

## **RESOLUTION NO. 21-24**

**Resolution Of The City Council Of The City Of Emeryville Approving The Emeryville Transportation Management Association (TMA) 2021 Budget And Setting Compensation To The TMA To Operate The Emery Go Round Shuttle Service During The 2021 Calendar Year Under The Terms Of The Service Agreement For An Amount Not To Exceed Four Million, Six Hundred Thirty Nine Thousand And Three Hundred Eighty Dollars (\$4,639,380); And Authorize An Additional Five Hundred Thousand, Fifty-Six Thousand, Three Hundred Sixty Eight Dollars (\$556,368) From The Emeryville Property Based Business Improvement District (PBID) Fund 805 To Cover Additional General Benefit Contribution**

**WHEREAS**, after a vote of approval by Emeryville commercial property owners, the City Council established the Citywide Property Based Business Improvement District (PBID) to fund the Emery Go Round Shuttle and other alternative transportation programs on July 31, 2001 (Resolution No. 01-122) in accordance with the Property and Business Improvement District Law of 1994 (Section 36600 et. Seq. California Streets and Highway Code), the PBID Law, for a period of five years through FY 2005-06 (service year 2006); and

**WHEREAS**, after a vote of approval by Emeryville commercial property owners, on July 18, 2016 the City Council, adopted Resolution No. 06-141 extending the PBID for another ten years through FY 2015-16 (service year 2016); and

**WHEREAS**, after a vote of approval by Emeryville commercial and residential property owners, on August 4, 2015 the City Council adopted Resolution No. 15-104 extending the PBID for another fifteen years through FY 2029-30 (service year 2030); and

**WHEREAS**, the Emeryville Transportation Management Association (TMA) is a non-profit organization representing commercial and residential property owner that contribute funds to the PBID; and

**WHEREAS**, the City Council authorized the City Manager to enter into a contract with the TMA to administer and operate the Emery Go Round through December 31, 2030, with each year's compensation to be set by Council Resolution; and

**WHEREAS**, the TMA Board has adopted an annual budget for the Emery Go Round shuttle and related services for service year 2021 of \$5,727,000; and

**WHEREAS**, under the TMA contract to operate the Emery Go Round, the annual compensation is set at the lesser of the total approved TMA annual shuttle budget, net of the developer fees collected directly by the TMA and certain other TMA revenue or the annual revenue generated by the PBID, net of administrative costs and estimated uncollectable levy fees; and

**WHEREAS**, in FY 2020-21, the PBID is projected to generate \$4,083,012 in revenue, net of County Assessor and administrative fees; and

**WHEREAS**, PBID funds can only be used to operate the Emery Go Round shuttle and related alternative transportation services/programs and to cover the PBID's administrative expenses, both County and City administrative fees; and

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**WHEREAS**, a General Benefit is a benefit to the public at large resulting from the implementation of District services; and

**WHEREAS**, the Management District Plan determined that 12.29% of the Emery Go Round users were engaged in general benefit activities; now, therefore be it

**RESOLVED**, by the City Council of the City of Emeryville approve the TMA 2021 Budget; and, be it, further

**RESOLVED**, by the City Council of the City of Emeryville hereby approves setting the compensation to the Emeryville Transportation Management Association (TMA) to operate the Emery Go Round shuttle and related services during the 2021 calendar year, under the terms of the service agreement for an amount not to exceed Four Million, Six Hundred Thirty Nine Thousand, Three Hundred Eighty Dollars (\$4,639,380); and authorize an additional Five Hundred Thousand, Fifty-Six Thousand, Three Hundred Sixty Eight Dollars (\$556,368) from the Emeryville Property Based Business Improvement District Fund 805 To Cover Additional General Benefit Contribution, and, be it further

**RESOLVED**, by the City Council of the City of Emeryville hereby approves the increased transfer of Twenty-Two Thousand, Four Hundred Sixty Eight Dollars (\$22,468) from the General Fund 101 to the Emeryville Property Based Business Improvement District Fund 805 to cover the remaining general benefit contribution, for a total of \$556,368 in FY 2020-21.

**ADOPTED**, by the City Council of the City of Emeryville at a regular meeting held Tuesday, April 6, 2021, by the following vote:

AYES:	5	Mayor Martinez, Vice Mayor Donahue, and Council Members Batters, Medina, and Patz
NOES:	0	
ABSTAIN:	0	
ABSENT:	0	

DocuSigned by:

*Dianne Martinez*

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MAYOR

ATTEST:

DocuSigned by:

*Sheri Hartz*

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CITY CLERK

APPROVED AS TO FORM:

*Michael Quinn*

CITY ATTORNEY

**2021 Budget**

<b>EMERY GO-ROUND</b>		<b>2021</b>
<b>Revenue</b>	<b>Anticipated Revenue</b>	<b>Notes/Assumptions</b>
<b><u>PBID Revenue</u></b>		
PBID Revenue	4,178,547	Per 2020-2021 Assesment roll provided by NBS. See note 7.
District Related Costs	(95,535)	1.7% of assessment to County Assessor + \$24,500 to City for legal and administration fees.
Estimated Uncollectable Assessments		
<b>Net PBID</b>	<b>4,083,012</b>	
<b><u>Non-PBID Revenue</u></b>		
City of Emeryville - General Benefit Contribution	556,368	12.29% of Total Budget, excluding capital expense for bus yard construction.
City of Emeryville - Emery Go Round Bus Yard (CIP)	-	\$1 Million in funding was received in 2020. Funding was used to establish the escrow account for Construction.
ETMA Billed Revenue	109,578	
BGTMA Revenue	20,000	
Misc. Revenue (Charter services, interest income, etc.)	3,500	
<b>Subtotal Non-PBID Revenues</b>	<b>689,446</b>	
<b>Total Revenue</b>	<b>4,772,458</b>	

<b>2021</b>		
<b>Expenditures</b>	<b>Proposed Expenditures</b>	<b>Notes/Assumptions</b>
<b><u>Direct Costs</u></b>		
Bus Leases/Purchases	500,000	See note 1.
Bus Maintenance	315,000	See note 2.
Operations Contract	2,400,000	See note 6.
Fuel	300,000	
Communications	60,000	Annual fees for RTTS, APCs and driver radios.
Miscellaneous Operating Costs	15,000	Bus Stop Signs, Wayfinding Signs, Route Guides, etc.
<b>Subtotal Direct Costs</b>	<b>3,590,000</b>	
<b><u>Indirect Costs</u></b>		
Professional Services	515,000	See note 3.
Occupancy (Bus Yard, Site Expenses)	350,000	See note 4.
Site Development - Long Term Bus Yard	1,200,000	See note 5.
Membership & Public Outreach Materials	25,000	
Pilot Projects and Research		
TMA Insurance	22,000	Commercial, Directors & Officers and Special Form Property Coverage.
Conferences, Meetings, Office Expenses	25,000	Shuttle Operations workshop, office expenses and equipment.
<b>Subtotal Indirect Costs</b>	<b>2,137,000</b>	
<b>Total TMA Operating Budget/Expenses</b>	<b>5,727,000</b>	
<b>TOTAL BUDGET/EXPENSES</b>	<b>5,727,000</b>	
<b>Estimated Shortfall</b>	<b>(954,542)</b>	

<b>Cash Balance Summary (2020-2021)</b>	
Carryover Cash Balance (as of Jan 1, 2020)	\$ 3,181,063
2020 Estimated Shortfall	\$ (1,100,000)
Projected Cash Balance on Dec 31, 2020	\$ 2,081,063
<b>2021 Projected Shortfall</b>	<b>\$ (954,542)</b>
Total Projected Cash Balance on Dec 31, 2021	\$ 1,126,521

Note: Minimum Operating Reserve is 15% of Operating Expenses (\$680k for 2021).

**2021 Budget - Notes/Assumptions**

1. Recommendation is for the ETMA continue to maintain an annual budget of \$500,000 to continue building reserves for future capital equipment purchases. Actual annual lease costs for 2021 will be approximately \$350,000, which includes financing and acquisition of 2 replacement vehicles in 2021. The remaining balance of \$150,000 will be applied to the ETMA cash reserve for future capital equipment purchases, or possible local funding match for ZEV grants.
2. Bus Maintenance budget is estimated using actual cost trends from Q1-Q3 in 2020, plus an increase in maintenance rates anticipated in the updated contractor pricing.
3. Assume consistent overall level of effort for Agency Management, Accounting/Bookkeeping, Website Maintenance and Legal Services. Agency Management team will continue to assign work appropriately to ensure cost effectiveness.
4. Assume current lease is extended through June 2021 and new lease rates will take effect in July 2021. Included additional budget for a secondary site lease for potential vehicle overflow.
5. The majority of construction costs will be paid into escrow account in December 2020. 2021 budget includes cost for construction oversight, project management, office trailer acquisition and the overall project contingency.
6. Assume the current level of service will continue through the winter then will increase 30-40% in the spring. Also assumes rate increases for shuttle operations in new contract pricing.
7. Assessment billed by NBS for 2020-2021 were less than anticipated. Total PBID revenue increased by only 1.08%.