

DATE: June 23, 2008

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

FROM: Sam A. Joublat, Executive Director

SUBJECT: 2008-2009 Budget

The proposed 2008-2009 budget of \$5.9 million for the Intermodal Container Transfer Facility Joint Powers Authority (ICTF JPA) is attached.

We are proposing a \$3.9 million budget for legal and consulting services in connection with the Union Pacific Railroad Company (UP) application for modernization of the Intermodal Container Transfer Facility. This, in addition to \$100,000 we estimate to spend this fiscal year, totals \$4 million total anticipated cost associated with UP's application for modernization of the ICTF. UP has agreed to reimburse the JPA an amount not to exceed \$4 million of these costs.

Operating expenses of items such as audit fees, meeting expenses, and miscellaneous expenses are reimbursable by Union Pacific Railroad Company up to \$100,000 annually. These budgeted expenses for 2008-2009 total \$24,100 which will be requested from Union Pacific.

Union Pacific also advances funds for the City of Carson maintenance costs, which totaled \$101,738 in fiscal 2007-2008 and are estimated at \$115,338 for fiscal 2008-2009. This maintenance cost is escalated annually in line with the Producer Price Index. The \$1,900,000 capital improvement item is included for the JPA's share of construction obligations under the Carson agreement. Carson is preparing to widen Sepulveda Boulevard between Alameda Street and the ICTF entrance. This project has been delayed pending environmental review.

It is recommended that the JPA Governing Board adopt the 2008-2009 budget in the amount of \$5,929,438.



Sam A. Joublat
Executive Director



Intermodal Container Transfer Facility Joint Powers Authority

INTERMODAL CONTAINER TRANSFER FACILITY
JOINT POWERS AUTHORITY
FISCAL YEAR 2008 - 2009

DESCRIPTION	<u>ESTIMATED ACTUAL 2007-2008</u>	<u>ADOPTED BUDGET 2007-2008</u>	<u>PROPOSED BUDGET 2008-2009</u>
Audit - JPA	\$ 10,363	\$ 20,000	\$ 12,000
Audit - Union Pacific	13,302	15,000	10,000
Legal & Consulting Services (c)		500,000	
EIR Preparation			2,400,000
Project Management	25,000		575,000
Outside Legal	75,000		525,000
JPA Staff	-		100,000
Miscellaneous	10,000		140,000
Contingency			150,000
Meeting Expenses	400	400	800
Miscellaneous (Consulting Fee)	1,000	1,000	1,000
LA County Property Tax	209	-	300
Edison Permit Fee (b)	-	-	-
City of Carson (a)			
1984 Facility Maintenance Fee (1)	83,750	83,750	94,950
1994 Facility Maintenance Fee (2)	17,988	17,988	20,388
City of Carson			
Capital Improvements	<u>-</u>	<u>1,900,000</u>	<u>1,900,000</u>
TOTAL	<u><u>\$ 237,012</u></u>	<u><u>\$ 2,538,138</u></u>	<u><u>\$ 5,929,438</u></u>

(a) Maintenance Fees paid directly by Tenant (Union Pacific Railroad) to City of Carson:

(1) Payment for maintenance of streets, sewers, storm drains, signals, landscaping and irrigation systems paid annually on July 1, commencing July 1, 1990, amount is adjusted in accordance with changes in Producers Price Index. Payment calculated in June, based on May PPI data, for subsequent year.

(2) Annual facility maintenance fee imposed upon issuance of amended Conditional Use Permit 255084. Original fee is \$25,000 adjusted by changes in the Producers Price Index commencing July 1, 1995. Will be reduced upon final acceptance of certain street improvements (Section 4.B - Carson Agreement).

(b) 10-year fee paid in advance in October, 2000.

(c) Legal and consulting services in connection with the Union Pacific application for modernization of the ICTF.

Note:

Operating expenses reimbursed by Union Pacific Railroad up to \$100,000/yr.