



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

President
**Jan C. Harnik, Riverside County
Transportation Commission**

First Vice President
Art Brown, Buena Park

Second Vice President
**Curt Hagman, County of
San Bernardino**

Immediate Past President
Clint Lorimore, Eastvale

COMMITTEE CHAIRS

Executive/Administration
**Jan C. Harnik, Riverside County
Transportation Commission**

Community, Economic &
Human Development
Frank Yokoyama, Cerritos

Energy & Environment
Deborah Robertson, Rialto

Transportation
Ray Marquez, Chino Hills

MEETING OF THE

EXECUTIVE/ ADMINISTRATION COMMITTEE

***Members of the Public are Welcome to Attend
In-Person & Remotely***

Wednesday, April 5, 2023

3:00 p.m. – 4:00 p.m.

To Attend In-Person:

**SCAG Main Office – Policy B Meeting Room
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017**

To Attend and Participate on Your Computer:

<https://scag.zoom.us/j/889726747>

To Attend and Participate by Phone:

Call-in Number: 1-669-900-6833

Meeting ID: 889 726 747

PUBLIC ADVISORY

If members of the public wish to review the attachments or have any questions on any of the agenda items, please contact Maggie Aguilar at (213) 630-1420 or via email at aguilarm@scag.ca.gov. Agendas & Minutes are also available at: <https://scag.ca.gov/meetings-leadership>.

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) 630-1420. We request at least 72 hours (three days) notice to provide reasonable accommodations and will make every effort to arrange for assistance as soon as possible.



Instructions for Attending the Meeting

SCAG is providing multiple options to attend the meeting:

To Attend In-Peron and Provide Verbal Comments: Go to the SCAG Main Office located at 900 Wilshire Blvd., Ste. 1700, Los Angeles, CA 90017 or any of the remote locations noticed in the agenda. The meeting will take place in the Policy B Meeting Room on the 17th floor starting at 3:00 p.m.

To Attend on Your Computer

1. Click the following link: <https://scag.zoom.us/j/889726747>.
2. If Zoom is not already installed on your computer, click “Download & Run Zoom” on the launch page and press “Run” when prompted by your browser. If Zoom has previously been installed on your computer, please allow a few moments for the application to launch automatically.
3. Select “Join Audio via Computer.”
4. The virtual conference room will open. If you receive a message reading, “Please wait for the host to start this meeting,” simply remain in the room until the meeting begins.

To Attend by Phone

1. Call **(669) 900-6833** to access the conference room. Given high call volumes recently experienced by Zoom, please continue dialing until you connect successfully.
2. Enter the **Meeting ID: 889 726 747**, followed by #.
3. Indicate that you are a participant by pressing # to continue.
4. You will hear audio of the meeting in progress. Remain on the line if the meeting has not yet started.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California's Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



Instructions for Participating and Public Comments

You may participate and submit public comments in three (3) ways:

1. **In Writing**: Submit written comments via email to: ePublicComment@scag.ca.gov by **5pm on Tuesday, April 4, 2023**. You are **not** required to submit public comments in writing or in advance of the meeting; this option is offered as a convenience should you desire not to provide comments in real time as described below. All written comments received after 5pm on Tuesday, April 4, 2023 will be announced and included as part of the official record of the meeting.
2. **Remotely**: If participating in real time via Zoom or phone, during the Public Comment Period (Matters Not on the Agenda) or at the time the item on the agenda for which you wish to speak is called, use the “raise hand” function on your computer or *9 by phone and wait for SCAG staff to announce your name/phone number. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.
3. **In-Person**: If participating in-person, you are invited but not required, to fill out and present a Public Comment Card to the Clerk of the Board or other SCAG staff prior to speaking. It is helpful to indicate whether you wish to speak during the Public Comment Period (Matters Not on the Agenda) and/or on an item listed on the agenda. Limit oral comments to 3 minutes, or as otherwise directed by the presiding officer.

For purpose of providing public comment for items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called; items listed on the Consent Calendar will be acted on with one motion and there will be no separate discussion of these items unless a member of the legislative body so requests, in which event, the item will be considered separately.

In accordance with SCAG’s Regional Council Policy, Article VI, Section H and California Government Code Section 54957.9, if a SCAG meeting is “willfully interrupted” and the “orderly conduct of the meeting” becomes unfeasible, the presiding officer or the Chair of the legislative body may order the removal of the individuals who are disrupting the meeting.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California’s Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



EXECUTIVE/ADMINISTRATION COMMITTEE MEETING AGENDA

TELECONFERENCE AVAILABLE AT THESE ADDITIONAL LOCATIONS

Lucy Dunn 2 Park Plaza, Suite 100 Irvine, CA 92614	Curt Hagman Chino Hills District Office 14010 City Center Drive Chino Hills, CA 91709
Kathleen Kelly 46-100 Burroweed Lane Palm Desert, CA 92260	Patricia Lock Dawson Riverside – City Hall 3900 Main Street 7 th Floor - Conference Room Riverside, CA 92522
David Shapiro Calabasas - City Hall 100 Civic Center Way Calabasas, CA 91302	



EAC - Executive/Administration Committee
Members – April 2023

- 1. Hon. Jan C. Harnik**
Chair, RCTC Representative
- 2. Hon. Art Brown**
1st Vice Chair, Buena Park, RC District 21
- 3. Sup. Curt Hagman**
2nd Vice Chair, San Bernardino County
- 4. Hon. Clint Lorimore**
Imm. Past President, Eastvale, RC District 4
- 5. Hon. Frank A. Yokoyama**
CEHD Chair, Cerritos, RC District 23
- 6. Hon. David J. Shapiro**
CEHD Vice Chair, Calabasas, RC District 44
- 7. Hon. Deborah Robertson**
EEC Chair, Rialto, RC District 8
- 8. Sup. Luis Plancarte**
EEC Vice Chair, Imperial County
- 9. Hon. Ray Marquez**
TC Chair, Chino Hills, RC District 10
- 10. Hon. Tim Sandoval**
TC Vice Chair, Pomona, RC District 38
- 11. Hon. Jose Luis Solache**
LCMC Chair, Lynwood, RC District 26
- 12. Hon. Patricia Lock Dawson**
LCMC Vice Chair, Riverside, RC District 68
- 13. Hon. Larry McCallon**
Highland, RC District 7 Pres. Appt./Air Dist. Rep.
- 14. Hon. Margaret Finlay**
Duarte, RC District 35, Pres. Appt.
- 15. Hon. Kathleen Kelly**
Palm Desert, RC District 2, Pres. Appt.

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California's Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



- 16. Hon. Nithya Raman**
Los Angeles, RC District 51, Pres. Appt.

- 17. Hon. Andrew Masiel**
Tribal Govt Regl Planning Board Representative

- 18. Ms. Lucy Dunn**
Business Representative - Non-Voting Member

OUR MISSION

To foster innovative regional solutions that improve the lives of Southern Californians through inclusive collaboration, visionary planning, regional advocacy, information sharing, and promoting best practices.

OUR VISION

Southern California's Catalyst for a Brighter Future

OUR CORE VALUES

Be Open | Lead by Example | Make an Impact | Be Courageous



EXECUTIVE/ADMINISTRATION COMMITTEE MEETING AGENDA

Southern California Association of Governments
900 Wilshire Boulevard, Suite 1700 - Policy B Meeting Room
Los Angeles, CA 90017
Wednesday, April 5, 2023
3:00 PM

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

CALL TO ORDER AND PLEDGE OF ALLEGIANCE *(The Honorable Jan C. Harnik, Chair)*

GENERAL INFORMATION FOR PUBLIC COMMENTS

Members of the public can participate in the meeting via written or verbal comments. Written comments can be emailed to: ePublicComment@scag.ca.gov. Written comments received by 5pm on Tuesday, April 4, 2023 will be transmitted to members of the legislative body and posted on SCAG's website prior to the meeting. Written comments received after will be announced and included as part of the official record of the meeting. Any writings or documents provided to a majority of this committee regarding any item on this agenda (other than writings legally exempt from public disclosure) are available at the Office of the Clerk, at 900 Wilshire Blvd., Suite 1700, Los Angeles, CA 90017 or by phone at (213) 630-1420, or email to aguilarm@scag.ca.gov.

Verbal comments can be presented in real time during the meeting. Members of the public are allowed a total of 3 minutes for verbal comments. The presiding officer retains discretion to adjust time limits as necessary to ensure efficient and orderly conduct of the meeting, including equally reducing the time of all comments.

For members of the public participating in-person, Public Comment Cards are available. For members of the public attending remotely, please wait for the presiding officer to call the item and then indicate your interest in offering public comment by using the "raise hand" function on your computer or pressing *9 on your telephone.

For items listed on the Consent Calendar, please indicate that you wish to speak when the Consent Calendar is called. Items listed on the Consent Calendar will be acted upon with one motion and there will be no separate discussion of these items unless a member of the committee so requests, in which event, the item will be considered separately.

PUBLIC COMMENT PERIOD (Matters Not on the Agenda)

This is the time for public comments on any matter of interest within SCAG's jurisdiction that is *not* listed on the agenda. For items listed on the agenda, public comments will be received when that item is considered. Although the committee may briefly respond to statements or questions, under state law, matters presented under this item cannot be discussed or acted upon at this time.



REVIEW AND PRIORITIZE AGENDA ITEMS

ACTION ITEMS

1. Resolution No. 23-654-1 Authorizing Acceptance of Grant Funds from the Federal Communications Commission (FCC) to Support the Affordable Connectivity Program (ACP) PPG. 8
(Hannah Brunelle, Senior Regional Planner, SCAG)

RECOMMENDED ACTION:

That the Executive/Administration Committee (EAC) recommend that Regional Council (RC):

1. Approve Resolution No. 23-654-1 to accept grant funding for a minimum of \$500,000 from the Federal Communications Commission (FCC) to support SCAG's Affordable Connectivity Program (ACP) Campaign; and
2. Authorize SCAG to use available general fund balance to begin project work for the FCC ACP. Upon execution of the grant agreement, the grant funding will be included and reconciled in a future budget amendment during FY 2023-24 and the general fund will be reimbursed for grant expenditures incurred.

CONSENT ITEMS

Approval Items

2. Minutes of the Meeting – March 1, 2023 PPG. 20
3. Regional Council Stipend Payments Update PPG. 27
4. Contract Amendment Greater Than 30% of the Contract's Original Value: Contract No. 21-053-C01, Gartner for Human Resources (HR) Leaders PPG. 39
5. Resolution No. 23-654-2 Approving Amendment 3 to the FY 2022-23 Comprehensive Budget, including a Third Amendment to the Overall Work Program (OWP) Budget, Second Amendments to the Indirect Cost Budget and FTA Discretionary and Formula Grant Budget, and an Amendment to the TDA Budget PPG. 47
6. Early Legislative Bills – Support PPG. 59
7. Housing and Transportation Bills of Interest PPG. 65

Receive and File

8. Connect SoCal 2024: Locally-Reviewed Growth Forecast Demographic and Economic Evaluation PPG. 73
9. Purchase Orders, Contract and Amendments below Regional Council Approval Threshold PPG. 83



10. CFO Monthly Report

CFO REPORT

(Cindy Giraldo, Chief Financial Officer)

PRESIDENT'S REPORT

(The Honorable Jan C. Harnik, Chair)

EXECUTIVE DIRECTOR'S REPORT

(Kome Ajise, Executive Director)

CLOSED SESSION

Conference with Legal Counsel - Existing Litigation

Pursuant to Government Code Section 54956.9(d)(1)

City of Huntington Beach, et al. v. State of California, et al.; US District Court for the Southern District of California Case No. 8:23-CV-00421 [Note: SCAG is named as a defendant]

Public Employment

Pursuant to California Government Code Section 54957(b)(1)

Public Employee Performance Evaluation

Title: Executive Director

Public Employment

Pursuant to California Government Code Section 54957.6

Conference with Labor Negotiators

Agency designated representatives: Ruben Duran, Board Counsel

Unrepresented employee: Executive Director

REPORT OF CLOSED SESSION ACTIONS

FUTURE AGENDA ITEMS

ANNOUNCEMENTS

ADJOURNMENT



AGENDA ITEM 1
REPORT

Southern California Association of Governments
April 5, 2023

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

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Roland Ok, Planning Supervisor
(213) 236-1819, ok@scag.ca.gov

Subject: Resolution No. 23-654-1 Authorizing Acceptance of Grant Funds from the
Federal Communications Commission (FCC) to Support the Affordable
Connectivity Program (ACP)

RECOMMENDED ACTION FOR EAC:

That the Executive/Administration Committee (EAC) recommend that Regional Council (RC):

1. Approve Resolution No. 23-654-1 to accept grant funding for a minimum of \$500,000 from the Federal Communications Commission (FCC) to support SCAG's Affordable Connectivity Program (ACP) Campaign; and
2. Authorize SCAG to use available general fund balance to begin project work for the FCC ACP. Upon execution of the grant agreement, the grant funding will be included and reconciled in a future budget amendment during FY 2023-24 and the general fund will be reimbursed for grant expenditures incurred.

RECOMMENDED ACTION FOR RC:

That the Regional Council (RC):

1. Approve Resolution No. 23-654-1 to accept grant funding for a minimum of \$500,000 from the Federal Communications Commission (FCC) to support SCAG's Affordable Connectivity Program (ACP) Campaign; and
2. Authorize SCAG to use available general fund balance to begin project work for the FCC ACP. Upon execution of the grant agreement, the grant funding will be included and reconciled in a future budget amendment during FY 2023-24 and the general fund will be reimbursed for grant expenditures incurred.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy. 3: Be the foremost data information hub for the region. 4: Provide innovative information and value-added services to enhance member agencies' operations and promote regional collaboration. 6: Deploy strategic communications to further agency priorities and foster public

understanding of long-range regional planning. 7: Secure funding to support agency priorities to effectively and efficiently deliver work products.

EXECUTIVE SUMMARY:

On February 2, 2021, SCAG's Regional Council (RC) passed Resolution No. 21-629-2, directing its staff to aid in closing the digital divide in underprivileged communities. On September 1, 2022, the Regional Council adopted Resolution No. 22-646-6, which tasked the staff with promoting the Affordable Connectivity Program (ACP), overseen by the Federal Communications Commission (FCC) as part of SCAG's Go-Human initiative. To facilitate the objectives set out in both resolutions, SCAG has secured at least \$500,000 in funding to conduct a nationwide ACP campaign.

BACKGROUND:

On November 15, 2021, Congress approved \$14.2 Billion for the ACP as part of the Infrastructure Investment and Jobs Act (IIJA).¹ ACP is the FCC's successor program to the Emergency Broadband Benefit Program (EBB) which began on May 12, 2021, and ended on December 30, 2021. The ACP is a longer-term solution to the EBB and the benefit is expected to last for 4 to 5 years.

ACP helps ensure that households can afford the broadband they need for work, school, healthcare and more. ACP provides a discount of up to \$30 per month toward internet service for eligible households and up to \$75 per month per households on qualifying Tribal lands. Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop, desktop, computer, or tablet from participating providers if they contribute more than \$10 and less than \$50 towards the purchase price. The ACP is limited to one monthly service discount and on device discount per household.

A household is eligible for the ACP if the household income is at or below 200% of the Federal Poverty Guidelines, or if a member of the household meets at least one of the criteria below:

- Received a Federal Pell Grant during the current award year.
- Meets the eligibility criteria for a participating provider's existing low-income internet program.
- Participates in one of these assistance programs:
 - The National School Lunch Program or the School Breakfast Program, including through the USDA Community Eligibility Provision
 - SNAP
 - Medicaid
 - Federal Public Housing Assistance
 - Supplemental Security Income (SSI)

¹ Affordable Connectivity Program available at: <https://www.affordableconnectivity.gov>

- WIC
- Veterans Pension or Survivor Benefits or Lifeline
- Participates in one of these assistance programs and lives on Qualifying Tribal Lands:
 - Bureau of Indian Affairs General Assistance
 - Tribal TANF
 - Food Distribution Program on Indian Reservations
 - Tribal Head Start (Income based)

The ACP program allows for Internet Service Providers (ISPs) to provide both wireline (Fiber/Cable) and wireless (5G) services.²

FCC’s NOTICE OF FUNDING OPPORTUNITY FOR THE ACP OUTREACH GRANT PROGRAM

Currently, about 40 million households nationwide meet the eligibility criteria for the ACP Program, but only 4,000,000 million of them (11%) have enrolled in the program.³ In the state of California, roughly 5.8 million households (45% of the total number of households) qualify for the program, but only 1.9 million of them (34%) have enrolled. Similarly, within the SCAG region, which has around 2.8 million eligible households, only 1 million (36%) have enrolled in the program. For a countywide breakdown, see table below.

Enrollment Rates for the SCAG Region⁴

	Enrolled Households	Qualified Households	Percent of Enrolled Households
Imperial	19,231	30,339	63%
Los Angeles	605,341	1,646,205	37%
Orange	119,225	397,766	30%
Riverside	129,648	360,381	36%
San Bernardino	141,494	341,110	41%
Ventura	30,900	103,632	30%
SCAG Region	1,045,839	2,879,433	36%

Although California has a significantly higher enrollment rate when compared to the nation, it falls significantly short of the target set by the California Broadband Council, which is a 97% enrollment

² A list of qualifying providers can be found at: <https://www.fcc.gov/affordable-connectivity-program-providers#California>

³ ACP Enrollment and Claims Tracker. Available at: <https://www.usac.org/about/affordable-connectivity-program/acp-enrollment-and-claims-tracker/>

⁴ California Affordability Program Tracker. Available at: <https://www.arcgis.com/apps/dashboards/8c0249a9de8d404a9b49966fb824b728>

rate by the year 2027. In response, the FCC has taken action to address the low enrollment rates for the ACP. On November 10, 2022, the FCC released a Notice of Funding Opportunity (NOFO) for the ACP Outreach Grant Program, which will distribute \$66 million in funding to recipients.⁵ The program's goal is to support outreach campaigns that raise awareness and increase enrollment rates for the ACP.

SCAG SELECTED AS A GRANT RECIPIENT:

The RC approved Resolution No. 21-629-2 on February 2, 2021, instructing Staff to help bridge the digital divide in underserved communities.⁶ Additionally, on September 1, 2022, the RC adopted Resolution No. 22-646-6, tasking Staff to promote the ACP under SCAG's Go-Human program.⁷

In furtherance of these resolutions, Staff submitted a grant application to the FCC on January 9, 2023, requesting \$722,200. Out of the 350 applications received, the FCC approved 197, including SCAG's application for at least \$500,000.⁸

SCOPE OF WORK:

Should the RC grant approval for SCAG to accept funding, SCAG will collaborate with local jurisdictions, community-based organizations, local businesses, community leaders, and other stakeholders to advance the ACP on a regional scale. The final details of the grant award and project scope will be coordinated with the FCC, but they may encompass various tasks⁹ such as:

- Regional coordination with stakeholders;
- Methodology to identify priority areas;
- Public outreach plans;
- Development of co-branded advertisements and outreach materials;
- Traditional media and social media ad buys;
- Target direct mailing to communities of concern;
- Hiring and training digital navigators/ambassadors; and
- Countywide pop-up events.

⁵ FCC's ACP Outreach Grant Program. Available at: <https://www.fcc.gov/fcc-releases-notice-funding-opportunity-ACP-outreach-grant-program>

⁶ Resolution No. 21-629-2. Available at: https://scag.ca.gov/sites/main/files/file-attachments/resolution_no_21-629-2_-_support_to_increase_broadband_access.pdf?1646942018

⁷ Resolution No. 22-646-6. Available at: <https://scag.ca.gov/sites/main/files/file-attachments/rc090122fullpacket.pdf?1661474396>

⁸ While SCAG was guaranteed a minimum of \$500,000 for their ACP campaign, the final award amount is still being negotiated with the FCC, and both parties are reviewing the notice of award. As such, the exact amount of funding that SCAG will receive has not yet been determined.

⁹ Scope of work is dependent and subject to change based on final funds determined and allocated by the FCC.



FISCAL IMPACT:

If approved by the RC, SCAG will accept a minimum of \$500,000 from the FCC. SCAG will use available general fund balance to begin project work for the FCC ACP. Upon execution of the grant agreement, the grant funding will be included and reconciled in a future budget amendment during FY 2023-24 and the general fund will be reimbursed for grant expenditures incurred.

ATTACHMENT(S):

1. Resolution to Accept FCC Grant Funds to Promote the ACP Program
2. PowerPoint Presentation - FCC ACP Outreach Grant



SOUTHERN CALIFORNIA
ASSOCIATION OF GOVERNMENTS
900 Wilshire Blvd., Ste. 1700
Los Angeles, CA 90017
T: (213) 236-1800
www.scag.ca.gov

RESOLUTION NO. 23-654-1
A RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) AUTHORIZING ACCEPTANCE OF GRANT FUNDS FROM THE FEDERAL COMMUNICATIONS COMMISSION (FCC) TO PROMOTE THE AFFORDABLE CONNECTIVITY PROGRAM (ACP).

WHEREAS, the Southern California Association of Governments (SCAG) is a Joint Powers Agency established pursuant to California Government Code Section 6502 *et seq.*;

WHEREAS, SCAG is the designated Metropolitan Planning Organization (MPO) for the counties of Imperial, Los Angeles, Orange, Riverside, San Bernardino, and Ventura, pursuant to Title 23, United States Code Section 134(d);

WHEREAS, SCAG is responsible for bringing Southern California’s diverse residents and local partners together with unifying regional plans, policies, and programs that result in healthy, sustainable, and economically resilient communities;

WHEREAS, approximately nine to ten percent of all households within the SCAG region do not have access to broadband and three percent do not have access to a computer;

WHEREAS, these households are disproportionately located in underserved urban communities and rural communities;

WHEREAS, on February 2, 2021, the Regional Council adopted Resolution No 21-629-2, which recognizes the need to close the digital divide and provide long-term community benefits that include the ability to fully engage in the digital economy, access to existing and emerging transportation services, expands economic opportunities, and is a viable strategy which assists in reducing greenhouse gas (GHG) emissions, and reduction in vehicle miles traveled (VMT);

WHEREAS, on September 1, 2022, the Regional Council adopted Resolution No. 22-646-6, which directed Staff to work with its partners to promote the Affordable Connectivity Program;

WHEREAS, the United States Federal Communications Commission (FCC) has established the Affordable Connectivity Program (ACP) to help ensure households can afford the broadband needed for work, school, healthcare, and more;

REGIONAL COUNCIL OFFICERS

President
Jan C. Harnik, Riverside County
Transportation Commission

First Vice President
Art Brown, Buena Park

Second Vice President
Curt Hagman, County of
San Bernardino

Immediate Past President
Clint Lorimore, Eastvale

COMMITTEE CHAIRS

Executive/Administration
Jan C. Harnik, Riverside County
Transportation Commission

Community, Economic &
Human Development
Frank Yokoyama, Cerritos

Energy & Environment
Deborah Robertson, Rialto

Transportation
Ray Marquez, Chino Hills

WHEREAS, the ACP provides a discount of up to \$40 per month towards internet service for eligible households and up to \$75 per month for households on qualifying Tribal lands;

WHEREAS, the ACP also provides eligible households a one-time discount of up to \$100 to purchase a laptop, desktop computer, or tablet from participating providers if they contribute more than \$10 and less than \$50 toward the purchase price;

WHEREAS, the California Broadband Council (CBC) initiated a “Call for Action” which recognized that over 5 million households in California are eligible for ACP and set a goal to reach a 90% enrollment rate (4.5 million) of eligible households by 2024 and 95% (4.75 million) of eligible households by 2027, which are consistent with the goals of the Affordable Internet and Net Equality Act of 2022 (AB 2751);

WHEREAS, to date, approximately 34% of eligible households within the State of California and 36% of eligible households within the SCAG region have signed up for ACP and further support is needed to bolster the ACP campaign;

WHEREAS, SCAG submitted a grant application to the FCC’s ACP outreach grant program and was awarded a grant of a minimum of \$500,000 and upwards to \$772,00 to promote a regionwide ACP campaign;

WHEREAS, SCAG’s acceptance of final negotiated funds will assist in fulfilling the objectives set forth under Resolution Nos. 21-629-2 and 22-646-6;

NOW THEREFORE, BE IT RESOLVED, by the Regional Council that SCAG is authorized to accept funds in the minimum amount of \$500,000 to support SCAG’s regionwide ACP campaign;

BE IT FURTHER RESOLVED that SCAG’s Executive Director is hereby designated and authorized by the Regional Council to execute all necessary agreements and other documents on behalf of the Regional Council as they relate to accepting the funds and implementing activities through the funds.

PASSED, APPROVED, AND ADOPTED, by the Regional Council of the Southern California Association of Governments at its regular meeting this 6th day of April 2023

Jan C. Harnik
President, SCAG
Riverside County Transportation Commission

Attested by:

Kome Ajise
Executive Director

Approved as to Form:

Michael R.W. Houston
Chief Counsel



Digital Equity Call to Action to Increase Access to Affordable Broadband

SCAG Awarded Federal Communications Commission (FCC) Grant to Expand Strategies to Support the Affordable Connectivity Program (ACP)

WWW.SCAG.CA.GOV

Program Overview: SCAG Digital Equity Call to Action

- In the SCAG region, only 36% of eligible households have enrolled in the ACP program, **prompting a need to close the gap on digital inequities.**
- On September 1, 2022, the RC adopted **Resolution No. 22-646-6 for SCAG to act on digital inequities and expand support for the ACP campaign.**
- Through existing funding, SCAG is partnering with the California Emerging Technology Fund (CETF) and other agencies and organizations to expand ACP awareness and increase sign-ups.

About the Affordable Connectivity Program (ACP)

- The ACP provides a discount of up to \$30 per month toward broadband for eligible households and up to \$75 per month per household on qualifying tribal lands.
- Eligible households can also receive a one-time discount of up to \$100 to purchase a laptop or tablet if they contribute more than \$10 and less than \$50 towards the purchase price.



**Image accessed via [fcc.gov/acp](https://www.fcc.gov/acp)*

SCAG Selected as FCC Grant Recipient

- 350 applications received, 197 awarded
- **Awarded \$500,000 to support a targeted region-wide ACP campaign**
 - SCAG was the only MPO awarded
- **Two key strategies to drive awareness and sign-ups:**
 - **Targeted advertising and promotion to supplement campaigns across the region**
 - **Digital Navigator cohorts to lead local engagement in target communities**
- Build upon existing efforts, including the Local Government Toolkit, to expand the reach and impact of the FCC grant

SCAG's Program Objectives

Target unserved and underserved areas based on ACP eligibility

Leverage existing partnerships and build new partners to reach eligible households

Develop a Local Toolkit with tangible resources and strategies

Partner with cities, counties, and others to supplement existing ACP campaigns

Conduct local engagement through a Digital Navigators Program

Scope of Work

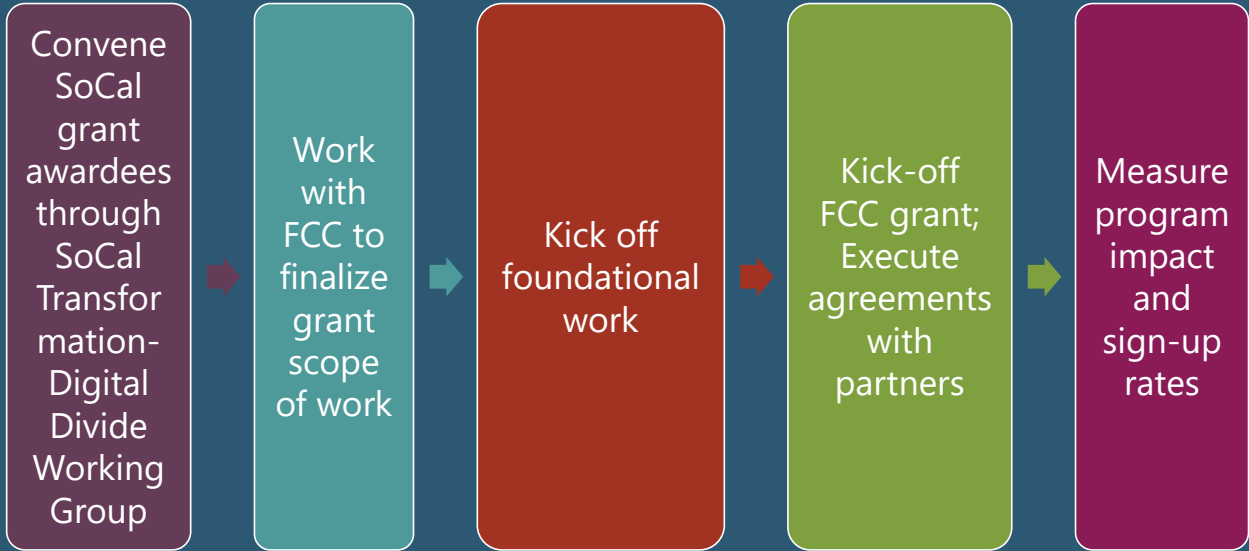
Existing funds for foundational work

- Coordinate with stakeholders (counties, cities, CBOs) to identify strategic partners
- Develop engagement plan
- Develop Local Government Toolkit of resources
- Pilot Digital Navigators

FCC grant to maximize impact across the region

- Media buys and other promotions supplementing existing campaigns with partners
- Hiring, training, and deploying Digital Navigators to implement outreach and engagement

Next Steps



THANK YOU!

For more information, please visit:

ACP: <https://www.fcc.gov/acp>

Go Human: <https://scag.ca.gov/go-human>



NO. 652
MINUTES OF THE MEETING
EXECUTIVE/ADMINISTRATION COMMITTEE (EAC)
WEDNESDAY, MARCH 1, 2023

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. Jan Harnik, President

Hon. Art Brown, 1st Vice President

Hon. Clint Lorimore, Imm. Past President

Hon. Frank Yokoyama, Chair, CEHD

Hon. David J. Shapiro, Vice Chair, CEHD

Hon. Deborah Robertson, Chair, EEC

Hon. Ray Marquez, Chair, TC

Hon. Patricia Lock Dawson, Vice Chair, LCMC

Hon. Margaret Finlay, President’s Appt.

Hon. Kathleen Kelly, President’s Appt.

Hon. Larry McCallon, President’s Appt.

Hon. Jose Luis Solache, Chair, LCMC

Hon. Andrew Masiel, Sr.

Hon. Lucy Dunn

Buena Park

Eastvale

Cerritos

Calabasas

Rialto

Chino Hills

Riverside

Duarte

Palm Desert

Highland

Lynwood

Pechanga Dev. Corp.

RCTC

District 21

District 4

District 23

District 44

District 8

District 10

District 68

District 35

District 2

District 7

District 26

TGRP Representative

Business Representative

Members Not Present

Sup. Curt Hagman, 2nd Vice President

Hon. Luis Plancarte, Vice Chair, EEC

Hon. Tim Sandoval, Vice Chair, TC

Hon. Nithya Raman, President’s Appt.

Pomona

Los Angeles

San Bernardino County

Imperial County

District 38

District 51

Staff Present

Kome Ajise, Executive Director
Darin Chidsey, Chief Operating Officer
Debbie Dillon, Chief Strategy Officer
Cindy Giraldo, Chief Financial Officer
Sarah Jepson, Chief Planning Officer
Javiera Cartagena, Chief Government and Public Affairs Officer
Carmen Flores, Chief Human Resources Officer
Julie Shroyer, Chief Information Officer
Michael Houston, Chief Counsel/Director of Legal Services
Ruben Duran, Board Counsel
Maggie Aguilar, Clerk of the Board
Cecilia Pulido, Deputy Clerk of the Board

CALL TO ORDER AND PLEDGE OF ALLEGIANCE

The Honorable Jan Harnik called the meeting to order at 3:01 p.m. President Harnik asked Immediate Past President Clint Lorimore, Eastvale, District 4, to lead the Pledge of Allegiance.

PUBLIC COMMENT PERIOD

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

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

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

REVIEW AND PRIORITIZE AGENDA ITEMS

There was no prioritization of agenda items.

ACTION ITEM

1. Approval of the Fiscal Year 2023-24 Draft Comprehensive Budget

There were no public comments on this item.

Kome Ajise, Executive Director, provided a brief introduction of the budget presentation and stated this budget was 130% higher than any previous budget in SCAG's history. He explained the higher budget amount was due to resources totaling \$238 million from the State, however, \$231 million of those funds would be passing straight through to member agencies. He also noted that the budget grew in size and complexity with 33 different work programs and 80% of resources going to work programs.

Cindy Giraldo, Chief Financial Officer, provided an overview of the draft budget stating that the proposed budget supports the goals of SCAG and complies with SCAG's primary responsibilities. She noted that the budget total was approximately \$349 million, which was up nearly 133% from the current fiscal year. She indicated that the increase was due to the full funding of REAP 2.0 programs totaling just over \$238 million. She also noted that the overall work program total was just under \$341 million. She explained that the funding of the overall work program was spread across 33 different agency programs, with the largest programs being REAP 2.0, REAP 1.0 projects, MSRC Last Mile freight program, and the Sustainable Communities program. She indicated that collectively, these 4 programs represent over 80% of the total overall work program. She also noted that total salaries and benefit costs amount to \$45.2 million, which is an \$8.3 million increase over the current year. She explained this increase was predominately attributed to the full-year funding of the limited-term positions brought on in support of REAP 2.0, the addition of seven new permanent positions offset by a net decrease of 2 limited-term positions, projected staff merit increases, and the cost of implementing phase 2 of the class and compensation study which includes changes in employee benefits. She also called out a correction as noted on attachment 2 of the draft budget which incorrectly labels the Human Resources (HR) position as an HR Analyst 2 and should be listed as Senior HR Analyst. She further explained that the proposed budget also includes about \$1.1 million in employee benefit enhancements and from a cost perspective, 88% of the total increase in benefit cost was attributable to the increase in employer medical contributions and the employer 457 match for non-management employees. Lastly, she noted that the general fund revenues include membership dues of nearly \$2.5 million.

The comprehensive staff report was included in the agenda packet and posted on the SCAG website. The meeting video is also available on the SCAG website.

A MOTION was made (Solache) that the Executive/Administration Committee (EAC) recommend that the Regional Council (RC): 1) Approve the Fiscal Year 2023-24 (FY 2023-24) Draft Comprehensive Budget in the amount of \$348,972,434; 2) Authorize the release of the FY 2023-24 Draft Overall Work Program (OWP) to initiate the 30-day public comment period; 3) Approve the FY 2023-24 General Fund Budget and Membership Assessment and transmit to the General Assembly; and the correction on Attachment 2 to list the correct title for the Senior Human Resources Analyst. Motion was SECONDED (Finlay) and passed by the following votes:

AYES: Finlay, Harnik, Kelly, Lock Dawson, Lorimore, Marquez, Masiel, McCallon, Shapiro, Solache and Yokoyama (11)

NOES: None (0)

ABSTAIN: None (0)

CONSENT CALENDAR

There were no public comments on the Consent Calendar.

Approval Items

2. Minutes of the Meeting – February 1, 2023
3. Resolution Delegating Authority to Chief Financial Officer (CFO) with Respect to Approving Certain 457(b) Deferred Compensation Plan & Trust (Plan) Amendments
4. Contract Amendment Greater Than 30% of the Contract’s Original Value and \$150,000 or Greater: Contract No. 21-012- C01, Amendment No. 2, Microsoft Enterprise Software License Agreement
5. Approval of Guidelines and Authorization to Release the Call for Fellowship Providers
6. SCAG Memberships and Sponsorships

Receive and File

7. Fiscal Year 2021-22 External Financial Audit
8. Purchase Orders, Contract and Amendments below Regional Council Approval Threshold
9. CFO Monthly Report

A MOTION was made (Finlay) to approve Consent Calendar, Items 2 through 6; and Receive and File Items 7 through 9. Motion was SECONDED (Shapiro) and passed by the following votes:

AYES: Finlay, Harnik, Kelly, Lock Dawson, Lorimore, Marquez, Masiel, McCallon, Shapiro, Solache and Yokoyama (11)

NOES: None (0)

ABSTAIN: None (0)

CFO REPORT

Cindy Giraldo, Chief Financial Officer, reported on the major milestones that were reached such as the presentation of the FY 2024 budget, completion of the Annual Comprehensive Financial Report for FY 2022 and pursuing new opportunities to bring funding into the SCAG region. She also reported that staff submitted three new grant applications this month which were the grant renewal application for year three of the Clean Cities Network Outreach, Education, and Performance Tracking Program to the Department of Energy and two grant applications to the California Office of Traffic Safety, totaling just over \$2.2 million for the Pedestrian and Bike Safety program.

PRESIDENT'S REPORT

President Harnik reported that the SCAG Sacramento Summit would be taking place on April 17-18, 2023 and would provide an opportunity to share regional policy priorities with State Legislature. She also reported that they would focus their legislative advocacy efforts on four priorities which included: 1) protecting transportation budget priorities that the Governor proposed cutting in his January budget; 2) communicating our region's Housing Progress; 3) recognizing the important role that regions play in helping the State achieve our shared climate goals; and 4) asking the Legislature to establish a statewide Task Force to evaluate comprehensive modernization of CEQA. She announced SCAG will be hosting a mobile workshop in Palm Desert on March 10 and the event would feature a tour of the Sunline Transit Agency and their Hydrogen Fuel Cell facility, as well as the Go Human-supported San Pablo Avenue and CV Link/PD-Link Bicycle and Pedestrian Project. She also reported that registration for the Regional Conference and General Assembly taking place on May 4-5 was open. Lastly, she noted the next meeting of the EAC was scheduled for Wednesday, April 5, 2023, at 3 p.m.

EXECUTIVE DIRECTOR'S REPORT

Executive Director Kome Ajise provided an update on the Greenprint Technical Advisory Committee (TAC) and reemphasized that the Regional Council approved the Regional Advanced Mitigation Planning Policy Framework. He noted that the TAC was created to advise staff on the development of SoCal Greenprint, a tool to help stakeholders make decisions about infrastructure, growth, and conservation, and would help ensure it will align with policy objectives identified in the approved framework. He indicated that the committee was expected to convene in the Spring and recruitment for representatives would begin next month. He indicated that SCAG staff had initiated a competitive procurement process for a consultant to facilitate the TAC and complete the SoCal Greenprint tool. He noted that the SoCal Greenprint tool would be presented to the Energy and Environment Committee and the Regional Council for final review and approval. He also reported



that the Regional Council was set to approve the REAP 2.0 PATH Program application. He noted that the PATH program was one of three major funding areas in REAP 2.0. He indicated that the first two, the Notice of Funding Availability and Housing Infill on Public and Private Lands programs, were expected to open in April, following state approval of SCAG's REAP 2.0 application. The third opportunity, the Regional Utilities Supporting Housing program was anticipated to open this Summer.

FUTURE AGENDA ITEMS

There were no future agenda items.

ANNOUNCEMENTS

President Harnik announced the New Member Orientation which was recently held and stated that SCAG staff did a great job. Kome Ajise thanked past presidents for being in attendance as mentors to the new members during the New Member Orientation.

ADJOURNMENT

There being no further business, President Harnik adjourned the Meeting of the Executive Administration Committee at 3:41 p.m.

[MINUTES ARE UNOFFICIAL UNTIL APPROVED BY THE EAC]
//

Executive / Administration Committee Attendance Report

MEMBERS	CITY	Representing	2022-23														Total M Attend To Dat	
			JUN	30-Jun	1-Jul	JULY	AUG	15-Aug	31-Aug	OCT	NOV	30-Nov	JAN	FEB	MAR	APR		MAY
Hon. Jan Harnik, Chair, President, Chair		RCTC	1	1	1	1	1	1	1	1	1	1	1	1	1	1	13	
Hon. Art Brown, 1st Vice Chair	Buena Park	District 21	1	0	0	1	1	1	1	1	1	1	1	0	1		10	
Hon. Curt Hagman		San Bernardino County										1	1	1	1	0		4
Hon. Clint Lorimore, Imm. Past President	Eastvale	District 4	1	0	1	1	1	0	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	1	1		13	
Hon. David J. Shapiro, Vice Chair, CEHD	Cerritos	District 44	1	1	1	1	1	1	1	1	1	1	1	1	1		13	
Hon. Deborah Roberston, Chair, EEC	Rialto	District 8	0	1	1	1	1	1	1	1	1	1	1	1	1		12	
Hon. Luis Plancarte, Vice Chair, EEC		Imperial County	1	1	1	1	1	1	1	1	1	1	1	1	0		12	
Hon. Ray Marquez, Chair, TC	Chino Hills	District 10	1	1	1	1	0	1	1	1	1	1	1	1	1		12	
Hon. Tim Sandoval, Vice Chair, TC	Pomona	District 38	0	1	0	0	0	0	0	0	0	0	1	0	0		2	
Hon. Jose Luis Solache, Chair, LCMC	Lynwood	District 26	1	1	0	0	0	1	0	1	0	1	0	1	1		7	
Hon. Patricia Lock Dawson, Vice Chair, LCMC	Riverside	District 68											1	1	1		3	
Hon. Margaret Finlay, President's Appt.	Duarte	District 35	1	1	1	1	1	1	1	0	1	0	1	1	1		11	
Hon. Kathleen Kelly, President's Appt.	Palm Desert	District 2	1	1	1	1	1	1	1	1	1	1	1	1	1		13	
Hon. Larry McCallon, President's Appt.	Highland	District 7	1	1	1	1	1	1	1	1	1	1	1	1	1		13	
Hon. Nithya Ramen, President's Appt.	Los Angeles	District 51	1	1	1	1	1	0	1	0	1	0	0	0	0		7	
Hon. Andrew Masiel, Sr.	Pechanga Dev. Corporation	Tribal Government Regional Planning Board	0	1	1	1	0	1	1	0	0	1	1	0	1		8	
Ms. Lucy Dunn, Ex-Officio Member	Lucy Dunn Strategic Issues Mar	Business Representative	1	1	1	1	1	1	1	1	0	0	1	1	1		11	
			13	14	13	14	12	13	14	12	13	13	16	14	14	0	0	1

Attachment: EAC Attendance Sheet 2022-23 (Minutes of the Meeting - March 1, 2023)



AGENDA ITEM 3
REPORT

Southern California Association of Governments

April 5, 2023

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

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Erika Bustamante, Deputy Director
(213) 236-1892, Bustamante@scag.ca.gov

Subject: Regional Council Stipend Payments Update

RECOMMENDED ACTION:

Approve and ratify the payment of five additional stipends for a total amount of \$600, which were paid to Regional Council members in fiscal year 2022 as reported in the Internal Audit Report on Stipends.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 7: Secure funding to support agency priorities to effectively and efficiently deliver work products.

EXECUTIVE SUMMARY:

SCAG Regional Council (RC) members and officers receive a stipend of \$120 to compensate them for their time and expenses incurred while attending SCAG-sponsored meetings or events or other SCAG business activities, in accordance with the stipend policy included in the Regional Council Policy Manual, Article VIII, entitled "Stipends and Expense Reimbursements" (see Attachment 1). The policy also includes provisions for travel expenses and other related costs.

SCAG's Internal Auditor, Mr. David James, completed an audit report on the stipend payments for fiscal year 2022 and presented the results to the Audit Committee on February 22, 2023. SCAG management reviewed the report and responded in writing to its recommendations (Attachment 2). The audit report found that SCAG is generally following its policies and procedures regarding stipend payments. However, the audit found five instances where stipends were paid over the monthly limit and greater than the additional stipends approved by the President or Regional Council. Approval by the Regional Council is required for payment of any stipends in excess of the limits identified in the policy. Staff recommends that the Regional Council approve and ratify the payment of five additional stipends that collectively total the amount of \$600, in accordance with the Regional Council Policy Manual, Article VIII, Section B(4).



Additionally, several recommendations were made to improve the stipend payment process. This report provides an overview of the measures that have been implemented to improve the stipend payment process for RC members, including a monthly schedule to ensure timely payments.

BACKGROUND:

The audit report on stipends by SCAG’s Internal Auditor, Mr. David James, found that SCAG is generally following its policies and procedures regarding stipend payments. However, the audit found five instances where stipends were paid over the limits identified in the policy. In accordance with the Regional Council Policy Manual, Article VIII, Section B(4), *“Representatives of Regional Council Members may receive up to six Stipends per month and the SCAG President may authorize two additional Stipends in a single month on a case-by-case basis. SCAG’s First Vice President, Second Vice President and Immediate Past President may receive up to nine Stipends per month. SCAG’s President may receive up to twelve Stipends per month. Approval by the Regional Council is required for payment of any Stipends in excess of the limits identified herein.”*

Staff recommends that the Regional Council approve the five additional stipends that collectively total the amount of \$600 as shown below.

Regional Council Member	Meeting Date	Meetings	Amount Paid
Peggy Huang	1/11/2022	LCMC briefing with Kevin Gilhooley and Chair Alan Wapner	\$ 120
Peggy Huang	1/24/2022	Greenprint Briefing with Kome Ajise and Sara Jepson	\$ 120
David Pollock	4/26/2022	RAMP-ATG Mtg.	\$ 120
Alan D. Wapner	10/4/2021	GLUE Council Mtg.	\$ 120
Art Brown	4/11/2022	GAHC Mtg.	\$ 120
			\$ 600

**To clarify, the Internal Audit Report on Stipends reported six stipends were paid over the monthly limit and greater than the additional stipends approved by the President or Regional Council. However, Mr. David James, SCAG Internal Auditor, has confirmed that the approval for the sixth stipend had been received and the correct number of stipends that require Regional Council approval is five.*

Improvements

The following measures have been implemented to improve SCAG’s stipend payment process for RC members:

1. Stipend tracking spreadsheet: Attendance at SCAG-sponsored meetings such as the EAC, RC, Policy Committees, and other Subcommittees will be tracked by the Office of Regional Council Support (ORCS) and entered in a spreadsheet that is submitted to the Accounting Department to process payments. The stipend tracking spreadsheet has been improved to

accurately track attendance, prevent duplicate entries, and ensure that total payments do not go over the monthly limit. **A stipend request must be completed by RC members in writing and submitted to ORCS for SCAG business activities other than the EAC, RC, Policy Committee, and other Subcommittee meetings.**

2. Stipend payment schedule: Stipends will be paid on a monthly schedule as shown in **Attachment 3**. This will allow adequate time for RC members to submit stipend requests, ensure timely payments, and RC members will know when to expect payments. **For example, stipend requests for the month of April are due to ORCS by May 8th, ORCS will submit the monthly stipend tracking spreadsheet to Accounting by May 15th, and Accounting will pay stipends by May 26th.**

Next Steps

There are no changes to the stipend policy, included in the Regional Council Policy Manual, being recommended at this time. However, the Stipends and Expense Reimbursements Policy will be discussed at this year's EAC Retreat which may result in proposed changes to the stipend provisions in the Regional Council Policy Manual.

FISCAL IMPACT:

The total cost of the five additional stipends that were paid to Regional Council members in fiscal year 2022 is \$600.

ATTACHMENT(S):

1. Stipends and Expense Reimbursements Policy
2. Internal Audit Stipends - Management Response 2-14-23
3. 2023 Stipend Payment Schedule

ARTICLE VIII

STIPENDS AND EXPENSE REIMBURSEMENTS

A. General Stipend Payment Policy

(1) The payment for a stipend of one hundred twenty dollars (hereinafter “Stipend”) will be calculated and authorized by the Office of Regional Council Support based on attendance records, attendance sheets or submitted expense reimbursement forms.

(2) Requests for Stipend payments must be received by the Office of Regional Council Support no later than 30 days after the close of the fiscal year for which the Stipend payments are requested.

B. Stipends for Representatives of Regional Council Members and SCAG Officers

(1) Representatives of Regional Council Members and SCAG Officers shall receive a Stipend for attendance at SCAG-sponsored meetings or events (such as, the General Assembly, Regional Council meetings, Economic Summit, Demographic Workshop, etc.) or other SCAG business activities. A Stipend will be authorized for each day of actual attendance at such SCAG-sponsored meetings or activities. Stipends for business travel on behalf of SCAG meetings or activities will be authorized for days on which actual business is conducted and not for days that are devoted solely to travel. With regard to multiple meetings on a single calendar day, a Stipend will be authorized for attendance at every meeting that is at a different address. A request for a Stipend payment must be made in writing and contain information on the date, time, location and purpose of any such meeting and be submitted to the Office of Regional Council Support. Such requests must be approved by the SCAG President or SCAG’s Executive Director or his/her designee. Attendance at SCAG-sponsored meetings or activities shall be demonstrated by a signature on an attendance form, attendance records of SCAG staff at such meetings, or a the submittal of an expense reimbursement form to the Office of Regional Council Support.

(2) Representatives of Regional Council Members and SCAG Officers shall receive only one Stipend for attendance at one or both of the monthly Regional Council meeting and the same day meeting of the individual’s assigned SCAG Policy Committee (or a joint meeting of all of the Policy

Committees). Attendance will be demonstrated by the individual's signature on the attendance forms for the Regional Council and the Policy Committee.

(3) Representatives of Regional Council Members and SCAG Officers shall receive a Stipend for meetings (including those over the telephone and those involving video- or teleconferencing) that are scheduled by SCAG's President or by SCAG's Executive Director or his/her designee.

(4) Representatives of Regional Council Members may receive up to six Stipends per month and the SCAG President may authorize two additional Stipends in a single month on a case-by-case basis. SCAG's First Vice President, Second Vice President and Immediate Past President may receive up to nine Stipends per month. SCAG's President may receive up to twelve Stipends per month. Approval by the Regional Council is required for payment of any Stipends in excess of the limits identified herein.

C. Stipends for Other Elected Officials and Individuals serving in an Ex Officio Capacity

(1) Other elected officials (i.e. those not serving as a representative of a Regional Council Member) serving on a SCAG Policy Committee or another SCAG Committee, Subcommittee or Task Force shall receive a Stipend for attendance at a Policy Committee, Committee, Subcommittee or Task Force meeting.

(2) Other elected officials serving on a SCAG Policy Committee or another SCAG Committee, Subcommittee or Task Force shall receive a Stipend for attendance at a meeting (including those over the telephone or those involving video- or teleconferencing) when the attendance of the elected official is requested by the SCAG President or SCAG's Executive Director or his/her designee.

(3) Attendance at all such meetings shall be demonstrated by a signature on an attendance form, attendance records of SCAG staff at such meetings, or the submittal of an expense reimbursement form to the Office of Regional Council Support. Other elected officials may receive up to four Stipends per month.

(4) Individuals serving in an ex officio capacity in any SCAG body including the Regional Council shall not be eligible for stipends or for the reimbursement of travel expenses (except for certain General Assembly expenses discussed elsewhere in this Policy Manual).

(5) Notwithstanding subsection C(4) of this Article VIII, the representative from the

private/business sector appointed by the President to serve on both the Regional Council and Executive/Administration Committee as an ex officio member is eligible to receive a Stipend (pursuant to the process provided in Article VIII.B) and reimbursement of travel expenses (as provided in Article VIII.F) for attending up to four (4) meetings per month consisting of the Regional Council, the Executive/Administration Committee, the General Assembly, the Economic Summit, and other SCAG events as the President or Executive Director may specifically request.

D. Special Conditions for Stipends for the General Assembly

- (1) A representative of a Regional Council Member or a SCAG Officer or an elected official serving on a SCAG Policy Committee shall receive a Stipend for attendance at the General Assembly regardless of whether or not the individual serves as an Official Representative or Alternate at the General Assembly.
- (2) Stipends are not provided to Official Representatives or Alternates at the General Assembly unless those individuals are either a representative of a Regional Council Member or a SCAG Officer or a member of a SCAG Policy Committee.
- (3) Stipends for attendance at the General Assembly are not provided to individuals who serve in an ex officio capacity at the General Assembly; however, registration fees, hotel charges, parking costs and meal costs may be billed directly to SCAG or reimbursed if within the limits of this Article VIII.

E. General Travel Policy

- (1) SCAG endeavors to maintain an accountable and cost-effective travel policy. Such a travel policy must satisfy the following requirements: (a) be only business related; (b) use the most cost-effective travel options; (c) comply with all applicable SCAG requirements; (d) substantiate expenses as required; (e) return unspent advanced amounts or unused tickets or travel vouchers; and (f) mandate timeliness, accuracy and honesty in the reporting of all travel expenses.
- (2) Whenever reasonably possible, travel to SCAG meetings should be avoided if teleconferencing or videoconferencing is available for a meeting.
- (3) Requests for travel reimbursement must be received by the Office of Regional Council Support no later than 30 days after the close of the fiscal year in which the travel costs were

incurred.

(4) The Executive Director or his/her designee shall review all requests for travel reimbursements.

F. Travel Policy for Representatives of Members of the Regional Council and SCAG Officers

(1) Representatives of Regional Council Members and SCAG Officers who attend meetings on behalf of SCAG are eligible to receive travel reimbursement for: (a) actual costs of airplane, bus, train, rental car, shuttle, taxi or car service (e.g. Lyft); (b) miles travelled using a personal automobile; and (c) actual parking expenses. Mileage will be reimbursed at the prevailing federal reimbursement rate. Distances will be calculated based on the travel distance from the representative's seat of government and the meeting location. An airplane, taxi, car service or rental car should be used only if it is the best alternative considering both cost and time. Taxi, shuttle and car service gratuities should not exceed 15%. Parking at SCAG's Los Angeles office will be validated.

(2) International travel always requires advance approval of the Regional Council.

(3) SCAG representatives of Regional Council Members and SCAG Officers should, whenever possible, use SCAG staff to arrange all air travel. Only economy air travel is allowed. Except for air travel, whenever possible representatives of Members of the Regional Council and SCAG Officers should make their own surface travel and lodging arrangements and obtain reimbursement from SCAG for all expenses incurred. If SCAG representatives make their own air travel arrangements and if the cost of airfare significantly exceeds costs regularly paid by SCAG for air travel, approval of SCAG's President will be required before reimbursement will be made.

(4) The cost of alcoholic beverages cannot be claimed for reimbursement. Meal allowances will not be paid if meal service is provided by SCAG (e.g. lunch at meetings of the Regional Council). The following allowances for meals and incidentals, or 150% (one-hundred fifty percent) of the reimbursement amounts approved by the State of California, whichever is higher and which include an allowance for gratuities, shall apply and be reimbursed without receipts. Higher amounts may be approved by the Regional Council in the case of international travel.

a. Breakfast costs of \$10.50 if away from home or if travel begins from home to a meeting that

starts at 10AM or earlier.

- b. Lunch costs of \$16.50.
- c. Dinner costs of \$34.50 if away from home or if the travel begins from home to a meeting that starts at or before 4PM and ends at or after 7PM.
- d. Incidental costs of \$5 for each day involving an overnight stay away from home.

(5) Lodging is reimbursable at the applicable government rate plus taxes if: (a) required for trips outside of the SCAG Region; (b) an individual is required to travel 75 miles or more one way for a SCAG-related activity that begins at 10 AM or earlier; or (c) an individual is required to attend a SCAG-related activity that begins at 1 PM or later and is required to attend a SCAG-related activity the following day that begins at 10 AM or earlier. If government lodging rates do not appear to be available, assistance should be requested from SCAG staff, if possible, to avoid paying above government rates. Lodging charges that are more than double standard government rates for the locale of the lodging will require approval of the SCAG President before reimbursement can be made.

(6) All travel costs must be fully documented, as required, with receipts identifying the date and time the expenses were incurred, the location and the purpose of the travel or expense. The SCAG President or SCAG's Executive Director or his/her designee must approve travel reimbursement requests without receipts in the case of lost or partial receipts.

G. Travel Policy for Other Elected Officials and/or Appointed Members of SCAG Committees and Task Forces

(1) Other elected officials (those not serving as Representatives of Regional Council Members) and appointed members of SCAG committees and task forces will generally not be asked to travel on behalf of SCAG except for meetings within the SCAG Region. The provisions of Section F above shall apply to any travel outside of the SCAG Region that is requested by SCAG.

(2) Other elected officials and appointed members of SCAG committees may be reimbursed for travel expenses to meetings held within the SCAG Region if they are not reimbursed or provided a stipend from a public agency other than SCAG. Reimbursement will be limited to: (a) parking validation or actual parking costs; and (b) costs of round-trip public transportation or round-trip

mileage at the prevailing federal mileage reimbursement rate. All such travel reimbursement requests will require complete documentation of all expenditures and will be approved by the SCAG President or SCAG's Executive Director or his/her designee. Travel reimbursement requests that do not have appropriate documentation must be approved by the SCAG President or SCAG's Executive Director or his/her designee.

Management Response to Internal Audit Report on Stipends

Item	Item Description	IA Recommendation	Management Response	Status
<p>Observation 1: Stipends Over Monthly Limit</p>	<p>There were six meetings where staff paid Regional Council members over their monthly limit of six stipends per month. These total payments were greater than the additional stipends approved by the President or Regional Council. The overpayments amount totaled \$720.</p> <ul style="list-style-type: none"> One member had ten stipend requests in a month, and the President approved two meetings, so there were two stipends over for the month. One member had twelve stipend requests in a month, and the President approved one, and the Regional Council approved three, so the member was two meetings over the monthly limit. One member had eight stipend requests in a month, and the President approved one meeting, leaving one stipend over the monthly limit. One member had seven stipend requests in a month, so one meeting was over the monthly limit. <p>Staff use emails to save records of meeting attendance and approvals for meetings attendance greater than monthly limits. Because of the volume of emails for approvals, staff could misfile an approval.</p>	<ol style="list-style-type: none"> Staff should request that the Regional Council approve attendance for the additional stipends for the six meetings that were over the monthly limit and totaling \$720. Management should consider paying total stipends once per month, rather than biweekly, to help ensure that total payments do not go over the monthly limit. Staff should plan a regular schedule for stipend payments to members, so that members will know when to expect stipend payments. For example, Accounting could make a stipend payment to members two weeks after the end of each month. Executive management should remind members who receive stipends about the limits of stipends per month and the process for approval of additional meetings. Executive management and the Regional Council could consider raising the number of stipends permitted per month, if needed. SCAG IT staff should set up a system to track total monthly payments to members to ensure that SCAG does not pay members for meetings greater than the approved amount. Accounting staff should make a Service Now request to alter the stipend request spreadsheet to check for excess monthly stipend requests. Staff should add a field for maximum number of allowable monthly stipends for each member to the spreadsheet of stipend payment requests. When the count of stipends for a month is over the limit for a member, the spreadsheet should flag those payments for staff's attention and appropriate action, which could include a request for approval for additional stipends. SCAG needs a system for tracking approvals for meeting attendance rather than by using emails. 	<ol style="list-style-type: none"> Approval by the Regional Council is required for payment of any stipends in excess of the limits identified in the Stipend Policy. Staff will request approval for the six additional stipends in April. and 3. Management will implement a monthly payment schedule for stipends so that RC members know when to expect payments. The monthly schedule for stipend payments will be shared with the Executive Team and RC members once approved. 4 and 5. Changes to the Stipend Policy have been periodically reviewed as part of the staff review/proposed changes and, at this time, management does not recommend changes to stipend provisions in the RC Policy Manual. 6. and 7. The stipends tracking spreadsheet has been improved to accurately track attendance and ensure that total payments don't exceed the monthly limit. 8. ORCS tracks attendance at EAC/RC meetings, Policy Committees, and other committees; therefore, RC members are not required to submit a stipend request. For other SCAG meetings or activities, a stipend request must be completed by the RC member in writing to ORCS. As stated above, a monthly schedule for stipend payments will be shared with the Executive Team and RC members once approved. 	<p>In progress</p>
<p>Observation 2: Duplicate or Incorrect Payments Risk for Stipends</p>	<p>In fiscal year 2022, there were two meetings for which staff made duplicate payment requests:</p> <ul style="list-style-type: none"> The October 7, 2021 Regional Council meeting had two duplicate payment requests. In using the lookup function in Excel, staff unintentionally entered two members' names twice in a stipend payment request. The two members were not paid twice from the same request file because Accounting staff only entered their request once in the GP financial system. The March 28, 2022 General Assembly Host Committee meeting had nine duplicate payment requests. Staff unintentionally submitted the requests for payments twice in different payment periods. However, when Accounting staff reviewed the stipend payment request for entry in the GP financial system, Accounting staff recognized that the requested stipends had already been processed, so staff did not reenter the payable for processing. The stipend request spreadsheet has a function that adds a member's information to a record request for payment when staff enter the member's last name. In two cases where two members have the same last name, staff incorrectly enter the wrong member when the spreadsheet function incorrectly completed his name in the stipend request spreadsheet. Several members have the same last names, so this function is prone to error. Fortunately, when Accounting staff entered the member's stipend request in GP, Accounting staff corrected the error and paid the correct member. Accounting staff enter stipend payments in GP one record at a time. 	<ol style="list-style-type: none"> Staff should set up a system to ensure that staff cannot submit a stipend payment request to the Accounts Payable system for the same member attending the same meeting on the same date more than once. Staff should make a Service Now request for IT staff to improve the stipend request spreadsheet so that it looks up member information based on the member's entire name. The goal should be to eliminate the possibility of staff unintentionally entering the incorrect member in a record. Before submitting the stipend requests, the spreadsheet should consolidate records to check prior records for duplicate records. Staff should make a Service Now request to investigate uploading payment requests from the existing stipend request spreadsheet for batch entry in the GP financial system. 	<ol style="list-style-type: none"> The stipends tracking spreadsheet has been improved to prevent duplicate entries for the same RC members on the same date. The spreadsheet was modified to enter stipend requests for RC members by full name instead of last name to limit errors in cases where two members have the same last name. ORCS staff will carefully review the spreadsheet entries and Accounting staff will only enter stipend requests once in the GP financial system. Staff will submit a Service Now request to investigate automated solutions for stipend payments. 	<p>In progress</p>

Management Response to Internal Audit Report on Stipends

Item	Item Description	IA Recommendation	Management Response	Status
<p>Observation 3: Types of Meetings Eligible for Stipends</p>	<p>SCAG members received stipends for attendance at a variety of meetings. Most stipends were for attendance at Regional Council meetings, Policy Committee meetings, meetings with external elected officials, and meetings with SCAG executive management and staff. In several cases, stipends were paid for meetings by members with external agencies. See Appendix A on page 9 for a list of types of meetings for stipends paid in fiscal year 2022.</p>	<p>1. SCAG management should consider the meetings eligible for stipends. Staff should revise the SCAG Regional Council Policy Manual to list the meetings that are eligible for member stipends.</p> <p>For example, policy could limit the payment of stipends to the following meetings:</p> <ul style="list-style-type: none"> • Regional Council • Policy Committees • General Assembly • SCAG-sponsored conferences • Meeting with external elected officials or their staff (Governor, members of Congress, Senators, State Assembly) • Government agency tours • Meeting with SCAG staff <p>The policy revision could also consider additional requirements for stipend payment, such as the Regional Council member must also be a member of the policy committee he attended, or only SCAG-sponsored meetings are eligible for stipends.</p>	<p>1. Changes to the Stipend Policy have been periodically reviewed as part of the staff review/proposed changes and, at this time, management does not recommend changes to stipend provisions in the RC Policy Manual.</p>	<p>Complete</p>
<p>Observation 4: Regional Council Policy Manual Needs Updating</p>	<p>Regional Council Stipend Policy has several outdated parts.</p>	<p>1. SCAG should only have one policy regarding stipends on SCAGhub as stated in the Regional Council Policy Manual. The Regional Council Stipend Policy, an additional document on SCAGhub, is outdated and staff should delete it from SCAGhub.</p> <p>2. SCAG staff should update the SCAG stipend policy in the Regional Council Policy Manual. Staff should include a list of eligible meetings for stipend payment.</p>	<p>1. The outdated Regional Council Stipend Policy has been removed from SCAGhub. The current stipend policy is included in the Regional Council Policy Manual, Article VIII, Stipends and Expense Reimbursements.</p> <p>2. Changes to the Stipend Policy have been periodically reviewed as part of the staff review/proposed changes and, at this time, management does not recommend changes to stipend provisions in the RC Policy Manual.</p>	<p>Complete</p>

2023 MONTHLY STIPENDS SCHEDULE

REGIONAL COUNCIL MEMBERS

Month	Monthly Stipend Requests are Due from RC Members to ORCS	Monthly Stipend Spreadsheet is Due from ORCS to Accounting	RC Members will Receive Stipend Payments by this Date
April	5/8/2023	5/15/2023	5/26/2023
May	6/9/2023	6/16/2023	6/30/2023
June	7/7/2023	7/17/2023	7/28/2023
July	8/7/2023	8/14/2023	8/25/2023
August	9/8/2023	9/18/2023	9/29/2023
September	10/9/2023	10/16/2023	10/27/2023
October	11/10/2023	11/20/2023	12/1/2023
November	12/8/2023	12/15/2023	12/29/2023
December	1/8/2024	1/15/2024	1/26/2024

Attachment: 2023 Stipend Payment Schedule (Regional Council Stipend Payments Update)



AGENDA ITEM 4
REPORT

Southern California Association of Governments
April 5, 2023

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

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: Contract Amendment Greater Than 30% of the Contract's Original Value:
Contract No. 21-053-C01, Gartner for Human Resources (HR) Leaders

RECOMMENDED ACTION:

Approve Amendment No. 1 to Contract No. 21-053-C01, Gartner for HR Leaders, in an amount not to exceed \$106,470, increasing the contract value from \$166,668 to \$273,138 to provide additional HR consulting services. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 5: Recruit, support, and develop a world-class workforce and be the workplace of choice.

EXECUTIVE SUMMARY:

On March 31, 2021, SCAG awarded Contract 21-053-C01 to Gartner, Inc. to provide SCAG with professional HR advisory services to assist SCAG in assessing and evaluating current and future organizational needs related to agency priorities such as learning and development, diversity, equity, and inclusion, classification and compensation, total rewards, talent management, and the future of work at SCAG. In order to continue to successfully develop, implement, and maintain these efforts, SCAG HR requires access to key HR insights and trusted research, strategic advice on critical priorities, and benchmark data to confidently drive recommendations and decision-making. HR Leaders support from Gartner will provide additional capacity to identify next steps on a variety of initiatives, best practice knowledge, and expertise and depth to guide our processes and support our evolving workforce needs.

This amendment exceeds the 30% of the contract's original value. Therefore, in accordance with the SCAG Procurement Manual (January 2021) Section 9.3, it requires the Regional Council's approval.

BACKGROUND:

Staff recommends executing the following amendment greater than 30% of its original value:



<u>Consultant/Contract #</u>	<u>Contract Purpose</u>	<u>Amendment Amount</u>
Gartner, Inc. (21-053-C01)	The consultant will provide an additional year of professional HR consultation services.	\$106,470

FISCAL IMPACT:

Funding of \$106,470 is available in the Fiscal Year (FY) 2022-23 Indirect Cost Program Budget in Project Number 810-0120.04, and the remaining balance will be requested in future fiscal year budgets, subject to budget availability.

ATTACHMENT(S):

1. Contract Summary 21-053-C01 Amendment No. 1
2. Contract Summary 21-053-C01 Amendment No. 1 COI

CONSULTANT CONTRACT NO. 21-053-C01 AMENDMENT NO. 1

Consultant: Gartner, Inc.

Background & Scope of Work: On March 31, 2021, SCAG awarded Contract 21-053-C01 to Gartner, Inc. to provide SCAG with professional Human Resources (HR) advisory services to assist SCAG in assessing and evaluating current and future organizational needs related to agency priorities such as learning and development, diversity, equity, and inclusion, classification and compensation, total rewards, talent management, and the future of work at SCAG. In order to continue to successfully develop, implement, and maintain these efforts, SCAG HR requires access to key HR insights and trusted research, strategic advice on critical priorities, and benchmark data to confidently drive recommendations and decision-making. HR Leaders support from Gartner has provided staff additional capacity to identify next steps on a variety of initiatives, best practice knowledge, and expertise and depth to guide SCAG's processes and support SCAG's evolving workforce needs.

The original agreement is a two-year agreement. SCAG now seeks to extend the contract for an additional year to ensure the successful implementation of the initiatives described above.

This amendment also increases the contract value from \$166,668 to \$273,138 (\$106,470) and extends the contract end date from 4/7/23 to 3/31/2024.

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

- Gartner Enterprise for HR Leaders Research and Advisory Services

Strategic Plan: This item supports SCAG's Strategic Plan Goal #5: Recruit, support, and develop a world-class workforce and be the workplace of choice.

Amendment	Amendment 1	\$106,470
Amount:	Original contract value	<u>\$166,668</u>
	Total contract value is not to exceed	\$273,138

This amendment exceeds 30% of the contract's original value. Therefore, in accordance with the SCAG Procurement Manual (January 2021) Section 9.3, it requires the Regional Council's approval.

Contract Period: April 1, 2021 through March 31, 2024

Project Number: 810-0120.04 \$106,470

Funding source(s): Indirect Cost Program Budget

Funding of \$106,470 is available in the Fiscal Year (FY) 2022-23 Indirect Cost Program Budget in Project Number 810-0120.04, and the remaining balance will be requested in future fiscal year budgets, subject to budget availability.

Basis for the Amendment: In accordance with SCAG's Procurement Manual (January 2021) Section 9.3, to foster greater economy and efficiency, SCAG's federal procurement guidance (2

CFR 200.318 [e]) authorizes SCAG to procure goods and services by using an Intergovernmental Agreement (Master Service Agreement – MSA, also known as a Leveraged Purchase Agreement – LPA). The goods and services procured under an MSA were previously competitively procured by another governmental entity (SCAG is essentially “piggy-backing” on the agreement.) SCAG utilized an MSA with the County of Ventura and Gartner, Inc. (Contract #7914) that was competitively procured.

SCAG has vetted County of Ventura Contract 7914 (MSA) with Gartner, Inc. for Gartner Enterprise for HR Leaders. Gartner has provided us with the pre-negotiated pricing outlined in the original County of Ventura Contract #7914. This is a two-year service agreement.

**Conflict Of Interest (COI) Form - Attachment
For April 7, 2023 Regional Council Approval**

Approve Amendment No. 1 to Contract No. 21-053-C01, Gartner for HR Leaders, in an amount not to exceed \$106,470, increasing the contract value from \$166,668 to \$273,138 to provide additional HR consulting services. Authorize the Executive Director, or his designee, pursuant to legal counsel review, to execute the contract on behalf of SCAG.

The consultant team for this contract includes:

Consultant Name	Did the consultant disclose a conflict in the Conflict of Interest Form they submitted with its original proposal (Yes or No)?
Gartner, Inc.	No - form attached

Attachment: Contract Summary 21-053-C01 Amendment No. 1 (Contract Amendment Greater Than 30% of the Contract's Original Value:

SCAG CONFLICT OF INTEREST FORM

RFP No./Contract No. 21-053-C01

SECTION I: INSTRUCTIONS

All persons or firms seeking contracts must complete and submit a SCAG Conflict of Interest Form along with the proposal. This requirement also applies to any proposed subconsultant(s). Failure to comply with this requirement may cause your proposal to be declared non-responsive.

In order to answer the questions contained in this form, please review SCAG’s Conflict of Interest Policy, the list of SCAG employees, and the list of SCAG’s Regional Council members. All three documents can be viewed online at <https://scag.ca.gov>. The SCAG Conflict of Interest Policy is located under “GET INVOLVED”, then “Contract & Vendor Opportunities” and scroll down under the “Vendor Contracts Documents” tab; whereas the SCAG staff may be found under “ABOUT US” then “OUR TEAM” then “Employee Directory”; and Regional Council members can be found under “MEETINGS”, then scroll down to “LEADERSHIP” then select “REGIONAL COUNCIL” on the left side of the page and click on “Regional Council Officers and Member List.”

Any questions regarding the information required to be disclosed in this form should be directed to SCAG’s Legal Division, especially if you answer “yes” to any question in this form, as doing so MAY also disqualify your firm from submitting an offer on this proposal

Name of Firm: Gartner, Inc.
Name of Preparer: Melissa McKay
Project Title: Gartner HR Renewal Paperwork
Date Submitted: March 21, 2023

SECTION II: QUESTIONS

1. During the last twelve (12) months, has your firm provided a source of income to employees of SCAG or members of the SCAG Regional Council, or have any employees or Regional Council members held any investment (including real property) in your firm?

YES NO

If “yes,” please list the names of those SCAG employees and/or SCAG Regional Council members and the nature of the financial interest:

Name	Nature of Financial Interest
_____	_____
_____	_____
_____	_____

2. Have you or any members of your firm been an employee of SCAG or served as a member of the SCAG Regional Council within the last twelve (12) months?

YES NO

If "yes," please list name, position, and dates of service:

Name	Position	Dates of Service
_____	_____	_____
_____	_____	_____
_____	_____	_____
_____	_____	_____

3. Are you or any managers, partners, or officers of your firm related by blood or marriage/domestic partnership to an employee of SCAG or member of the SCAG Regional Council that is considering your proposal?

YES NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

4. Does an employee of SCAG or a member of the SCAG Regional Council hold a position at your firm as a director, officer, partner, trustee, employee, or any position of management?

YES NO

If "yes," please list name and the nature of the relationship:

Name	Relationship
_____	_____
_____	_____
_____	_____
_____	_____

5. Have you or any managers, partners, or officers of your firm ever given (directly or indirectly), or offered to give on behalf of another or through another person, campaign contributions or gifts to any current employee of SCAG or member of the SCAG Regional Council (including contributions to a political committee created by or on behalf of a member/candidate)?

YES NO

If “yes,” please list name, date gift or contribution was given/offered, and dollar value:

Name	Date	Dollar Value
_____	_____	_____
_____	_____	_____
_____	_____	_____

SECTION III: VALIDATION STATEMENT

This Validation Statement must be completed and signed by at least one General Partner, Owner, Principal, or Officer authorized to legally commit the proposer.

DECLARATION

I, (printed full name) Melissa McKay, hereby declare that I am the (position or title) Manager of (firm name) Gartner, Inc., and that I am duly authorized to execute this Validation Statement on behalf of this entity. I hereby state that this SCAG Conflict of Interest Form dated March 21, 2023 is correct and current as submitted. I acknowledge that any false, deceptive, or fraudulent statements on this Validation Statement will result in rejection of my contract proposal.

DocuSigned by:

 38838E34258B4E6...
 _____ March 21, 2023 _____
 Signature of Person Certifying for Proposer Date
 (original signature required)

NOTICE

A material false statement, omission, or fraudulent inducement made in connection with this SCAG Conflict of Interest Form is sufficient cause for rejection of the contract proposal or revocation of a prior contract award.



AGENDA ITEM 5
REPORT

Southern California Association of Governments
April 5, 2023

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

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: Resolution No. 23-654-2 Approving Amendment 3 to the FY 2022-23 Comprehensive Budget, including a Third Amendment to the Overall Work Program (OWP) Budget, Second Amendments to the Indirect Cost Budget and FTA Discretionary and Formula Grant Budget, and an Amendment to the TDA Budget

RECOMMENDED ACTION FOR EAC:

That the Executive/Administration Committee (EAC) recommend that the Regional Council adopt Resolution No. 23-654-2 approving a third amendment to the Fiscal Year 2022-23 Comprehensive Budget including:

1. a third amendment (Budget Amendment 3) to the Fiscal Year 2022-23 Overall Work Program (FY23 OWP) Budget in the amount of \$11,417,775, increasing the FY23 OWP Budget from \$128,775,954 to \$140,193,729;
2. a second amendment to the Indirect Cost Budget, in the amount of \$972,432, increasing the Indirect Cost Budget from \$29,650,927 to \$30,623,359;
3. an amendment to the TDA Budget in the amount of \$84,648, increasing the TDA Budget from \$3,840,589 to \$3,925,237.

RECOMMENDED ACTION FOR RC:

That the Regional Council (RC) adopt Resolution No. 23-654-2 approving a third amendment to the Fiscal Year 2022-23 Comprehensive Budget including:

1. a third amendment (Budget Amendment 3) to the Fiscal Year 2022-23 Overall Work Program (FY23 OWP) Budget in the amount of \$11,417,775, increasing the FY23 OWP Budget from \$128,775,954 to \$140,193,729;
2. a second amendment to the Indirect Cost Budget, in the amount of \$972,432, increasing the Indirect Cost Budget from \$29,650,927 to \$30,623,359;
3. an amendment to the TDA Budget in the amount of \$84,648, increasing the TDA Budget from \$3,840,589 to \$3,925,237.

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 7: Secure funding to support agency priorities to effectively and efficiently deliver work products.

EXECUTIVE SUMMARY:

Staff recommends that the EAC and RC adopt Resolution No. 23-654-2 approving a third amendment to the Fiscal Year 2022-23 Comprehensive Budget including:

- *a third amendment (Budget Amendment 3) to the Fiscal Year 2022-23 Overall Work Program (FY23 OWP) Budget in the amount of \$11,417,775, increasing the FY23 OWP Budget from \$128,775,954 to \$140,193,729;*
- *a second amendment to the Indirect Cost Budget, in the amount of \$972,432, increasing the Indirect Cost Budget from \$29,650,927 to \$30,623,359;*
- *an amendment to the TDA Budget in the amount of \$84,648, increasing the TDA Budget from \$3,840,589 to \$3,925,237.*

BACKGROUND:

On May 4 and 5, 2022, the EAC and RC, respectively, approved the FY23 Final Comprehensive Budget, which included the FY23 OWP budget in the amount of \$116.96 million. The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) subsequently approved SCAG's FY23 OWP on June 17, 2022.

Thereafter, SCAG submitted administrative Amendment 1 to the FY23 OWP, which included programming grant funds carry-over for state other, additional TDA funds and in-kind commitments to support ongoing regional transportation projects, and reallocation of CPG funds that resulted in budget-neutral changes for various regional transportation planning projects. Further, staff received approval for the reclassification of seven vacant positions to align the classification with agency needs. The budget impact associated with these position reclassifications was incorporated into the budget as part of Budget Amendment 2. Amendment 1 increased the FY23 OWP budget from \$116.96 million to \$117.79 million.

On November 3, 2022, the EAC and RC approved Amendment 2 to the FY 23 OWP increasing the budget from \$117.79 million to \$128.78 million for programming unexpended CPG as well as various federal and state special grant funds; adding a new OWP project for the Regional Housing Program; adjusting staff time allocations in various OWP projects and adding consultant resources to support ongoing regional transportation activities; and adjusting staff budget for the approved reclassifications and changes made in accordance with SCAG Personnel Rules, as well as for changes resulting from position evaluations and the Classification and Compensation Study. The Budget Amendment also included adding \$748,966 to the Indirect Cost Budget, increasing the total budget from \$28.90 million to \$29.65 million, and \$12,868,787 for the FTA Grant Budget, increasing the total budget from \$1.84 million to \$14.71 million.

DISCUSSION:

Budget Amendment

Staff recommends that the EAC and RC approve a third Budget Amendment to the FY23 Comprehensive Budget in the amount of \$10.24 million increasing the Comprehensive Budget from \$149.96 million to \$160.20 million, which includes an increase to the FY23 OWP in the amount of \$11.42 million, increasing the OWP budget from \$128.78 million to \$140.19 million. Table 1 shows the changes to the FY23 Comprehensive Budget Funding Sources and Table 2 shows the changes to the FY23 OWP Funding Sources:

Table 1. FY 2022-23 Comprehensive Budget Funding Sources

FUNDING SOURCES	Amend#2	Change	Amend#3
FHWA PL - Metropolitan Planning	\$ 32,255,465	\$ (209,475)	\$ 32,045,990
FTA 5303 - Metropolitan Planning	\$ 15,930,409	\$ 2,570,530	\$ 18,500,939
FHWA SPR - Strategic Partnership Grants	\$ 167,303	\$ -	\$ 167,303
Federal Other	\$ 5,377,681	\$ 110,000	\$ 5,487,681
State Other	\$ 11,697,855	\$ -	\$ 11,697,855
SB 1 - Sustainable Communities Formula Grants	\$ 9,420,498	\$ -	\$ 9,420,498
Regional Early Action Planning Grants of 2019 (REAP 2019)	\$ 28,543,540	\$ -	\$ 28,543,540
Regional Early Action Planning Grants of 2021 (REAP 2.0)	\$ -	\$ 8,612,135	\$ 8,612,135
MSRC Last Mile Freight Program (LMFP) Grant	\$ 16,751,000	\$ -	\$ 16,751,000
TDA	\$ 3,840,589	\$ 84,648	\$ 3,925,237
In-Kind Commitments	\$ 5,723,212	\$ 301,245	\$ 6,024,457
Cash/Local Other	\$ 14,057,920	\$ 50,000	\$ 14,107,920
General Fund	\$ 3,390,152	\$ -	\$ 3,390,152
Indirect Cost Carryforward	\$ 2,229,200	\$ -	\$ 2,229,200
Indirect Cost Under-/Over-Recovery	\$ 570,179	\$ (1,276,685)	\$ (706,506)
TOTAL	\$ 149,955,003	\$ 10,242,398	\$ 160,197,401

Table 2. FY 2022-23 OWP Funding Sources

OWP FUNDING SOURCES	Amend#2	Change	Amend#3
FHWA PL - Metropolitan Planning	\$ 32,255,465	\$ (209,475)	\$ 32,045,990
FTA 5303 - Metropolitan Planning	\$ 15,930,409	\$ 2,570,530	\$ 18,500,939
FHWA SPR - Strategic Partnership Grants	\$ 167,303	\$ -	\$ 167,303
Federal Other	\$ 3,318,410	\$ 110,000	\$ 3,428,410
State Other	\$ 11,697,855	\$ -	\$ 11,697,855
SB 1 - Sustainable Communities Formula Grants	\$ 9,420,498	\$ -	\$ 9,420,498
Regional Early Action Planning Grants of 2019 (REAP 2019)	\$ 28,543,540	\$ -	\$ 28,543,540
Regional Early Action Planning Grants of 2021 (REAP 2.0)	\$ -	\$ 8,612,135	\$ 8,612,135
MSRC Last Mile Freight Program (LMFP) Grant	\$ 16,751,000	\$ -	\$ 16,751,000
TDA	\$ 3,439,687	\$ (16,660)	\$ 3,423,027
In-Kind Commitments	\$ 5,723,212	\$ 301,245	\$ 6,024,457
Cash/Local Other	\$ 1,528,575	\$ 50,000	\$ 1,578,575
TOTAL	\$ 128,775,954	\$ 11,417,775	\$ 140,193,729

i. Amendment 3 to the FY23 Overall Work Program (OWP)

- 1) \$209,475 decrease for FHWA PL and \$2,570,530 increase for FTA 5303 (CPG funds) based on the final FY 2022-2023 CPG formula allocations issued by Caltrans;
- 2) \$110,000 increase for Year 3 allocation of the U.S. Department of Energy (DOE) grant funds;
- 3) \$8,612,135 increase for REAP 2.0, which includes expenditures for consultants, technical assistance, suballocations and staff resources that were authorized by the EAC on November 30, 2022;
- 4) \$16,660 decrease for TDA and \$301,245 increase for in-kind commitments due to various staffing and consultant budget adjustments; and
- 5) \$50,000 increase for cash/local other to reflect the additional funding that SCAG received from the CETF to support the Broadband Program activities.

Table 3 shows the changes to the FY23 OWP expenditures in the amount of \$11,417,775:

OWP EXPENDITURES	Amend#2	Change	Amend#3
Salaries & Benefits	\$ 44,839,100	\$ 3,915,744	\$ 48,754,844
Consultants*	\$ 67,918,797	\$ 3,928,509	\$ 71,847,306
Non-Profits/IHL	132,787	\$ 33,486	166,273
In-Kind Commitments	\$ 5,723,212	\$ 301,245	\$ 6,024,457
Cash/Local Other	\$ 643,179	\$ -	\$ 643,179
Other Costs	\$ 9,518,879	\$ 3,238,791	\$ 12,757,670
TOTAL	\$ 128,775,954	\$ 11,417,775	\$ 140,193,729

* Consultants included: consultant, consultant Toll Credit, and consultant IC REAP

- 1) \$3,915,744 increase in Salaries & Benefits, due to adding the authorized REAP 2.0 staff resources;
- 2) \$3,928,509 increase in the Consultant budget, primarily due to the activities associated with the REAP 2.0 as well as adjustments made to the REAP 2019 projects;
- 3) \$33,486 increase for Non-Profits/IHL budget, due to shifting the budget from Consultant budget to account for expenditure in a correct category; and
- 4) \$3,238,791 increase to Other Costs is primarily due to the set-aside of CPG and other grant funds to support various regional transportation planning projects in the FY 2023-24 OWP.

Attachment 2 includes a detailed list of budget changes, excluding administrative, non-budget changes such as task manager update. The full report, which will be submitted to Caltrans, detailing the updated FY23 OWP incorporating Amendment 3 changes, is available online at <https://scag.ca.gov/sites/main/files/file-attachments/fy22-23-owp-amend3.pdf>.

ii. Indirect Cost Budget

This Budget Amendment results in an increase of \$972,432 to the Indirect Cost Budget, increasing the budget from \$29.65 million to \$30.62 million. The proposed changes include additional consultant resources to support various indirect cost activities as well as salaries and benefits budget increases associated with programming the approved REAP 2.0 positions. The amended Indirect Cost Budget includes \$30.62 million for staff salaries, fringe benefits, and other non-labor costs that are not attributable to an individual direct program. Due to the additional staff time allocations added to the various budget programs for the REAP 2.0 staff and holding the indirect cost rate constant, the allocated indirect cost increased by \$2,249,117 through this Budget Amendment, which is more than the increase to the Indirect Cost Budget, for a net budget impact of (\$1.28) million. Hence, the increase in the Indirect Cost Budget will be fully offset by the increase in the allocated indirect cost resulting a projected over-recovery of indirect costs of \$706,506.

iii. TDA Budget and FTA Grant Budget

This Budget Amendment results in a net increase of \$84,648 for the TDA Budget, increasing the total budget from \$3,840,589 to \$3,925,237. The changes include a decrease of \$16,660 to the FY23 OWP Budget and a decrease of \$65,816 to the FTA Grant Budget due to adjustments for staff time allocations as well as consultant resources, and an increase of \$167,124 due to shifting eligible costs for outreach event activities such as General Assembly from the General Fund Budget to the TDA Budget.

FISCAL IMPACT:

Budget Amendment 3 increases the Comprehensive Budget in the amount of \$10.24 million increasing the Comprehensive Budget from \$149.96 million to \$160.20 million, which includes an increase to the FY23 OWP in the amount of \$11.42 million, increasing the OWP budget from \$128.78 million to \$140.19 million. After approval by the EAC and RC, Amendment 3 to the FY23 OWP will be submitted to Caltrans for final approval.

ATTACHMENT(S):

1. Resolution No. 23-654-2 Approving Amendment 3 to the FY 2022-23 Comprehensive Budget Including Overall Work Program (OWP)
2. List of Budget Changes - FY23 OWP Amendment 3



RESOLUTION NO. 23-654-2

A RESOLUTION OF THE SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG) APPROVING AMENDMENT 3 TO THE FISCAL YEAR 2022-23 COMPREHENSIVE BUDGET, INCLUDING THE OVERALL WORK PROGRAM

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS 900 Wilshire Blvd., Ste. 1700 Los Angeles, CA 90017 T: (213) 236-1800 www.scag.ca.gov

REGIONAL COUNCIL OFFICERS

President Jan C. Harnik, Riverside County Transportation Commission

First Vice President Art Brown, Buena Park

Second Vice President Curt Hagman, County of San Bernardino

Immediate Past President Clint Lorimore, Eastvale

COMMITTEE CHAIRS

Executive/Administration Jan C. Harnik, Riverside County Transportation Commission

Community, Economic & Human Development Frank Yokoyama, Cerritos

Energy & Environment Deborah Robertson, Rialto

Transportation Ray Marquez, Chino Hills

WHEREAS, the Southern California Association of Governments (SCAG) is the Metropolitan Planning Organization, for the six-county region consisting of Los Angeles, Orange, San Bernardino, Riverside, Ventura, and Imperial counties pursuant to 23 U.S.C. § 134 et seq. and 49 U.S.C. § 5303 et seq.; and

WHEREAS, SCAG has developed the Fiscal Year (FY) 2022-23 Comprehensive Budget that includes the following budget components: the Overall Work Program (OWP); the FTA Discretionary and Formula Grant Budget; the TDA Capital and Debt Service Budget; the General Fund Budget; the Indirect Cost Budget; and the Fringe Benefits Budget; and

WHEREAS, the OWP is the basis for SCAG’s annual regional planning activities and budget; and

WHEREAS, in conjunction with the OWP Agreement and Master Fund Transfer Agreement, the OWP constitutes the annual funding contract between the State of California Department of Transportation (Caltrans) and SCAG for the Consolidated Planning Grant (CPG), and the Sustainable Transportation Planning Grants; and

WHEREAS, SCAG is also eligible to receive other Federal and/or State grant funds and/or local funds for certain regional transportation planning related activities. For such funding upon award, the funds are implemented through the OWP and, SCAG and the applicable Federal or State agency shall execute the applicable grant agreement(s); and

WHEREAS, SCAG’s Regional Council approved the FY 2022-23 Comprehensive Budget including the OWP in May 2022, which was subsequently approved by the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) in June 2022. The Regional Council approved Amendment 1 to the FY 2022-23 Comprehensive Budget including the OWP in September 2022 and Amendment 2 was approved in November 2022; and

Attachment: Resolution No. 23-654-2 Approving Amendment 3 to the FY 2022-23 Comprehensive Budget Including Overall Work Program (OWP)

WHEREAS, Amendment 3 to the FY 2022-23 Comprehensive Budget, including the OWP, will result in: an OWP budget increase of \$11,417,775, from \$128,775,954 to \$140,193,729; an Indirect Cost budget increase of \$972,432, from \$29,650,927 to \$30,623,359; an FTA Discretionary and Formula Grant budget decrease of \$65,816, from \$14,709,582 to \$14,643,766; a TDA budget increase of \$84,648, from \$3,840,589 to \$3,925,237; and

WHEREAS, Amendment 3 to the FY 2022-23 Comprehensive Budget including the OWP, along with its corresponding staff report and this resolution, has been reviewed and discussed by SCAG’s Regional Council on April 6, 2023.

NOW, THEREFORE, BE IT RESOLVED, by the Regional Council of the Southern California Association of Governments, that the Amendment 3 to the FY 2022-23 Comprehensive Budget including the OWP, and as further described in the recitals above, is approved and adopted.

BE IT FURTHER RESOLVED THAT:

1. The Regional Council hereby authorizes submittal of Amendment 3 to the FY 2022-23 OWP to the participating State and Federal agencies.
2. The Regional Council hereby authorizes submittal of SCAG’s approved FY 2022-23 Indirect Cost Rate Proposal (ICRP) to the participating State and Federal agencies.
3. SCAG pledges to pay or secure in cash or services, or both, the matching funds necessary for financial assistance.
4. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby designated and authorized to execute all related agreements and other documents on behalf of the Regional Council.
5. The SCAG Bylaws give the SCAG Executive Director authority to administer the Personnel Rules. In accordance with that authority, the SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby designated and authorized to make administrative amendments to the FY 2022-23 Comprehensive Budget including the OWP to implement the Personnel Rules.
6. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make and submit to the applicable funding agencies, the necessary work program, and budget amendments to SCAG’s FY 2022-23 Comprehensive Budget including the OWP, based on actual available funds and to draw funds as necessary on a line of credit or other requisition basis.
7. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to submit grant applications and execute the applicable grant agreements and any amendments with the applicable Federal or State agency and to implement grant funds through SCAG’s OWP, and this includes submittal and execution of the required Overall Work

Program Agreement (OWPA) and the Master Fund Transfer Agreement (MFTA) with Caltrans, as part of the Caltrans Sustainable Transportation Planning Grant Programs.

8. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2022-23 OWP that do not affect the delivery of regional transportation planning tasks, activities, steps, products, or the funding amounts listed on the OWPA.
9. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2022-23 General Fund Budget; the Indirect Cost Budget; the Fringe Benefit Budget; FTA Discretionary and Formula Grant Budget; and the TDA Budget that do not exceed the overall funding amounts approved by the SCAG Regional Council and the participating State and Federal agencies.
10. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to make administrative amendments to the FY 2022-23 TDA Budget, including exceeding the TDA Budget approved by the Regional Council, for the purpose of allocating additional funding to projects that are included in the approved OWP, when such exceedance is necessary to execute or implement the OWP approved by the Regional Council.
11. The SCAG Executive Director, or in his or her absence, the Chief Financial Officer, is hereby authorized to negotiate and execute subrecipient agreements (e.g., memorandum of understanding) and related documents, on behalf of the Regional Council, involving the expenditure of funds programed under the FY 2022-23 Comprehensive Budget including the OWP.

PASSED, APPROVED AND ADOPTED by the Regional Council of the Southern California Association of Governments at its regular meeting this 6th day of April, 2023.

Jan C. Harnik
President, SCAG
Riverside County Transportation Commission

Attested by:

Kome Ajise
Executive Director

Approved as to Form:

Michael R.W. Houston
Chief Counsel

Table with columns for Agency, FTE ID, Title, Position, Budget Line, Amount, and Description. Rows include various programs like Mobility as a Service, Sustainable Communities Program, and Future Communities Pilot Program.

Jepson	300.4890.02	Research/Policy Briefs, Honorariums, University Partnerships (AB 101)	Staff	\$ (53,339)						\$ (53,339)						Adjusting FTE allocations for staff.
Jepson	300.4891.01	Reporting and Invoicing (AB 101)	Staff	\$ (16,581)						\$ (16,581)						Adjusting FTE allocations for staff.
Jepson	300.4891.01	Reporting and Invoicing (AB 101)	Staff	\$ 280,382						\$ 280,382						Setting aside funding for FY24 OWP.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ (20,760)						\$ (20,760)						Adjusting FTE allocations for staff.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ (10,582)						\$ (10,582)						Adjusting FTE allocations for staff.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ (292,137)						\$ (292,137)						Adjusting FTE allocations for staff.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ (21,969)						\$ (21,969)						Adjusting FTE allocations for staff.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ (114,793)						\$ (114,793)						Adjusting FTE allocations for staff.
Jepson	300.4891.02	REAP Grant Program Management	Staff	\$ 26,986						\$ 26,986						Adjusting FTE allocations for staff.
Jepson	303.4917.01	Economic Empowerment - New Funding and Partnerships	Staff	\$ 37,579			\$ 37,579									Adjusting FTE allocations for staff.
Jepson	305.4925.01	REAP 2.0 - Programs to Accelerate Transformative Housing (PATH)	Staff	\$ 1,638,253						\$ 1,638,253						Adding REAP 2.0 staffing support.
Jepson	305.4925.01	REAP 2.0 - Programs to Accelerate Transformative Housing (PATH)	Staff	\$ 139,650						\$ 139,650						Adding REAP 2.0 staffing support.
Jepson	305.4925.01	REAP 2.0 - Programs to Accelerate Transformative Housing (PATH)	Consultant	\$ 285,000						\$ 285,000						Adding Consultant support.
Jepson	305.4926.01	REAP 2.0 - Transportation Partnership Program	Staff	\$ 1,441,106						\$ 1,441,106						Adding REAP 2.0 staffing support.
Jepson	305.4926.01	REAP 2.0 - Transportation Partnership Program	Staff	\$ 198,560						\$ 198,560						Adding REAP 2.0 staffing support.
Jepson	305.4926.01	REAP 2.0 - Transportation Partnership Program	Consultant	\$ 500,000						\$ 500,000						Adding Consultant support.
Jepson	305.4927.01	REAP 2.0 - Early Program Initiatives	Staff	\$ 1,085,595						\$ 1,085,595						Adding REAP 2.0 staffing support.
Jepson	305.4927.01	REAP 2.0 - Early Program Initiatives	Staff	\$ 139,649						\$ 139,649						Adding REAP 2.0 staffing support.
Jepson	305.4927.01	REAP 2.0 - Early Program Initiatives	Consultant	\$ 1,250,000						\$ 1,250,000						Adding Consultant support.
Jepson	305.4928.01	REAP 2.0 - Program Development and Outreach	Staff	\$ 442,676						\$ 442,676						Adding REAP 2.0 staffing support.
Jepson	305.4928.01	REAP 2.0 - Program Development and Outreach	Consultant	\$ 550,000						\$ 550,000						Adding Consultant support.
Jepson	305.4929.01	REAP 2.0 - Project Administration	Staff	\$ 255,963						\$ 255,963						Adding REAP 2.0 staffing support.
Jepson	305.4929.01	REAP 2.0 - Project Administration	Staff	\$ 685,683						\$ 685,683						Setting aside funding for FY24 OWP.
Jepson	310.4874.01	Connect SoCal Development	Consultant	\$ 51,414	\$ 20,298	\$ 25,219	\$ 5,897									Adding consultant budget to offset the changes related to inflationary cost increases.
Jepson	310.4874.01	Connect SoCal Development	Staff	\$ (8,500)			\$ (8,500)									Reducing the Misc. Other budget to help offset the increase for Consultant budget.
Jepson	310.4874.01	Connect SoCal Development	Staff	\$ 200,413		\$ 177,425							\$ 22,988			Setting aside funding for FY24 OWP.
Jepson	310.4874.01	Connect SoCal Development	Staff	\$ 73,666	\$ 65,216								\$ 8,450			Adjusting FTE allocations for staff.
Jepson	310.4874.01	Connect SoCal Development	Staff	\$ (65,147)	\$ (57,673)								\$ (7,474)			Adjusting FTE allocations for staff.
Jepson	310.4874.01	Connect SoCal Development	Staff	\$ (12,532)	\$ (11,095)								\$ (1,437)			Adjusting FTE allocations for staff.
Jepson	310.4874.02	Key Connections Strategy Team	Staff	\$ 183,858	\$ 162,769								\$ 21,089			Adjusting FTE allocations for staff.
Jepson	310.4874.02	Key Connections Strategy Team	Staff	\$ (40,193)	\$ (35,583)								\$ (4,610)			Adjusting FTE allocations for staff.
Jepson	310.4874.03	Planning Studios	Staff	\$ 6,041	\$ 5,348								\$ 693			Adjusting FTE allocations for staff.
Jepson	310.4874.03	Planning Studios	Staff	\$ 18,986	\$ 16,808								\$ 2,178			Adjusting FTE allocations for staff.
Jepson	310.4874.03	Planning Studios	Staff	\$ (34,549)	\$ (30,586)	\$ -							\$ (3,963)			Adjusting FTE allocations for staff.
Jepson	310.4874.03	Planning Studios	Staff	\$ (34,727)	\$ (30,744)								\$ (3,983)			Adjusting FTE allocations for staff.
Jepson	310.4874.04	Connect SoCal Performance Measurement & Monitoring	Staff	\$ (206,542)	\$ (182,851)	\$ -							\$ (23,691)			Adjusting FTE allocations for staff.
Jepson	310.4874.04	Connect SoCal Performance Measurement & Monitoring	Staff	\$ (56,222)	\$ (49,774)								\$ (6,448)			Adjusting FTE allocations for staff.
Jepson	310.4883.01	Complete Streets: Transportation Safety	Staff	\$ (23,610)	\$ (20,902)	\$ -							\$ (2,708)			Adjusting FTE allocations for staff.
Jepson	310.4883.01	Complete Streets: Transportation Safety	Staff	\$ (28,113)	\$ (24,888)								\$ (3,225)			Adjusting FTE allocations for staff.
Jepson	315.4898.01	Last Mile Freight Program (MSRC)	Staff	\$ 2,000		\$ 2,000										Adding local funding to support travels related to outreach work.
Jepson	315.4898.01	Last Mile Freight Program (MSRC)	Staff	\$ 2,000		\$ 2,000										Adding printing budget for outreach work.
Jepson	320.4902.01	Inclusive Economic Recovery Strategy (IERS) Implementation Grant	Staff	\$ (56,445)									\$ (56,445)			Adjusting FTE allocations for staff.
Jepson	320.4902.01	Inclusive Economic Recovery Strategy (IERS) Implementation Grant	Staff	\$ 56,445									\$ 56,445			Setting aside funding for FY24 OWP.
TOTAL				\$ 11,417,775	\$ (209,475)	\$ 2,570,530	\$ (16,660)	\$ -	\$ -	\$ -	\$ 8,612,135	\$ 110,000	\$ -	\$ 50,000	\$ 301,245	

Attachment: List of Budget Changes - FY23 OWP Amendment 3 (Resolution No. 23-654-2 Approving



AGENDA ITEM 6
REPORT

Southern California Association of Governments
April 5, 2023

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

From: Javiera Cartagena, Chief Government and Public Affairs Officer
(213) 236-1980, cartagena@scag.ca.gov

Subject: Early Legislative Bills - Support

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDED ACTION:

The Legislative/Communications and Membership Committee (LCMC) recommends a support position on Assembly Bill (AB) 57 (Kalra), AB 557 (Hart), AB 591 (Gabriel), AB 610 (Holden), AB 761 (Friedman), AB 824 (Calderon), Senate Bill (SB) 393 (Glazier), SB 835 (Limón), and Senate Concurrent Resolution (SCR) 13 (Roth). The LCMC also recommends a watch position on AB 413 (Lee) and SB 695 (Gonzalez).

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

At its March 21, 2023, meeting, members of the Legislative/Communications and Membership Committee (LCMC) received a report on eleven bills that relate to climate, transportation, Brown Act, transit, CEQA broadband, and electric vehicle policy. After discussion and deliberation, the LCMC voted to forward recommendations to the Regional Council (RC) to adopt a support position on (AB) 57 (Kalra), AB 557 (Hart), AB 591 (Gabriel), AB 610 (Holden), AB 761 (Friedman), AB 824 (Calderon), Senate Bill (SB) 393 (Glazier), SB 835 (Limón), and Senate Concurrent Resolution (SCR) 13 (Roth), and a watch position on AB 413 (Lee) and SB 695 (Gonzalez).

BACKGROUND:

SCAG is monitoring over 190 legislative bills that relate to active transportation, affordable housing and housing production, California Environmental Quality Act (CEQA) modernization, land use, transportation, and more. Of these 190 legislative bills, staff presented eleven with recommendations to support at the LCMC’s March 21, 2023 meeting. After a staff presentation and robust discussion by the LCMC, the Committee recommends support for the following nine bills: AB 57 (Kalra), AB 413 (Lee), AB 557 (Hart), AB 591 (Gabriel), AB 610 (Holden), AB 761 (Friedman), AB 824 (Calderon), SB 393 (Glazier), SB 695 (Gonzalez), SB 835 (Limon), and SCR 13 (Roth). The

Committee also recommends a watch position on the following two bills: AB 413 (Lee) and SB 695 (Gonzalez).

Staff will continue to monitor these and the balance of tracked legislative bills and report back to the LCMC at future meetings.

Summaries of all eleven bills are included below.

The LCMC recommends SUPPORT for the following nine legislative bills:

Bill: AB 57 **Author:** Assemblymember Ash Kalra (D-San Jose)

Title: California Pocket Forest Initiative.

Status: Passed Assembly Natural Resources Committee on 03/14/23 10-0. Re-referred to Assembly Appropriations Committee pending hearing.

This bill would create an optional, incentive program called the California Pocket Forest Initiative administered by the Department of Forestry and Fire Protection (CAL FIRE) to award grant funding to cities, counties, districts, nonprofits, and public schools to create pocket forests on public lands to test the effectiveness of the Miyawaki Method. This bill would require the Department to prioritize grant funding for disadvantaged communities and communities that lack publicly accessible green space. A “pocket forest” is defined as “a small plot of urban land that has been planted according to the Miyawaki method.” The Miyawaki method is defined as “a method of planting that first analyzes and improves a plot’s soil conditions, then densely plants the plot with native main tree species, subspecies, shrubs, and ground-covering herbs. The trees planted through this method should, if possible, be grown from seeds, not grafts or clones.”

This bill would establish the policy for the program, but a separate appropriation by the Legislature would still be required. Further, this bill would require CAL FIRE to partner with academic institutions to evaluate the effectiveness of the Miyawaki method in restoring degraded lands and reforesting urban areas by January 2030 and includes a sunset provision on January 1, 2031.

Bill: AB 557 **Author:** Assemblymember Gregg Hart (D-Santa Barbara)

Title: Emergency Brown Act Meeting Procedures.

Status: Pending Assembly Local Government Committee hearing. Not yet scheduled.

This bill would remove the January 1, 2024, sunset associated with AB 361’s (2022) Brown Act provisions that provide additional flexibility for local agencies looking to meet remotely during an emergency while still maintaining public access and transparency, effectively making those provisions permanent. AB 361 (2022) authorizes local agencies to use teleconferencing without

complying with certain requirements during a declared state of emergency, or in other situations related to public health. This bill would also extend the period for local agencies to renew their emergency remote meeting resolution from 30 days to no later than 45 days to accommodate local agencies that regularly meet once-per-month.

Bill: AB 591 **Author:** Assemblymember Jesse Gabriel (D-Los Angeles)
Title: Electric Vehicle Charging Equipment Universal Connectors and Accessibility
Status: Referred to Assembly Transportation Committee to be heard 3/20/23.

This bill would require that all electric vehicle (EV) chargers installed at “publicly available parking spaces,” excluding those in private single-family and multi-family residences, include universal connectors that can charge all EVs. “Publicly available parking space” is defined as “a parking space that has been designated by a property owner or lessee to be available to, and accessible by, the public.” This bill would also require that any EV charging station that charge a fee to allow the fee to be paid with a credit card.

Bill: AB 610 **Author:** Assemblymember Chris Holden (D-Pasadena)
Title: Free Youth Transit Pass Pilot Program.
Status: Passed Assembly Transportation Committee on 3/13/23 14-0. Referred to Assembly Appropriations Committee pending hearing.

This bill would create the optional Youth Transit Pass Pilot Program to be administered by the Department of Transportation to award grant funding to transit agencies to create, expand, and operate a free youth transit pass program for college and K-12 students. Grant funding awards would be based on a transit agency’s proportional share of total statewide farebox revenues in the 2018-2019 fiscal year among eligible applicants. The bill would require Caltrans to develop the program guidelines by June 2024, in consultation with metropolitan planning organizations and regional transportation planning agencies. Further, Caltrans would be required to submit a report by January 1, 2028, on the outcomes of this program and status of transit pass programs. This bill would establish the policy for the program, but a separate appropriation by the Legislature would still be required, and it would sunset on January 1, 2029.

Bill: AB 761 **Author:** Assemblymember Laura Friedman (D-Glendale)
Title: Transit Transformation Task Force.
Status: Referred to Assembly Transportation Committee to be heard 3/20/23.

This bill would authorize the California Secretary of Transportation to establish and convene the Transit Transformation Task Force by July 1, 2024. The Task Force would be required to include representatives from the California Department of Transportation, the Controller’s office, transit agencies, academics, local governments, transportation advocacy organizations, labor organizations, and other stakeholders. The Task Force would be required to report back to the Legislature with recommendations on how to grow public transit use, reduce operational costs, strategies to improve service, improve safety, and increase frequency and reliability. The Task Force would also be required to include recommendations on replacing of fare box recovery ratios with updated performance metrics, and on new or changes to existing revenue sources to pay for transit operations. This report would be due by January 1, 2025, and the bill would sunset on January 1, 2028.

Bill: AB 824 **Author:** Assemblymember Lisa Calderon (D-Whittier)

Title: Highway Greening Act.

Status: Referred to Assembly Transportation Committee to be heard 3/20/23.

This bill would enact the Highway Greening Act, which would require the California Department of Transportation (Caltrans) to complete a statewide strategic plan by June 2025 outlining how to work to achieve a 10 percent increase of green highways in urban areas, with a priority on disadvantaged communities and low-income communities by 2035. The bill would require Caltrans to develop this plan in consultation with the California Department of Fish and Wildlife, nonprofit organizations, cities, counties, and other local governments in urban areas, disadvantaged communities, and low-income communities. The bill defines “green highways” as “a section(s) of a highway that is now, or later may be, improved by green walls or plantings in or on at least one of the following portions of the right-of-way: (1) A shoulder (2) A median (3) An overpass pillar (4) The community side of a soundwall, adjacent to a highway.”

Bill: SB 393 **Author:** Senator Steven Glazier (D-Contra Costa)

Title: California Environmental Quality Act (CEQA) Judicial Challenge Identification of Contributors – Housing Projects.

Status: Referred to Senate Environmental Quality Committee to be heard 3/15/23.

This bill would require a CEQA plaintiff to disclose any contributions he or she has received of \$1,000 or more to help fund the legal action and allow a court to dismiss an action due to noncompliance. The bill would also prevent a CEQA action from being filed against a housing project that was included as part of a larger plan or project already approved under CEQA.

Bill: SB 825 **Author:** Senator Monique Limón (D-Santa Barbara)
Title: Local Government Access to Public Broadband Services.
Status: Referred to Senate Governance and Finance Committee pending a hearing.

This bill would expand the definition of “local agency” to include metropolitan planning organizations (MPO) and regional transportation planning agencies (RTPA) in the section of the government code governing public broadband services. Thus, it would clarify the ability for MPOs and RTPAs to apply for broadband related funding programs with the California Public Utilities Commission and other state agencies with jurisdiction over broadband funding programs.

Bill: SCR 13 **Author:** Senator Richard Roth (D-Riverside)
Title: Joseph Tavaglione Interchange.
Status: Referred to Senate Transportation Committee pending hearing.

This bill would designate the interchange where State Highway Routes 60 and 91 meet Interstate 215 in the County of Riverside as the Joseph Tavaglione Interchange. The bill would also request that Caltrans determine the cost of placing signage to demonstrate this special designation and place the signage using donations from nonstate sources.

The LCMC recommends a WATCH position for the following two legislative bills:

Bill: AB 413 **Author:** Assemblymember Alex Lee (D-San Jose)
Title: Vehicles: stopping, standing, and parking.
Status: Pending Assembly Transportation Committee hearing on 3/20/23.

This bill would expand vehicle stopping, standing, and parking restrictions with respect to intersections, sidewalks, and crosswalks to prohibit a vehicle from stopping, parking, or standing within 20 feet of any marked or unmarked crosswalk.

Bill: SB 695 **Author:** Senator Lena Gonzalez (D-Long Beach)
Title: California State Highway Transparency Act.
Status: Referred to Senate Transportation Committee to be heard 3/28/23.

This bill would require the California Department of Transportation (Caltrans) to collect, and make available to the public, historical data detailing roadway expansions of the state highway system (SHS) for the period from July 2012 to July 2023 by June 30, 2024. This bill would also require that Caltrans report this data every year going forward, including descriptions of lane miles added to the

SHS, what purpose the miles serve, and features included in the project, such as complete streets and transit. Finally, this bill would require Caltrans to report on the “project pipeline” of planned and pending projects on the SHS.

Prior Committee Action

At the LCMC meeting on March 21, 2023, staff presented the above eleven bills to the Committee with a recommendation to support AB 57 (Kalra), AB 413 (Lee), AB 557 (Hart), AB 591 (Gabriel), AB 610 (Holden), AB 761 (Friedman), AB 824 (Calderon), Senate Bill (SB) 393 (Glazier), SB 695 (Gonzalez), SB 835 (Limón), and Senate Concurrent Resolution (SCR) 13 (Roth).

Some members of the LCMC expressed concerns or had questions about a few bills, but unanimously voted to support AB 57 (Kalra), AB 557 (Hart), AB 591 (Gabriel), AB 610 (Holden), AB 824 (Calderon), Senate Bill (SB) 393 (Glazier), SB 835 (Limón), and Senate Concurrent Resolution (SCR) 13 (Roth) before continuing the discussion.

Specifically, LCMC members expressed various concerns about AB 413 (Lee), which would prohibit a vehicle from stopping, parking, or standing within 20 feet of any marked or unmarked crosswalk. Members had questions about enforcement requirements and associated costs, and expressed concerns about how the bill might cause visual blight or conflict with the increased need for parking due to a focus on housing acceleration. There were also concerns about how this bill may cause conflicts based on the definition of unmarked crosswalk after the state recently legalized jaywalking. Other members also had concerns about the prohibition on “standing” vehicles, since it may lead to surprise citations if motorists are unaware they near an unmarked crosswalk. Members expressed that the author should consider amending the bill to include a provision that this proposal be treated the same as fire hydrant parking restrictions to reduce visual blight and implementation costs.

LCMC members also expressed concerns about SB 695 (Gonzalez), which would require Caltrans to collect and publish data about projects on the state highway system. Members were concerned that a report could be used to block the completion of certain transportation infrastructure projects.

Lastly, members also expressed that SCAG and transit agencies should have representation on the Transit Transformation Taskforce that would be established under AB 761 (Friedman). After lengthy discussion, the LCMC voted unanimously to forward a support position on AB 761 (Friedman) and a watch position on AB 413 (Lee) and SB 695 (Gonzalez) to the Regional Council.

FISCAL IMPACT:

Work associated with the staff report on Early Legislative Bills – Support is contained in the Indirect Cost budget, Legislation 810-0120.10.



AGENDA ITEM 7
REPORT

Southern California Association of Governments
April 5, 2023

To: Executive/Administration Committee (EAC)
Regional Council (RC)
From: Javiera Cartagena, Chief Government and Public Affairs Officer
(213) 236-1980, cartagena@scag.ca.gov
Subject: Housing & Transportation Bills of Interest

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDED ACTION:

The Legislative/Communications and Membership Committee recommends a “support” position on AB 930 (Friedman) and a “watch” position on ABs 6 & 7 (Friedman), AB 1335 (Zbur), SB 405 (Cortese), SB 423 (Wiener), and SB 670 (Allen).

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 2: Advance Southern California’s policy interests and planning priorities through regional, statewide, and national engagement and advocacy.

EXECUTIVE SUMMARY:

At its March 21, 2023, meeting, the Legislative/ Communications and Membership Committee (LCMC) received a presentation on seven (7) legislative bills that could potentially significantly impact SCAG, the region, and/or our member organizations. As a result of that presentation, the LCMC recommends the Regional Council (RC) adopt a “support” position on AB 930 (Friedman) and adopt “watch” positions on ABs 6 & 7 (Friedman), AB 1335 (Zbur), SB 405 (Cortese), SB 423 (Wiener), and SB 670 (Allen).

BACKGROUND:

SCAG is monitoring over 190 legislative bills that relate to active transportation, affordable housing and housing production, land use, transportation, California Environmental Quality Act (CEQA) modernization, and more. As we are still early in the first half of the State Legislature’s two-year legislative cycle, many bills are still being developed. As such, many bills are potentially subject to significant changes or are still in “spot bill” form, where the language outlines the general goals of the legislation but does not specify how it would achieve them.

Of these 190 monitored bills, staff identified seven (7) that have the potential to significantly impact SCAG, the region, and/or our member agencies. At its meeting on March 21, 2023, the LCMC received a presentation on these seven bills, after which the LCMC forwarded a recommendation to

“support” AB 930 (Friedman) and “watch” ABs 6 & 7 (Friedman), AB 1335 (Zbur), SB 405 (Cortese), SB 423 (Wiener), and SB 670 (Allen).

The LCMC will continue to monitor these bills, and others, and report back with additional information or updated recommended positions, as appropriate, at future RC meetings.

Summaries of the seven bills are included below.

The LCMC recommends SUPPORT for the following one (1) legislative bill:

Bill: AB 930 **Author:** Assemblymember Laura Friedman (D-Glendale)
Title: Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) Districts
Status: Double-Referred to Committees on Local Government and Jobs, Economic Development, and the Economy. First hearing likely 04/19/2023.
Recommendation: SUPPORT

This bill would authorize two or more local governmental agencies, defined to include a city, county, special district, or transit agency, jointly to form a Reinvestment in Infrastructure for a Sustainable and Equitable California (RISE) district to use tax increment financing for infill development.

The bill would require the Office of Planning and Research (OPR) to develop standards for the formation of RISE districts no later than November 30, 2025. The bill would provide for the establishment of a governing board of a RISE district with representatives of each participating local government.

After forming a RISE district, the bill would require the district’s governing board to create and adopt a RISE development plan that includes identifying any intended sources of revenue for financing projects within the district’s boundaries. The bill would require that at least 50 percent of the total funding received by the district be spent on infill supportive infrastructure. The bill would also provide that at least 20 percent of the total residential units created within the district be restricted to persons and families of low or moderate income. The governing board would then submit the RISE development plan to OPR for review.

This bill would allow a RISE district to utilize various revenue sources for district purposes, including property tax revenues, local sales and use taxes, transient occupancy tax, and, notably, the portion of the state sales and use tax revenues that flow into the state General Fund that is attributable to new development within the RISE district. This bill would also require the Governor’s Office of Business and Economic Development (GOBiz) to establish the RISE Revolving Loan Fund upon

appropriation by the Legislature. The fund would provide RISE districts with initial startup funding for projects contained within the RISE district's development plan.

Since Redevelopment was repealed in 2012, California has instituted alternate forms of tax increment legislation, such as Enhanced Infrastructure Financing Districts (EIFDs) and Community Revitalization and Investment Authorities (CRIAs), to promote community revitalization and affordable housing. A small handful of EIFDs have been established, but new tools are needed. AB 930 is a framework to bring back a redevelopment tool to spur infill investment in a manner that supports sustainable development.

Some questions remain unanswered regarding the role that Metropolitan Planning Organizations will play in identifying, developing, and implementing RISE districts. In addition, if the legislation is focused on infill development, clarification will be needed on which communities will be eligible or ineligible to participate in the RISE program. These questions notwithstanding, AB 930 proposes a new tool for local jurisdictions to implement their infill supporting infrastructure needs and accommodate affordable housing in a manner consistent with SCAG's legislative platform and the growth vision articulated in the Connect SoCal. Therefore, the LCMC recommends SUPPORT for this bill and recommends continued engagement on this bill to ensure its maximum benefit to the SCAG region.

Staff recommends a WATCH position on the following six (6) legislative bills:

Bill: ABs 6 & 7 **Author:** Assemblymember Laura Friedman (D-Glendale)
Title: Sustainable Communities Strategy Development and Transportation Project Selection Processes.
Status: In Assembly Transportation Committee. Hearing date not yet scheduled.
Recommendation: WATCH

AB 6 – As amended on March 16, 2023, this bill would require the California Air Resources Board (CARB) to establish “additional” regional greenhouse gas (GHG) reduction targets for 2035 and 2045. The bill would also require a Metropolitan Planning Organization (MPO) to submit its GHG reduction technical methodology to CARB at least 60 days before the MPO starts its public participation process. AB 6 clarifies that the MPO must submit its Sustainable Communities Strategy to CARB within 120 days of the plan's adoption, and the bill extends CARB's review period from 50 to 180 days. Lastly, SB 6 requires each nomination for the State's Solutions for Congested Corridors Program to demonstrate how the nominated project would contribute to achieving the State's GHG reduction targets.

AB 7 – As amended on March 16, 2023, this bill would require the project selection progress for projects funded by the State Highway Account, Road Maintenance and Rehabilitation Account, and

Trade Corridor Enhancement Account to include certain principles. These principles include: improving the condition, resilience, and safety of roads and bridges, promoting and improving the safety of roads for all users, particularly vulnerable uses, supporting and accelerating project delivery, addressing environmental impacts from stormwater run-off and the emission of greenhouse gases, accommodating new and emerging technologies, and reconnecting communities.

Chair Friedman introduced AB 6 and AB 7 on the first day of the 2023 legislative session with intent language, and, as mentioned above, the bills were amended on March 16, 2023. It is highly likely that AB 6 and AB 7 will undergo additional amendments. Fundamentally, Chair Friedman wants to author legislative bills that support transportation investments that result in land use strategies that lead to a reduction in GHG emissions.

To develop the ideas for her bills, Chair Friedman tapped Sacramento Mayor Darrell Steinberg, author of the original SB 375 (2008), to co-lead a stakeholder working group consisting of many statewide organizations. These organizations included CalCOG, League of California Cities, CSAC, CBIA, Greenlining Institute, Self Help Counties Coalition, Transportation California, Coalition for Clean Air, State Building Trades, Climate Plan, Natural Resources Defense Council, and others. As of the LCMC's March meeting, the working group has met once. Their discussions led to the creation of various sub-groups to focus on high-level themes, such as how to reprioritize existing transportation funding, align regulations with desired outcomes, increase accountability in terms of meeting GHG reduction, and build affordable housing. No Metropolitan Planning Organizations (MPOs) were invited to participate in the working group; however, Chair Friedman's staff has conducted direct outreach with many of the state's MPOs, including SCAG.

Staff will continue to monitor, collaborate, and engage on AB 6 and AB 7 to ensure that our region's concerns are included in the dialogue surrounding these bills. Since the working group continues to accept ideas and feedback from impacted stakeholders, the Chair's office continues to collaborate directly with SCAG staff, and AB 6 and AB 7 are likely to be amended again, the LCMC recommends a WATCH position on these bills at this time.

Bill: AB 1335 **Author:** Assemblymember Rick Zbur (D-Santa Monica)

Title: Sustainable Communities Strategy and Regional Housing Needs Assessment.

Status: Referred to Assembly Transportation Committee. Hearing not yet scheduled.

Recommendation: WATCH

This bill would require the Sustainable Communities Strategy (SCS) to be based on population projections produced by the Department of Finance (DOF), which were used by HCD in assigning a

council of governments' (COG) Regional Housing Needs Assessment (RHNA) regional determination.

If there is a disagreement between the population projections forecasted by DOF and that of the COG, AB 1335 imposes certain reconciliation procedures for their use in the SCS.

The Regional Transportation Plan/ Sustainable Communities Strategy (RTP/SCS) is a forecast of likely outcomes that balances many policy goals, such as air quality conformity, congestion reduction, equity, and greenhouse gas emissions reduction. In contrast, DOF's projections are a single-objective population forecast which feeds into various state programs. While it is robust technically, DOF does not project employment or household growth alongside its population projection, as SCAG's growth forecast does. In addition, neither does DOF's projection include other regional policy targets, such as those mentioned above.

In addition, DOF is not required to conduct comprehensive public participation or consultation on developing its projections the way that an RTP/SCS projection must. SCAG—forecasts include scenarios for future population, households, and jobs. The scenarios are developed by a combination of in-house staff, technical consultants, and a panel of demographic experts. SCAG's Community, Economic, and Human Development Committee, the Joint Policy Committee, and Regional Council all consider principles and a process that guide our RTP/SCS forecasts.

Separately, AB 1335 would require a city or county to include its progress toward the recommended alignment of land use regulations with the SCS as part of its Annual Progress Report due to the Department of Housing and Community Development.

This bill is sponsored by Abundant Housing LA. Staff will continue to monitor, collaborate, and engage on AB 1335 to ensure that our region's concerns are reflected in this bill. Because outreach with the author's office is ongoing, the LCMC recommends a WATCH position on this bill at this time.

Bill: SB 405 **Author:** Senator Dave Cortese (D-San Jose)

Title: RHNA and Housing Element Site Inventories

Status: Referred to Senate Housing Committee. Hearing not yet scheduled.

Recommendation: WATCH

After a city or county receives its Regional Housing Needs Assessment (RHNA) allocation from the council of governments, it must update the Housing Element of its General Plan. State housing law requires that the Housing Element include an inventory of land suitable and available for residential development to meet the city or county's RHNA allocation.

SB 405 would require a city or county to notify the owner of a site in the city or county's sites inventory that the property in question will be included. If the property owner objects, or if the owner notifies the city, county, or the Department of Housing and Community Development (HCD) that the owner does not intend to develop at least 80 percent of the number of units for the site during the current planning period, then SB 405 would require that the site not be included in the jurisdiction's sites inventory.

SB 405 contains broad and premature RHNA provisions that would likely impact a jurisdiction's ability to meet its RHNA requirements. Furthermore, the bill would add a new requirement to the RHNA and Housing Element update process before the Legislature has received its "Revamp the RHNA" report from HCD. SB 405 impacts a key and challenging component of RHNA, identifying sites. Obtaining site owners' commitment to development proposes a significant challenge in the already complicated process of identifying sites to meet RHNA. In addition, SB 405 fails to appreciate how site ownership and land development goals are subject to change during a planning period. Overall, the policy does not address nor provide support or alternatives for jurisdictions that cannot find enough sites and meet their RHNA obligations due to the proposed site owner requirement.

This bill is co-sponsored with the California Building Industry Association. Because outreach with the bill's author is still ongoing, the LCMC recommends a WATCH position on this bill at this time.

Bill: SB 423 **Author:** Senator Scott Wiener (D-San Francisco)

Title: Streamlined approval for multifamily housing

Status: Passed Senate Housing Committee on March 21, 2023, 9-1. Referred to Senate Committee on Governance & Finance.

Recommendation: WATCH

Senator Scott Wiener (D-San Francisco) authored SB 35 (2017), which creates a streamlined, ministerial approval process for development proponents of multifamily housing in cities or counties that the Department of Housing and Community Development (HCD) has determined, based on the jurisdiction's most recent annual progress report, has failed to issue building permits consistent with the jurisdiction's share of the regional housing need.

The development project must meet certain requirements, such as the site being located in an urban infill site, zoned for residential use, or residential mixed-use development with at least two-thirds of the square footage for residential use, and not being located in a coastal zone. SB 35 also prohibits a local government from imposing parking standards for approved streamlined

developments in cases in which the development is located within one-half mile of public transit or other specified circumstances. SB 35's authorities expire on January 1, 2026.

SB 423 would delete the January 1, 2026 repeal date, thereby making SB 35's authorities operative indefinitely. In addition, this bill would delete the standard that prohibits a multifamily housing development from being subject to the streamlined, ministerial approval process if the development is located in a coastal zone. Furthermore, SB 423 would authorize the Department of General Services to approve housing developments on property it owns without following local zoning and development standards.

Because SB 423 contains provisions that both support and conflict with the RC-adopted State and Federal Legislative Platform, the LCMC recommends a WATCH position on SB 423 at this time.

SB 423 passed the Senate Housing Committee on March 21, 2023, on a vote of 9 to 1 and was referred to the Senate Committee on Governance and Finance.

Bill: SB 670 **Author:** Senator Ben Allen (D-Santa Monica)

Title: Statewide Vehicle Miles Traveled Maps produced by California Air Resources Board.

Status: In Rules Committee. Awaiting assignment to policy committee.

Recommendation: WATCH

As amended on March 16, 2023, SB 670 would require the California Air Resources Board (CARB) to develop a methodology for assessing and representing vehicle miles traveled (VMT) and maps that display average VMT per capita in the state at the local, regional, and statewide level. The bill would require CARB to adopt the methodology no later than January 1, 2025, and to publish the maps no later than six months after the methodology is adopted. The bill would require the state board to update the methodology and maps at least once every four years.

The bill would require the state board to make the methodology and the maps publicly available on its website. Under certain circumstances, the bill would require the state board, in consultation with the Office of Planning and Research, to provide technical assistance concerning the usage and interpretation of the statewide map to a local agency requesting assistance.

The author intends to produce VMT maps to assist lead agencies in conducting transportation analysis for their CEQA documents, consistent with SB 743 (2013). SB 670 has the potential to be a significant bill as any CARB-produced maps could be inconsistent with maps produced at the local or regional level. Because this bill was not in its present form at the time of the LCMC meeting and outreach with the author's office is still ongoing, the LCMC recommends a WATCH position on this bill at this time.



FISCAL IMPACT:

Work associated with the staff report on Housing & Transportation Bills of Interest is contained in the Indirect Cost budget, Legislation 810-0120.10.



AGENDA ITEM 8
REPORT

Southern California Association of Governments
April 5, 2023

To: Executive/Administration Committee (EAC)
Community Economic & Human Development Committee (CEHD)
Energy & Environment Committee (EEC)
Transportation Committee (TC)
Regional Council (RC)
From: Kevin Kane, Principal Planner
(213) 236-1828, kane@scag.ca.gov
Subject: Connect SoCal 2024: Locally-Reviewed Growth Forecast Demographic and Economic Evaluation

EXECUTIVE DIRECTOR'S
APPROVAL

RECOMMENDED ACTION:

Receive and File

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians. 3: Be the foremost data information hub for the region.

EXECUTIVE SUMMARY:

Among the first steps in Connect SoCal 2024 is the development of growth projections for population, households, and employment in the region and six counties. With the help of an expert panel and consultants, staff developed a methodology and forecasted high, medium, and low regional growth ranges in Fall 2021. In February 2022, staff presented the preliminary regional and county growth forecast for 2019-2050 to the Joint Policy Committee. Staff then conducted a comprehensive outreach effort to all 197 local jurisdictions called the Local Data Exchange (LDX). SCAG asked local jurisdictions to review and provide feedback on the preliminary household and employment growth forecasts as well as several other Connect SoCal data layers by December 2, 2022.

This report presents staff's assessment of the locally-reviewed forecast, which projects 2.3 percent higher household growth, 1.8 percent higher population growth, and 1.0 percent higher employment growth than the preliminary forecast. This indicates that upon integrating the growth outlook of the region's local plans (in aggregate), Southern California is likely to grow more than was projected based on principally demographic and economic drivers as assessed in late 2021. Staff finds this forecast to be technically sound. Staff continue to assess and analyze the city and neighborhood-level edits provided by local jurisdictions.

BACKGROUND:

Pursuant to Government Code 65080(b)(2)(B) et seq., Connect SoCal 2024 is required to:

“set forth a forecasted development pattern for the region, which, when integrated with the transportation network, and other transportation measures and policies, will reduce the greenhouse gas emissions from automobiles and light trucks to achieve, if there is a feasible way to do so, the greenhouse gas emission reduction targets approved by the state board and will allow the regional transportation plan to comply with Section 176 of the federal Clean Air Act (42 U.S.C Sec. 7506).”

With the help of an expert panel and consultants, staff developed a methodology and forecasted high, medium, and low regional growth ranges in Fall 2021. Panelists were asked to consider the most likely, and also reasonable higher and lower levels of seven key inputs to SCAG’s long-range forecast: births, deaths, immigration, domestic migration, labor force participation, and household formation. Rather than simply taking the highest and lowest of each input, the purpose of this exercise was to develop a coherent baseline as well as an understanding of where high and low future values might fall based on an assessment of these demographic and economic factors. The three scenarios included:

- Baseline (mid): *Slower Growth, Steady Improvement*
- Low: *Secular Stagnation*
- High: *Robust and Equitable Future Growth supported by Policy and Technology*

Importantly, each scenario must be reasonably balanced across population, households, and employment. Put differently, are there enough workers for the projected jobs and is there enough housing for them (Figure 1)?

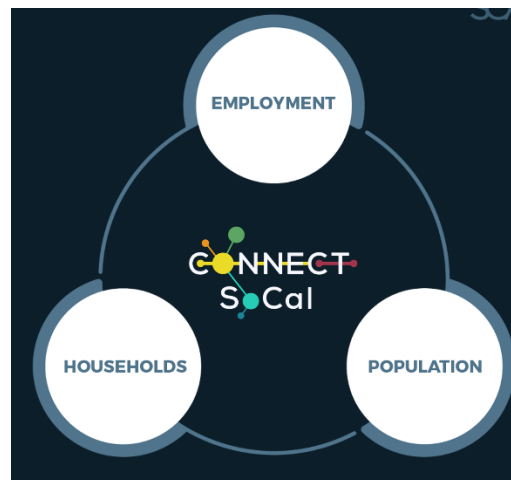


Figure 1

Even before the COVID-19 pandemic, emerging data suggested that the population growth trajectory forecasted in Connect SoCal 2020 would require a downward revision. Fewer births, more deaths, and the temporary slowdown of foreign immigration from the pandemic has resulted in zero or negative population growth. While this kind of long-range projection must assess and integrate near-term shocks, its primary objective is to assess the likely growth to 2050 which is more heavily influenced by the strengths of Southern California compared to other US regions. With a favorable mix of industries, strong innovation hubs, a welcoming culture, and desirable natural amenities, it is difficult to foresee Southern California decreasing in jobs compared to the US. As such, the middle growth scenario titled “Slower growth, steady improvement” reflects the overall direction of the preliminary Connect SoCal 2024 projection and was updated and shared with SCAG’s Joint Policy Committee in February 2022.

While population growth is expected to continue, albeit more slowly, there are two major reasons that the growth rate in households is expected to exceed the population growth rate. First, the population is ageing even more quickly than anticipated, increasing the number of small households. Second, evidence is emerging that continued strength in housing production despite low population growth is beginning to address the previously existing housing shortage.

The Demographic Panel of Experts, which met twice in the Fall of 2021, stressed that the overwhelming impediment to increased employment growth in the region was housing supply and affordability. If this could not be addressed, the region’s growth trajectory might more closely resemble the low scenario. However, if a combination of market and policy factors could yield increases in household formation, the region’s strong economic fundamentals would be realized in strong job growth and a higher projection would be plausible.

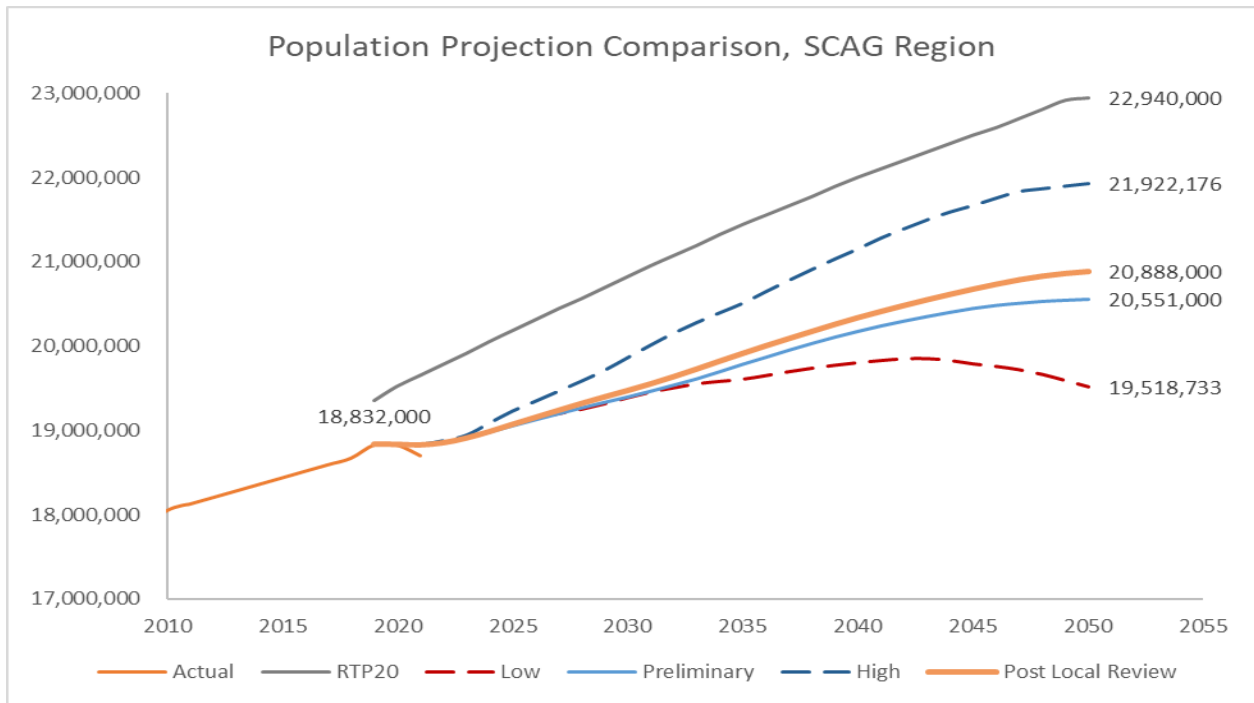


Figure 2

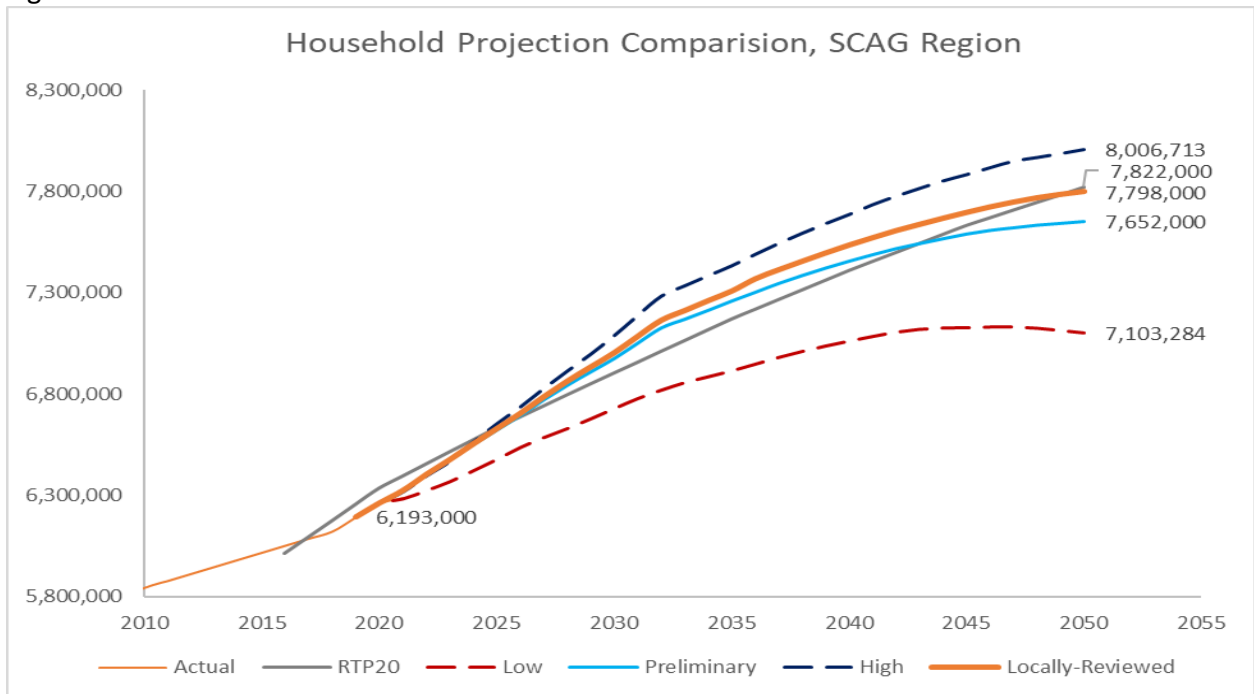


Figure 3

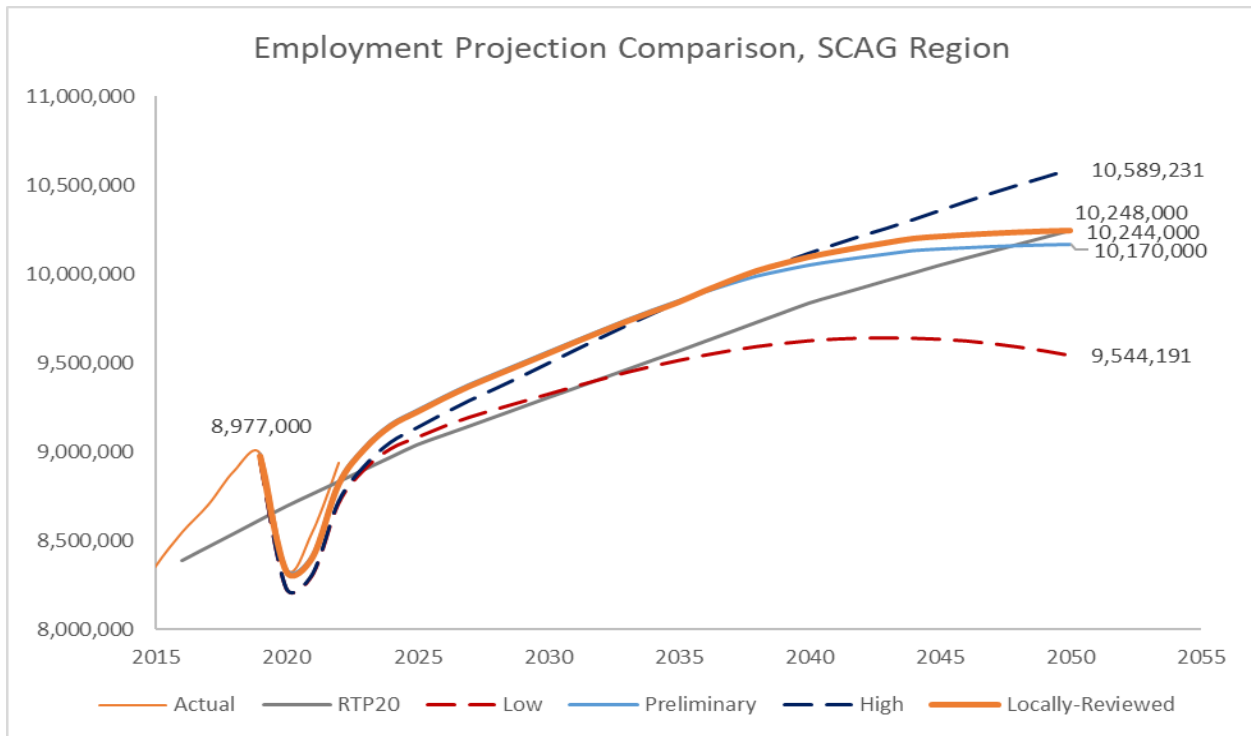


Figure 4

Actual data in Figures 2-4 are from the US Decennial Census, CA DOF, CA EDD, ACS PUMS, and BLS QCEW. Projections are from the final Connect SoCal 2020 and the preliminary and locally-reviewed versions of Connect SoCal 2024.

At the June 2022 CEHD meeting, staff presented the preliminary methodology for allocating this growth to the jurisdictional and neighborhood (i.e., Transportation Analysis Zone, or TAZ) levels to form a *preliminary forecasted regional development pattern* which followed the following principles:

1. **Rooted in local planning policies.** The forecasted regional development pattern will use available local general plan information as a starting point and local jurisdictions will be asked to update and review the forecast with their expertise of local planning context and ongoing planning work.
2. **Steered by a regional vision.** The forecasted regional development pattern will integrate growth strategies of Connect SoCal 2020 and follow regional and county forecast totals as guided by the Panel of Experts.
3. **Aligned with state policy.** The forecasted regional development pattern will reflect policies including the 6th cycle housing element process and be assessed considering SCAG’s SB 375 greenhouse gas emission reduction targets.

Between February and December 2022, staff conducted the LDX process, formally meeting with 164 jurisdictions, and receiving data inputs from 142 jurisdictions by the December 2, 2022 deadline. Jurisdictions were asked to review total households and employment in 2019, 2035, and 2050. Input from jurisdictions became the *locally-reviewed forecasted regional development pattern*. While staff continues to assess the transportation and other impacts of locally-reviewed growth, this report provides staff’s assessment of *locally-reviewed* county and region-level totals against the preliminary projections reviewed by the Panel of Experts.

Household and employment totals in 2019, 2035, and 2050 were those received from jurisdictions (if input was provided). Intermediate years were generated by SCAG staff based on the trends found in the preliminary projections. Population totals were derived from the household totals provided by local jurisdictions, plus the population-to-household ratio in the preliminary population projections. In some instances, jurisdictions provided comments that additional growth was likely to be concentrated in smaller housing units, thus the increase in population is less than the increase in households.

Compared to the preliminary version, the locally-reviewed forecast projects 2.3 percent higher household growth, 1.0 percent higher employment growth, and 1.8 percent higher population growth by 2050:

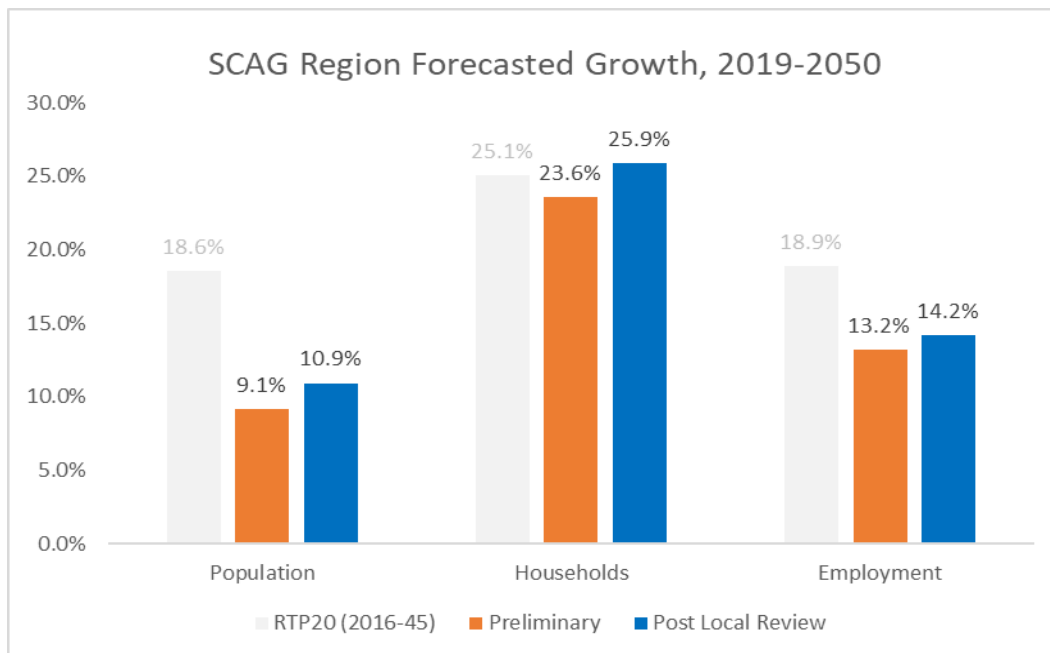


Figure 5

Table 1

SCAG Connect SoCal 2024 Locally-Reviewed Regional and County Growth Forecast
Provided to the Technical Working Group on 3/16/2023

Total Population	2019	2020	2025	2030	2035	2040	2045	2050	2019-2050	
									Growth	Pct. Growth
Imperial	181,000	180,000	186,000	193,000	198,000	203,000	207,000	210,000	29,000	16.0%
Los Angeles	10,046,000	10,018,000	10,051,000	10,230,000	10,449,000	10,633,000	10,749,000	10,767,000	721,000	7.2%
Orange	3,191,000	3,188,000	3,208,000	3,247,000	3,299,000	3,356,000	3,401,000	3,439,000	248,000	7.8%
Riverside	2,394,000	2,418,000	2,555,000	2,674,000	2,784,000	2,857,000	2,929,000	2,995,000	601,000	25.1%
San Bernardino	2,175,000	2,182,000	2,227,000	2,278,000	2,325,000	2,429,000	2,536,000	2,626,000	451,000	20.7%
Ventura	846,000	844,000	842,000	848,000	858,000	860,000	858,000	851,000	5,000	0.6%
SCAG	18,833,000	18,830,000	19,069,000	19,470,000	19,913,000	20,338,000	20,680,000	20,888,000	2,055,000	10.9%
Total Households										
	2019	2020	2025	2030	2035	2040	2045	2050	2019-2050	
									Growth	Pct. Growth
Imperial	52,000	52,000	56,000	61,000	65,000	68,000	70,000	72,000	20,000	38.9%
Los Angeles	3,393,000	3,420,000	3,595,000	3,788,000	3,948,000	4,049,000	4,114,000	4,138,000	745,000	22.0%
Orange	1,069,000	1,080,000	1,123,000	1,164,000	1,196,000	1,221,000	1,239,000	1,253,000	184,000	17.2%
Riverside	744,000	761,000	834,000	903,000	965,000	1,001,000	1,034,000	1,064,000	319,000	42.9%
San Bernardino	657,000	668,000	727,000	780,000	816,000	874,000	917,000	953,000	296,000	45.0%
Ventura	278,000	281,000	294,000	307,000	318,000	321,000	321,000	318,000	40,000	14.5%
SCAG	6,193,000	6,262,000	6,629,000	7,003,000	7,307,000	7,534,000	7,695,000	7,798,000	1,605,000	25.9%
Total Employment										
	2019	2020	2025	2030	2035	2040	2045	2050	2019-2050	
									Growth	Pct. Growth
Imperial	69,000	69,000	73,000	78,000	82,000	85,000	88,000	91,000	22,000	31.9%
Los Angeles	5,032,000	4,603,000	5,111,000	5,263,000	5,387,000	5,488,000	5,492,000	5,433,000	401,000	8.0%
Orange	1,805,000	1,684,000	1,857,000	1,903,000	1,942,000	1,977,000	1,998,000	2,019,000	214,000	11.9%
Riverside	847,000	800,000	909,000	983,000	1,057,000	1,106,000	1,147,000	1,185,000	338,000	39.9%
San Bernardino	860,000	838,000	903,000	948,000	992,000	1,060,000	1,108,000	1,145,000	285,000	33.1%
Ventura	363,000	332,000	371,000	379,000	384,000	383,000	380,000	376,000	13,000	3.6%
SCAG	8,977,000	8,326,000	9,224,000	9,553,000	9,843,000	10,099,000	10,215,000	10,248,000	1,273,000	14.2%

Note: Projections rounded to the nearest 1000. Population projections based on SCAG's preliminary model plus household totals provided by local jurisdictions.

SCAG demographic and economic staff, with assistance from PRB, conducted a series of robustness checks on the revised regional totals.

1. Locally-reviewed totals are well within the high and low ranges initially developed. While total households, employment, and population are all higher than the preliminary projection, they remain below the high scenario initially envisioned.
2. Following local review, household and employment both moved in the same direction. This contrasts with prior regional plans in which local review typically yields a higher employment projection, but a lower household projection. The result is a more balanced projection in terms of regional jobs and housing than has been done in the past.
3. The Demographic Panel of Experts noted that a higher growth could be possible if a combination of market and policy factors yielded increases in household formation. The locally-reviewed projection's higher household growth is reflective of a greater amount of upcoming and planned housing development than was reflected in the preliminary projection.
4. The regional P:E ratio in 2050 increased nominally from 2.02 to 2.04. This is in line with expectations, owing to the higher rise in households than jobs following local review, and the decrease from the 2019 ratio of 2.10 is consistent with the expectations in the preliminary projection. A P:E ratio above 2, which is consistent with the region's historic average, generally indicates sufficient population growth to fill the additional jobs which are projected.

Population-to-Employment (P:E) Ratio

	SCAG	Imperial	Los Angeles	Orange	Riverside	S. Bernardino	Ventura
2019	2.10	2.60	2.00	1.77	2.83	2.53	2.33
Growth	1.62	1.37	1.80	1.16	1.78	1.59	0.41
2050	2.04	2.31	1.98	1.70	2.53	2.29	2.26
<i>Difference from SCAG Region:</i>							
2019		0.50	-0.10	-0.33	0.73	0.43	0.23
2050		0.28	-0.06	-0.33	0.49	0.26	0.23

Table 2

5. A principle of the preliminary projection at the county level was to ensure that each county's household growth is commensurate with its employment growth—i.e. will it be possible to house additional workers at least within the same county as where their jobs are anticipated. So long as a county's P:E ratio doesn't get *further* away from the regional value of 2.04, this is achieved—this is the case in all six counties in the region.

- a. For example, Los Angeles County currently has an oversupply of jobs compared to the region (suggesting in-commuting). However, by 2050 it is closer to the regional P:E ratio, (difference drops from -0.10 to -0.06 suggesting less future in-commuting).
 - b. Orange County’s job oversupply increases modestly; however, this is consistent with the regional trend toward fewer people per job and Orange County’s P:E ratio remains -0.33 below the region by 2050.
 - c. Many LA and Orange County jobs are filled by residents of Riverside County. However, by 2050 Riverside County’s job growth will have exceeded its population growth, meaning that it will have a more balanced relationship with the region.
6. The regional P:H ratio in 2050 decreased nominally from 2.69 to 2.68 after local review. This reflects both the ageing of the population and the expectation that housing production will continue to exceed the housing need derived from population growth. This is the case for every county in the region. In particular, the anticipated household growth by 2050 in Los Angeles County increased by 62,000 and in San Bernardino County by 55,000 following local review. A reasonable expectation from this trend is that household overcrowding rates, an indicator of housing undersupply in past periods, are likely to decline over the projection period.

Population-to-Household (P:H) Ratio

	SCAG	Imperial	Los Angeles	Orange	Riverside	S. Bernardino	Ventura
2019	3.04	3.50	2.96	2.98	3.22	3.31	3.04
Add'l people per add'l HH	1.28	1.45	0.97	1.35	1.89	1.53	0.13
2050	2.68	2.93	2.60	2.74	2.82	2.76	2.67

Table 3

7. The preliminary employment projection relied upon actual data through 2019. Comparing the preliminary projection with actual 2020-2022 employment, we see that the preliminary projections for the SCAG region closely followed the now-realized level of employment growth over the last three years. As such, we were able to replace 2020-2022 projections with actual data without requiring any additional modification. The post-LDX projection incorporates the input from local jurisdictions and shows 1.0 percent higher employment growth from 2019-2050 than the preliminary projection. The Local Data Exchange process provided valuable local knowledge regarding specific projects which are underway or expected soon and increases the robustness of SCAG’s forecast.

Conclusions

Following local review, staff followed up with several jurisdictions to request clarifications or additional documentation regarding major changes in growth projections. Broadly speaking, changes in growth took place where there was identified capacity to accommodate these changes. Specifically, efforts by Los Angeles County jurisdictions to promote infill or Accessory Dwelling Unit development have shown encouraging increases in recent years and are supported by local housing elements¹. San Bernardino County growth rates have historically lagged behind neighboring Riverside County, however they nearly achieve parity in the locally-reviewed projection and suggest the county’s land use planning may be able to foster relatively higher growth rates going forward.

Finally, the locally-reviewed projection indicates some distinct differences between the near or mid-term within the forecast horizon versus the long-range. This differs from the projection in Connect SoCal 2020. This projection’s anticipation of higher household formation rates in the coming decade would reflect higher housing growth in the mid-term (particularly during the 6th cycle housing element update) which would accommodate anticipated population and job growth as well as alleviate some of the results of past undersupply. However, increases in age and mortality in the region (and globally) would result in a slower rate of household growth needed to accommodate population & job increases in the late 2030s and 2040s. The population and employment projections envision moderate growth in the mid-term but taper off by the later years of the projection.

Table 4: Annual Household Growth

5-year period	Locally-reviewed Connect SoCal 2024	Final Connect SoCal 2020
2020-2025	73,400	57,000
2025-2030	74,800	57,000
2030-2035	60,800	53,400
2035-2040	45,400	46,300
2040-2045	32,200	46,300
2045-2050	20,600	--

FISCAL IMPACT:

This work is supported by OWP item 055-4856-01, Regional Growth and Policy Analysis.

¹ For example, in 2021 the City of Los Angeles alone represented 22 percent of the entire state’s increase in multifamily housing, see https://dof.ca.gov/wp-content/uploads/sites/352/Forecasting/Demographics/Documents/E-1_2022PressRelease.pdf. According to the California Department of Housing and Community Development’s Annual Progress Report data for 2021, 45 percent of the state’s permitted ADUs were in Los Angeles County.



AGENDA ITEM 9
REPORT

Southern California Association of Governments
April 5, 2023

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

**EXECUTIVE DIRECTOR'S
APPROVAL**

From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov

Subject: Purchase Orders, Contract and Amendments below Regional Council's
Approval Threshold

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 7: Secure funding to support agency priorities to effectively and efficiently deliver work products.

BACKGROUND:

SCAG executed the following Purchase Orders (PO's) for more than \$5,000 but less than \$500,000

<u>Consultant/Contract #</u>	<u>PO' Purpose</u>	<u>Amount</u>
National Association of Regional Councils	FY23 Membership	\$27,500
The Milken Institute	FY23 Catalyst Conference	\$10,000
Futureports	FY23 Membership	\$5,000

SCAG executed the following Contracts more than \$25,000 but less than \$500,000

<u>Consultant/Contract #</u>	<u>Contract's Purpose</u>	<u>Contract Amount</u>
1. Mark Thomas & Company, Inc. (22-065-C01)	In Partnership with the City of Santa Monica (City), the consultant shall design, implement, and evaluate a Quick Build project on East Pico Boulevard in the. The East Pico Blvd Quick Build Safety Project is funded with Active Transportation Program (ATP) funds through the Sustainable	\$437,466



SCAG executed the following Contracts more than \$25,000 but less than \$500,000

<u>Consultant/Contract #</u>	<u>Contract's Purpose</u>	<u>Contract Amount</u>
	Communities Program and shall serve as a model for Quick Build implementation for the region. Quick Builds are defined by the California Transportation Commission as an interim capital improvement project. These projects further the goals of the ATP and serve as design/build opportunities based on community feedback.	
2. CPCS Transcom, Inc. (23-030-C01)	This study is meant to establish a framework for assessing and developing regional strategies, that will be incorporated as feasible into the 2024 Connect SoCal Update. The framework and strategies will then be built upon and detailed further into concrete strategies and solutions for implementation consideration during a subsequent future Comprehensive Regional Goods Movement Plan and Implementation Strategy Update.	\$274,812
3. Rapid7 at Carahsoft Technology Corporation (23-038-C01)	This software service will rapidly detect, investigate, contain, and eradicate cyber threats in the work environment. Service will include security expertise through a direct customer advisor and operations and incident response team responsible for 24/7 monitoring.	\$126,825
4. Green Translations, (23-022-C01)	The consultant shall provide translation and interpretation services of technical and standard content to support the development and	\$70,000



SCAG executed the following Contracts more than \$25,000 but less than \$500,000

<u>Consultant/Contract #</u>	<u>Contract's Purpose</u>	<u>Contract Amount</u>
	adoption process of agency programs and services, including Connect SoCal, SCAG's Regional Transportation Plan/Sustainable Communities Strategy.	

SCAG executed these Amendments for more than \$5,000 but less than \$150,000 and less than 30% of the original contract value

<u>Consultant/Contract #</u>	<u>Amendment's Purpose</u>	<u>Amendment Amount</u>
N/A	N/A	N/A

ATTACHMENT(S):

1. Contract Summary 22-065-C01
2. Contract Summary 23-030-C01
3. Contract Summary 23-038-C01
4. Contract Summary 23-022-C01

CONSULTANT CONTRACT NO. 22-065-C01

Recommended Consultant: Mark Thomas & Company, Inc.

Background & Scope of Work: In Partnership with the City of Santa Monica (City), the consultant shall design, implement, and evaluate a Quick Build project on East Pico Boulevard in the. The East Pico Blvd Quick Build Safety Project is funded with Active Transportation Program ATP) funds through the Sustainable Communities Program and shall serve as a model for Quick Build implementation for the region. Quick Builds are defined by the California Transportation Commission as an interim capital improvement project. These projects further the goals of the ATP and serve as design/build opportunities based on community feedback. They require minor construction activities, support workforce development needs, and are typically built with durable, low to moderate cost materials. The purpose of a Quick Build project is to respond to an identified safety need and implement safety treatments, enabling a community to benefit quickly from the improvements. Quick Builds facilitate opportunities for communities to provide input and test the project improvements prior to full project construction.

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

- Providing a model for the design, implementation, and evaluation of Quick Build projects in the SCAG Region;
- Leading a comprehensive engagement process as part of the Project design which includes walk audits and a Go Human event; and
- Engineering design plans with cost estimates.

Strategic Plan: This item supports SCAG’s Strategic Plan Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians

Contract Amount:	Total not to exceed	\$437,466
	Mark Thomas & Company (prime consultant)	\$232,451
	CalWalks	\$71,230
	Circle Point	\$45,000
	KOA (subconsultant)	\$53,285
	Leslie Scott Consulting (subconsultant)	\$35,500

Contract Period: February 27, 2023 thru February 28, 2026

Project Number(s): 275-4892X9.02 \$437,466
Funding source(s): Active Transportation Program (ATP) Cycle 5 Santa Monica

Funding of \$437,466 is available in the FY 2022-23 Overall Work Program (OWP) Budget in Project Number 275-4892X9.02 and any unused funds are expected to be carried forward into future fiscal year budget(s), subject to budget availability.

Request for Proposal (RFP): SCAG staff notified 2,685 firms of the release of RFP 22-065 via SCAG’s Solicitation Management System website. A total of 47 firms downloaded the RFP. SCAG received the following three (3) proposals in response to the solicitation:

Mark Thomas & Company, Inc, (2 subconsultants)	\$437,466
Psomas – (4 subconsultants)	N/A – A&E
Sam Schwartz - (2 subconsultants)	N/A – A&E

Note: This solicitation was conducted as an Architectural and Engineering (A&E) procurement and therefore as required by law each offeror was evaluated based on qualifications and not cost. The Proposal Review Committee ranked Mark Thomas & Company, Inc. as the highest (most qualified) proposer and the other two (2) offeror’s cost proposals were kept sealed.

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:

Cory Wilkerson, Principal Regional Planner, SCAG
Hannah Brunelle, Senior Regional Planner, SCAG
Jack Moreau, Senior Transportation Planner, City of Santa Monica

Basis for Selection: The PRC recommended Mark Thomas and Company for the contract award because the consultant:

- Demonstrated the best qualifications, specifically, extensive engagements with underserved communities. Outreach subconsultants demonstrated extensive experience with similar transportation projects;
- Demonstrated the best understanding of the project, specifically having a nuanced understanding of community engagement needs and the strong correlation between community outreach and the design process. Communicated a very clear understanding of the project’s needs for a strong focus on outreach and reaching Spanish-speaking communities; and
- Provided the best technical approach, for example identifying important challenges, such as conflicts at freeway off ramps and how to coordinate with Caltrans. Further, discussed positioning the City for success in future grant opportunities.

CONSULTANT CONTRACT NO. 23-030-C01

Recommended Consultant:

CPCS Transcom, Inc.

Background & Scope of Work:

The Southern California goods movement system and supporting infrastructure and facilities are regularly being impacted by numerous variables outside of the control of local government agencies. These impacts range from global supply chain factors like trade relationships and geopolitical issues, to the COVID-19 pandemic serving as the most current unpredictable variable. Based on these recent events and developments, it is important to compare and consider the approach to regional strategies that have been undertaken over the course of the past couple of Regional Transportation Plan and Sustainable Communities Strategies (RTP/SCS). The overarching intent of this project is to revisit areas where there have been substantial impacts affecting freight corridors, transportation infrastructure, and facilities, while also considering a universal approach to future opportunities from where we stand today.

This study is meant to establish a framework for assessing and developing regional strategies, that will be incorporated as feasible into the 2024 Connect SoCal Update. The framework and strategies will then be built upon and detailed further into concrete strategies and solutions for implementation consideration during a subsequent future Comprehensive Regional Goods Movement Plan and Implementation Strategy Update.

Project's Benefits & Key Deliverables:

- The project's benefits and key deliverables include, but are not limited to:
- Contributing to the 2024 Connect SoCal Goods Movement Technical Report, which will be used by regional partners and member cities;
 - Contributing to freight strategies that will be built upon further by SCAG and its member agencies; and
 - Providing stakeholders a better understand the freight needs of the region.

Strategic Plan:

- This item supports SCAG's Strategic Plan Goals:
- Goal 1: Produce innovative solutions that improve the quality of life for Southern Californians.
 - Goal 2: Advance Southern California's policy interests and planning priorities through regional, statewide, and national engagement and advocacy.
 - Goal 4: Provide innovative information and value-added services to enhance member agencies' planning and operations and promote regional collaboration.

Contract Amount:

Total not to exceed	\$274,812
CPCS Transcom, Inc. (prime consultant)	\$161,052
Fehr & Peers (subconsultant)	\$77,937
3COTECH, Inc. (subconsultant)	\$35,823

Contract Period:

March 8, 2023 through November 3, 2023

Project Number(s): 130-0162B.18 \$224,812
130-0162B.02 \$50,000

Funding source(s): Consolidated Planning Grant (CPG) – Federal Transit Administration (FTA 5303)

Funding of \$274,812 is available in the Fiscal Year (FY) 2022-23 Overall Work Program (OWP) Budget in Project Numbers 130-0162B.18 (\$224,812) and 130-0162B.02 (\$50,000) and the remaining balance will be requested in future fiscal year budgets, subject to budget availability.

Request for Proposal (RFP): SCAG staff notified 4,382 firms of the release of RFP 23-030-C01 via SCAG’s Solicitation Management System website. A total of 45 firms downloaded the RFP. SCAG received the following two (2) proposals in response to the solicitation:

CPCS Transcom, Inc. (2 subconsultants)	\$274,812
Berkeley Economic Advising & Research (BEAR - one subconsultant)	\$226,277

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 did not conduct interviews because the proposals contained sufficient information on which to base a contract award.

The PRC consisted of the following individuals:

- Prithvi Deore, Associate Regional Planner, SCAG
- Stephen Yoon, Senior Regional Planner, SCAG
- James Shankel, Senior Freight Planning Specialist, Caltrans – District 7

Basis for Selection: The PRC recommended CPCS for the contract award because the consultant best demonstrated that they understood the timeline challenges and the complexity of the SOW listed in the published RFP, which assured the PRC that they were capable of completing the project within the timeline given. The selected firm established their expertise in freight as well as an understanding of regional issues in their proposal. They also have a sub-consultant team who possess a broad range of experience that will add value to SCAG’s project. CPCS’ previous projects in the region with local, regional, and state agencies have similar elements in comparison to the current project. Most of the included projects have some level of base work that involved framework development.

The lower priced firm, Berkeley Economic Advising & Research-BEAR, did not equate an adequate number of hours to the amount of work outlined in the Scope of Work (SOW). The selected firm, CPCS, had a reasonable per unit cost, offered a cost proposal far below the independent cost estimated (ICE) and showed a greater understanding of the complexity of time and hours needed to complete the project. The lower priced firm did not incorporate the entirety of the SOW and did not go into depth with respect to what was required in the SOW and its possible challenges. Furthermore, they did not have freight specific experts who possessed a clear understanding of the regional and local issues.

CONSULTANT CONTRACT NO. 23-038-C01

Recommended Consultant: Rapid7 at Carahsoft Technology Corporation

Background & Scope of Work: On February 27, 2023 SCAG awarded contract 23-038-C01 to provide staff with Rapid7 Managed Detection and Response Service. Under this agreement, Carahsoft Technology Corporation acts as the channel partner and reseller for the purchase of Rapid7 software and support.

Project's Benefits & Key Deliverables: This software service will rapidly detect, investigate, contain, and eradicate cyber threats in the work environment. Service will include security expertise through a direct customer advisor and operations and incident response team responsible for 24/7 monitoring.

Strategic Plan: This item supports SCAG's Strategic Plan Goal 3: Be the foremost data information hub for the region; Objective: Model best practices by prioritizing continuous improvement and technical innovations through the adoption of interactive, automated, and state-of-the-art information tools and technologies.

Contract Amount: **Total not to exceed:** **\$126,825**

Contract Period: February 27, 2023 through February 28, 2024

Project Number(s): 811-1163.08 \$42,391
Funding source(s): Indirect Cost Program Budget

Funding of \$42,391 is available in the Fiscal Year (FY) 2022-23 Indirect Cost Program Budget in Project Number 811-1163.08, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.

Basis for Selection: In accordance with SCAG's Procurement Manual (January 2021) Section 9.3, to foster greater economy and efficiency, SCAG's federal procurement guidance (2 CFR 200.318 [e]) authorizes SCAG to procure goods and services by using an Intergovernmental Agreement (Master Service Agreement – MSA, also known as a Leveraged Purchase Agreement – LPA). The goods and services procured under an MSA were previously competitively procured by another governmental entity (SCAG is essentially "piggy-backing" on the agreement.). SCAG utilized an MSA with Rapid7 at Carahsoft (NASPO Contract No. #AR2472) that was competitively procured. This MSA is specifically designed for use by local agencies to leverage combined purchasing power for discounted volume pricing.

CONSULTANT CONTRACT 23-022-C01

Recommended Consultant:	Green Translations, LLC
Background & Scope of Work:	The consultant shall provide translation and interpretation services of technical and standard content to support the development and adoption process of agency programs and services, including Connect SoCal, SCAG’s Regional Transportation Plan/Sustainable Communities Strategy.
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">• Provide written translation for various key documents in Spanish, Chinese, Korean and Vietnamese; and• Provide interpretation services, including American Sign Language, for public events as needed.
Strategic Plan:	This item supports SCAG’s Strategic Plan Goal 6: Deploy strategic communications to further agency priorities and foster public understanding of long-range regional planning.
Contract Amount:	<p>Total not to exceed \$70,000 Green Translations, LLC (prime consultant) Contract amount includes approximately \$10,000 for all foreseen expenses for delivering translation and interpretation services. Consultant will be reimbursed by their labor hourly rates on an as needed basis (see note in Request for Proposal section below).</p>
Contract Period:	February 1, 2023 through February 1, 2026
Project Number(s):	<p>090-0148B.01 \$7,000 Funding source(s): Consolidated Planning Grant (CPG) – Federal Transit Administration (FTA 5303).</p> <p>Funding of \$7,000 is available in the Fiscal Year (FY) 2022-23 Overall Work Program (OWP) Budget in Project Number 090-0148B.01, and the remaining balance will be requested in future fiscal year budget(s), subject to budget availability.</p>
Request for Proposal (RFP):	<p>SCAG staff notified 84 firms of the release of RFP 20-008 via SCAG’s Solicitation Management System website. A total of 25 firms downloaded the RFP. SCAG received the following seven (7) proposals in response to the solicitation.</p> <p>Note. The figures below include staff’s estimate of \$10,000 for minimum interpreter and translation fees, equipment, technician and set up fees, as these costs won’t be known until the exact scope of work is determined at a future date, during the life of this three (3) year Time and Materials contract. The rates differ between firms. However, the selected consultant has the lowest technician hourly fee and the most reasonable minimum charge per assignment.</p>

Green Translations, LLC (no subconsultants)	\$70,000
Homeland Language Services (1 subconsultant)	\$66,467
Focus Language International; (no subconsultants)	\$70,090
Translating Services, Inc. (dba Lazer Translating & Interpreting - no subconsultants)	\$72,865
Day Translations. (1 subconsultant)	\$79,235
Language Network (no subconsultants)	\$111,523
TransLinguist Inc. (disqualified, mandatory Caltrans Disadvantaged Business Enterprise goal not met)	N/A

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 conducted two (2) interviews of the highest ranked proposals.

The PRC consisted of the following individuals:

Margaret de Larios, Public Affairs Specialist IV, SCAG
 Ana Vallianatos, Manager of Media and Public Affairs, SCAG
 Francesca Ramos, Public Affairs Specialist II, SCAG
 Rongsheng Luo, Program Manager II, SCAG

Basis for Selection:

The PRC recommended Green Translations, LLC for the contract award because the consultant:

- Demonstrated an exemplary technical approach, including a clear workflow and robust quality control process;
- Provided high-quality sample translations demonstrating the caliber of their work product;
- Have a highly qualified staff and project team with extensive experience handling similar/relevant work with other clients in our same field;
- Their rates for translation and interpretation services are very competitive, and among the lowest of all proposers;

Although two other firms proposed lower prices in some categories, the PRC did not recommend these firms for contract award because these firms:

- Did not clearly demonstrate understanding of translating subject matter as it relates to SCAG; and
- Did not include sample translations or sufficient explanation of quality control process.



AGENDA ITEM 10
REPORT

Southern California Association of Governments
April 5, 2023

To: Executive/Administration Committee (EAC)
Regional Council (RC)
From: Cindy Giraldo, Chief Financial Officer
(213) 630-1413, giraldo@scag.ca.gov
Subject: CFO Monthly Report

**EXECUTIVE DIRECTOR'S
APPROVAL**

RECOMMENDED ACTION:

Information Only - No Action Required

STRATEGIC PLAN:

This item supports the following Strategic Plan Goal 7: Secure funding to support agency priorities to effectively and efficiently deliver work products.

ACCOUNTING:

Membership Dues

As of March 20, 2023, 178 cities, 6 counties, 7 commissions, and 2 tribal governments have paid their FY23 membership dues. This represents 96.86% of the membership assessment. Final notices to collect unpaid dues were sent on February 7th and Government Affairs Officers are following-up with phone calls and emails.

Investments

As required by SCAG's investment policy adopted by the Regional Council in July 2018, staff will provide a monthly report of investments and interest earnings. During FY 2022-23, SCAG has moved all funds invested in the Los Angeles County Investment Pool to our Bank of the West operating account, except for any remaining interest earnings received in July 2022-February 2023. Alternatively, SCAG has established a new investment account in the Local Agency Investment Fund (LAIF) and invested \$5.07M as of February 28, 2023. SCAG has earned \$6,659.05 interest from funds invested in the Los Angeles County Investment Pool and \$71,463.98 interest from funds invested in the Local Agency Investment Fund account as of February 28, 2023.

BUDGET & GRANTS (B&G):

Staff completed the development of the FY 2023-24 Draft Comprehensive Budget and Overall Work Program (OWP). The proposed Comprehensive Budget of \$348.97 million was approved by the Executive Administration Committee (EAC) on March 1, 2023 and the Regional Council (RC) on



March 2, 2023. The Draft OWP was released for a 30-day public comment period ending April 3, 2023. The Final Budget will be presented to the EAC and RC for approval in May.

Staff also completed preparing Amendment 3 to the FY 2022-23 Overall Work Program, the second amendment to the Indirect Cost Budget, the second amendment to the FTA Discretionary and Formula Grant Budget, and an amendment to the TDA Budget. After approval by the EAC and RC in April 2023, Amendment 3 to the FY23 OWP will be submitted to Caltrans for final approval.

Lastly, on February 28, 2023, staff submitted a grant application to the Department of Transportation's Rebuild American Infrastructure with Sustainability and Equity (RAISE) program, requesting \$2 million in federal funds to perform comprehensive Goods Movement Plan update. In March 2023, staff also submitted a grant application for the FY 2023-24 Caltrans Sustainable Transportation Planning Grant Program, requesting \$345,250 in grant funding to conduct a planning study on sustainable tourism and mitigating housing, transportation and environmental impacts of the tourism in the SCAG region. The award announcement for the RAISE program as well as the FY 2023-24 Caltrans Sustainable Transportation Planning Grant Program are anticipated in Summer 2023.

CONTRACTS

In February 2023, the Contracts Department issued two (2) Request for Proposal; awarded seven (7) contracts; issued ten (10) contract amendments; and processed twenty-two (22) Purchase Orders to support ongoing business and enterprise operations. Staff also administered 207 consultant contracts. Contracts staff continued to negotiate better pricing as well as reduced costs for services. This month Contracts' staff negotiated \$85,712 in budget savings, bringing the cumulative FY23 savings to \$1,116,407.