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VALLEY VOTE REPORT: May 15, 2017 MEETING

Minutes accumulated by Denny Schneider, Secretary

Galpin Ford - 2nd Fl. Meeting Room, 15505 Roscoe Boulevard, North Hills, CA 91343

Valley Vote meetings are held to address critical public policy issues impacting the San Fernando Valley. The next meeting will be June 19, 2017

Jack Humpreville, “LA Watchdog”

Jack uses his Harvard Business School MBA to look out for all of us, the citizens and taxpayers. He regularly delves deeply into the LA City Budget as well as the wholly owned Department of Water and Power. His talk was focused on the Budgets—both present and upcoming fiscal year. He points out that we are expending over budget despite property tax and sales tax revenues exceed estimates.

One item he noted that is breaking our budget is litigation expenses. The budget for payouts was \$68M (a number below what was actually anticipated) whereas actuals approach \$140M. Another unanticipated growth was expenses to address homelessness which is another \$100M. All this and more has eaten into the reserves account which has a 5% goal despite recommendations that they be \$175-200M or 10%. Further immediate shortfalls could occur if the class action challenge to the 8% DWP “profits” transfer (\$241M) is found to be in violation in the undisclosed settlement recently put in place.

One source of income has been the occupancy tax levied on air BnB charges. Current LA law prohibits air BnB but enforcement is difficult and lax. This income two years ago was zero but has grown to as much as \$27.5M and could grow to as much as \$37.5M this coming year. He noted, however, that if the city legislation is enacted to legalize air BnB with the currently planned limitations the income could drop to \$15M.

The newly passed transportation revenue proposition splits the money between Metro for trains and buses and LA for road improvements. He again noted that we’re kicking the can down the road with deferred road maintenance which excludes any actions for D & F rated roads.

Jack pointed out that “structural” deficits are continuing of \$104M this next year, \$129M the subsequent year, and \$291M the year after if only current actions are promulgated. These can be worse if LAPD, FD, and other labor contracts increase costs as has happened in the past.

Another major concern is projected pension shortfalls in the current range of \$400M which are expected to increase to as much as \$1B. Then there’s also issues with increased workman compensation claims.

We should be doing more long range planning, Jack noted, and suggested multi-year budgeting to get a better handle on actual numbers.

Several ideas were recommended in the LA2020 commission report of better transparency, pension reform changes, outsourcing and managed competition, avoid budget-busting labor contracts, prepare a realistic street repair plan.

There is money coming to fix our streets from the transportation proposition passed. Our share can be about \$1.6B/yr. This amounts to \$400/person. We should be able to do more for our city. Now it’s up to us to make sure that our elected leaders follow through.

Issan Najm, on Aliso Canyon Catastrophe

October 23, 2015 is a day all of the people in Porter Ranch will not forget. The Aliso Canyon gas reserves started to release gas and contaminants into the air. People living in Porter Ranch are adjacent to the reserve borders and had to be evacuated. It's been a hard, health impacting process for all since with many experiencing on-going respiratory and other health issues even though they have been given permission to return to their homes.

SB380 was passed to establish a PUC proceeding to establish whether it's possible to minimize and eliminate the Aliso Canyon impacts. About four weeks ago there was a gathering of thirty different parties to discuss this. The City Atty stated that the Neighborhood Council is NOT allowed to participate in the protection of its citizens.

One of the biggest issues is the Gas Company doing the storage is regulated by multiple controlling government agencies for the methane gas in the ground, the gas being transported in pipes, and the gas released into the air. The CA Dept. of Conservation (DoC) has determined that safety was compromised yet a health study to assess it has not been done—yet. The DoC stated that it is “safe” if less than 250kg of methane are being released per hour (six tons of gas/day).

The Gas Company has slow rolled a health study and AQMD has not helped. AQMD issued an abatement order which ordered the Gas Company to do a health study, but it has backed away from its own order via a stipulated settlement to which the community and City were not a party. There was about \$10M earmarked for the settlement. A prior estimate was that a comprehensive study to track people for ten years would cost \$40M yet only one million would now go for a low emission health study. \$4.5M goes to the AQMD general fund. One million will be used to research and promote power generation equipment specified by the Gas Company!

The directors of the Gas Company also sit on non-profit boards. One of those non-profits is the Boys and Girls Club of Palm Desert. This Club happened to have petitioned for reopening Aliso Canyon. Valley Chamber Alliance has backed the reopening as well.

CA Senators Stern and Hertzberg have initiated CA bill SB57 to not fully reopen the site until the root cause of the well rupture is established. 5 billion cubic feet of the total 86 billion stored there was released into the air. For perspective, 2-4.5M Cu ft of gas are used daily for heating and electricity generation.

The Aliso Canyon site has already been opened temporarily despite all these concerns. Since PUC regulations state that any site closed for greater than 9 months cannot be included in the cost of gas calculation the site was opened temporarily on an “emergency basis.” During that time only 0.05B cubic feet was withdrawn, but even this amount feeds the distrust of regulators who are supposed to be protecting us.

Valley VOTE Member Reports

Victor N. Viereck - The Real Rental Housing Problem

We hear and read so much about the lack of and high cost of housing. But the officials who are so outspoken about it do not understand that its government that is continually making it worse.

The main providers of housing are the people who own it, whether it's their own homes or rental housing. Although lenders are substantially involved in funding housing, if people cannot responsibly and continually make loan payments, the loans will not be made, or continued.

As time passes, costs increase. The owners need to be able to pay for the cost increases. While elected officials continue to increase rental housing (and other) operating costs, they also put limits on the owners' ability to pay for the increased costs. The upcoming exclusive trash hauling regulations regarding multi-family and commercial property are going to add substantial cost to servicing such property. Operating costs of the Los Angeles DWP are on an expensive uptrend. The Rent Registry program our City Council and Mayor have imposed on rent controlled apartments is going to create

more administrative costs. Since the city will not absorb such costs, it will probably be imposed on the property owners, and maybe the tenants.

At the time the required annual payment of the Rent Registry Program requires owners of Los Angeles rent controlled apartments to pay their Rent Registry fees, the owners will be required to report to the City Housing Department the amount of rent charged for each and every apartment and when that rent became effective. Although tenant names are not required, through the city's website the tenant names will be available. The Rent Registry program will expose what I believe is a lower rent level than what our city officials think they are. Published rent levels normally primarily include rents paid in large, recently built apartment complexes, not the thousands of smaller rental properties under rent control. If AB 1506, which would have repealed Costa Hawkins had not been recently temporarily pulled, the rental housing industry would have started suffering a real disaster.

Victor N. Viereck 818-985 9174

Ernie Hilger - Veterans Housing and Health Care update

The West Los Angeles VA was campus was originally deeded to be a home for Veterans in the original land grant in 1888. Over time, the VA made decisions to lease out parts of the VA campus issuing 23 enhanced use leases to organizations that had no affiliation or positive impact on Veterans. There is a concerted push to return the land to use for veterans.

A Community Veterans Engagement Board (CVEB) met on April 18,2017 to advocate for veterans. The CVEB Steering Committee has proposed a CVEB Mission Statement, and considered questions and comments.

The GLA Patient Advisory Committee has requested to be part of the CVEB, CVEB will provide oversight for the Los Angeles Homeless Veterans Lease Act of 2016" (HR 5936) to ensure program transparency. Funding remains a major issue and will require attention.

See <http://www.losangeles.va.gov/masterplan/index.asp> for information about the Master Plan to Revitalize West LA Campus. The site includes progress updates on campus, community partnerships, and most importantly—what services are located on campus for Veterans!

Please look through the Master Plan documents to discover in detail the vision VA and Veterans have for the revitalization of the West Los Angeles VA campus. Read through the FAQ and Fact Sheets, to get all of your questions answered. Make sure to browse through Partnerships to find out the current and upcoming schedules for various Veteran-centric activities for Veterans and their families. If you're interested in hosting a Veteran-centric event on the campus, go to the Land Use and Event Request page to learn about the process. Check out t- w: New, for press releases and articles about GLA VA, and find out more about what VA is doing here in Los Angeles for Homeless Veterans.

Lawmakers Reach Agreement on Stalled VA Accountability Bill. From AP MAY 11, 2017

WASHINGTON — Congressional Republicans and Democrats have reached agreement on a bill to make it easier for the Department of Veterans Affairs to fire its employees, part of an accountability effort touted by President Donald Trump.

The deal announced early Thursday could smooth the way for final passage on an issue that had been largely stalled since the 2014 wait-time scandal at the Phoenix VA medical center. As many as 40 veterans died while waiting months for appointments as VA employees created secret waiting lists and other falsehoods to cover up delays.

Please exert your political influences to assist when required to make this project a success for all veterans and their families in the 21 century.

Ernie Hilger 818 926 6892

Ralph Kroy Sunshine Canyon

The landfill is located at 14747 San Fernando Road, West of 1-5 and 14 Freeway intersection. It is also one of the most cited landfills for odors in the State, if not the country. It is operated by Browning-Ferris Industries of California (BFIC), a Republic Services wholly owned subsidiary.

The agencies that oversee the permitting and operations are finally, getting serious, and so is the landfill!

Some of the recent events:

On May 2nd, the landfill was fined by the County Regional Planning Department for failure to comply with Condition 45n of their Conditional Use Permit at the rate of \$1,000 per day from October 25, 2016 to April 17, 2017, for a total of \$174,000.

On May 4th the SCAQMD Hearing Board derailed an attempt by the landfill to go back to opening the landfill to all vehicles at 6:00 A.M., rather than the now 9:00 A.M. that had been ordered by the Hearing Board.

The landfill's Corporate owner, Republic Services, has sent in a special team of engineers and professionals, and now has a Vice President overseeing and assisting operations to ensure that compliance with the schedule committed to in the SCAQMD Order for Abatement of Odors is met. As part of that same Order, the following actions are being taken:

- the landfill is installing 150 new and replacement gas wells.
- the landfill has installed 210 of 250 planned pumps, to dewater many old and new wells.
- the landfill will be adding "enhanced" intermediate cover until improvements are shown.
- other items are also being reviewed for improving the operation.

The landfill is still receiving complaints and violations. As of April, the new total complaints are now 10,818, with 214 Notices of Violation since 2009. However, everybody is hopeful that the situation will improve soon, based on what appears to be a new attitude by the landfill, and the local authorities.

Ralph Kroy rekroy@aol.com

Airport Report – Denny Schneider

Over a five-day period in May, one-third of LAX's nearly 70 airline partners will relocate their operations, many of them to new terminals, others to new ticket counters in their current home. Delta

Airlines is the driving force as they will be taking over and remodeling Terminals 2 and 3 so that they are convenient to their alliance partners.

A total of 15 airlines will move May 12-16. The move involves approximately 1,100 four-wheel dollies and about 3,500 boxes as well as 300 computers (in addition to 600 computers that were relocated during pre-move activities).

Passengers are encouraged to arrive 3 hours early for a domestic flight and 4 hours for an international flight. Delta has deployed hundreds of people on site, wearing bright green vests, to help guide passengers the week of the move. LAX Guest Experience Members (GEMS), dressed in blue, and Volunteer Information Professionals (VIPs), in red, will also be available to provide guidance to passengers needing assistance. A dedicated bright green shuttle bus will be available for passengers needing transportation between Terminals 2 and 3 and Terminals 5 and 6.

Terminal 2 — Delta, Aer Lingus, Virgin Atlantic, Virgin Australia, Volaris and WestJet. Virgin Australia and Volaris customers check-in at T2 and are bused to TBIT for departure and arrivals. Aeromexico remains in Terminal 2 and relocates its ticketing counters; however, passengers will be bused to/from TBIT.

Terminal 3 — Delta. Avianca, Copa and InterJet check-in only.

Terminal 5 — Hawaiian, JetBlue, Spirit, Allegiant, Frontier and Sun Country. American has four gates, and its American Eagle busing operation is also based here.

Terminal 6 — Virgin America joins its corporate partner Alaska Airlines. Air Canada and XL Airways France relocate from Terminal 2. Great Lakes and Mokulele remain in Terminal 6. Boutique Air relocates from Terminal 3.

TBIT — Southwest Airlines' (SWA) international flights arrive at TBIT, while SWA's

international departures and check-in remain in Terminal 1. Avianca, Copa and Interjet departure and arrivals at TBIT. Thomas Cook Airlines resumes seasonal service in May with departures and arrivals temporarily, from TBIT.

Go to www.LAXisHappening.com/LAXontheMOVE for details.

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Valley VOTE is a 501c4 nonprofit with NO PAID STAFF. Your ANNUAL dues helps us to continue to meet our goals. Member \$25; Board Member - \$50. Thanks!!! Mail your check to Valley VOTE - 14622 Ventura Blvd. #424 Sherman Oaks CA. 91403 We thank you for your support.

Valley VOTE Mission Statement

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. We meet monthly to address key policy issues and hear reports from our standing committee chairs. 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 our web site - Valleyvote.org. The press and public are invited to attend our meetings. Our next meeting will be Monday evening, June 19, 2017