



DATE: September 13, 2023

TO: Governing Board, Intermodal Container Transfer Facility Joint Powers Authority

FROM: Marla Bleavins, Treasurer

SUBJECT: 2023-2024 Budget and Distribution of Funds

The proposed 2023-2024 budget of \$2.45 million for the Intermodal Container Transfer Facility Joint Powers Authority (ICTF JPA) is attached.

Operating expenses for items such as legal and consulting services, audit fees, meeting expenses, and miscellaneous expenses are reimbursable by Union Pacific Railroad Company (UP) up to \$100,000 annually. These budgeted expenses for 2023-2024 are estimated to total \$51,500 which will be requested from UP. UP also advances funds for the City of Carson maintenance costs, which totaled \$160,337 in fiscal 2022-2023 and are estimated to decrease by 7% to \$149,113 in fiscal 2023-2024 based on the Producer Price Index for May 2023.

The \$2.25 million capital improvement item is included for the ICTF JPA's share of construction obligations under the City of Carson agreement. Carson is preparing to widen Sepulveda Boulevard between Alameda Street and the ICTF entrance. This project has been delayed but could be advertised for bidding in the current fiscal year.

The net revenue distribution from the tenant, UP, is received on a quarterly basis. The cash balance of the Joint Powers Authority at the end of fiscal 2022-2023 before any distribution to partners is estimated to be \$12.77 million. This exceeds the anticipated needs for fiscal 2023-2024.

A distribution of \$4 million to the two Ports would leave a balance of approximately \$3,602,794 million to be carried over to fiscal 2023-2024. This balance is deemed necessary in light of expected cash flow needs related to ICTF JPA operations.

It is recommended that the ICTF JPA Governing Board adopt 2023-2024 budget in the amount of \$2,450,613 and authorize distribution of \$4,000,000 to be shared equally (\$2,000,000 to each) by the Port of Long Beach and the Port of Los Angeles.

It is also recommended that the Board make the following finding: "The Board finds the activity is an administrative activity that will not result in direct or indirect physical changes in the environment, and, as such, is not a "project" as defined by CEQA Guidelines section 15378."

Marla Bleavins

Marla Bleavins
Treasurer

	Estimated Actual June 30, 2023	Adopted 2022-2023	Proposed 2023-2024
Beginning Cash Balance	8,893,259	\$8,893,977	\$6,777,794
Facility Revenue Received	3,776,976	3,000,000	3,000,000
UP reimbursement for EIR	9,720	30,000	30,000
Facility Maintenance Fee	160,337	156,093	149,113
Interest	107,559	20,000	75,000
UP Advance for admin expenses	21,087	21,200	21,500
	<u>\$12,968,938</u>	<u>\$12,121,270</u>	<u>\$10,053,407</u>
Less Expenditures			
Rating Agency Fee	-	-	-
City of Carson - Maintenance Fee	160,337	156,083	149,113
City of Carson - Capital Improvements	-	2,250,000	2,250,000
Environmental & Legal Services	9,720	30,000	30,000
Other Operating Expenses	21,087	21,200	21,500
Distribution to Partners	6,000,000	6,000,000	4,000,000
	<u>\$6,191,144</u>	<u>\$8,457,283</u>	<u>\$6,450,613</u>
Ending Cash Balance	\$6,777,794	\$3,663,987	\$3,602,794