ORANGE LINE DEVELOPMENT AUTHORITY MEETING

Thursday, May 1, 2003

Cerritos Center for the Performing Arts
Sierra Room
12700 Center Court Drive
Cerritos

Dinner
5:30 p.m.

Meeting
6 p.m.

A G E N D A

1. Call to Order
2. Pledge of Allegiance
3. Introduction of Attendees
4. Approval of Minutes
   Orange Line Development Authority Meeting of April 3, 2003
5. A Resolution of the Board of Directors of the Orange Line Development Authority Adopting a Formula For Member Financial Support
6. A Study Session to Discuss the Creation of a Questionnaire Regarding Member Representatives and Meeting Attendance
7. Orange Line Development Authority Member Status
8. Adjournment
MINUTES OF THE
ORANGE LINE DEVELOPMENT AUTHORITY
THURSDAY, APRIL 3, 2003

CALL TO ORDER
Chair De La Torre called the meeting to order at 6:30 p.m. in the Sierra Room of the Cerritos Center for the Performing Arts, 12700 Center Court Drive, Cerritos, California.

PLEDGE OF ALLEGIANCE
Cerritos Mayor Gloria Kappe led the assembly in the salute to the flag.

INTRODUCTION OF ATTENDEES
Attendees proceeded with self-introductions. They included:

Chair Hector De La Torre
Secretary Art Gallucci
Treasurer-Auditor Jack Joseph
Mayor, City of South Gate
City Manager, City of Cerritos
Deputy Executive Director,
Gateway Cities COG

Manuel Gomez – Transportation Development Manager, Santa Ana
John Mayer – Assistant Planner, Artesia
Robert Lopez – Associate Planner, Cerritos
Torrey Contreras – Advance Planning/Redevelopment Manager, Cerritos
Jack Joseph – Deputy Executive Director, Gateway Cities Council of Governments
Al Perdon – Transportation Consultant
Michael Colantuono – Legal Counsel
Gloria Kappe – Mayor, Cerritos
Bruce Barrows – Former Mayor, Cerritos
Michele Miller – Glaab & Associates, Irvine
Tom Palmer – Lockheed Martin, Santa Maria
Anita Aviles – Legal Counsel, Vernon

APPROVAL OF MINUTES OF ORANGE LINE DEVELOPMENT AUTHORITY MEETING OF MARCH 6, 2003

MOTION: Chair De La Torre moved to approve the Minutes of the Orange Line Development Authority meeting of March 6, 2003. The motion was seconded by Secretary Gallucci and carried with no opposition.

REVIEW AND COMMENTS – JOINT EXERCISE OF POWERS AGREEMENT
Mr. Colantuono reported that the agreement was essentially the same as was presented in the meeting of March 6, 2003, but modified in accordance with the direction provided by the attendees at that meeting. The agreement provides that Cerritos’ Finance Manager, Becky Lingad, will be the initial Treasurer-Auditor of the Agency until such time as the Board provides another direction. A correction was made indicating the Deputy Executive Director of Gateway Cities Council of Governments as the Treasurer-Auditor with assistance provided
by Ms. Lingad. The office of Secretary of the Agency shall be appointed by the Board and
currently is filled by Cerritos City Manager, Art Gallucci.

Mr. Colantuono continued reporting that the Agreement provides for an Executive Director,
but one has not yet been appointed and that should the Board choose to do so, they can
approve additional officers, later. He stated that the cities of Santa Ana and Huntington
Beach were added, as they were not reflected in the original draft agreement. Mr.
Colantuono added that more than a dozen cities have adopted a resolution expressing
support for the formation of the Agency, but none have had the opportunity vote on the Joint
Powers Authority (JPA) yet. He reported that staff would be sending the agreement to the
various cities, asking them to place the item on agendas and formally adopt and sign it.
According to the terms of the agreement, as soon as two cities have done so, the entity
exists. In response to an inquiry, Mr. Colantuono explained that changes proposed by the
cities would be addressed. Board members must be elected officials.

Ensuing discussion pertained to the role of the Metropolitan Transportation Authority (MTA)
and Orange County Transportation Authority (OCTA) and giving them seats on the Board
without making them parties to the agreement. It was recommended that the MTA and
OCTA be added as ex officio members until further decision is made on the issue.

MOTION: The Chair moved to approve the Joint Exercise of Powers Agreement as amended
with the Deputy Executive Director of Gateway Cities COG as the Treasurer-Auditor and
inviting the MTA and OCTA as non-voting members (who do not count towards a quorum).
The motion was seconded by Cerritos Mayor Gloria Kappe and carried with no opposition.

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT
AUTHORITY ADOPTING THE BY-LAWS OF ORANGE LINE DEVELOPMENT AUTHORITY

Mr. Colantuono referenced the By-laws included in the agenda packets which summarize the
relevant provisions in the Joint Powers Agreement and serve the purpose or providing the
Board members and Board-appointed Chair and Secretary a condensed set of the business
rules of the organization. He noted that there is a provision to remove a director for non-
attendance, provide compensation of Board members, and for cities and their directors to
bear no liability for the organization. He noted the provision for the Executive Director is
that his/her appointment be consented to by two-thirds of the entire membership, that none
of the committees be other than advisory, that regular meetings be held on the first
Thursday of the month in the City of Cerritos, and that Robert's Rules be applied.

Discussion followed regarding the frequency of the meetings, providing a minimum with
additional meetings possible as called by the Board, amending By-laws, and changing the
quorum from two-thirds to at least half.

MOTION: Chair De La Torre moved to approve the By-laws as amended above. The motion
was seconded by Cerritos Mayor Kappe and carried with no opposition.

SOLICITATION OF FUNDING FOR ORANGE LINE STUDIES AND ADMINISTRATION

Secretary Art Gallucci reported that Members of the Orange Line Development Authority
(OLDA) have recently solicited funds from various government agencies as listed in the
Agenda Report dated April 3, 2003. Mr. Gallucci further explained that the funds would be
applied towards administrative costs, staff costs, construction and engineering fees, and that
no responses have been received as yet.
The Chair indicated that in a previous project, city funds were solicited to create a “starter” fund and it was valuable when seeking state and county money. He suggested the issue be addressed in a future discussion.

Discussion followed regarding particular purpose funds for cities that might be appropriate for use such as the AQMD 2866 funds and the fact that it could be worthwhile to identify those funds in the future.

MOTION: The Chair moved to receive and file the report. The motion was seconded by Cerritos Mayor Kappe and carried without opposition.

**ORANGE LINE DEVELOPMENT AUTHORITY MEMBER STATUS**

It was reported that since the last meeting the cities of Huntington Beach and Garden Grove have joined the Authority. The Chair proposed a meeting with the Mayor of Anaheim to find out whether they are interested in joining.

It was suggested that the joining of Union Station and Staples Center remain an open issue. Those alternatives could be carried through in the Environmental Analysis and may be required as viable options.

Ensuing discussion pertained to the City of Cudahy and progress with the City of Los Angeles. Mr. Perdon reported that he has been meeting with Council officials in the City of Los Angeles, as well as, the Mayor’s office to encourage the City to become an active partner in the Joint Power Authority formation process. He provided an update of the results of the meetings.

Discussion continued regarding Councilmembers responsible for the various areas within the City of Los Angeles. It was noted that different ideas are being proposed for the area around Staples Center and that by keeping the issue open, it will allow for the Authority to work with the land use planning process and help determine the best end point.

Brief discussion ensued regarding the status of the cities of La Palma, Cypress, Buena Park and Irvine. Former Cerritos Mayor Barrows presented a status update of the cities of Anaheim, Tustin, Santa Ana and Irvine. He noted that Orange County cities are very important players in the process.

The Chair explained at present there is a need to move rapidly on this project. Therefore, it makes sense to meet again in May.

It was suggested that an estimated budget amount be proposed in order to present to the cities for soliciting funds. It was recommended that a budget be drafted to operate the JPA until the larger funds “kick in” recognizing that currently, four cities will not be contributing. The budget can be set based on miles of track population, size of budget and those that have stations versus those that do not. This can then be presented to the various cities. Both Los Angeles and Orange counties have provided money for preliminary studies.

MOTION: It was moved and seconded to receive and file the report. The motion carried with no opposition.
A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT AUTHORITY SUPPORTING THE ADOPTION OF SENATE BILL 465, AN ACT TO AMEND CALIFORNIA STATE CODES RELATING TO TRANSIT VILLAGE PLANS

Mr. Gallucci presented a report on Senate Bill 465, which allows for expansion of an agency and for the development of transit villages around stations. He noted that the OLDA Board of Directors is being asked to adopt a resolution to support this bill and that all city councils of member cities are requested to adopt similar resolutions in support of the bill.

MOTION: The Chair moved to approve the resolution captioned as follows:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT AUTHORITY SUPPORTING THE ADOPTION OF SENATE BILL 465, AN ACT TO AMEND CALIFORNIA STATE CODES RELATING TO TRANSIT VILLAGE PLANS

The motion was seconded by Mayor Kappe and carried with no opposition.

ADJOURNMENT

There being no further business to come before the Orange Line Development Authority, the meeting was adjourned at 7:29 p.m.

Secretary

Attest:

Chair

Approved:
AGENDA REPORT

TO: Members of the Orange Line Development Authority
FROM: Hector De La Torre, Chair
INITIATED BY: Art Gallucci, Secretary
DATE: May 1, 2003
SUBJECT: A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT AUTHORITY ADOPTING A FORMULA FOR MEMBER FINANCIAL SUPPORT

BACKGROUND

While the Orange Line Development Authority is seeking funding from state and federal sources for preliminary administrative and staff costs as well as consultant and engineering fees for predeployment planning and construction, the Board of Directors expects that a small portion of these costs may need to be covered by Member cities and agencies. Since each Member has a different spatial relationship to the Orange Line and since each Member’s ability to contribute to these costs varies, a fair and equitable formula for determining these contributions is necessary.

FORMULA FACTORS

The two factors most relevant to a Member’s relationship to the Orange Line are the city’s population and the number of miles of Orange Line track that go through the city. The number of miles of track in a city has a direct relationship to the potential for a city to benefit from the Orange Line. A city’s population is significant in that a city’s budget for transit spending from local returns from Propositions A and C (Los Angeles County) and Measure M (Orange County) is directly related to its population. Therefore, cities with more miles of Orange Line track running through the jurisdictional boundaries would contribute more than cities with less miles of track, and cities with bigger populations (and therefore a bigger source of transit funds) would contribute more than cities with smaller populations.

Previously the existence of a station in a jurisdiction was proposed as a contributing factor to a Member’s share of contribution. However, the locations of stations have not yet been clearly identified and will not be until further studies have taken place. The Orange Line may have more or fewer stations than previously proposed, and not all station sites may be approved. Therefore, this factor should not be included in calculating a Member’s contribution at this point in time, as it is yet too premature to know exactly where stations will be located.

PAYMENT SCHEDULE

Staff suggests that Members have two options for making their financial contributions. The first is a lump sum, upfront payment. The second option is to pay in two installments: 1)
one upfront payment of fifty (50) percent of their contribution upon the adoption of the formula in this report, and 2) a second payment of the remaining fifty (50) percent six months later. An "upfront" payment would be made within thirty (30) days of the adoption of a resolution by the Board of Directors implementing a contribution formula. The Orange Line Development Authority needs the upfront half of the payment in order to prove to federal sources that the Authority has a committed Membership who is willing to contribute their own funds to the project; federal agencies are more willing to assist organizations that also assist themselves in some way. Additionally, state and federal funds may not be available within the first six months of the Authority's existence, although the Authority still needs to operate and be administered.

STAFF RECOMMENDATION

A study was conducted to see how much weight or emphasis should be placed on the number of miles of track versus population. Staff has determined that a 50%-50% relationship between these two factors would be most equitable, as a city's population and transit budget is just as important as how many miles of track run through the city. Therefore, the formula for a Member city's contribution would be as follows, where Contribution:

\[ C_{Member} = 0.5 \times C_{Total} \times \left( \frac{Miles_{Member}}{Miles_{Total}} \right) + 0.5 \times C_{Total} \times \left( \frac{Pop_{Member}}{Pop_{Total}} \right) \]

= 50% \times C_{Total} \times \left( \frac{Miles_{Member}}{Miles_{Total}} \right) + (Pop_{Member} / Pop_{Total})

Attachment 1 illustrates what each Member city's contribution would be, assuming two different scenarios: 1) the contribution from all cities along the Orange Line corridor, eventually to join the OLDA, and 2) the contribution from only cities that have already passed a resolution supporting OLDA. These two scenarios show how a Member's contribution changes as more cities join the OLDA.

The Board of Directors should adopt this or a similar formula to ensure that all Members have the opportunity to support and financially contribute to the OLDA in the most equitable manner possible. In the meantime, Board leaders are continuing to solicit financial support from state and federal sources; currently these requests are under review and under consideration at the federal level. Further updates regarding these solicitations will be provided to the Board as they become available.

RECOMMENDATIONS

1. Review and discuss the information presented above.
2. Adopt a resolution captioned:

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT AUTHORITY ADOPTING A FORMULA FOR MEMBER FINANCIAL SUPPORT

Attachments
1. Orange Line Member Contributions – Scenario Comparison
ORANGE LINE DEVELOPMENT AUTHORITY

RESOLUTION NO. 2003-3

A RESOLUTION OF THE BOARD OF DIRECTORS OF THE ORANGE LINE DEVELOPMENT AUTHORITY ADOPTING A FORMULA FOR MEMBER FINANCIAL SUPPORT

WHEREAS the administration and operation of the Orange Line Development Authority necessitates a source of continuous funding; and

WHEREAS funds are needed for consultant and engineering fees for predeployment planning and construction; and

WHEREAS requests by the Orange Line Development Authority for funds have been made and are currently being reviewed and considered at the federal level; and

WHEREAS Orange Line Development Authority Members may be required to contribute financially to the Authority for its administration and operation during its predeployment phase; and

WHEREAS a fair and equitable formula is necessary for determining a Member's contribution; and

WHEREAS the number of miles of Orange Line track that run through a Member jurisdiction is as equally significant as the population of a Member jurisdiction in determining a Member's contribution to the Orange Line administration; and

WHEREAS Members shall have the option of either paying all of their contribution within thirty days of the adoption of this resolution or paying their contribution in two equal installments: one installment of fifty percent to be paid within thirty days of the adoption of this resolution and a second fifty-percent installment to be paid six months after the adoption of this resolution; and

WHEREAS the formula determining a Member's financial contribution will be equal to fifty percent of the total contributions needed multiplied by the sum of the following two factors: 1) the miles of Orange Line track in the Member's jurisdiction divided by the sum total of the number of miles in all Members' jurisdictions; 2) the population of the Member's jurisdiction divided by the sum total of the populations of all Members' jurisdictions,

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the Orange Line Development Authority does hereby adopt this formula for member financial support.

PASSED, APPROVED and ADOPTED this 1st day of May 2003.

ATTEST:

Hector De La Torre, Chair

Art Gallucci, Secretary
Orange Line Member Contributions: Scenario Comparison

Member cities will be asked to contribute money toward the administration of the OLDA. Below is a summary of how each member's contribution changes as the emphasis of the basis for this contribution shifts from the population of a city to the number of miles of track that run through the city. Staff feels that, at present, station locations cannot be definitively determined and therefore should not be included in the contribution formula. Staff feels the best scenario is the 50% emphasis on Miles and 50% emphasis on Population. Since this is a rail transit project, the amount of rail that goes through the city is a very important factor; equally important is the city's available transit funding resources through Proposition A & C and Measure M, which are based on population.

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<td>(OCTA Contribution)</td>
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<th>CITIES THAT HAVE PASSED RESOLUTIONS SUPPORTING OLDA</th>
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* The City of Cudahy has not yet passed a resolution supporting entry into OLDA, but is expected to do so in the near future.
AGENDA REPORT

TO: Members of the Orange Line Development Authority

FROM: Hector De La Torre, Chair

INITIATED BY: Art Gallucci, Secretary

DATE: May 1, 2003

SUBJECT: A STUDY SESSION TO DISCUSS THE CREATION OF A QUESTIONNAIRE REGARDING MEMBER REPRESENTATIVES AND MEETING ATTENDANCE

While attendance at the first Orange Line Development Authority Meeting in March 2003 was relatively well attended, attendance dropped significantly at the April 3rd meeting. Because the Authority is in its beginning stages, it is crucial that all Members are represented in any decision making process. What is decided at the OLDA meetings ultimately affects the individual Members.

In order to assess the desires of Members and potential Members to attend the monthly OLDA meetings, staff proposes to send a questionnaire to all involved parties. The questionnaire will inquire as to each Member’s desired meeting location and meeting times. Additionally, the questionnaire will ascertain who will be the primary representative from each Member. This information will serve to relay all future information and announcements to the appropriate parties and to encourage Members to have a representative present at each meeting.

Attached is a sample cover letter and questionnaire for review by the Board of Directors. Any changes or suggestions will be incorporated in a final questionnaire to be sent out to all involved parties by staff.

RECOMMENDATIONS

1. Review and discuss the information presented above.

2. Direct staff accordingly.

Attachments

1. Cover Letter
2. Questionnaire
May 1, 2003

RE: APPOINTED OR ELECTED OFFICIAL ASSIGNED TO REPRESENT MEMBER CITIES AT FUTURE ORANGE LINE DEVELOPMENT AUTHORITY (OLDA) MEETINGS

Dear ________:

The recently formed Orange Line Development Authority (OLDA), which is currently comprised of 13 local municipalities, has held two meetings at the Cerritos Center for the Performing Arts to discuss issues relating to the potential development of a high-speed magnetic levitation (MagLev) transportation system coined the “Orange Line” along the soon-to-be abandoned Pacific Electric Railway (PE Corridor). The two proposed terminuses are either the City of Anaheim or the City of Santa Ana to the south and the City of Los Angeles to the north, at either Union Station or the Staples Center.

The purpose of this letter is twofold: first to identify either an elected or appointed official to represent your organization at future OLDA meetings; and, second to determine what can be done to increase attendance at the OLDA’s monthly meetings. Attached, please find a questionnaire that has been developed for this specific purpose. After completing the referenced questionnaire, please return said item in the pre-paid and self-addressed envelope to the OLDA for further processing.

The next regularly scheduled OLDA meeting is on Thursday, June 5, 2003 at the Cerritos Center for the Performing Arts at 6:00 p.m. Please do not hesitate to contact Cerritos Advance Planning/Redevelopment Manager Torrey N. Contreras at (562) 916-1204 or torrey_contreras@ci.cerritos.ca.us for a copy of the meeting agenda and staff reports to be heard that evening. Mr. Contreras is also available to field any questions relating to the Orange Line project as well as to accept requests for past meeting minutes or staff reports.

Thank you in advance for sending a representative of your organization to attend the OLDA’s June meeting and for your continued support of the OrangeLine project.

Sincerely,

Hector De La Torre
Chair
Section I of this questionnaire is designed to identify the name of either an appointed or elected official to represent each participating organization at future Orange Line Development Authority (OLDA) meetings. **Section II** is intended to obtain information from each organization on how best to increase attendance at future OLDA meetings. Do not hesitate to contact Torrey N. Contreras at (562) 916-1204 or torrey_contreras@ci.cerritos.ca.us for additional information or to relay your comments. Thank you in advance for completing the questionnaire!

**SECTION I (Elected or Appointed Official Only)**

Organization: ____________________________________________________________

Name of Official: ______________________________ Title: ____________________

Mailing Address: ___________________________________ State: _____________

Telephone Number: ________________________ E-mail Address: ______________

**SECTION II**

Has a representative from your organization attended any of the previous OLDA meetings held at the Cerritos Center for the Performing Arts? If not, please explain why.

Yes □ No □ Explanation: ________________________________________________

The OLDA is scheduled to meet in the City of Cerritos at 6:00 p.m. on the first Thursday of each month. Does a conflict exist with the above referenced day or time? If so, please explain and provide an alternate day and time for consideration.

Yes □ No □ Explanation: ________________________________________________

Does your organization wish to meet at a location other than the City of Cerritos? If so, please provide alternate locations to conduct future OLDA meetings.

Yes □ No □ Explanation: ________________________________________________

Does your organization have access to video conferencing centers or possess the capability of hosting a video conference in the future? If so, where could future meetings be conducted?

Yes □ No □ Explanation: ________________________________________________
AGENDA REPORT

TO: Members of the Orange Line Development Authority
FROM: Hector De La Torre, Chair
INITIATED BY: Art Gallucci, Secretary
DATE: May 1, 2003
SUBJECT: ORANGE LINE DEVELOPMENT AUTHORITY MEMBER STATUS

To date, 13 of the 20 cities along the Orange Line corridor have passed a resolution supporting formation of the Orange Line Development Authority (OLDA). These cities, along with the 7 remaining cities, are shown in the map below.