

MOTION BY SUPERVISORS MICHAEL D. ANTONOVICH  
AND DON KNABE

September 23, 2014

Over the past decade, Metropolitan Transportation Authority (MTA) has been working toward creating a permanent facility in Los Angeles County for the production of transit rail cars. In 2012 and 2013, the MTA board awarded a series of contracts to Kinkisharyo International, LLC for the production of 195 rail cars, and Kinkisharyo committed to building a production facility in the United States.

Committed to Los Angeles County, the company chose to build the plant in Palmdale, offering permanent local employment opportunities and ensuring availability of passenger rail cars for MTA's expanding rail system as well as meeting the needs of transit properties across North America.

A law firm representing a local union has appealed Kinkisharyo's environmental clearances, delaying Kinkisharyo's ability to obtain permits to build the Palmdale plant in a timely fashion that could potentially delay the delivery of Metro's light rail vehicles if and only if Kinkisharyo, which has never been late on a delivery, chose to remain in Palmdale.

Kinkisharyo can abandon the construction of Palmdale production facility if they are unable to acquire the identified property by the end of September 2014. They will then likely seek a location to build the plant outside of Los Angeles County and/or California in order to maintain its sterling record of on-time delivery of rail cars to transit properties.

- M O R E -

MOTION

MOLINA \_\_\_\_\_

RIDLEY-THOMAS \_\_\_\_\_

YAROSLAVSKY \_\_\_\_\_

ANTONOVICH \_\_\_\_\_

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The production facility stands to bring hundreds of new and future jobs to Los Angeles County over the next few decades through the production of rail cars that will serve the County and other transit agencies throughout the country. Losing this production facility from Los Angeles County will directly result in Measure R tax dollars being spent outside of the County that would otherwise employ hundreds of skilled workers within the County.

This motion has already been approved by the MTA System Safety and Operations Committee with Supervisor Knabe and Los Angeles City Mayor Garcetti as co-authors.

**WE, THEREFORE, MOVE** that the Board of Supervisors direct the Chief Executive Officer to work with various interested parties, including the Cities of Los Angeles and Palmdale, to accelerate negotiations with the International Brotherhood of Electrical Workers and Kinkisharyo to find a mutually acceptable solution by September 30, 2014.

**WE, FURTHER, MOVE** that the Board of Supervisors direct the Chief Executive Officer to work directly and immediately with the Office of the Governor and the State Legislature to develop a solution to this impasse.

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