

**LOS ANGELES COUNTY
CITIZENS ECONOMY AND EFFICIENCY COMMITTEE**

ROOM 372, HALL OF ADMINISTRATION / 500 WEST TEMPLE / LOS ANGELES, CALIFORNIA 90012 / 625-3611, Ext. 64605

MINUTES

FULL COMMITTEE MEETING

DATE: February 25, 1966
TIME: 8:30 A.M.
PLACE: 739, Hall of Administration

Attendance

Raymond Arbuthnot
John C. Bollens
Max Candiotty
Myron J. Carr, Jr.
P. S. Magruder
Mrs. Wayne Licher
Kiyoshi Maruyama
Irvin Mazzei
Maurice McAlister
Harold C. McClellan
Lee McNitt
Ferdinand Mendenhall
Robert Mitchell
A. C. Rubel
Mrs. Benjamin Erick Smith
J. B. Roche,
Executive Secretary

Committee Members:

A.C. Rubel, Chairman
Max Candiotty
Myron J. Carr
P.S. Magruder
Kiyoshi Maruyama
Irvin Mazzei
Maurice McAlister
Ferdinand Mendenhall
Robert Mitchell
J.B. Roche, Executive Secretary

Advisors:

L.S. Hollinger, Chief Administrative Officer
John R. Leach, Asst. Chief Administrative Officer
T.E. Durkee, Chief, Management Services Division
Roy Hoover, Chief, Special Services Division

Others:

Robert Gray, Director of Industrial Relations Center, California
Institute of Technology
Fred Folks, Organization Analyst, North American Aviation, Inc.

Mr. Rubel called the meeting to order at 8:30 a.m. He introduced Mr. Gray and Mr. Folks to the Committee members. Mr. Gray is Chairman of the Special Industry Committee which was organized to conduct a study of the Joint Salary Survey and the County salary setting practices. Mr. Folks is on loan to the Committee to conduct a study of the County organization structure. Mr. Rubel also announced that Mr. Edward J. Macke had been appointed by Supervisor Bonelli to replace Mr. L. McNitt, who had been forced to resign from the Committee because of illness. Mr. Macke is owner of a real estate and appraisal firm in Huntington Park and is also a member of the County Real Estate Advisory Committee.

Mr. Rubel reported that Supervisor Bonelli had proposed that the members of the Economy and Efficiency Committee should receive a \$50 stipend for each meeting. Mr. Roche had polled the Committee members; the result was 14 noes, 1 yes. Mr. Rubel said that he would convey the Committee views on the proposal to Supervisor Bonelli.

Mr. Rubel announced that the Board of Supervisors, at their request, were meeting with members of the State Welfare Commission and officials of the State Welfare Department at 10:00 a.m. that morning in the State Building. The purpose of the meeting was to review the Supervisors criticisms of state welfare administration. One of the principal topics of discussion would be the MARS program. Several members indicated that they planned to attend.

Mr. Rubel reported that the Executive Committee, at its meeting on January 6 elected Mr. McClellan as Vice Chairman and Mr. Rubel as Chairman of the Full Committee. The Committee members unanimously approved the nominations.

Mr. Rubel then asked Mr. Roche to review the current assignments of each member. Mr. Roche reported that Mr. Mazzei had requested reassignment to the Organization and Management task force and that Mr. Macke had requested assignment to the Construction, Leasing and Public Works task force to replace Mr. Mazzei. The Committee approved the new assignments.

Mr. Rubel reported that the Wage and Salary Sub-committee and the Special Industry Committee had completed its report on the County salary setting practices. The report had been approved by the Special Industry Committee & Sub-committee for submittal to the Economy and Efficiency Committee. Mr. Rubel asked Mr. Gray, as Chairman of the Special Industry Committee, to discuss the Sub-committee's report.

Mr. Gray reviewed the principal recommendations of the Sub-committee together with some of the background supporting each recommendation.

Mr. Rubel asked if any of the members or advisors had any questions or objections to the report. Mr. Mazzei responded that he believed strongly that the Special Industry Committee should have consulted with employee and union representatives before submitting its report. He said that since the sub-committee had consulted with the CAO and his staff as representatives of County management, it should also have consulted with the appropriate representatives of the employees.

Mr. Gray replied that the Special Industry Committee and the Wage and Salary Sub-committee had talked with Mr. Hollinger and his staff to obtain the facts about salary setting practices. They did not feel it was necessary to hold public hearings with union or employee representatives. They had discussed this point in several other meetings and had concluded that any hearings with employee or union representatives should be conducted by the CEEC. Mr. Mazzei recommended that the CEEC consult with employee groups before making a presentation to the Board of Supervisors. Mr. Rubel stated that the report was made in accordance with the CEEC's instructions and that it should be accepted from the Special Industry Committee. Acceptance of the report, however, does not necessarily

mean that the CEEC has approved the report. Mr. McAlister motioned that the report be accepted as presented to the committee. He stated that the committee could then review it before presentation to the Board of Supervisors. Mr. Mazzei seconded the motion and the committee unanimously approved the motion. Mr. Rubel then asked Mr. Mazzei to review the report with the appropriate union representatives and then contact Mr. Roche when their comments or suggestions were ready for presentation to the Committee.

Mr. Rubel reported on Supervisor Hahn's proposal to reorganize the Charities Department, made at the Board meeting of 1/4/66. The proposal requested a study be made by the CEEC in conjunction with the CAO, the Superintendent of Charities and the County Counsel, of the feasibility of splitting the Charities Department into four separate departments--Hospitals, Public Assistance, Resources and Collections, and Adoptions. Mr. Rubel said that as a part of his assignment with the Committee, Mr. Folks had been analyzing this proposal. He asked Mr. Folks to report on his findings.

Mr. Folks reported that from a preliminary analysis of the County's over-all organizational structure, as well as the internal structure of the Charities Department, it did not appear that Supervisor Hahn's proposal was feasible. He indicated that Mr. Hollinger was going to ask the Board of Supervisors for more time to complete the study.

Mr. Hollinger reported that he intended to request that a final report be submitted not later than October 1, 1966.

Mr. Rubel reported on the progress of the Civil Service study. He stated that Mr. Keeper and Mr. West had submitted their findings and were to be congratulated on the thoroughness of their study. He said that Mr. Roche was preparing these findings for submittal to the Full Committee for presentation to the Board of Supervisors. Mr. Rubel also reported that a principal problem was the involvement by the Civil Service Commission in administrative details. In addition, there has been such serious top level mismanagement within the department that exceptional action will be necessary to correct it. He indicated that it is especially important that a well qualified manager be appointed as Secretary and Chief Examiner to replace Mr. Harry Petrie who retired at the end of the year.

Mr. Rubel then requested the task force chairmen to report on the progress of their studies.

Mr. Roche reported for Dr. Bollens, Chairman of the Organization & Management task force. He said that as soon as Mr. Folks had completed his report on County organization problems, they would review it with Dr. Bollens and his task force.

Mr. Candiotty, Chairman of the Budgeting and Fiscal Affairs task force, reported that Mr. Hugh Trotter, on loan to the Committee from McKinsey and Company, had completed a preliminary analysis

of the County budget system. The task force had reviewed the report and had requested Mr. Trotter and Mr. Roche to make certain changes in the report in preparation for a meeting with Mr. Hollinger and Mr. Howard, Chief of the Budget Division.

Mr. Carr, Chairman of the Construction, Leasing and Public Works task force, reported that his task force had been investigating a new type of financing for County building structures which they had discussed with Mr. Beebe and Mr. Linman of the legal firm of O'Melveny and Myers. The approach involves organizing a non-profit corporation which would issue bonds to finance the recommended structures, and execute leases with the County as the Retirement Board now does. He said that the task force was obtaining further details on this approach before submitting its recommendations to the Committee.

Mr. Mendenhall, Chairman of the Health, Welfare and Corrections task force, indicated that he had nothing to report.

There being no further business, the meeting was adjourned at 10:20 a.m.