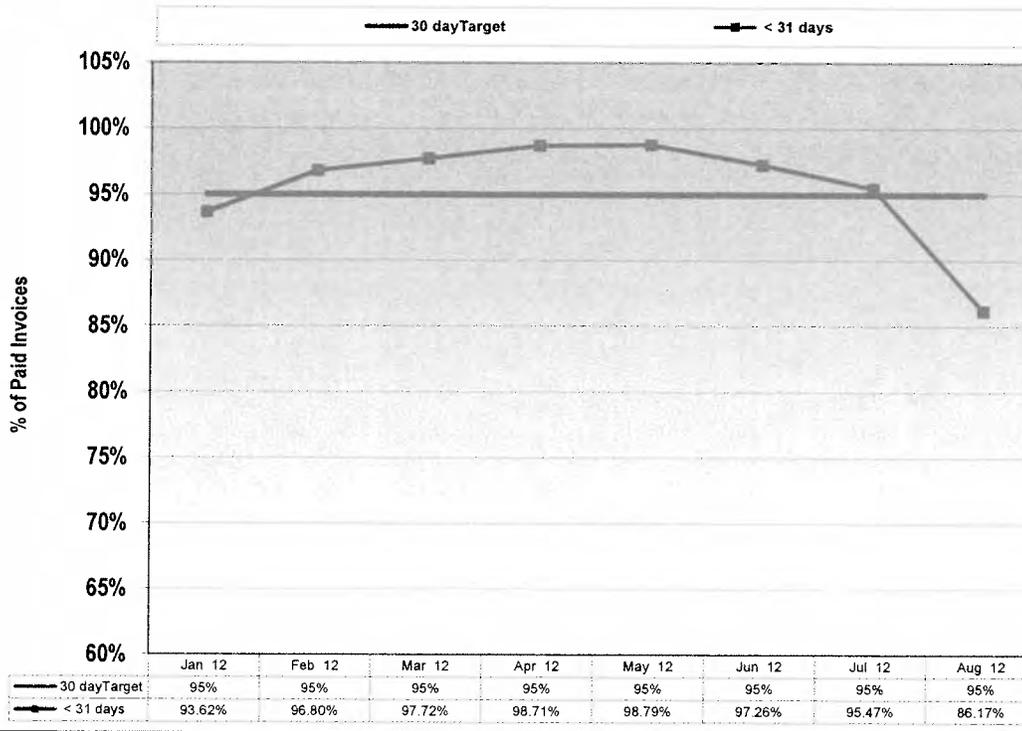
The amount projected for FY13 is \$45,000 which is \$15,000 less than the target.

Office of the CFO
Invoice Aging



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

INVOICE AGING



OVERVIEW

The percent of total invoices paid within 30 days. The target is to pay 95% of all invoices within 30 days. This goal was not met.

SUMMARY

86.17% of August 2012's payments were made within 30 days of invoice receipt.

At month-end, 34 invoices remained unpaid less than 30 days.

Actual

OVERVIEW

The percent of total invoices paid within 60 and 90 days. The target is to pay 98% of invoices within 60 days and 100% within 90 days.

SUMMARY

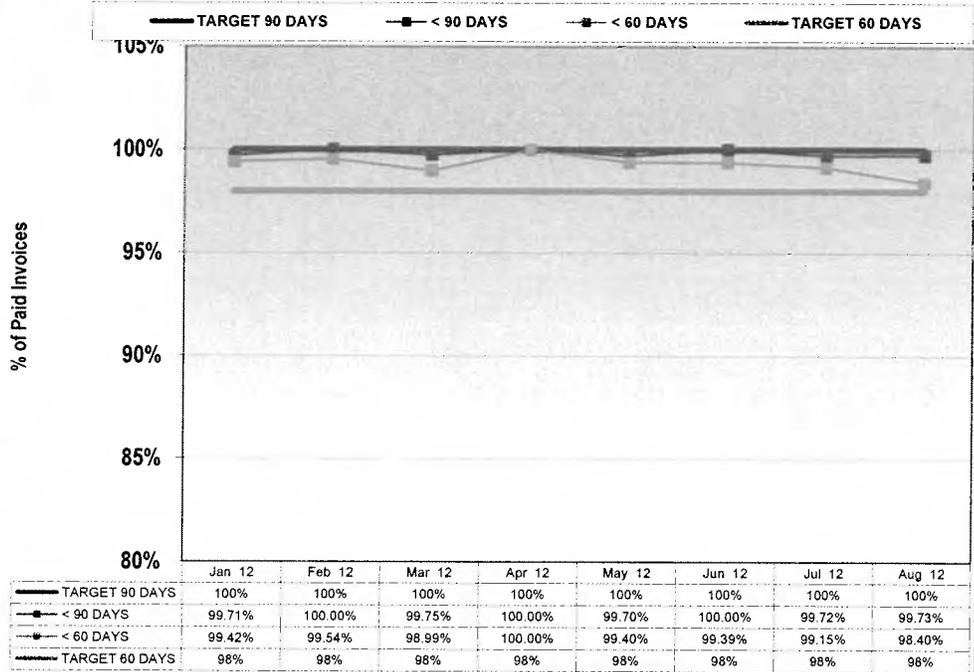
These goals were partially met during this period.

98.40% of August 2012's payments were within 60 days of invoice receipt and 99.73% within 90 days. Invoices unpaid 30-60 days totaled 1; 60-90 days: 0; >90 days: 0.



SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS

INVOICE AGING



Office of the CFO
Fiscal Year-To-Date Expenditure Report Through August 31, 2012



COMPREHENSIVE BUDGET

		Adopted Budget	Amended Budget	Expenditures	Commitments	Budget Balance	% Budget
1	Staff & Fringe Benefits	412,794	412,794	75,465		337,329	18.3%
2	51001 Indirect Costs	405,201	405,201	73,684		331,517	18.2%
3	54300 SCAG Consultants	336,000	336,000	6,500	213,121	116,379	1.9%
4	54340 Legal costs	100,000	100,000	-	10,203	89,798	0.0%
5	54350 Professional Services	15,000	15,000	2,974		12,026	19.8%
6	54400 Subregional Delegation	-	-	-		0	
7	55441 Payroll, bank fees	7,500	7,500	277		7,223	3.7%
8	55460 Materials & Equipment < \$5K	-	1,187	1,187		0	100.0%
9	55600 SCAG Memberships	93,000	93,000	9,250		83,750	9.9%
10	55620 Res/Materials Subscriptions	3,330	3,330	-		3,330	0.0%
11	55730 Capital Outlay	665,382	665,382	-		665,382	0.0%
12	55830 Conference - Registration	-	-	-		0	
13	55910 RC/Committee Meetings	8,237	8,237	-		8,237	0.0%
14	55914 RC General Assembly	330,000	330,000	21,344		308,656	6.5%
15	55920 Other Meeting Expense	51,400	51,400	4,826		46,574	9.4%
16	55930 Miscellaneous other	206,140	204,953	2,037		202,916	1.0%
17	55940 Stipend - RC Meetings	175,000	175,000	17,160		157,840	9.8%
18	55972 Rapid Pay Fees	975	975	-		975	0.0%
19	56100 Printing	6,000	6,000	-		6,000	0.0%
20	58100 Travel - outside SCAG region	25,000	25,000	1,342		23,658	5.4%
21	58101 Travel - local	17,100	17,100	3,966		13,134	23.2%
22	58110 Mileage - local	15,000	15,000	2,843		12,157	19.0%
23	58150 Staff Lodging Expense	3,400	3,400	146		3,254	4.3%
24	58800 RC Sponsorships	69,650	69,650	2,100		67,550	3.0%
25	Total General Fund	2,946,109	2,946,109	225,102	223,323	2,497,684	7.6%
26							
27	Staff & Fringe Benefits	12,566,821	12,566,821	1,842,685		10,724,136	14.7%
28	51001 Indirect Costs	12,335,615	12,335,615	1,799,198		10,536,417	14.6%
29	54300 SCAG Consultants	14,634,378	14,634,378	73,128	7,368,932	7,192,318	0.5%
30	54330 Subregional Consultants	-	-	-	0	0	
31	54350 Professional Services	550,000	550,000	7,500	39,449	503,051	1.4%
32	55210 Software Support	90,000	90,000	84,649	710	4,640	94.1%
33	55220 Hardware Support	100,000	100,000	-	26,040	73,960	0.0%
34	55280 Third Party Contribution	2,834,820	2,834,820	-		2,834,820	0.0%
35	55620 Resource Materials - subscrib	450,000	450,000	3,650	280	446,070	0.8%
36	55810 Public Notices	8,000	8,000	-	1,127	6,873	0.0%
37	55830 Conference - Registration	13,000	13,000	1,665		11,335	12.8%
38	55920 Other Meeting Expense	20,000	20,000	-	40	19,960	0.0%
39	55930 Miscellaneous - other	-	-	-	0	0	
40	55950 Temporary Help	-	-	-	0	-	
41	56100 Printing	18,500	18,500	-	0	18,500	0.0%
42	58100 Travel	110,350	110,350	6,809		103,541	6.2%
43	58110 Mileage	-	-	-		0	
44	Total OWP	43,731,484	43,731,484	3,819,285	7,436,578	32,475,621	8.7%
45							
46	Comprehensive Budget	46,677,593	46,677,593	4,044,387	7,659,901	34,973,305	8.7%

Office of the CFO

Fiscal Year-To-Date Expenditure Report Through August 31, 2012



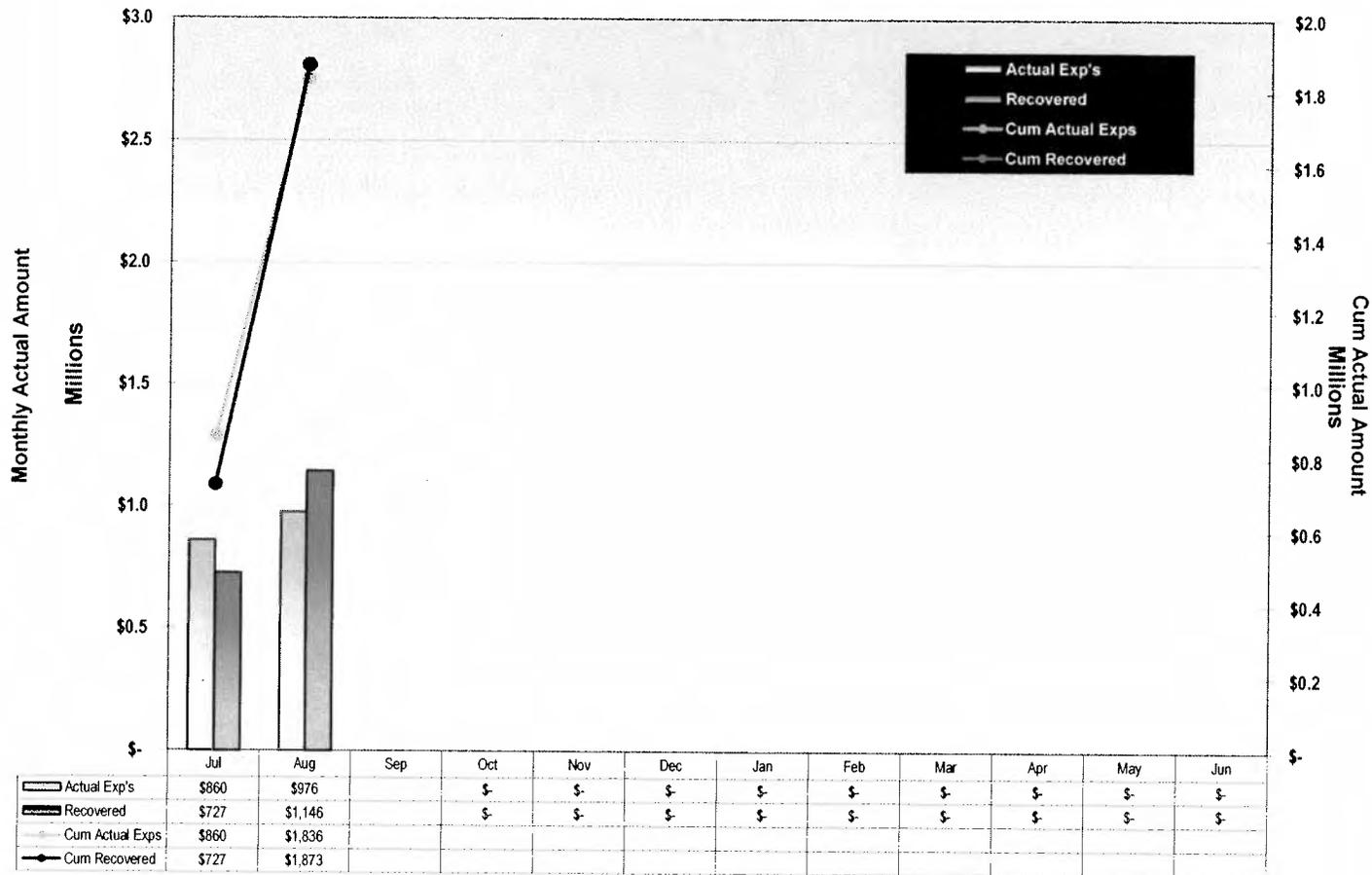
INDIRECT COSTS

			Adopted Budget	Amended Budget	Expenditures	Commitments	Budget Balance	% Budget Spent
1	50010	Regular Staff	4,277,611	4,277,415	610,364		3,667,051	14.3%
2	50013	Regular OT	-	66	66		0	99.4%
3	50014	Interns, Temps, Annuity	-	130	130		0	100.0%
4	51000	Allocated Fringe Benefits	2,924,747	2,924,747	438,788		2,485,959	15.0%
5	54300	SCAG Consultants	351,671	351,671	-	145,160	206,511	0.0%
6	54340	Legal	275,000	275,000	240	51,640	223,120	0.1%
7	54350	Prof Svcs	766,338	766,338	158,153	608,185	0	20.6%
8	55210	Software Support	419,603	419,603	105,841	68,776	244,986	25.2%
9	55220	Hardware Supp	129,030	121,686	54,314	39,242	28,130	44.6%
10	55230	Computer Maintenance	-	7,344	7,344		0	100.0%
11	55240	Repair & Maint Non-IT	19,684	19,684	1,952	17,732	0	9.9%
12	55400	Office Rent 818 Offices	1,536,000	1,536,000	250,057	1,285,943	0	16.3%
13	55410	Office Rent Satellite	222,000	222,000	24,772	172,383	24,844	11.2%
14	55420	Equip Leases	115,000	115,000	17,888	97,112	0	15.6%
15	55430	Equip Repairs & Maint	45,244	45,244	1,594	3,589	40,061	3.5%
16	55440	Insurance	175,299	175,299	29,910		145,389	17.1%
17	55441	Payroll / Bank Fees	15,000	15,000	530		14,470	3.5%
18	55460	Mater & Equip < \$5,000	180,000	180,000	8,072	12,591	159,337	4.5%
19	55510	Office Supplies	141,200	141,200	7,107	126,118	7,975	5.0%
20	55520	Graphic Supplies	50,000	50,000	-	723	49,277	0.0%
21	55530	Telephone	165,500	165,500	27,749	137,751	0	16.8%
22	55540	Postage	20,000	20,000	-		20,000	0.0%
23	55550	Delivery Services	8,900	8,900	1,330	7,569	0	14.9%
24	55600	Scag Memberships	60,000	60,000	-		60,000	0.0%
25	55610	Prof Memberships	7,610	7,610	630	430	6,550	8.3%
26	55620	Res Mats/Subscrip	57,855	57,855	328	5,482	52,045	0.6%
27	55700	Deprec - Furn & Fixt	45,137	45,137	-		45,137	0.0%
28	55710	Deprec - Computer Equipment	77,723	77,723	-		77,723	0.0%
29	55720	Amortiz - Leasehold Improvements	7,402	7,402	-		7,402	0.0%
30	55800	Recruitment Notices	7,000	7,000	31	1,818	5,152	0.4%
31	55801	Recruitment - other	30,000	30,000	-	18,275	11,725	0.0%
32	55810	Public Notices	5,000	5,000	-		5,000	0.0%
33	55820	Training	160,000	160,000	41,358	103,715	14,927	25.8%
34	55830	Conference/workshops	29,850	29,850	339	45	29,466	1.1%
35	55920	Other Mtg Exp	51,200	51,200	4,125	4,000	43,075	8.1%
36	55930	Miscellaneous - other	13,526	13,526	8,806	4,720	0	65.1%
37	55950	Temp Help	58,500	58,500	215	58,284	0	0.4%
38	56100	Printing	91,500	91,500	24,486	3,038	63,977	26.8%
39	58100	Travel - Outside	102,614	102,614	6,297		96,317	6.1%
40	58101	Travel - Local	9,186	9,186	810		8,376	8.8%
41	58110	Mileage - Local	38,404	38,404	1,335		37,069	3.5%
42	58150	Staff lodging Expense	5,334	5,334	-		5,334	0.0%
43	58200	Travel - registration	3,000	3,000	-		3,000	0.0%
44	58400	Travel - Car Rentals	-	-	-		0	
45	58450	Fleet Vehicle	8,200	8,200	1,077	7,123	0	13.1%
46		Total Indirect Cost	12,706,868	12,706,868	1,836,035	2,981,442	7,889,391	14.4%



**SOUTHERN CALIFORNIA
ASSOCIATION of GOVERNMENTS**

FY13 INDIRECT COST & RECOVERY



OVERVIEW

A comparison of Indirect Cost (IC), incurred by SCAG vs. IC recovered from SCAG's grants.

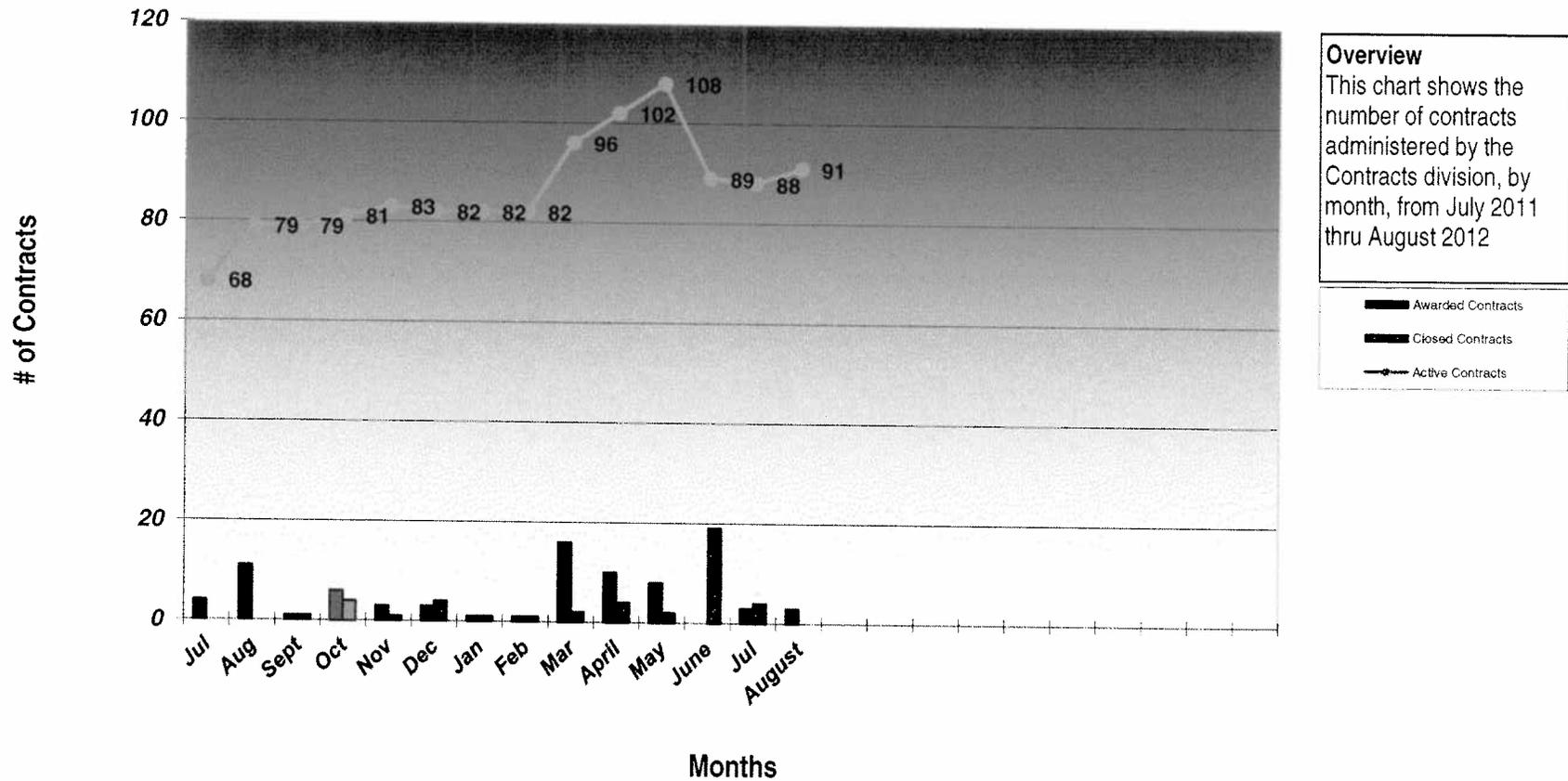
SUMMARY

Through August 2012, SCAG was over-recovered by \$36,847. This was because the Indirect Cost budget was underspent.

Office of the CFO
Consolidated Balance Sheet

	7/31/2012	8/31/2012	Incr (decr) to equity	COMMENTS
Cash at Bank of the West	\$ 1,798,270	\$ 412,274		
LA County Investment Pool	\$ 3,076,157	\$ 4,439,542		
Cash & Investments	\$ 4,874,427	\$ 4,851,816	\$ (22,612)	Minimal change
Accounts Receivable	\$ 8,530,655	\$ 7,793,697	\$ (736,958)	June, July and Aug CPG invoices
Other Current Assets	\$ 521,074	\$ 408,275	\$ (112,799)	FY12 prepaids were expensed in FY13
Fixed Assets - Net Book Value	\$ 395,901	\$ 395,901	\$ -	No change
Total Assets	\$ 14,322,057	\$ 13,449,689	\$ (872,368)	
Accounts Payable	\$ (3,731,537)	\$ (53,703)	\$ 3,677,834	FY12 invoices have all been paid.
Employee-related Liabilities	\$ (483,931)	\$ (261,128)	\$ 222,804	Last paydate in Aug was closer to month-end (Aug 30) than in July (July 19)
Deferred Revenue	\$ (144,087)	\$ (109,237)	\$ 34,850	Minimal change
Total Liabilities and Deferred Revenue	\$ (4,359,555)	\$ (424,068)	\$ 3,935,487	
Fund Balance	\$ 9,962,502	\$ 13,025,620	\$ 3,063,119	
WORKING CAPITAL				
	7/31/2012	8/31/2012	Incr (decr) to working capital	
Cash	\$ 4,874,427	\$ 4,851,816	\$ (22,612)	Minimal change
Accounts Receivable	\$ 8,530,655	\$ 7,793,697	\$ (736,958)	Aug CPG invoice was less than May
Accounts Payable	\$ (3,731,537)	\$ (53,703)	\$ 3,677,834	FY12 invoices have all been paid.
Employee-related Liabilities	\$ (483,931)	\$ (261,128)	\$ 222,804	Last paydate in Aug was closer to month-end (8-30-12) than in July (July 19)
Working Capital	\$ 9,189,614	\$ 12,330,682	\$ 3,141,068	

SCAG Contracts (Year to Date)



Overview
 This chart shows the number of contracts administered by the Contracts division, by month, from July 2011 thru August 2012

- Awarded Contracts
- Closed Contracts
- Active Contracts



Summary

The chart shows that the Contract Division is managing 91 active consultant contracts. Twenty-four of these contracts are fixed price, 50 are Cost Plus Fixed Fee contracts, and the remaining 17 are Time and Materials (T&M) contracts (includes Labor Hour and Retainer contracts). The Contracts Division anticipates issuing approximately 30 contracts for FY 2012/13. Note, due to the nature of SCAG's work, the majority of SCAG contracts have a one year term and end on June 30th each year.



GROUPS	Authorized Positions	Filled Positions	Vacant Positions
Executive	6	5	1
Legal	3	2	1
Strategy, Policy & Public Affairs	23	19	4
Administration	48	43	5
Planning & Programs	66	62	4
Total	146	131	15

OTHER POSITIONS

GROUPS	Limited Term Positions	Temp Positions	Agency Temps
Executive	1	0	0
Legal	0	0	0
Strategy, Policy & Public Affairs	1	1	0
Administration	3	1	0
Planning & Programs	0	4	0
Total	5	6	0