



Board Report

File #: 2017-0426, **File Type:** Appointment

Agenda Number: 44.

**EXECUTIVE MANAGEMENT COMMITTEE
JUNE 15, 2017**

SUBJECT: MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE SELECTIONS

ACTION: APPROVE MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE SELECTIONS

RECOMMENDATION

APPROVE:

- A. Emilie Elias, the recommended nominee for Retired Federal or State judge;
- B. Carlos Bohorquez, the recommended nominee for Professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience;
- C. Ryan Campbell, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- D. Scott Hood, the recommended nominee for Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- E. Kyungwoo Kris Kim, the recommended nominee for Professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects;
- F. Virginia Tanzmann, the recommended nominee for Licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience; and

- G. Linda Briskman, the recommended nominee for Regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector.

ISSUE

The Measure M Ordinance approved by voters in November 2016 requires the establishment of a Measure M Independent Taxpayer Oversight Committee of Metro (“Committee”) to provide an enhanced level of accountability for expenditures of sales tax revenues made under the Expenditure Plan. The Committee shall carry out the responsibilities laid out in the Ordinance and will play a valuable and constructive role in the ongoing improvement and enhancement of project delivery contemplated under the Measure M Ordinance.

DISCUSSION

The Measure M Ordinance requires the establishment of the Measure M Independent Taxpayer Oversight Committee (“Committee”) comprised of seven members representing the following areas of expertise:

- A. A retired Federal or State judge;
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience;
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices;
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews;
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects;
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience; and
- G. A regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector.

The Measure M Ordinance states that the Selection Panel consisting of Metro’s Board Chair, Vice Chair, and second Vice Chair or their designees shall select for approval the Committee Members. The Selection Panel will develop guidelines to solicit, collect, and review applications of potential candidates for membership on the Committee. In accordance with the Selection Panel’s guidelines, Metro developed a Communication Plan to promote the solicitation of applicants for the committee. As part of the extensive outreach to solicit applications, Metro sent letters to over 718 recipients including elected officials and city managers of 88 cities within Los Angeles County, Board of Supervisors offices, Councils of Governments, Federal and State Delegation, associations that represent professions identified for the Committee, business organizations and other stakeholders.

Additionally, news releases were disseminated to targeted publications, stories were posted on Metro’s blogs and a short video was produced and shown on various social media channels. To collect the applications, Metro opened an online application process which ran from January 27, 2017 through April 18, 2017 using Metro’s dedicated website for Measure M. Also, one-on-one meetings and legislative briefings were held with state and federal elected officials and staff to keep them apprised of the application process.

This report summarizes the results of the online application process.

Summary

The total number of applicants who submitted completed applications was 20. However, since some applicants applied for more than one area of expertise, a total of 26 applications were received in the following areas of expertise:

Total	Areas of Expertise
1	A. Retired Federal or State judge
1	B. Professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience
3	C. Transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices
12	D. Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
3	E. Professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects
2	F. Licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience
4	G. Regional association of business representative with at least ten (10) years of senior-level decision making experience in the private sector
26	Total Applications

In accordance with the restrictions set forth in the Ordinance, two of the 26 applications were ineligible because the applicants are considered public officeholders. Per the Ordinance, the intent is to have one member representing each of the specified areas of expertise. However, if after a good faith effort, qualified individuals have not been identified for one or more of the areas of expertise, then no more than two members from one or more of the remaining areas of expertise may be selected. The Selection Panel was not able to identify a qualified individual that would meet Area C. Transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices. Therefore, the Selection Panel selected two applicants from

Area D. Professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews.

DETERMINATION OF SAFETY IMPACT

Approval of this item will not negatively impact the safety of Metro's patrons or employees.

FINANCIAL IMPACT

Approving the recommended action brings no financial impact to the agency.

ALTERNATIVES CONSIDERED

One option would be to not approve the recommended members for the Committee and re-solicit applications. This is not recommended since any further delay in the establishment of the Committee may impact the Committee's ability to provide adequate review and approval of the scope of work of the auditors.

NEXT STEPS

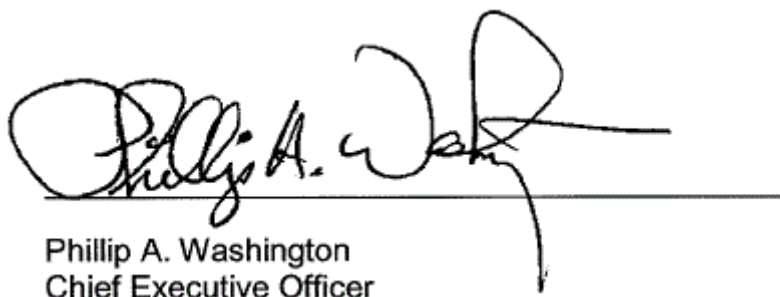
Upon approval of the Committee members staff will schedule an orientation session for the Committee.

ATTACHMENTS

- Attachment A - Committee Membership Requirements
- Attachment B - Selection Panel Guidelines
- Attachment C - Communication Plan

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Phillip A. Washington
Chief Executive Officer

Measure M Independent Taxpayer Oversight Committee
Membership

Requirements:

Committee Members shall be comprised of seven (7) voting members representing the following professions or areas of expertise:

- A. A retired Federal or State judge
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience
- G. A regional association of businesses representative with at least ten (10) years of senior-level decision making experience in the private sector

The intent is to have one member representing each of the specified areas of expertise. If, however, after a good faith effort, qualified individuals have not been identified for one (1) or more of the areas of expertise, then no more than two (2) members from one (1) or more of the remaining areas of expertise may be selected.

The members of the Committee must reside in Los Angeles County and be subject to conflict of interest provisions. No person currently serving as an elected or appointed city, county, special district, state, or federal public officeholder shall be eligible to serve as a member of the Committee.

The Committee members shall be subject to Metro's conflict of interest policies. The members shall have no legal action pending against Metro and are prohibited from acting in any commercial activity directly or indirectly involving Metro, such as being a consultant to Metro or to any party with pending legal actions against Metro during their tenure on this Committee. Committee members shall not have direct commercial interest

ATTACHMENT A

Measure M Independent Taxpayer Oversight Committee Membership

or employment with any public or private entity, which receives sales tax funds authorized by this Ordinance.

Each member of the Committee shall serve for a term of five (5) years, and until a successor is appointed, except that initial appointments may be staggered with terms of three (3) years. A Committee member may be removed at any time by the appointing authority. Term limits for Committee members will be staggered to prevent significant turnover at any one time. There is no limit as to the number of terms that a Committee member may serve. Members will be compensated through a stipend and they may choose to waive.

Any member may, at any time, resign from the Committee upon written notice delivered to the Metro Board. Acceptance of any public office, the filing of intent to seek public office, including a filing under California Government Code Section 85200, or change of residence to outside the County shall constitute a Member's automatic resignation.

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

Independent Taxpayer Oversight Committee Selection

I. Solicitation/Outreach

Metro's Communications Department will be responsible for developing an outreach plan to solicit applicants for the Measure M Independent Taxpayer Oversight Committee which requires the following seven (7) areas of expertise:

- A. A retired federal or state judge.
- B. A professional from the field of municipal/public finance and/or budgeting with a minimum of ten (10) years of relevant experience.
- C. A transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices.
- D. A professional with a minimum of ten (10) years of experience in management and administration of financial policies, performance measurements, and reviews
- E. A professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects.
- F. A licensed architect or engineer with appropriate credentials in the field of transportation project design or construction and a minimum of ten (10) years of relevant experience.
- G. A regional association of businesses representative with at least ten (10) years of senior-level decision making experience in the private sector.

Management Audit Services will partner with Information Technology Services and Communications in the maintenance and update of the Independent Taxpayer Oversight Committee Webpage that links to the Measure M website. The Independent Taxpayer Oversight Committee Webpage will include the purpose, responsibilities, membership of the Committee including eligibility requirements as stipulated in the Ordinance, vacancies and recruitment information at a minimum. The website will also include links to the full Ordinance and online application; as well as a centralized email address for applicant inquiries. Inquiries on the application will be forwarded to the respective department or personnel and response time will be within three to five business days.

II. Application Process

Management Audit Services in partnership with various business units within Metro will develop the draft application questions for the Selection Panel's input and approval. Once approved, the questions will be converted to an online application. The online application and bulletin will be approved by the Selection Panel prior to posting on the Independent Taxpayer Oversight Committee Webpage which links to the Measure M website. The application will be open to the public for at least sixty (60) days to allow for adequate outreach.

III. Collection of Applications

Submitted application forms will be collected using the online application process approved by the Selection Panel. At the end of at least the 60 day period of online application process, a summary of applications received together with the completed

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

applications and associated attachments will be turned in to the Selection Panel within seven business days after the online application closes. The summary will include but will not be limited to:

1. Total applicants received including areas of expertise that they applied for,
2. Total applicants that meet the eligibility requirements per area of expertise applied for, and
3. Total applicants that did not meet the eligibility requirements per area of expertise applied for.

IV. Selection Panel's Review of Applications

The Selection Panel, which will consist of Metro's Board Chair, Vice Chair, and second Vice Chair or designees, will be responsible for reviewing applications received from eligible applicants and for screening the applicants. The Panel shall recommend potential candidates for the Independent Taxpayer Oversight Committee membership to the Metro Board for approval. The successful candidates will receive notification from the Selection Panel at least three weeks prior to Metro Board Meeting.

V. Board Approval

Once the Selection Panel recommends the final candidates, it will be added as an agenda item for the Metro Board Meeting. The recommended candidates for Independent Taxpayer Oversight Committee Membership shall be approved by the Metro Board by a simple majority.

VI. Term

Each member of the Independent Taxpayer Oversight Committee shall serve for a term of five (5) years, and until a successor is appointed, except that initial appointments may be staggered with terms of three (3) years. A Committee member may be removed at any time by the appointing authority. Term limits for Committee members will be staggered to prevent significant turnover at any one time. There is no limit as to the number of terms that a Committee member may serve.

Six (6) months prior to expiration of term, the Selection Panel will convene to determine if there is any need to replace any of the Committee members. The Selection Panel will also confirm whether the incumbent Committee members still wish to serve for additional term(s).

VII. Compensation

Members will be compensated through a stipend, the amount of which is approved by the Metro Board. Members may choose to waive stipend.

VIII. Resignation/Replacement of Committee Members

Any member may, at any time, resign from the Committee upon written notice delivered to the Metro Board. Acceptance of any public office, the filing of intent to seek public office,

**Selection Panel Guideline
Measure M Independent Taxpayer Oversight Committee**

including a filing under California Government Code Section 85200, or change of residence to outside Los Angeles County shall constitute a Member's automatic resignation.

The filling of membership vacancies, due to removals and reappointments will follow the above procedures in this Guideline.

IX. Committee Orientation

Management Audit Services will work with various departments to prepare an orientation handbook and presentation will conduct the orientation at least one month prior to the first scheduled Independent Taxpayer's Oversight Committee.

X. Establishment of Committee Officers and Bylaws

Subsequent to the orientation, the Independent Taxpayer's Oversight Committee may elect to develop their own bylaws including rules for the establishment of Committee Officers (e.g. Chair, Vice Chair, etc.) including a rotation schedule for these positions.



ATTACHMENT C

Measure M Independent Taxpayer Oversight Committee Communication Plan

PURPOSE

The Measure M Independent Taxpayer Oversight Committee is designed to monitor and ensure that Measure M tax revenue is spent for transportation purposes as specified in the ordinance. This plan outlines the communication efforts to promote the solicitation of applicants for the committee and the selection process.

GOALS

- To keep the public informed about the Measure M Taxpayer Oversight Committee member selection process
- To ensure that stakeholders who represent the established sectors for committee composition are informed about the application process
- To make the committee application process easily accessible and intuitive on the Metro website

PLAN COMPONENTS

Public Relations

- Distribute news release on application process
- Post story on The Source and El Pasajero blogs
- Produce and post short video on role of Taxpayer Oversight Committee and application process
- Talking points on purpose of Oversight Committee

Community Relations

- Send letter from CEO to key stakeholders announcing the application process
 - 88 Mayors and all City Council Members
 - LA County Fed/State Legislative Delegation
 - City Managers
 - LA County Transit Operators (Muni's, Metrolink, etc.)
 - COG Executive Directors
 - Business, Labor, Environmental and other key stakeholder groups (disabled, etc.)
 - Board of Supervisors Offices
 - LA County Bar Association
 - Retired Judges Association
 - PIOs
- Include information about application process in key stakeholder presentations

Marketing

- Develop the application page on the Metro website and make it easily accessible
 - Website <https://www.metro.net/projects/taxpayer-oversight-committee/>

Government Relations

- Share information with state and federal elected officials and staff to keep them apprised of application process during regularly planned activities
 - One-on-one meetings
 - Legislative briefings