

**ECONOMY AND EFFICIENCY COMMISSION
MINUTES OF THE REGULAR MEETING
October 6, 2011**

ROOM 525, KENNETH HAHN HALL OF ADMINISTRATION
500 West Temple St., Los Angeles, CA 90012

***Editorial Note:** Agenda sections may be taken out of order at the discretion of the chair. Any reordering of sections is reflected in the presentation of these minutes.*

I. CALL TO ORDER

With the presence of a quorum of Commissioners, Chairman Barcelona called the Commission meeting to order at 10:10 a.m.

II. APPROVAL OF COMMISSIONER'S ABSENCES

The following was the attendance for the meeting:

COMMISSIONERS PRESENT

Isaac Diaz Barcelona
Fred P. Balderrama
Robert Cole
Jonathan S. Fuhrman
Arne Kalm
Chun Y. Lee
Bradley Mindlin
Adam Murray
Roman Padilla
William Petak
Robert H. Philibosian

COMMISSIONERS REQUESTING TO BE EXCUSED

Alan Glassman
Edward McIntyre
Freda Hinsche Otto
Janice Kamenir-Reznik
Ronald K. Ikejiri
Royal F. Oakes
Solon Soteras

COMMISSIONERS NOT REQUESTING TO BE EXCUSED

Hope J. Boonshaft

Chairman Barcelona asked for a motion to approve absences. It was Moved, Seconded, and Adopted: Commissioners requesting excuses to be absent were excused.

III. APPROVAL OF September 1, 2011 MINUTES

Chairman Barcelona asked if there were any objections or changes to the minutes of the September 2011 Commission meeting. Commission Kalm provided the Commission's Administrative Assistant with a few minor grammatical edits to the minutes. The motion was then Moved, Seconded, and Adopted. The minutes of the September 2011 Commission meetings were approved.

IV. CHAIRMAN'S REPORT

Chairman Barcelona welcomed Mr. Steve Ward from the Palmdale Recycling Corporation. He stated that Mr. Ward is here as a member of the public to learn more about what the Economy & Efficiency Commission does.

Chairman Barcelona congratulated Commissioners Freda Hinsche-Otto and William Petak on their reappointments to the Economy & Efficiency Commission for unlimited terms. The reappointments were made by Supervisor Knabe at the September 6, 2011 Board Meeting.

Chairman Barcelona stated that he would also like to congratulate Commissioner Edward McIntyre on his appointment to serve on the Quality and Productivity Commission.

Chairman Barcelona welcomed Mr. Joe Saifier, the soon-to-be Commissioner to the Economy & Efficiency Commission as the incoming Foreperson of the Civil Grand Jury of the 2010-2011 year. He stated that Mr. Saifier is attending this meeting as a member of the public because the 5th District has not completed processing all the official paperwork yet.

Mr. Saifier thanked the Chairman and stated that he was the Foreperson of the immediate preceding Civil Grand Jury (CGJ) for 2010-2011 Grand Jury that concluded on June 30, 2011.

Mr. Saifier stated that by way of background, he grew up in the home of the finest football team in the Country, Pittsburgh. He stated that he went to school at the University of Rochester where he gained his bachelors degree and a MBA in the early 70's. He also stated that he came to California and trained as a CPA. Mr. Saifier stated that he has spent about 22 years with Arthur Young and Company and then moved on to become the Chief Information Officer (CIO) for the largest insolvent property casualty company in the history of the U.S. He stated that he would like to think of his time spent there "rearranging the deck chairs on that Titanic as it went down." He stated that for the last 10 years he has done some part time IT and financial consulting work and served as a member of the 2008-2009 Civil Grand Jury, and then as the 2010-2011 Civil Grand Jury Foreperson.

Mr. Saifier stated that his area of expertise has been in technology throughout his career, and that he would like to bring that expertise to assist the E&E Commission with its investigative reports.

Mr. Saifier stated that the 2010-11 Civil Grand Jury issued a 400-page report that included 11 investigations for separate areas of review. He stated that if anyone would like details in regards to the report they could contact him by email or phone. He also stated that he believes the Civil Grand Jury does very good work and performed a number of

groundbreaking investigations. He stated that he is saddened that the public and press did not pick up more information on the reports and investigations that were completed by the CGJ.

Commissioner Padilla asked Mr. Saifer what are some of the low hanging fruits that the E&E Commission could address. Mr. Saifer replied that the Grand Jury looked at two large reports: the first report was a Comprehensive Overview of all Governmental Pension Plans throughout the County. He stated that the jurisdiction for the Grand Jury is not only the County but also all 88 cities, School Districts, and special districts within the County. He stated that the Grand Jury looked at 212 individual pension plans that various governmental entities ran and from that the Grand Jury researched the next level and identified 1 particularly well run plan which was LACERA, the County's Plan. He stated that there were 4 plans that had problems and the CGJ wrote separate case studies about each one with recommendations to reform them. He stated that from a County standpoint there is not much that will come from the report. Commissioner Fuhrman stated that in 1994, the Economy & Efficiency Commission reviewed the County Pension Plan and presented its recommendations to the Board of Supervisors, and in a tough battle, adopted the Commission's recommendations by a 3 to 2 vote. He stated that one of the primary recommendations was how to prevent pension spiking, and how not to include uniform allowances etc. Mr. Saifer replied that the Civil Grand Jury found that many of the issues are subject to collective bargaining. He stated that many of the significant challenges or problems to the plans came as a result of collective bargaining.

Mr. Saifer stated that the second report the CGJ looked at in detail involved the Department of Water & Power (DWP). He stated that this doesn't relate to this Commission but it was interesting to see the kinds of issues and challenges that the CGJ identified at DWP. He stated that there is no legal requirement to implement the recommendations made by the CGJ, but that DWP is required to respond back to the Presiding Judge within 90 days. He stated that when the entity responds they must state whether they agree or disagree to implement recommendations and also why or why not. He stated that the reports should be online within the next two months.

Mr. Saifer stated that the CGJ also looked at a process called Electronic Subpoenas and that he chaired this particular task force. He also stated that in discussions with the District Attorney (D.A.), the D.A. suggested that the Grand Jury look at the process of Electronic subpoena. He also stated that when cases move through the Criminal Justice System, the electronic subpoena system would subpoena Law Enforcement Officers to come and testify at various stages in a case. He stated that the D.A. issues about 20,000 to 25,000 Law Enforcement Subpoenas every month. He stated that the majority go to LAPD and the Sheriff. He also stated that there are a lot of smaller agencies that get a substantial number of subpoenas. He stated that up until about 4 years ago the process was all paper-based. He stated that there were about 5 jurisdictions on board with the electronic process: LAPD, LA Sheriff, Long Beach PD, Culver City PD, and couple of others. He stated that the CGJ looked at the remaining jurisdictions that were still receiving paper-based subpoenas and recommended that if a jurisdiction is receiving at least 50 subpoenas a month, the Grand Jury will try to figure out why that Department is not on the Electronic System. He stated that there were 23 jurisdictions, 22 law enforcement agencies, and the LA City Fire Department that received at least 50 paper-based subpoenas every month. Mr. Saifer stated that the Electronic System process is a very effective use of technology because it takes a manual process and makes it more efficient by automating it and making it more

readily available and accessible to not only the Law Enforcements agencies but also to the District Attorney's Office. He stated that the Commission should be able to find many opportunities throughout the County where there are manual and paper-based processes that can be easily converted into electronic processes, which would save money and time.

V. EXECUTIVE DIRECTOR'S REPORT

Mr. Eng stated that he would like to get some feedback from the Commission in regards to upcoming speakers. He stated that he and Chairman Barcelona try to bring speakers to speak about topics that are relevant to the County as well as to the mission of the Commission. He stated that he would like to bring someone in to speak about the public safety realignment issues either in November or December of this year.

Commissioner Padilla asked the Chair-Emeritus Philibosian if there is anything the Commission can do concerning the public safety realignment issues. Chair-Emeritus Philibosian replied that there is nothing the Commission can do about realignment issues. He stated that the County has assigned a committee to work on realignment issues. He stated that he will personally call the D.A. and see if he can come speak to our Commission for the November 2011 meeting because the D.A. is up to date and well informed on all the issues regarding realignment.

Mr. Eng stated that the Commission is also waiting on final approval to tour the Los Angeles County Jails. Mr. Safier mentioned that he could help assist the Commission in gaining access into the jail by contacting Chief Burns directly. He stated that as the foreperson of the Grand Jury, he worked with Chief Burns, who is in charge of the tours for the Custody and Correctional Services Divisions. He stated that once he receives a date from Chief Burns he would report back to the Commission.

Commissioner Mindlin asked when was the last time Sheriff Baca spoke with the E&E Commission. Chair-Emeritus Philibosian stated that the difficulty in getting the Sheriff to speak is that he attends the County Criminal Justice Committee, which meets at the same time and date as the E&E Commission. Chair-Emeritus Philibosian stated that Sheriff Baca also chairs the meeting at the Sheriffs Headquarters. He also stated that if the Commission would like the Sheriff to speak to the Commission for any future dates, the Commission would have to vote to change the meeting date to accommodate Sheriff Baca. He stated that if for some reason the Commission cannot agree to change the date, then the Sheriff could suggest that we meet with the Undersheriff.

Commissioner Mindlin also requested that the Executive Director and the Chairman of the Commission contact some of the leadership from cities that are under the County's jurisdiction such as Mayors, City Council Members, and Chief Executive Officers. Chair-Emeritus Philibosian stated that there are independent cities associations and contract cities associations. He stated independent cities act as independent cities and it would make more sense for the Commission to meet with contract cities, which have their own Officers and Directors. Chair-Emeritus stated that this was a good suggestion from Commissioner Mindlin.

VI. TASK FORCE REPORTS

1. Child Care Fraud-- Chair-Emeritus Philibosian, Chair

Chair-Emeritus Philibosian stated that the task force is currently looking at the Fraud Control report that was submitted to the Commission a couple of months ago. He stated that the task force would report at the next monthly meeting.

2. Civil Service Reform-- Commissioner Hinsche-Otto

Executive Director Edward Eng stated that the task force has an upcoming meeting with the Lisa Garret, Director of the Department of Human Resources on October 9, 2011. He also stated that the task force attempted to set up a meeting with the Civil Service Commission but that they declined meeting with the task force. However, the Civil Service Commission stated that if there were any questions that the task force wants them to address, they asked that we submit a formal request in writing to which they would then respond formally.

3. Video Arraignment-- Commissioner Fuhrman

Commissioner Fuhrman stated that the taskforce had two meetings so far; a broader meeting which was hosted by the Chief Executive Office (CEO), with representative from the District Attorney Office, the Police Department, the Public Defender, and the Sheriff Department. He stated that the meeting helped get basic information on the use of video arraignment and video conferencing. He stated that the task force also met with the staff from CCJCC. He stated that it is clear that there is a demonstration project at the Glendale Superior Court and in conjunction with the Glendale Police Department. It appears that this pilot project is working pretty well. He also stated that there seems to be some lack of precise information on how many prisoners are being moved and that the task force is trying to get more information on that. He stated that there seems to be some issues across bureaccuracies between the Police Department and the D.A. that would impinge upon the broader ability to use video arraignment or any video tools. He stated that the task force is moving to gather additional information in regards to these matters.

4. Business License Application Automation Process -- Commissioner Kalm

Commissioner Kalm stated that he would like to commend the Executive Director for retitling the line item on the Agenda as E-Government 2.0 in response to his desire to expand the task of the Business License Automation task force. He stated that in reality the County does not yet have a broader charter but is currently trying to find one.

Commissioner Kalm stated that for Mr. Safiers' benefit, the history of this process began when Mayor Antonovich came to the April 2011 Commission Meeting and tasked the Commission to look into the automation of business license applications. He stated that it later turned out that concurrently, the same process was turned over to the Treasurer and Tax Collector, in whose jurisdiction this is. He stated that this process got done in the first stage very quickly without too much information or effort on the Commission's part. He also stated that the Commission did form a task force consisting of Vice-Chair Lee, Commissioner Balderrama, and himself. He stated that the task force has had a couple of meetings at the Chief Executive Office with Deputy CEO Ms. Ellen Sandt and others to see how the Commission might expand the project beyond just business license.

Commissioner Kalm stated that he would like to take a minute to make a sales pitch for the viability of the concept. He stated that he just came back from a two-week trip from Estonia

and there was a convention there for something called ICE-Gov, which is the International Conference of E-Government. He stated that the thing that caught his attention was that e-government is a way to have technology make a difference in government processes. He stated that the only other thing he would like to mention on the day after Steve Jobs passing is that here is really an example of an individual that made a significant difference by successfully coming in with new products that fundamentally changed the way we live; ipod changed the way we listen to music, iphone changed the way we communicate, and now the ipad is fundamentally replacing the personal computer. He stated that we had a great presentation in September with Mr. Peter Loo who spoke on what the CIO is doing with various departments to standardized e-government applications and get more impetuous. He stated that the reality is, that at a time like this when budgets are tight, it's hard to justify money for more work on changing the system. He stated that he personally feels that the Commission as a whole should be able to act as a change agent in pushing these kinds of applications forward. He stated that the status today is that the task force is still waiting for Ellen Sandt of the CEO and Richard Sanchez, CIO, to suggest a way that the Commission may comfortably fit into the process. He stated it is obvious that there are layers of existing management who are all looking at this process. He stated that he would like to ask the other Commissioners to think about it and if there are concrete suggestions as to how the task force might re-define the project from just business license automation to something broader, then the task force might do it between now and the November Meeting.

Executive Director stated that he attended a long conference meeting with the e-Government Advisory Committee hosted by Mr. Peter Loo from the CIO's Office. He stated that the meeting also included IT representatives from many other departments. He stated that there were many discussions on social media strategies, mobile devices applications, and e-Commerce payment online applications. He also stated that most of the discussion revolved around drafting policies and attempting to get departments on board by the CIO's Office.

5. Best Practices -- Commissioner Glassman

Executive Director stated that the task force has not had a chance to meet.

VII. LIAISON REPORTS

1. Local Government Service Commission – Commissioner Fuhrman

Commissioner Fuhrman stated that he was unable to attend the last meeting. He stated that he might have to resign as the delegate to the Commission. He stated that he would like to recommend Commissioner Kalm as the liaison to the Commission. Commissioner Kalm stated he would be glad to consider it in 2012. He stated that he has prior commitments for the rest of 2011.

2. Quality & Productivity Commission – Commissioner Ikejiri

Executive Director stated that there was no meeting in September and that the next meeting will be held on October 24, 2011. He also stated that there will be no Quality and Productivity meeting in November but they will reconvene on December 5, 2011 at 10:00 am in Room 743.

3. Countywide Criminal Justice Coordinating Committee – Chair-Emeritus Philibosian

Chair-Emeritus Philibosian stated that the CCJCC meeting was held on October 5, 2011 and it was devoted entirely to Public Safety Realignment. He stated that he would share a few highlights because he would like to save most of the topic for the D.A and his Chief Deputy to discuss with the Commission possibly at the next E&E Commission meeting. He stated that 62 people were released to LA County and this is suppose to come with files so the LA County Probation department knows what to do with them, and law enforcement knows who they are and where they are supposed to be. He stated that 10% of them came without files, and the implication of this is that LA County is due to receive 9,000 state prisoners in the next 12 months. He stated that in the next 24 months LA County is due to receive 15,000 state prisoners. He also stated that a lot of the packages and files that were received were incomplete so the prisoners could not properly be assessed. He stated that the supposed theory behind realignment is that non-serious, non-violent offenders will be the ones to be released based on the charges for which they are serving for while in State prison. He stated that 1,000 prisoners are expected this month in which 30% had incomplete files. He stated that this is a real problem and it is not something the Commission can solve but this is something the Commission should know about. He stated that the whole idea behind realignment was to relieve the State of California of the financial difficulty of keeping these people in prison because zero planning has been done for the past 12 years in terms of prison construction.

VIII. PRESENTATION

Los Angeles County Assistant Chief Executive Officer, CEO, Mr. Martin Zimmerman.

IX. PUBLIC COMMENT

No Report

X. NEW BUSINESS

Executive Director stated that he was contacted by a gentleman named Mr. Harold Davidson, Chair of the Architectural Evaluation Board (AEB), requesting that the E&E Commission do a study to determine whether the AEB should continue to exist. By way of background, Executive Director stated that in a report completed in 1969, the E&E Commission recommended to the Board of Supervisors for the creation of an AEB which was subsequently approved by the Board that same year. He stated that since its establishment, the AEB has been assisting the County in providing “short lists” of pre-qualified architect/engineering firms for numerous County Capital Projects. He stated based on conversations with Mr. Davidson, the AEB began questioning the process when the Community Development Commission started taking on more County capital projects and bypassed the AEB completely. Executive Director stated that Mr. Davidson felt like the AEB’s role as originally stated has been compromised and would like the E&E Commission to do a study on whether the AEB should exist or not. Chair-Emeritus stated that the E&E Commission does not review other Commissions unless directed by the Board of Supervisors to do so.

XI. ADJOURNMENT

The meeting was adjourned by Chairman Barcelona at 11:45 am.

Respectfully Submitted,

Edward Eng,

Executive Director