



Meeting Report for September 20, 2010  
by Richard Bort

Valley VOTE Board members, community leaders, and concerned citizens convened on November 20, 2010 at Galpin Ford to hear featured speaker Richard Katz discuss Transit Issues in L.A. County.

## Richard Katz

Richard Katz has been a member of the board of the L.A. County Metropolitan Transit Authority (MTA) since 2005. He is a member of the MTA's Measure R Project Delivery Committee and the Executive Management and Audit Committee. The MTA serves as transportation planner and coordinator, designer, builder and operator of transportation services and infrastructure for one of the country's largest, most populous counties. Richard Katz is a longtime Valley VOTE Board member, and he co-chaired the Valley Independence campaign in 2002.

"My hat is off to Richard Leyner, Joe Vitti, and all those who have kept Valley VOTE going all these years," Richard Katz said in opening his remarks. He went on to note that although Valley VOTE's effort in 2002 to gain independence from Los Angeles was not successful at the ballot box, it was indeed successful in gaining recognition and influence within the city government. Katz noted that more Valley residents are being appointed to important city commissions and other bodies than ever before.

Katz drew an interesting distinction between Old Politics and New Politics in Southern California. The Old Politics dictated that politicians insisted that solutions directly benefit their own respective districts. New Politics, on the other hand, is to work together to create regional solutions. Katz said that the New Politics is an outgrowth of the effort to pass Measure R in 2008, which added a half-cent to the sales tax for transit and transportation infrastructure projects. "Measure R," he said, "is a regional approach for combining various mass transit modes. There is no silver bullet to relieving traffic in Los Angeles. Without such close collaboration among the city governments and other jurisdictions in Los Angeles County, Measure R would not have passed." Measure R committed a projected \$40 billion to traffic relief and transportation upgrades throughout the county over the next 30 years. The measure identified 12 specific critical transit and highway projects that would create more than 200,000 new construction jobs.

Katz pointed out that "rush hour" in the Los Angeles region is unique in that traffic is heavy in both directions on any of our freeways, citing specifically the 101, 405, and 118 freeways in the San Fernando Valley. This situation cries out for multiple kinds of solutions, and that is why the voters approved Measure R, he said. Of the 12 Measure R projects, four are in the San Fernando Valley. The allocation of Measure R funding, and the current status of these projects, can be found by going to: [www.meter.net/projects/progress\\_tracker/byregion/11//](http://www.meter.net/projects/progress_tracker/byregion/11//)

In describing the need for intra-regional cooperation and collaboration, Katz discussed the need to close the 4.5 mile gap between the CA 710 freeway and the Foothill Freeway (CA 210). The MTA is studying options, including a lengthy tunnel. Katz noted that at present the only route available for someone from the Valley or North County (Santa Clarita, etc.) to points south of downtown L.A. is to go through downtown, via either the I-5 or CA 101 freeways. The congestion on these two freeways presently causes spill over to the 405 freeway. If the gap in the CA 710 freeway were closed, Valley and North County residents would have a viable alternative route without having to go through downtown.

Katz cited Mayor Villaraigosa's "30/10" idea, to build all 12 projects in the next 10 years by borrowing funds from the federal government, with repayment from Measure R sales taxes over the next 30 years. Katz placed the 30/10 idea on a scale of importance alongside Robert Mulholland's project to bring water to Los Angeles and to

Robert Moses' rebuilding of New York City. Katz estimated that the projects, in the aggregate, would shift some 77 million riders from the highways to mass transit over the 10 years. Moreover, in doing so it would save billions of dollars of avoided costs (such as interest, increased construction costs, and general inflation in all costs). Also, the projects would add some 200,000 construction jobs spread over 10 years instead of 30, and the cleaner air arriving sooner rather than later would result in reduced healthcare costs throughout the basin. Katz noted that he and the Mayor have lobbied in Washington for this project and have received a warm response. But, Katz noted, some of the politicians there seem not to understand the concept, especially when it is pointed out to them that the federal government's share of the costs would be 20 percent instead of the usual 80 percent of such projects. They have a hard time grasping the notion that the local sales taxes, collected over 30 years and used to repay the federal loans, would amount to 80 percent of the total project costs. Meanwhile, the Obama administration seems interested in extending the 30/10 idea across the country, provided that the local jurisdictions have committed to dedicate a revenue source – such as sales taxes – as Los Angeles has done. In response to a question as to why the MTA cannot sell bonds itself to fund the projects, Katz responded that (1) the law requires that infrastructure projects may not be started until funding is in place; (2) the MTA lacks sufficient bonding capacity to raise as much as \$9 billion; and (3) voter approval of such bonds would be required, and that would take two years or more to obtain. The federal loans, on the other hand, could be available as soon as Congress acts. Katz is hopeful that the 30/10 idea will clear Congress soon; but, of course, there are the November 2, 2010 elections to consider first.

## **Valley VOTE Committee Reports and Announcements**

### **Valley VOTE to Honor Bert Boeckmann**

Richard Leyner, Chair of Valley VOTE and chair of the event, reiterated that a Valley VOTE "mixer" will be held on Thursday evening December 2, 2010 to honor Bert Boeckmann for his many years of support for Valley VOTE and his efforts to make the San Fernando Valley a better place in which to live and work. "We are absolutely delighted to be honoring Bert Boeckmann for all the years that he has honored Valley VOTE with his support," Leyner said. All present and former Valley VOTE members, as well as friends of Valley VOTE, are invited to attend the event. The event, which is scheduled from 5:30 PM to 8:30 PM on December 2nd at the Skirball Cultural Center, will feature hors d'oeuvres and a no-host bar. Admission is by reservation only, with a donation of \$15 per person. Reservations may be made by mailing a check for \$15 for each attendee, together with the names of the attendee(s), to Valley VOTE, 14622 Ventura Blvd, Box #424, Sherman Oaks, Ca. 91403.

### **Nuclear Power Report – Joe Vitti**

#### **"Recommendations for the LA DWP"**

A major challenge today and in the future for the LA DWP is to replace "dirty" coal plants, which currently provide 44% of the DWP's power, with "clean" renewable energy sources. Expanding the contributions from wind and solar power are fine but will not meet all the needs of the DWP in the future. Nuclear power is a clean, base loaded, reliable, and low cost energy source that will provide the LA DWP an alternative to help keep future power costs to the ratepayers as low as possible.

There are three areas that we recommend the LA DWP initiate as soon as possible to help determine the course the department should pursue for the implementation of a nuclear program.

#### **1) Palo Verde Nuclear Generating Station – Expand from 3 to 5 reactors.**

The Palo Verde Nuclear Generating Station in Arizona currently provides the LA DWP with 9 percent of its base loaded electrical power that it distributes to Los Angeles ratepayers. The plant is owned by a consortium of power companies that are all facing the same challenge of moving away from coal as a source of energy for electrical power generation. Arizona Public Service owns 29 percent of the plant and operates the facility. The LA DWP owns a 5.7 percent interest along with four other large utilities and the Southern California Public Power Authority (SCPPA). LA DWP also has an interest in SCPPA, raising the DWP's total interest in the Palo Verde plant to 9.65 percent. The LADWP should meet directly with its partners in the Palo Verde plant to discuss the addition of two reactors to bring the plant up to its designed capacity of five reactors. These partners (and their respective ownership) are: Arizona Public Service (29.1%), Salt River Project (17.5%), El Paso Electric Co. (15.8%), Southern California Edison (15.8%), PNM Resources (New Mexico utility, 10.2%), and SCAPP (5.9%). LA DWP should also meet with SCAPP and its utility partners/members to promote interest

in expanding the Palo Verde Station, as well as any other possible partnerships. Members of SCAPP include the cities of Anaheim, Azusa, Banning, Burbank, Colton, Glendale, Pasadena, Riverside, Vernon, the Imperial Irrigation District, and Los Angeles. Following these meetings, the LA DWP should prepare a written status report for all meetings with Palo Verde partners and submit it for review by all interested LA DWP ratepayers.

## **2) Fresno Nuclear Energy Group**

The LA DWP should meet with the Fresno Nuclear Energy Group, LLC to explore interest in having LA DWP participate in plans for a San Joaquin Valley-based nuclear power plant and solar energy park being developed with the French nuclear and solar engineering firm, Areva. Following this meeting, the LA DWP should prepare a written status report for review by all interested LA DWP ratepayers.

## **3) Legislative Action**

The LA DWP should meet with responsible California State legislators, appropriate legislative committees, and all responsible state departments to review the 1976 ban on new nuclear power plant construction in California. The LA DWP should prepare a written status report for review by all interested LA DWP ratepayers.

*(The Valley VOTE Board supports the above recommendations go to valleyvote.org. See Press Release dated August 23,2010 )*

## **Housing Report – Vic Viereck**

“Unnecessary, Destructive Moratorium” Thanks to government at all levels, it’s getting more and more difficult to motivate investment in apartments. The Federal 1986 tax reform act discouraged investment on a national scale. California allows no tax break for capital gains. And LA City Council members make use of the Rent Stabilization Ordinance to further discourage investment. In spite of their own efforts to drive costs upward, some Council members want a moratorium on rent increases. For Los Angeles tenants it has become a matter of “be careful what you ask for, you may get it.

## **” Los Angeles World Airports – Denny Schneider**

Denny was unable to attend this meeting due to a conflict, but he submitted his report on LAWA. LAWA is about to restart another Master Plan update process that will call for major changes at LAX. The Notice of Preparation, which defines the environmental options to be studied, is scheduled for release at the end of this month. Several controversial study elements are expected to be included in the effort that could take a year or more to complete. Earlier this year a NASA/Expert Academic Panel completed a \$1 million+ simulation/safety study that concluded that the proposed runway safety improvements did not justify moving the north runways. The impact on local area stakeholders of moving runways further north will impact hundreds of businesses in the Westchester Business District. Business relocation sites are uncertain and if the businesses fail, Los Angeles tax revenue will be lost. LAWA, however, is again including these same options in their newest study. The 40+ percent growth of LAX from current levels to around 78.9 million annual passengers will require significant ground access changes. Although the FAA allows LAX funds to be used to fund airport-related traffic mitigation, any mitigation that also accommodates Westside traffic will require other funding sources. The use of LADOT funds will suck up allocations from all areas of the City to accommodate the LAX changes.

## **Van Nuys Airport – Don Schultz**

Don Schultz is a member the Van Nuys Airport Citizens Advisory Council, spoke about a resolution that the VNCAC recently adopted to create a Van Nuys Airport Board of Airport Commissioners. This Board would address only VNY issues and would require a change to the City Charter to become effective.

## **Transportation – Bart Reed**

Bart Reed is Executive Director of The Transit Coalition. He noted that Richard Katz is not only a director of the L.A. County MTA (Metro), but he is also Vice Chair of the Southern California Regional Rail Authority (SCRRA), which operates the MetroLink rail lines between downtown L.A. and Moorpark, Antelope Valley, and San Bernardino. Reed complimented Katz for his vision, understanding of all transportation modes and traffic problems, and his success in the recent selection of the CEO of MetroLink, John E. Fenton. Reed remarked that he will be presenting to VICA next month the idea that he previously shared with us of running a MetroRail (i.e., MTA’s light rail subway system) line from the middle of the San Fernando Valley through a tunnel to be

opened through the Sepulveda Pass to Westwood, where it would connect with the Purple Line.

### **L.A. Department of Water and Power – Jack Humphreville**

Jack Humphreville has been a leader in the fight to create a position of DWP Ratepayers Advocate (RPA). Jack delivered to the attendees at this meeting a “term sheet” that outlines many of the parameters of the RPA. The term sheet has been approved by the DWP Committee and the DWP Advocacy Committee of the L.A. Neighborhood Council Coalition (LANCC). Every year, DWP Ratepayers are charged over \$1 billion to support the General Fund as well as the political establishment through the 8% transfer to the City’s General Fund and the 10% Utility Tax, as well as public benefits, pet projects, the IBEW labor premium, and the 1,480 city employees who have been transferred to the DWP from the City’s employment rolls, including their related \$750 million of unfunded pension obligations. As a result of the Mayor’s ECAF fiasco, where DWP management lied to the public and the City Council, it became evident that the City needs a well funded, empowered, truly independent Ratepayers Advocate to oversee the operations, plans, finances, and management of DWP on a timely and continuous basis. Importantly, the proposed RPA is not a DWP bashing machine. Rather, the RPA is to provide objective advice to the Ratepayers and policy makers. The role of the RPA would be defined not by what it could do, but what it could not do. All aspects of the DWP would be eligible for review. The RPA would not set rates or policy and would not make management decisions. The RPA is not an Inspector General, which can prosecute malfeasance, fraud, and waste. The RPA would be funded by DWP in an amount not to exceed 1/10 of 1% of the DWP’s annual revenues. The RPA would have a “seat at the table” at any meeting of the Board of Water and Power Commissioners and any of its committees, and at any meetings of the City Council or its committees when they discuss DWP matters. The RPA will be given equal time in any discussions. The RPA would not report to any elected official nor to any body appointed by elected officials (such as the Board of Water and Power Commissioners). Instead, the RPA would report to the Ratepayers Advocate Board of Commissioners, consisting of five independent members: two homeowners, two from the business community, and one from the rental community. The commissioners would be chosen by the Mayor from a pool of qualified candidates nominated by the Neighborhood Councils, the business community, and the multifamily community. The Board of Commissioners would approve the selection of an Executive Director of the RPA after a City-hired recruiter identifies qualified candidates. The RPA would have a staff and an annual and a multiyear budget, with compensation of the Executive Director and staff adequate to attract personnel with the requisite skills from the private sector. The Executive Director will have necessary expertise and experience to lead an organization charged with fulfilling the role of RPA.

*(The Valley VOTE Board supports the appointment of a Rate Payer Advocate for the LA DWP. Go To [valleyvote.org](http://valleyvote.org). see Press Release Dated Sept.9,2009)*

### **Guests in Attendance:**

Attending this Valley VOTE meeting were: Dennis DeYoung, candidate for the 40th State Assembly District, running against incumbent Bob Blumenfield (Dem.); and Lucie Volotzky, who intends to be a candidate for City Council District 12, to be vacated by Greig Smith at the end of his current term.

---

**NEXT MEETING: The next regular meeting of Valley VOTE will be:  
Monday, October 18, 2010 at Galpin Ford.**

---

*Valley VOTE is a diverse coalition of San Fernando Valley residents, business people, educators, community activists, and organizations, committed to exploring and fostering the implementation of programs that empower the people of the San Fernando Valley and the City of Los Angeles, to improve local governance, education and public participation on policy matters.*

*For additional information about Valley VOTE, for an upcoming meeting agenda, or for previous meeting reports and press releases, we encourage you to go to the Valley VOTE website: [www.ValleyVote.org](http://www.ValleyVote.org).*

*Please forward this e-mail to interested individuals and organizations. If you would like to be removed from our*

*distribution list please send a e-mail to [javittisr@cs.com](mailto:javittisr@cs.com) .*