



Board Report

File #: 2020-0477, File Type: Appointment

Agenda Number: 7.

**FINANCE, BUDGET AND AUDIT COMMITTEE
AUGUST 19, 2020**

SUBJECT: MEASURE M INDEPENDENT TAXPAYER OVERSIGHT COMMITTEE SELECTIONS

ACTION: APPROVE RECOMMENDATIONS

RECOMMENDATION

APPROVE:

- A. Richard Stanger, the recommended nominee for area of expertise C, Transit professional with a minimum of ten (10) years of experience in senior-level decision making in transit operations and labor practices; and
- B. Gregory Amparano, the recommended nominee for area of expertise E, Professional with demonstrated experience of ten (10) years or more in the management of large-scale construction projects.

ISSUE

The Measure M Ordinance (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 carries out the responsibilities laid out in the Ordinance and plays 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 developed 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 contacted elected officials, associations that represent professions identified for the Committee, business organizations and other stakeholders. To collect the applications, Metro opened the online application process using Metro's dedicated website for Measure M.

As stipulated in the guidelines, on June 25, 2020, staff presented the candidates to designees of the Metro Board Chair, Vice Chair and second Vice Chair.

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

Not approve the recommended members for the Committee and re-solicit applications. This is not recommended as it would increase the number of vacancies on the Committee and increase the likelihood of not obtaining the quorum necessary to review and discuss important Measure M matters. This may impact the ability to provide an enhanced level of accountability for expenditures of sales tax revenues made under the Expenditure Plan.

NEXT STEPS

Upon approval staff will schedule an orientation session for the selected members. In addition, staff will commence the recruitment process to fill a vacancy for subject area of expertise B; municipal

financial/budget professional as Carlos Bohorquez resigned on July 7, 2020.

ATTACHMENTS

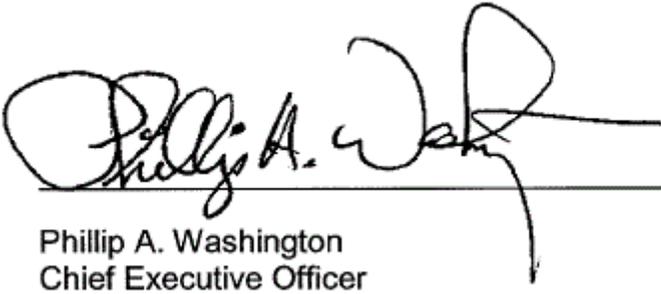
Attachment A - Committee Membership Requirements

Attachment B - Selection Panel Guidelines

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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.