

Eco-Rapid Transit, formerly known as the Orangeline Development Authority, is a joint powers authority (JPA) created to pursue development of a transit system that moves as rapidly as possible, uses grade separation as appropriate, and is environmentally friendly and energy efficient. The system is designed to enhance and increase transportation options for riders of this region utilizing safe, advanced transit technology to expand economic growth that maximizes ridership in Southern California. The Authority is composed of the following public agencies:

- City of Artesia
- City of Bell
- City of Bell Gardens
- City of Cudahy
- City of Downey
- City of Glendale
- City of Huntington Park
- City of Maywood
- City of Paramount
- City of South Gate
- Burbank-Glendale-Pasadena Airport Authority

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- Executive Director
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Teresa L. Highsmith

- Ex-Officio
William Rawlings
City Manager Representative

AGENDA REPORT

TO: Members of Eco-Rapid Transit Board of Directors

FROM: Michael Kodama, Executive Director

DATE: May 13, 2020

SUBJECT: **UPDATE AND/OR ACTION REGARDING DRAFT FY 2020-2021 BUDGET**

Public comments on items on the agenda will be taken at the time the item is called and are limited to 3 minutes per speaker

ISSUE

Eco-Rapid Transit staff has prepared the FY 2020-21 budget for review by the Board of Directors and seeks your guidance and recommendations.

BACKGROUND

The budget in the upcoming fiscal year includes activities to continue and complete, as necessary, grant related and general activities. Eco-Rapid Transit anticipates revenue sources from dues and existing projects. Current year revenues includes reimbursement from prior year expenses. The reserve amount includes fund balance carried from prior year deficit.

Membership Dues (General Funds)

Last month, Eco-Rapid Transit Board of Directors approved a membership due structure for 2020-21 in the amount of \$175,952.

Membership dues are calculated based on population, track miles and stations.

Population \$0.081
Track Miles: \$4,532.15 per mile
Station: \$5,750 per station

Projects

For FY 2020-2021, based on current projects, Eco-Rapid Transit staff expects revenue in the amount of \$516,169.

- In FY 2019-2020, Eco-Rapid Transit staff received final payment for the Metro WSAB TOC I (Near Term Scope), Metro FTA TOD SIP and 2018 Transportation Summit.
- The Artesia TOD project expired and is currently in process for a potential contract extension that may include an Eco-Rapid Transit budget of \$13,169.



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- There is also an amendment to contract adding \$10,000 to the West Santa Ana Branch 3rd Party Administration that became effective in February, 2020.
- Eco-Rapid Transit's Caltrans Huntington Park SB1 Grant has a budget of \$681,000. Eco-Rapid Transit allocated \$501,000 for FY 2020-2021.

Should the fiscal situation change, the budget will be amended during the upcoming fiscal year.

Expenses can be evaluated in two categories related to general administration expenses and direct project expenses.

GENERAL ADMINISTRATION EXPENSES

General management and administration expenses are paid for out of general membership dues. It includes authority board activities, staff, legal, office expenses, and insurance. It also includes expenses related to project coordination, proposals, coordination and working directly with members. It is a critical source of funding to create concepts related to development of sustainable, healthy neighborhoods and successful economic development opportunities.

Initial planning and preliminary concepts are generally developed from this funding source. It becomes funding that is used to leverage additional funds for the communities along the corridor.

PROJECT EXPENSES

Eco-Rapid Transit works directly on project components that support economic development and transportation in a 40-mile corridor from Hollywood Burbank Airport to Downtown Los Angeles to Artesia. This includes project coordination, project outreach, station/land use planning, community development, sustainability planning, environmental planning, transportation planning, parking management and traffic engineering. It includes support for member participation in the planning and development of the project components.

FISCAL IMPACT

This agenda item has a fiscal impact. Eco-Rapid Transit seeks to balance the need to meet administrative and planning costs related to movement into the next phase of the project. The other option is to maintain or reduce general fund expenditures.

RECOMMENDATION

It is recommended that the Board:

1. Discuss information presented and offer action items; and/or
2. Recommend changes and/or approve budget for FY 2018-19; and/or
3. Receive and file the item.

ECO-RAPID TRANSIT GENERAL	FY 19-20 Mid-Year Budget	YTD Actual Through March	FY 20-21 Budget
REVENUE			
Membership Dues	\$175,952	\$175,952	\$175,952
TOTAL REVENUE	\$175,952	\$175,952	\$175,952
EXPENSES			
Executive Director	\$60,000	\$40,098	\$60,000
Office Administration	\$36,000	\$25,024	\$36,000
Staff/Consultants	\$18,000	\$11,387	\$15,000
Expenses/Supplies	\$18,000	\$8,025	\$10,000
Insurance	\$11,000	\$4,228	\$8,000
Professional Services	\$7,000	\$13,888	\$26,000
Meetings	\$19,200	\$9,166	\$17,900
Travel/Miles	\$1,800	\$0	\$2,000
TOTAL EXPENSES	\$171,000	\$111,818	\$174,900
FUND BALANCE*	\$4,952	\$64,134	\$1,052

* Fund balance expended in FY 2018-19

ECO-RAPID TRANSIT GRANTS/PROJECTS	FY 19-20 Mid-Year Budget	YTD Actual Through March	FY 20-21 Budget
REVENUE			
Metro WSAB Metro TOC-1	\$0	\$1,936	\$0
FTA TOD	\$0	\$34,534	\$0
West Santa Ana Branch 3rd	\$8,000	\$1,040	\$2,000
Huntington Park SB-1	\$240,000	\$0	\$501,000
Artesia TOD**	\$13,169	\$0	\$13,169
Summit Sponsorship	\$0	\$1,500	\$0
TOTAL REVENUE	\$261,169	\$39,010	\$516,169
EXPENSES			
Executive Director	\$16,000	\$4,531	\$30,000
Office Administration	\$9,500	\$1,925	\$12,000
Staff/Consultants	\$235,269	\$5,839	\$462,169
Office Expenses/Supplies	\$200	\$32	\$5,000
Insurance	\$0	\$0	\$0
Professional Services	\$0	\$0	\$5,000
Meetings	\$0	\$0	\$1,000
Travel/Miles	\$200	\$0	\$1,000
TOTAL EXPENSES	\$261,169	\$12,327	\$516,169
FUND BALANCE***	\$0	\$26,682	\$0

*Amend mid-year budget to include \$8,000 for WSAB in FY 19-20

**Artesia TOD contract expired; currently in process for contract extension/NEGOTIATION.

*** Fund balance expended in FY 2018-19