Arroyo Verdugo Communities Joint Powers Authority

# REGULAR MEETING OF THE GOVERNING BOARD

## MINUTES
## ARROYO VERDUGO COMMUNITIES JOINT POWERS AUTHORITY

Thursday, October 5, 2023 - 4:00 p.m.
City of Pasadena Council Chambers
100 North Garfield Avenue
Pasadena, CA 91101

## I. CALL TO ORDER

Chair called the meeting to order at 4:02 p.m.

## II. ROLL CALL

Present: Jon Primuth, Chair
Justin Jones, Vice-Chair
Kim Bowman, Member
Daniel Brotman, Member
David Perry, Member
Zizette Mullins, Alternate Member

## III. COMMENTS FROM THE PUBLIC - None

## IV. PRESENTATIONS

### A. Climate Pollution Reduction Grant (CPRG) Program - Southern California Association of Government (SCAG)

Presenter (Staff): Alexander Hernandez, Treasurer
Presenter (SCAG): Ryan Wolfe, Manager of Sustainable and Resilient Development
Staff Recommendation: Receive and file

AVCJPA Treasurer Mr. Hernandez introduced item. Mr. Wolfe with SCAG presented the item, providing an overview of the Climate Pollution Reduction Grant (CPRG) Program, which comes from the Inflation Reduction Act. This is one of many programs administered by the EPA, having two different components: Planning Grant phase and the Implementation Grant phase. The overall objective of this program is to reduce climate and air pollution, support jobs, lower energy costs, and to address environmental justice, as this program is using

the federal Justice 40 definition similar to the SB 535 disadvantaged communities. Mr. Wolfe provided an overview of the timeline of the grant implementation process.

Member Brotman asked based on the color of the map, what are the implications of the AVCJPA's cities to participate in the presented grants. Mr. Wolfe stated none, this program is trying to make sure that any measures that are contained in the sustainably plan or an existing cap, make their way up. Member Brotman stated Glendale is working on the Verdugo Wash, would this make sense to apply. Mr. Wolfe recommended when applying, emphasize on multi-jurisdictional connections with other cities and environmental enhancement.

Chair Primuth asked if the tiers and allocated dollars were based on feedback, Mr. Wolfe stated there has been no feedback received from EPA.

Vice Chair Jones asked if a public utility could apply for this program, as the City of Pasadena has its own Water and Power, Mr. Wolfe stated the utility would be eligible. Could this funding be applied towards building soundwalls, Mr. Wolfe stated it would need to have a strong GHG reduction. Could this JPA using that funding and build EV charging stations throughout the area, Mr. Siques, incoming AVCJPA Executive Director stated that should the member agencies be interested the next steps would be to get the member agencies to create a list of potential projects, then at a subsequent meeting identify if an application should be considered as a JPA or a larger set of agencies for various projects.
Mr. Wolfe stated a countywide application should be considered.

## V. CONSENT CALENDAR

**A. Treasurer's Report**
Staff Recommendation: Receive and File

**B. Check Warrant**
Presenter: Alex Hernandez, Treasurer, AVCJPA
Staff Recommendation: Receive and File

MOTION
At the order of Chair Primuth, Member Jones moved, and Member Perry seconded a motion, roll call was made, the motion passed unanimously with no objection to receive and file.

## VI. PUBLIC HEARINGS – None

## VII. OTHER BUSINESS

**A. Appointment of Executive Director**
Presenter (Staff): Alexander Hernandez, Treasurer

**Staff Recommendation:** That the Governing Board accepted the resignation of Laura Rubio-Cornejo effective September 15, 2023, and appoint Joaquin T. Siques as Executive Director effective immediately, for an indefinite term of office.

AVCJPA Treasurer Mr. Hernandez introduced item, providing an overview of staff recommendation in appointing Mr. Siques as the Executive Director of the AVCJPA.
Mr. Siques shared his experience and background with the board, and is looking forward to working with the AVCJPA.

MOTION
At the order of Chair Primuth, Vice Chair Jones moved, and Member Brotman seconded the motion to approve this item, roll call was made, the motion passed unanimously with no objection.

**B. SCAG Committee Appointments**

Presenter (Staff): Alexander Hernandez, Treasurer
**Staff Recommendation:** It is recommended that the Governing Board appoint a member representative to serve on the Southern California Association of Governments (SCAG) policy committees for an indefinite term as follows:

a. Appoint City of Burbank Vice-Mayor and AVCJPA Governing Board member Nick Schultz to the SCAG Energy and Environmental Committee; and
b. Appoint City of Burbank Council member Zizette Mullins to the Economic and Human Development Committee.

AVCJPA Treasurer Mr. Hernandez introduced item, providing an overview of staff recommendations.

Member Brotman confirmed Member Mullins is accepting of staff's recommendation, Member Mullins accepted the appointment to the Economic and Human Development Committee.

MOTION
At the order of Chair Primuth, Member Perry moved, and Member Brotman seconded the motion to approve this item, roll call was made, the motion passed unanimously with no objection.

**C. I-5 HOV Capacity Enhancement Surplus Funds**

Presenter (Staff): Alexander Hernandez, Treasurer
Presenter (Metro): Craig Hoshijima, Executive Officer Strategic Financial Planning
**Staff Recommendation:** That the Governing Board provide direction to staff on Metro request for I-5 HOV Capacity Enhancement funds, as follows:

Option 1: Support the allocation of I-5 HOV Capacity Enhancement surplus funds in the amount of $128,549,218 to be reprogrammed to the East San Fernando Valley Project, with the same amount in local (Prop C) funds to be programmed to the Arroyo Verdugo Communities Joint Powers Authority; or
Option 2: Not Support the allocation of I-5 HOV Capacity Enhancement

Newly elected Executive Director Joaquin T. Siques introduced the item, providing an overview of staff's recommendations. Mr. Hoshijima, Executive Officer Strategic Financial Planning with Metro, provided an overview of the project, project funding, local funding sources, and next steps. If successful, Metro will be the first entity in the nation to receive the Expedited Project Delivery (EPD) grant.

Member Brotman thanked Mr. Hoshijima for the presentation, asking what kind of restrictions are the Prop C funds and how do they compare to the Measure R funds when it comes to using the money. Mr. Hoshijima stated the Prop C funds are also called the 25% funds, and in the Prop C ordinance their referred to transit related streets and highways. Metro reprogrammed the Prop C25 for Arroyo Verdugo, but in 2029, the available use is limited to transit related streets and highways such as HOV lanes, HOV BRT lanes, transit improvements to street bus pads, signal synchronization, and use of existing right away. Member Brotman asked if this would limit the ability to fund active transportation project, Mr. Hoshijima stated Metro would need the specifics of transit use to be determined project by project.

Alternate Member Mullins shared her concern, asking what guarantees the fund will be given back to the AVCJPA in 2030, and what if the AVCJPA identify a project that needs funding from now between 2030; How would Metro be willing to release some of that funds to Burbank for example, or any city that might be in need of that fund in the next four to five years.
Mr. Hoshijima provided more detail on the replacement credits, stating Metro has programmed 128 million of Prop C for the subregion, the fund have been there since 2016, and no action has been taken to access the funds. The action today will keep the AVCJPA in the same place, still having the Prop C in 2029. The reason this item is being presented now, is due to Metro needing the fund now for the Far East San Fernando Valley, but the funds will be replaced immediately with the same thing. Metro does not currently have any policy restricting the acceleration of these funds but would need to be evaluated by the Metro board. Member Mullins would like to include in the motion that Metro has these funds and the funds will be returned to the AVCJPA in 2030, and in the event that the AVJPA need the funds sooner, the AVCJPA can accelerate and retrieve all of the funds or part of the needed funds. Mr. Hoshijima stated that Metro has limited financial capacity and there is a limit on how much Metro can accelerate; it is something for the AVCJPA board to consider.

Vice Chair Jones asked what is the benefit for the AVCJPA board to release the funds to Metro early. Mr. Hoshijima stated Metro does not require the subregions approval, but understand that this is how this county is governed and supported. Stating Metro is guided by their ordinance that tells them how to use surplus and guided by prior board actions. Metro is trying to put the subregion in the same place it was before with or without this action.

Chair Primuth asked at what point in 2029 when would the surplus be available to the AVCJPA. Mr. Hoshijima stated in the third decade unless the board takes action to accelerate in 2029. Chair Primuth stated the board can agree to support the reprograming of these funds, in exchange for the replacement fund, with a request in priority in acceleration with Metro. Mr. Hoshijima stated Metro can accommodate and identify this request as a condition for the boards support, in the event there is a future request from the AVCJPA to accelerate the replacement credits, the board has already made your request to be considered, prior to Metro approving accelerating other subregions funds.

Vice Chair Jones stated if the board pass this motion, there is no teeth, and Metro does not have to accelerate the funds even though it is in the motion for the AVCJPA to support it. Mr. Hoshijima stated Metro would need to amend their report to state that Metro is reprogramming money in the third decade, and then add that in the event there is any request for accelerating the funds, the board will consider Arroyo Verdugo first.

Member Brotman confirmed the AVCJPA is getting the same Prop C 25 funds that are being released to Metro. Mr. Hoshijima confirmed it is the same Prop C 25 funds.

Member Perry stated the Supervisor appreciate Mr. Hoshijima presenting to the AVCJPA, asking if the Measure R component for ATP which is highway money, and soundwalls would be eligible under Measure R, why is it more challenging under Prop C. Mr. Hoshijima agreed and stated there would be more flexibility if the funds were Measure R highway funds instead of C 25. Member Perry stated if the project checked the boxes for Prop C then soundwalls could be installed, Mr. Hoshijima agreed. Member Perry asked if there is any capacity for building in additional flexibility in the third decade for the AVCJPA to use the money, stating the ATP has been a big push by a number of Member Perry's cities, restating if there is any way to build in flexibility to swap other funds, other than PC 25, later down the road. Mr. Hoshijima stated there is definitely an ability and precedence, it is case by case with some amount. Member Perry asked if there is a sense of how the availability of the cash will be in the third decade. Mr. Hoshijima stated Metro has flexibility because they have debt capacity, there is no guide at this point. Should the Metro board approve this, there will be $128 million dollars in 2029, or in a pinch maybe in 2030. But if there is a definitive plan to use that, then Metro can determine whether Metro can cash flow it to meet whatever

the project is, and can typically at this point have enough debt capacity to be flexible on how Metro accelerate or delay the cash flow needs.

Chair Primuth stating the surplus came from two projects, one of which was completed six years ago, and one larger project was just completed recently, and asked if it is a surplus that would ordinarily be programmed back to the subregion immediately or as a third decade fund. Mr. Hoshijima stated the Measure R is available immediately, the Prop C was put in the third decade due to the financial capacity at that time when the Metro board made that action in 2016. Chair Primuth asked if the Measure R fund that generated this surplus, would have been measure R funds coming to the AVCJPA as a surplus, is this correct. Mr. Hoshijima stated if we if Metro had not done the replacement credits, then yes. Chair Primuth stated if the AVCJPA has the ability to accelerate or swap in more flexible funds in active transportations instead of just Prop C 25 funds, that would be a really big incentive for the AVCJPA board members. Understanding that Mr. Hoshijima cannot commit, but it is a possibility. Mr. Hoshijima stated that Metro staff can make it clear in Metro's board action that the subregions requested to that Metro evaluate the ability to flex the funding in the third decade and that is part of this action is that Metro staff will consider that. Mr. Hoshijima cannot make the assertion that Metro will give the AVCJPA priority for acceleration, this would need to be considered at Metro, but will take the questions back to Metro if the decision makers are willing to make that a condition for the board approval.

Alternate Member Mullins stated that by Mr. Hoshijima asking the Metro board, it will give the AVCJPA a sense of security that the funds can be used in the event the funds are needed prior to 2030 or end of 2029. Mr. Hoshijima will take Chair Primuth's and Alternate Member Mullin's request back for consideration.

Member Bowman stated the Metro board will do what is right and is all for being a good partner and would not condition anything because it is toothless anyway, even if the AVCJPA conditioned it, instead it is important the AVCJPA communicates their interest in flexibility and priority as an ask not a demand, and would not condition his vote on the inclusion of that language, with the understanding that the folks that are going to carry the message, have already heard it.

Member Brotman concurs with Member Bowman and supports the item, and want staff to understand that the AVCJPA would be considered favorably if there is an acceleration situation or if the funds are needed for active transportation.

Alternate Member Mullins is also supportive of the item, stating her point generated some discussion regarding what happens with the funds and if the funds can be accelerated if the funds are needed.

Chair Primuth stated acceleration, swapping out more flexible funds that will support active transportation, are not requirements, these are just indications of the AVCJPA's interest.

Member Perry stated for the Supervisor, the baseline is about guarding the communities in the cities in the district, specially when it came to Measure M and the promises to cities, community leader and the voters, to deliver on this, and that has been her position. Sharing concerns of subregion money being used elsewhere outside of the region. All things being equal, and if everyone is comfortable, the AVCJPA is showing good faith for the neighboring subregion for the region as a whole, by the Metro's adoption later this month, it will guarantee that the subregion has its money, hoping that good faith goes a long way. Thanking Metro for their presentation and is thankful.

MOTION

At the order of Chair Primuth, Member Bowman made a motion to approve item VII.C option one with an added request that the AVCJPA be given priority for that early advancement if necessary, and that we also begin given consideration for flexibility of funding if available, Member Brotman seconded the motion, roll call was made, the motion passed unanimously with no objection.

Chair Primuth requested Executive Director Joaquin T. Siques brief the AVCJPA on the Do's and Don'ts of Prop C 25 in terms of funding, what the AVCJPA can and cannot do, and how the AVCJPA can work active transportation, as a follow-up of what was discussed today.

## VIII. REPORTS – INFORMATION ONLY

### A. Reports from AVCJPA Appointees

1. SCAG Transportation Committee – No update
2. SCAG Energy & Environment Committee (EEC) – No update
3. SCAG Community, Economic & Human Development Committee – No update
4. League of California Cities – L.A. County Division – No update

### B. Report from AVCJPA TAC Representative

Presenter: David Kriske

Mr. Kriske provided highlights on items discussed at the TAC meeting, sharing Metro gave an update on their congestion program Vehicle Miles Traveled mitigation program, which is their regional freeway system, particularly downtown and the mid-city area, near the subregion in area of Santa Monica and Hollywood Hills. Metro staff continues to keep the TAC updated their progress.

Bus stop policies are being discussed, the idea is to get Metro and other municipal operators who maintain bus stops in an alignment on services and amenities that can be provided as a regions to support bus infrastructure to improve transit. Metro is planning a bus stop

summit to discuss how to better plan bus shelters and stops in the future.

TAC received an update on Metro's EV strategic plan, and this will have some tie-ins with local cities that have Metro services passthrough. Looking at the strategic plan is a good opportunity to see the cities can support Metro, and how Metro's electrification can support other cities efforts as well.

Chair Primuth asked if TAC has heard any update on the Metro Micro program. Mr. Kriske stated Metro voted to keep the Metro Micro program moving forward and there is discussion to potentially modify the fares, as the fare is low for a high-cost service. Chair Primuth shared his concern of illegal parking lots with the upcoming 2028 Olympics. Asking if there will be impact money available for the cities that will be impacted when dealing with the venues. Mr. Kriske will follow-up on this item.

**C. Report from AVCJPA Executive Director (Oral)**

Presenter: Joaquin T. Siques, Executive Director
Staff Recommendation: To Receive and File

Newly elected Executive Director Joaquin T. Siques, thanked Laura Rubio-Cornejo for her time with the City and for serving as the AVCJPA Executive Director, in her time through the evolution of transportation systems and what has happened with COVID, and managing meetings through that era, as well as all the measures and funding and being able to help this group provide projects for the entire subregion.

Chair Primuth thanked Laura Rubio-Cornejo for her time.

## IX. REMAINING PUBLIC COMMENTS – IF ANY – None

## X. COMMENTS FROM MEMBERS (For written or oral reports by Members; no discussion or action to be taken)

## XI. ADJOURN

On the Order of Chair Primuth to adjourn the meeting, Member Bowman moved and seconded, the motion passed unanimously to adjourn the meeting at 5:21 p.m.