



MINUTES OF THE MEETING
EXECUTIVE/ADMINISTRATION COMMITTEE (EAC)
WEDNESDAY, MARCH 6, 2024

THE FOLLOWING MINUTES IS A SUMMARY OF ACTIONS TAKEN BY THE EXECUTIVE/ADMINISTRATION COMMITTEE (EAC). AN AUDIO RECORDING OF THE ACTUAL MEETING IS AVAILABLE AT: <http://scag.iqm2.com/Citizens/>.

The Executive/Administration Committee (EAC) of the Southern California Association of Governments (SCAG) held its regular meeting both in person and virtually (telephonically and electronically). A quorum was present.

Members Present

| | | |
|--|--------------------------|------------------------------|
| Hon. Art Brown, President | <i>Buena Park</i> | District 21 |
| Sup. Curt Hagman, 1st Vice President | | San Bernardino County |
| Hon. Jan Harnik, Imm. Past President | <i>RCTC</i> | Riverside |
| Hon. Frank Yokoyama, Chair, CEHD | <i>Cerritos</i> | District 23 |
| Hon. David J. Shapiro, Vice Chair, CEHD | <i>Calabasas</i> | District 44 |
| Hon. Luis Plancarte, Vice Chair, EEC | | Imperial County |
| Hon. Mike Judge, Vice Chair, TC | <i>VCTC</i> | Ventura County |
| Hon. Clint Lorimore, President’s Appt. | <i>Eastvale</i> | District 4 |
| Hon. Larry McCallon, President’s Appt. | | Air District Representative |

Members Not Present

| | | |
|--|----------------------------|-------------------------|
| Hon. Cindy Allen, 2 nd Vice President | <i>Long Beach</i> | Los Angeles County |
| Hon. Lucy Dunn | | Business Representative |
| Hon. Marshall Goodman, President’s Appt. | <i>La Palma</i> | District 18 |
| Hon. Patricia Lock Dawson, Chair, LCMC | Riverside | District 68 |
| Hon. Andrew Masiel, Sr. | <i>Pechanga Dev. Corp.</i> | TGRP Representative |
| Hon. Tim McOsker, President’s Appt | <i>Los Angeles</i> | District 62 |
| Hon. Deborah Robertson, Chair, EEC | <i>Rialto</i> | District 8 |
| Hon. Tim Sandoval, Chair, TC | <i>Pomona</i> | District 38 |
| Hon. Jose Luis Solache, Vice Chair, LCMC | <i>Lynwood</i> | District 26 |

Staff Present

Kome Ajise, Executive Director
Darin Chidsey, Chief Operating Officer

Cindy Giraldo, Chief Financial Officer
Sarah Jepson, Chief Planning Officer
Javiera Cartagena, Chief Government and Public Affairs Officer
Ruben Duran, Board Counsel
Jeffery Elder, Chief Counsel/Director of Legal Services
Maggie Aguilar, Clerk of the Board
Cecilia Pulido, Deputy Clerk of the Board

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Art Brown called the meeting to order at 3:00 p.m. President Brown asked Regional Council Member Frank Yokoyama, Cerritos, District 23, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

President Brown opened the Public Comment Period and outlined instructions for public comments. He noted this was the time for persons to comment on any matter pertinent to SCAG's jurisdiction that were not listed on the agenda. He reminded the public to submit comments via email to ePublicComment@scag.ca.gov.

Ruben Duran, Board Counsel acknowledged there were no written public comments received before or after the deadline.

Seeing no public comment speakers, President Brown closed the Public Comment Period.

REVIEW AND PRIORITIZE AGENDA ITEMS

There was no prioritization of agenda items.

ACTION ITEMS

1. Approval of the Fiscal Year 2024-25 (FY25) Draft Comprehensive Budget

Cindy Giraldo, Chief Financial Officer, presented the members with the Draft Comprehensive Budget. She stated SCAG works collaboratively with its member agencies, to develop solutions for regional challenges, such as transportation, housing and air quality. She reported the proposed budget supported these goals and complied with SCAGs primary responsibility to develop sustainable community strategy, the Federal Transportation Improvement Program, the annual Overall Work Program (OWP) and the transportation related local air quality management plans.

She referenced table 1 in the staff report which showed that the total budget totals were just under \$377.5 million. She shared this was down \$68 million from the current year budget. She explained that over 90% of the decrease could be attributed to 3 programs; Those being the wind down of the MSRC Last Mile Freight, the REAP 2019 programs, and the reduction of REAP 2021 funds based on fiscal year 24 forecasted expenditures. She reminded the members that they had assumed no reduction in their REAP 2021 funds in the proposed budget. She stated that once there was a final resolution on the State budget, staff would return to the Board for review and approval of any needed modifications to the REAP 2021 program. She reported the largest component of SCAGs budget was the overall work program, which totaled under \$370 million and spread across 34 different agency programs. She stated page 13 of the staff report had a chart that detailed the total budget for each program, and within the comprehensive budget document itself, they could find narratives on each program describing the objectives and alignment with SCAGs strategic plan. Ms. Giraldo shared there was a new funding source within the OWP, which was the Carbon Reduction Program (CRP). She reported that after discussion with key stakeholders and consistent with SCAGs Regional Council direction, 35% of the local CRP funds were set aside for SCAG, while 65% were made available through a call for projects process. She stated the OWP included the use of nearly \$8.8 million of SCAGs portion of the CRP funds for 11 different projects, all aimed at reducing carbon dioxide emissions from on-road transportation sources. She stated the projects were detailed in table 3 of the staff report. She highlighted major expenditure categories of the budget were detailed in Table 2 of the staff report and stated they included salaries and benefits for employees, which totaled, \$47.4 million, cash and in-kind commitments of \$81 million, which was again, almost entirely related to their last mile freight program. She stated this also included consultant and technical assistant and pass through payments totaling \$227 million, of which 85%, or \$191 million was REAP 2021 funded. She reported salaries and benefits amount to \$47.4 million, which was less than a 3% increase over the current year. She explained the small increase was predominantly attributed to SCAGs annual merit program, an increase in their unfunded pension liability payment and increasing benefit costs. She stated attachment 2 of the staff report provided details of the six position changes incorporated in the proposed budget, which nets to a total cost savings of \$559,000. She also stated that in addition, two new IT position classifications had been added to the salary schedule, which would allow for more leadership and specialized support within the division. She explained there was no budget impact as funding for these classifications had not been included in the proposed budget. Ms. Giraldo reported there was one new employee benefit being proposed, which is the addition of Veterans Day as a recognized non-work holiday. She detailed that while the addition of the Veterans Day holiday did not impact their total salary and benefits budget, they estimated the value of one workday as approximately \$137,000. She clarified that with the inclusion of Veteran's Day there would be a total of 10 staff holidays in addition to the 44 personal floating holiday hours. Finally, she reported the General Fund totals just over \$3 million. She explained the General Fund provided funding for the Regional Council and its subcommittees stipends, travel, the General Assembly, and other expenditures that may not be grant eligible. She reported the General Fund was predominantly funded through membership dues totaling \$2.7

million. She informed members that the detailed breakdown of the membership dues by agency was provided within the comprehensive budget document, starting on page 83 of the agenda packet.

Members of the Committee sought clarifying questions regarding unfunded pension liability and the TDA program budget which Ms. Giraldo addressed.

The comprehensive staff report and PowerPoint presentation was provided in the agenda packet. The meeting video recording is also available on the SCAG website.

A MOTION was made (Shapiro) to approve That the Executive/Administration Committee recommend that the Regional Council: 1) Approve the Fiscal Year 2024-25 Draft Comprehensive Budget in the amount of \$377,421,908; 2) Authorize the release of the FY 2024-25 Draft Overall Work Program (OWP) to initiate the 30-day public comment period; and 3) Approve the FY 2024-25 General Fund Budget and Membership Assessment and transmit to the General Assembly. Motion was SECONDED (Plancarte) and passed by the following votes:

AYES: Brown, Hagman, Harnik, Judge, Lorimore, McCallon, Plancarte, Shapiro and Yokoyama (9)

NOES: None (0)

ABSTAIN: None (0)

2. 2023 District Evaluation

Jeffery Elder, Chief Counsel, provided a report on Item 2 and gave members background information of the process that had already occurred. He shared they had provided a presentation at the EAC retreat in June on the district evaluation process, including the bylaw requirements and the 2023 population data. He shared they had made a recommendation at that time that no changes be made due to the decrease in population size in the region. He shared they had proposed a meeting of the District Evaluation Committee (DEC) to review the process and to provide to a recommendation for to the Regional Council (RC). He stated that the DEC met in November and February and was now bringing a recommendation to EAC and RC. He detailed that per the Bylaw requirements they were required to have this review every 5 years. He stated it was based on city population data as most recently available from the Department of Finance, which should have a geographic community of interest and be of approximate equal population. He stated it could span multiple counties but must not cross subregional boundaries. He also stated they were limited to 70 districts and were currently at 69. He stated they were required to conduct outreach to subregional

organizations, and they could make recommendations for changes in their subregion. Furthermore, he discussed information regarding the decrease in population in the area. He reported that based on this information, at the first meeting of the DEC, staff recommended to keep things as they currently were. He stated that at the meeting the committee discussed the proposal and also discussed a verbal request submitted by the city of Santa Clarita requesting to add Santa Clarita as a single district and made the recommendation to move forward with staff's recommendations and seek subregional input. He stated they reached out to their subregional partners and had received five responses out of the 14 subregional organizations they had reached out to. He reported none of them requested any changes to the district boundaries or representation but received a written request from the city of Santa Clarita to become its own district. He detailed the city of Santa Clarita's proposal and shared they argued they were the most populous city in a multi-city district, and they continued to experience growth. He also stated they had set forth some justifications for adding San Fernando to District 54, including the fact that San Fernando shared its boundaries entirely with District 54. Furthermore, he stated that in addition to the proposal received from Santa Clarita, they received letters from District 54, and District 49 recommending staff's recommendation and not moving forward with the proposal put forth by Santa Clarita. He stated the justifications were along the lines of the fact that Santa Clarita did not meet the population requirement, and District 54 did. In addition, they stated that many of the justifications put forth [by Santa Clarita] were not part of what was included in the Bylaws for consideration. Mr. Elder shared that at the second DEC meeting, and after hearing a public comment from the city of Santa Clarita, it was decided to put forth the recommendation to remain as recommended by staff. However, he reported there was an additional recommendation added that, prior to the next DEC process in 5 years, a subcommittee be formed to do a more holistic review of the Bylaws and reach out to the subregional partners for input and bring those as any potential changes that should be done prior to the next process.

The comprehensive staff report and PowerPoint presentation was provided in the agenda packet. The meeting video recording is also available on the SCAG website.

A MOTION was made (Hagman) to approve the recommendation by the District Evaluation Committee, that the Executive/Administrative Committee (EAC) recommend that the Regional Council (RC):

- 1) Maintain the existing population range for each District of 245,000 to 345,000 and deviation of +/- 50,000.
- 2) Maintain the current District boundaries.
- 3) Maintain the current number of Districts.
- 4) Form a Subcommittee prior to the next District Evaluation process to evaluate the Bylaws requirements and make recommendations on potential changes to the process.

Motion was SECONDED (Yokoyama) and passed by the following votes:

AYES: Brown, Hagman, Harnik, Judge, Lorimore, McCallon, Plancarte, Shapiro and Yokoyama (9)

NOES: None (0)

ABSTAIN: None (0)

CONSENT CALENDAR

There were no public comments on the Consent Calendar.

Approval Items

3. Minutes of the Meeting – January 31, 2024
4. Contracts \$500,000 or Greater: Contract No. 24-015-C01, Research and Media Buying
5. SCAG Memberships and Sponsorships

Receive and File

6. RHNA Reform Legislative Update
7. Purchase Orders, Contract and Amendments below Regional Council Approval Threshold
8. CFO Monthly Report

A MOTION was made (Shapiro) to approve the Consent Calendar Items 3 through 5; and Receive and File Items 6 through 8. Motion was SECONDED (Yokoyama) and passed by the following votes:

AYES: Brown, Hagman, Harnik, Judge, Lorimore, McCallon, Plancarte, Shapiro and Yokoyama (9)

NOES: None (0)

ABSTAIN: None (0)

CFO REPORT

Cindy Giraldo, Chief Financial Officer, reported it had been a busy month for [the Finance department]. She shared they had reached a major milestone with the preparation and presentation of SCAGs proposed Fiscal Year 2025 budget, which would now be released for public comment. She reported they had also been working on their second Budget Amendment for the current fiscal year which would be going before them the following month for approval. She explained that despite some challenging economic news from both the Federal and State levels, they continued to pursue grant funding at SCAG. She stated they had applied for the U.S. Department of Transportation 2024 Raise Program in February. She explained this was a discretionary program, and if they were successful, they would bring in \$9.5 million in Federal funds which would be matched with \$2.4 million of local funds to support the development of a comprehensive sustainable freight plan. This concluded her report.

PRESIDENT'S REPORT

President Brown reported they would be having a Joint Policy Committee meeting the following day where staff would present a summary of comments from the public review and comment periods for the draft Connect SoCal 2024, Regional Transportation Plan/Sustainable Communities Strategy. He informed the members that the Joint Policy Committee would be asked to recommend the draft Connect SoCal 2024 update to the Regional Council for adoption and how this plan balanced many needs and interests throughout the region. He stated an adopted plan was also required for the region to continue to receive approvals and funding for transportation projects. President Brown announced that registration for the 2024 Regional Conference and General Assembly was open. He stated early bird registration ended March 29 and for additional details, they could visit scag.ca.gov/ga2024. Additionally, President Brown reported he had a mobile workshop for Regional Council and Policy Committee members in San Bernardino County. He stated their first stop was a tour of the Esri Headquarters in the City of Redlands, where they met with CEO and founder Jack Dangermond. He shared Esri was the global market leader in geographic information systems mapping technology and had been a partner to SCAG over the past several years. He stated they also received presentations from Metrolink and the San Bernardino County Transportation Authority on the new Metrolink Arrow Service. Lastly, he stated the next regular meeting of the EAC was scheduled for Wednesday, April 3, 2024, at 3:00 p.m.

EXECUTIVE DIRECTOR'S REPORT

Kome Ajise, Executive Director, highlighted an important staff report in the agenda packet for the Regional Council meeting scheduled for the following day. He shared the U.S. EPA was required to take action by July 1 on the South Coast Air Quality Management District 2019 Contingency Measure Plan for the 1997 federal ozone standard. He informed the members that on February 2nd, the EPA published a notice of proposed disapproval of the air plan, which would set in motion a 24-month highway sanction clock for AQMD to address underlying issues in the plan. He stated that if

the issues were not addressed within the 24-month period, highway sanctions and a federal air plan would be imposed in the South Coast Air Basin, impacting the ability of non-exempt highway capacity projects in the region to receive federal approval and funding. He reported SCAG provided comments on the substantial negative consequences of the EPA's proposed disapproval and requested an extension of the public comment period to allow analysis on the implications for the SCAG region. He stated the EPA granted this extension and comments were due April 3rd. Furthermore, he shared SCAG and county transportation commissions prepared a letter outlining significant implications of the disapproval and recommending that EPA consider full approval of the plan, conditional approval that supports meaningful partnerships, or partial approval that provides realistic and short pathway to resolve the underlying issues. Lastly, he stated the EPA and AQMD had been asked to provide a status report on the proposed disapproval at SCAG's monthly Transportation Conformity Working Group meetings and that they would continue to evaluate potential impacts of highway sanctions and provide updates as they were available. Mr. Ajise shared that in alignment with President Brown's priorities in the EAC work plan for this fiscal year, they would hear a panel discussion on key issues and opportunities for goods movement in Southern California at the Regional Council meeting. He shared they invited speakers from Burlington Northern Santa Fe Railway, the Arizona & California Railroad Company, Watt EV and Sysco Corporation. Lastly, Mr. Ajise shared he had toured the City of Adelanto with Mayor Gabriel Reyes, Mayor Pro Tem Daniel Ramos and city staff. He shared the tour included an overview of Adelanto's challenges, including infrastructure and pedestrian safety needs. He also shared they had toured some local industry, including a prefabricated building manufacturer and two-cannabis manufacturers who represent the city's leading industry.

CLOSED SESSION

Conference with Legal Counsel - Existing Litigation

Pursuant to Government Code Section 54956.9 (d)(1) - Trisha Sharma v. SCAG (LASC Case No. 22STCV38949)

There were no public comments for closed session. Seeing none, the public comment period was closed.

President Brown recessed the EAC into Closed Session.

REPORT OF CLOSED SESSION ACTIONS

President Brown reconvened the meeting of the EAC.

Board Counsel Duran announced there was no reportable action.



ADJOURNMENT

President Brown announced that SCAG Regional Planner John Asuncion passed away after a long and heroic battle with cancer. He shared that John served the agency for more than 17 years and was a beloved colleague of the SCAG family. He took a moment of silence and adjourned the meeting in John's memory.

There being no further business, President Brown adjourned the Meeting of the Executive Administration Committee at 3:28 p.m. in memory of John Asuncion.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE EAC]

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Executive / Administration Committee Attendance Report

| MEMBERS | CITY | Representing | 2023-24 | | | | | | | | | | | | | Total M Attend To Da |
|---|-------------------------------|---|---------|--------|--------|------|-----|-----|-----|-----|-----|-----|-----|-----|-----|----------------------|
| | | | 31-May | 29-Jun | 30-Jun | JULY | SEP | OCT | NOV | DEC | JAN | FEB | MAR | APR | MAY | |
| Hon. Art Brown, President, Chair | Buena Park | District 21 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 |
| Hon. Curt Hagman, 1st Vice Chair | | San Bernardino County | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 1 | 10 | |
| Hon. Cindy Allen, 2nd Vice Chair | Long Beach | District 30 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 8 | | |
| Hon. Jan Harnik, Chair, Imm. Past President | | RCTC | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 | | |
| Hon. Frank Yokoyama, Chair, CEHD | Cerritos | District 23 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 | | |
| Hon. David J. Shapiro, Vice Chair, CEHD | Cerritos | District 44 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 | | |
| Hon. Deborah Roberston, Chair, EEC | Rialto | District 8 | 1 | 1 | 1 | 0 | 1 | 1 | 0 | 0 | 0 | 1 | 0 | 6 | | |
| Hon. Luis Plancarte, Vice Chair, EEC | | Imperial County | 1 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 9 | | |
| Hon. Tim Sandoval, Chair, TC | Pomona | District 38 | 1 | 1 | 0 | 1 | 0 | 1 | 1 | 1 | 1 | 0 | 0 | 7 | | |
| Hon. Mike Judge, Vice Chair, TC | | VCTC | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 | | |
| Hon. Patricia Lock Dawson, Chair, LCMC | Riverside | District 68 | 1 | 1 | 1 | 1 | 1 | 0 | 1 | 0 | 1 | 1 | 0 | 8 | | |
| Hon. Jose Luis Solache, Vice Chair, LCMC | Lynwood | District 26 | 1 | 1 | 0 | 0 | 1 | 1 | 1 | 0 | 1 | 1 | 0 | 7 | | |
| Hon. Marshall Goodman, President's Appt. | La Palma | District 18 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 10 | | |
| Hon. Clint Lorimore, President's Appt. | Eastvale | District 4 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 11 | | |
| Hon. Larry McCallon, President's Appt. | | Air District Representative | 1 | 0 | 0 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 9 | | |
| Hon. Tim McOsker, President's Appt. | Los Angeles | District 62 | 0 | 0 | 0 | 0 | 1 | 1 | 0 | 1 | 0 | 0 | 0 | 3 | | |
| Hon. Andrew Masiel, Sr. | Pechanga Dev. Corporation | Tribal Government Regional Planning Board | 0 | 1 | 1 | 1 | 0 | 1 | 0 | 0 | 1 | 0 | 0 | 5 | | |
| Ms. Lucy Dunn, Ex-Officio Member | Lucy Dunn Strategic Issues Ma | Business Representative | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 1 | 0 | 10 | | |

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Attachment: EAC Attendance Sheet 2023-24 - March 2024 (Minutes of the Meeting - March 6, 2024)