



**SAN GABRIEL VALLEY COUNCIL OF GOVERNMENTS
FISCAL YEAR 2019-2020 BUDGET**



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Marisa Creter

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3rd Vice President
Tim Hepburn

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Alhambra
Arcadia
Azusa
Baldwin Park
Claremont
Covina

Diamond Bar
Duarte
El Monte
Glendora
Industry
Irwindale
La Cañada Flintridge

La Puente
La Verne
Monrovia
Montebello
Monterey Park
Pomona
Rosemead

San Dimas
San Gabriel
San Marino
Sierra Madre
South El Monte
South Pasadena
Temple City

Walnut
West Covina
LA County District 1
LA County District 4
LA County District 5

TRANSMITTAL LETTER

May 31, 2019

Governing Board Delegates and Alternates:

On behalf of the San Gabriel Valley Council of Governments (SGVCOG), it is my pleasure to present a balanced budget for Fiscal Year 2019-2020. The budget provides detailed information about anticipated revenues and planned expenditures for the upcoming fiscal year and demonstrates how available resources are allocated based on the Governing Board's Strategic Plan and objectives, which serve as the guiding principles. The budget was developed using a conservative approach to revenue forecasting and incorporates prudent expenditure adjustments to achieve a balanced operating budget.

Mission & Vision

On March 21, 2019, the SGVCOG adopted the most recent update to its Strategic Plan. This update was developed through a comprehensive outreach process. The SGVCOG mission, and vision are shown below.

Mission

“The SGVCOG is a sub-regional government that serves as a unified voice to maximize resources and advocate for regional and member interests to improve the quality of life in the San Gabriel Valley.”

Vision

“By 2021, the SGVCOG will serve as a model subregional agency in Southern California by continuing its existing support of member agency goals and priorities while leveraging the new opportunities provided by the extension and expansion of ACE.”

FY 2018-19 Major Accomplishments

As we look forward to another exciting and successful year, it is important to reflect on the accomplishments of the past year. Some of the major accomplishments completed over the past year include the following:

Administration and Integration

- Developed an integrated budget.
- Completed and implemented recommendations from compensation and classification study.
- Initiated, completed and implemented recommendations for retirement benefits.
- Completed comprehensive strategic plan update.

Stormwater

- Developed position of support for the Safe, Clean Water program and assisted with the passage of Measure W.
- Worked with State and Federal legislators on stormwater-related legislation, including introducing 2 bills.
- Tracked stormwater litigation and the review of the jurisdictional reach of Waters of the United States.
- Monitored regulatory actions of the State and Regional Water Boards.

Homelessness

- Hosted regional homelessness planning summit.

- Assisted cities in applying for and receiving Measure H funding to support implementation of cities' homelessness plans.
- Developed position paper on cities common concerns and stances regarding homelessness and homeless solutions.

Transportation

- Conducted outreach to member agencies about new review/evaluation process and implemented LOI process.
- Developed 5-year plan for Measure M MSP projects and funds
- Partnered with 8 cities (South Pasadena, Alhambra, San Gabriel, El Monte, South El Monte, San Dimas, La Verne, and Pomona) to secure funding for 4 open streets events.

Sustainability

- Updated Energy Action Plans for cities of Arcadia, Pomona, San Marino and Covina.
- Conducted over 30 community events and community presentations promoting sustainability in the San Gabriel Valley.

Capital Projects

- Achieved the following project milestones:
 - Temple Avenue Train Diversion and San Gabriel Trench – Projects Completed
 - Fairway Drive Grade Separation and Fullerton Road Grade Separation – Construction Ongoing
 - Durfee Avenue Grade Separation – Bid awarded and construction to begin in May 2019;
 - At-Grade Crossing Safety Improvements - Pomona - Design at 65%
 - Turnbull Canyon Grade Separation - Design 65% complete & completion of environmental clearance
 - Montebello Ave Grade Separation - Design 65% complete & completion of environmental clearance
 - At-Grade Crossing Safety Improvements - Montebello - Design at 35% & completion of environmental clearance
 - Maple Avenue Overhead Pedestrian Bridge - Design at 35% & completion of environmental clearance
 - Rio Hondo Load Reduction Strategy – Design at 25%
- Hosted Temple Avenue Train Diversion Dedication (July 2018), San Gabriel Trench Dedication (September 2018), Durfee Ave Grade Separation project groundbreaking (March 2019).

FY 2019-20 Workplan

The FY 2019-20 workplan includes several key activities that align with the SGVCOG's strategic plan as listed below:

Administration and Integration

- Develop integrated and updated procurement manual, accounting/financial policy manual, project management manual and employee manual.

Water

- Continue engagement with the implementation of Measure W/Safe Clean Water Program.
- Advocate based on adopted storm water/water legislative policy agenda.

Homelessness

- Establish a San Gabriel Valley Inter-Cultural Advisory Board.

- Create and maintain a comprehensive San Gabriel Valley resource guide and list of “local champions.”
- Support implementation of City Homeless Plans.

Transportation

- Develop comprehensive Arrow Highway Regional Corridor Plan in partnership with the cities of Glendora, San Dimas, La Verne, Pomona, and Claremont.
- Manage two open streets events in partnership with six cities (El Monte, La Verne, Pomona, San Dimas and South El Monte).
- Launch Bicycle-Friendly Business District Pilot with El Monte, South El Monte, and Baldwin Park.

Environment

- Facilitate development of multi-jurisdictional SGV Regional Electric Vehicle Charging Infrastructure Plan.
- Engage in transition period for the local government energy partnership with SoCalGas and Southern California Edison.

Capital Projects

- Durfee Avenue Grade Separation
 - *Goal:* Construction to 30% Completion
- Fairway Drive Grade Separation
 - *Goal:* Construction to 60% complete & Lemon Ave Construction Complete
- Fullerton Road Grade Separation
 - *Goal:* Construction to 60% complete
- At-Grade Crossing Safety Improvements - Pomona
 - *Goal:* Design 100% complete
- Montebello Avenue Grade Separation
 - *Goal:* 100% design complete and ongoing right of way activity
- Maple Avenue Overhead Pedestrian Bridge
 - *Goal:* 100% design complete
- Turnbull Canyon Road Grade Separation
 - *Goal:* Design 100% complete
- At-Grade Crossing Safety Improvements - Montebello
 - *Goal:* 65% design complete
- Rio Hondo Load Reduction Strategy
 - *Goal:* Design 65% complete
- Regional Bike Share Program
 - *Goal:* Deploy at least 840 pedal-assist bicycles in 15 participating cities.
- SR-57/SR-60 Confluence Project
 - *Goal:* Initiate Utility Relocations for Phase 4; Procure Specialty Consultants for project support; and, Phase 5 Design 100% complete
- City of La Verne Gold Line Transit Oriented Development Pedestrian Bridge
 - *Goal:* Design 35% & completion of environmental clearance

I anticipate this will be an exciting and rewarding year for the SGVCOG. The SGVCOG staff is working closely with you to deliver key projects and initiatives, and we will continue to reach out within our organization and externally to ensure the staff is meeting the Board’s expectations and

leverage the SGVCOG's resources to preserve and enhance the quality of life in the San Gabriel Valley.

Respectfully submitted,

Marisa Creter

Marisa Creter
Executive Director

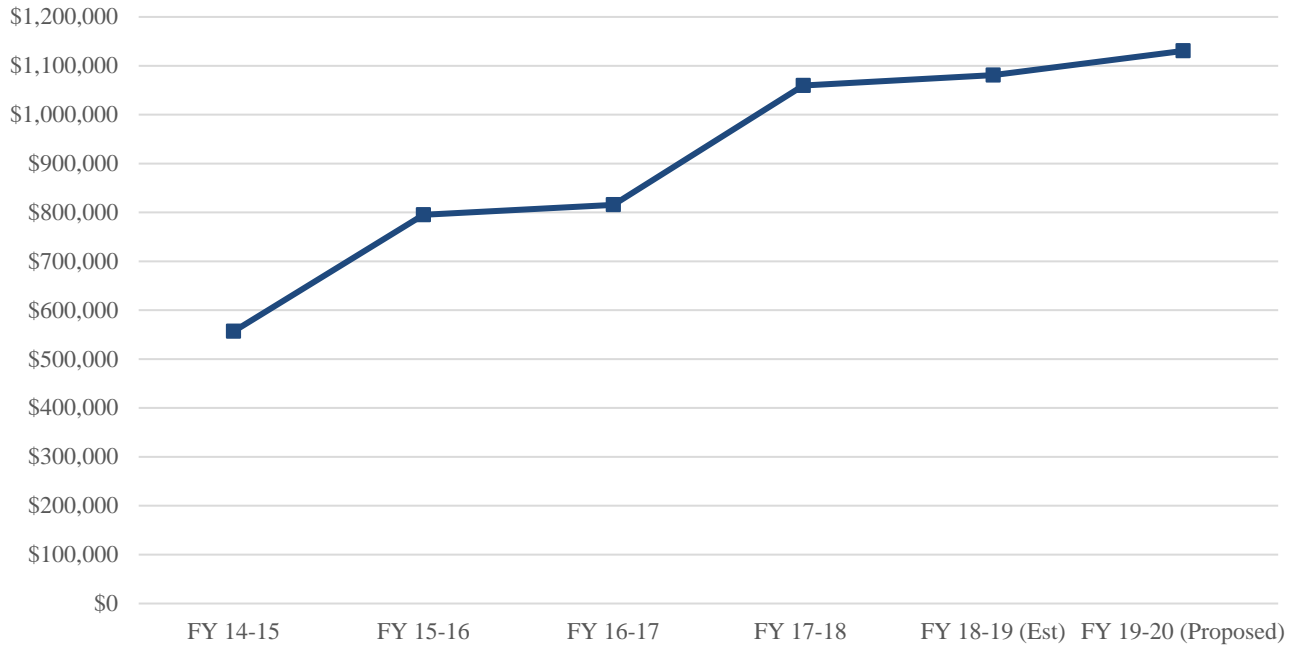
FY 2019-2020 BUDGET OVERVIEW

<u>Revenue</u>	Operating Budget	Non-Capital Projects	Capital Projects	Total
Operating				
Member Dues	779,898			779,898
Transportation Administration (Local)	101,569			101,569
Hero Program	3,200			3,200
Interest	1,000			1,000
Subtotal Operating Revenue	885,667			885,667
Projects				
Federal			1,718,606	1,718,606
State			41,409,082	41,409,082
Local		1,644,789	93,652,395	95,297,184
Subtotal Revenue		1,644,789	136,780,083	138,424,872
Total Revenue	885,667	1,644,789	136,780,083	139,310,539
<u>Expenditures</u>				
Indirect Expenses				
Personnel	395,946	131,982	2,375,067	2,902,996
Committee & Employee Expenses	61,060	11,140	55,000	127,200
Professional Services	285,656	20,617	355,000	661,273
Other Expenses	96,499	35,801	596,490	728,790
Total Indirect	836,136	199,540	3,381,557	4,386,250
Direct Expenses				
Personnel/Construction Direct Labor		227,460	120,448,525	120,675,985
Program Management		1,217,789	12,950,000	14,167,789
Total Direct	0	1,445,249	133,398,525	134,843,774
Total Expenditures	839,161	1,644,789	136,780,083	139,264,033
Estimated Year-End Balance¹	\$ 46,506	0	0	\$ 46,506²

¹ Reorganization of the budget structure is due to the SGVCOG/ACE Integration. Budget comparison data does not apply until FY 20-21.

² The reorganization of the budget structure reflects Board action for ACE to be an ongoing operation as a division of SGVCOG, and not expire at the end of its mission (currently estimated to be in fiscal year 2022-23).

SGVCOG General Fund Balance 2015-2020³



Estimated Fund Balance (7/1/2019):	\$1,080,972
Estimated Fund Balance (6/30/2020):	\$1,130,503

³ FY 16-17 includes back payments to CalPERS and employee costs from FY 2015-16.

OPERATING BUDGET

In FY 2019-2020, SGVCOG total operating revenues are projected at \$885,667. The SGVCOG general operating revenue is made up of four categories: member agency dues; interest; transportation administration and the HERO program.

Revenue

Member Dues (\$779,899) – Total member agency dues for FY 2019-20 are estimated to be \$779,899. The revenue from dues is the primary source of income to support the SGVCOG’s day-to-day staffing and operations. On March 19, 2015, the Governing Board approved a revised dues structure for members as follows:

$$[\$5,000 \text{ base fee} + \$0.32 \text{ per capita}] \times \text{Annual CPI Adjustment} = \text{Member Dues}$$

Transportation Administration (Local) (\$101,569) – The Los Angeles County Metropolitan Transportation Authority (Metro) provides an annual allocation to the SGVCOG via a Memorandum of Understanding (MOU), be used to provide the support services either through the use of a consultant or by hiring an employee to the SGV representative on the Metro Board of Directors, John Fasana. Under the terms of this MOU, the SGVCOG and Board Member are responsible for selecting, employing/contracting with, compensating and overseeing the work of the individual responsible for providing the support services. Currently, the total reimbursement from Metro is for an amount not exceed \$101,569 annually. This amount is adjusted in an amount equal to any increases approved by the Board for Metro non-contract employee salary increases.⁴ The SGVCOG utilizes this funding to pay for a consultant and pays the remaining balance with general funds.

HERO Program (\$3,200) – The SGVCOG has an existing agreement with Western Riverside Council of Governments (WRCOG) to promote the California HERO program in the San Gabriel Valley. In exchange for the SGVCOG’s program support, WRCOG is obligated to pay Participant fees to the SGVCOG equal to 0.05% of the aggregate cost of the bonds issued to fund California HERO eligible projects within the subregion.

FY 19-20 Member Agency Dues	
Agency	Dues
Alhambra	\$35,079.96
Arcadia	\$26,383.37
Azusa	\$23,594.96
Baldwin Park	\$33,220.90
Bradbury	\$6,006.41
Claremont	\$18,734.86
Covina	\$23,253.87
Diamond Bar	\$26,295.58
Duarte	\$13,541.94
El Monte	\$35,079.96
Glendora	\$24,584.03
Industry	\$22,938.20
Irwindale	\$6,143.49
La Canada Flintridge	\$13,063.42
La Puente	\$20,260.38
La Verne	\$17,588.55
Monrovia	\$19,577.13
Montebello	\$28,766.28
Monterey Park	\$28,015.39
Pomona	\$35,079.96
Rosemead	\$25,506.55
San Dimas	\$18,037.21
San Gabriel	\$20,344.58
San Marino	\$10,396.98
Sierra Madre	\$9,574.49
South El Monte	\$13,135.02
South Pasadena	\$14,993.35
Temple City	\$18,722.26
Walnut	\$16,580.05
West Covina	\$35,079.96
LA County District 1	\$35,079.96
LA County District 4	\$35,079.96
LA County District 5	\$35,079.96
SGV Water Agencies	\$35,079.96
Total	\$779,898.89

⁴ This revenue is associated with a contract with a consultant. The terms of the contract with the consultant provide that the annual amount paid to the consultant be increased by a percentage equal to the percent increase that the SGVCOG receives from Metro.

Expenses

During FY 2019-2020, SGVCOG operating expenses are projected to total \$839,161 across the following categories: Personnel; Committee & Employee Expenses; Professional Services; and Other Expenses.

Personnel (\$395,946) – These costs include the salary, benefit and retirement costs associated with the SGVCOG staff not reimbursed through capital and non-capital projects. See Exhibit A for a listing of all staff positions and approved salary ranges. The SGVCOG provides standard benefits to staff, and all staff members participate in the California Public Employees' Retirement System (CalPERS). The budget provides for a 3% merit pool to be allocated based on performance evaluations.

Committee & Employee Expenses (\$61,060) – This category includes board stipends, training/memberships and meeting/travel costs.

Professional Services (\$285,656) – This includes ongoing annual contracts for legal, auditor services, treasurer, Metro Board Support and grant writing. Key features of these contracts are as follows:

- *Legal Services:*⁵ The SGVCOG's legal contract provides for a monthly retainer for routine legal advice and meeting attendance. Additional services are provided on an hourly basis.
- *Auditor:* The SGVCOG is required to have an annual financial audit. In January 2016, the Governing Board approved a five-year contract with Vasquez and Company for financial audit services.
- *Treasurer:* As an added level of accountability, in February 2016, the Governing Board hired a consultant to serve as treasurer and independently review the SGVCOG's quarterly financial reports and report to the Governing Board. In March 2018, the Governing Board approved a new two-year contract with CliftonLarsonAllen LLP to provide treasurer services.
- *Metro Board Support:* Metro provides funding to the SGVCOG, via an MOU, to fund staff support to the SGV representative on the Metro Board of Directors. In September 2017, the Governing Board approved a two-year contract with Mary Lou Echternach to provide these services.
- *Grant Writing:* An allocation for grant writing/applications is also included in this category, which the SGVCOG will use on various consulting firms throughout the year to facilitate various support areas as needed.

In addition to these ongoing contracts, for FY 2019-2020, staff is recommending an additional activity to develop process flow charts and desk manuals for the following areas: procurement/contracting, project management/project tracking, resource management, and personnel roles/responsibilities.

Other Expenses (\$96,499) – These costs include facility costs (i.e. rent, storage, utilities, and office supplies), insurance/bonding and office equipment/software acquisition.

⁵ An RFP for legal services was released in March 2019. This will allow for a single firm to provide general counsel to the SGVCOG Governing Board and Capital Projects & Construction Committee. It is expected that the Governing Board will award a contract in May 2019. The FY 19-20 budget estimates costs based on the current legal contract.

NON-CAPITAL PROJECTS BUDGET

Non-capital project expenditure reflects direct program expenditures, including salaries/wages and benefits, as well as indirect costs (i.e. overhead). In FY 2019-2020, there is an estimated \$1,276,789 in revenue from five program areas. With the exception of the stormwater ULAR project,⁶ all programs are paid on a reimbursement basis, with revenues equal to expenditures.

Homelessness (Local) (\$158,000) – In September 2018, the Governing Board executed a contract with the County of Los Angeles to fund a full-time Regional Homelessness Coordinator. Staff anticipates receiving the same level of funding in FY 2019-20. Associated expenses, including overhead and direct expenses for events, training and grant writing, are also reimbursed through this agreement.

Energy Efficiency (Local) (\$130,000) – The SGVCOG receives an annual budget allocation from Southern California Edison (SCE) and SoCalGas (SCG) under the San Gabriel Valley Energy Wise Partnership (SVGWEP) program. These funds are used to support staff time associated with this program, including a management analyst and interns (1.5 FTEs).

Measure M Subregional Administration (Local) (\$1,000) – In June 2017, the Metro Board of Directors adopted the Measure M guidelines to identify a process by which Measure M funds will be programmed by subregional entities, including the SGVCOG, through the development of five-year subregional fund programming plans. COGs may use up to .5% of subregional funds for administrative purposes, including the development of this five-year plan. In the San Gabriel Valley, the total amount of subregional administrative funds available from FY 2018-22 is \$188,000. In March 2018, the Governing Board approved the use of these funds to offset existing SGVCOG staff costs. In FY 19-20, staff will only be responsible for submitting the annual report and any updates to the programming so minimal costs are anticipated.

Transportation Implementation (Local) (\$620,000) – Metro approved funding in September 2018 for the SGVCOG to host two open streets event, including an event in the cities of El Monte and South El Monte on October 26, 2019 and another event in the cities of San Dimas, La Verne and Pomona on April 19, 2020. This funding will cover planning, event production, public safety, traffic controls and other support services related to these events.

Stormwater (Local) (\$735,789) – The Los Angeles Regional Water Quality Control Board (Regional Board) established a Coordinated Integrated Monitoring Program (CIMP) to monitor the Upper Los Angeles River (ULAR) Enhanced Watershed Management Program (EWMP) progress toward meeting clean water goals. In 2015, all ULAR permittees voluntarily entered into a Memorandum of Agreement (MOA) with the City of Los Angeles to perform CIMP functions on behalf of the EWMP. The City of Los Angeles and all eleven SGVCOG cities in the ULAR have tasked the SGVCOG to take over the billing portion of the MOA. As a component of the ULAR CIMP management, the SGVCOG anticipates executing contracts with 3rd party consultants, as needed, to support special studies and other identified tasks. All staff costs associated with managing this project are also covered by the administration fee.

⁶ The SGVCOG is paid an annual fee of \$100,000 to manage the ULAR project and may retain any revenue in excess of actual costs.

CAPITAL PROJECTS BUDGET ⁷

The following are the projects currently in design or under construction for FY 2019-2020

The ACE Project: The ACE Project is an on-going, comprehensive program of constructing grade separations. The project is currently funded through the following sources: Federal (15%), State (38%), Local – MTA (41%), and Other (6%).⁸ Specific projects underway in FY 2019-2020 include the following:

- In construction:
 - Fairway Drive Grade Separation,
 - Fullerton Road Grade Separation
- In design:
 - Montebello Avenue Grade Separation
 - Turnbull Canyon Road Grade Separation
 - At-Grade Crossing Safety Improvements (Pomona)
 - At-Grade Crossing Safety Improvements (Montebello)
 - Maple Avenue Overhead Pedestrian Bridge

SR-57/SR-60 Confluence Project: The Confluence project is a partnership between the SGVCOG and Metro to relieve congestion at the confluence of SR-57 & SR-60. The project includes widening of the confluence area, construction of Grand Avenue Bridge, modification to adjacent golf course and several utility relocations. Project is being funded with Measure M and SB1 funding.

Rio Hondo Load Reduction Strategy: This project is a partnership between SGVCOG and nine municipalities and is intended to assist these agencies in meeting their MS-4 requirements related to the Los Angeles River Bacteria Total Maximum Daily Load (LAR Bacteria TMDL). The project examines options to divert storm water flows at three locations that contribute to the overall Rio Hondo River. The Project is being funded through a joint resources agreement with all participating municipalities.

Regional Bike Share Program: The Bike Share Program is an effort by the SGVCOG to bring cost effective transportation alternatives to the region. In partnership with 15 member agencies, the SGVCOG has entered into an agreement for the purchase and implementation of pedal-assist bicycles. The program is being funded through a Statewide Active Transportation Program (ATP) grant.

City of La Verne Gold Line Transit Oriented Development Pedestrian Bridge: In partnership with the City of La Verne, the SGVCOG will enter into agreements with Metro to serve as implementing agency for all phases of this project. The proposed bridge will span Arrow Highway and the adjacent parallel Metrolink railroad track; the bridge would connect La Verne's Gold Line Station to the northern edge of the Fairplex property. Project is being funded with Measure M funds.

⁷ Because the SGVCOG has no sources of revenue to advance capital projects other than grants and contributions from funding agencies, staff continues to make every effort to ensure that all other expenditures are reimbursable by federal, state or local sources. SGVCOG has developed and implemented budgeting, accounting and project control systems that meet generally accepted accounting standards with the goal of delivering a project that accomplishes its intended purposes as expeditious and cost effective as possible.

⁸ Financing of the ACE Program will continue to utilize the funds from a \$45 million working capital loan from the Los Angeles County Metropolitan Transportation Authority (Metro) to maintain cash flows and bridge the timing gap between project expenditures and reimbursements from our granting agencies.

FY 2019-2020 Proposed Revenues & Expenditures

<u>Revenues</u>	ACE Project	^{57/60} ⁹Confluence Project	Rio Hondo LRS	Bike Share	CLV Ped Bridge¹⁰
Federal	1,718,606				
State	36,855,082				
Local	89,397,723	2,000,000	1,350,000	4,554,000	323,375
Betterment/Other	581,297				
Total Revenue	\$ 128,552,708	2,000,000	1,350,000	4,554,000	323,375
<u>Operating Expenditures</u>					
Direct					
Design	6,374,150		1,350,000		248,375
ROW Acquisition	46,944,000	2,000,000			
Construction	63,532,000				
Construction Management	8,245,000			4,281,000	
Betterment	424,000				
Total Direct	125,519,000	2,000,000	1,350,000	4,281,000	248,375
Indirect Expenses					
Personnel	2,027,067			273,000	75,000
Committee & Employee Expenses	55,000				
Professional Services	355,000				
Insurance	131,000				
Equipment Expense	100,390				
Office Expense	266,000				
Office Operations	48,500				
Other	50,600				
Total Indirect	3,033,557			273,000	75,000
Total Operating Expenditures¹¹	128,552,707	2,000,000	1,350,000	4,554,000	323,375
Excess Revenue Over Expenditures before Financing	1,406				
Financing Income					
Investment Revenue					
Financing Expense	(904,000)				
Net Financing Income/ Expense	(904,000)				
Excess Revenue Over Expenditures / Change in Net Position	(903,998)				
Net Position at FY 18 Year's End	14,007,519				
Estimated Year-End Balance¹²	\$ 13,103,520	0	0	0	0

⁹ Based on estimated revenues and projected expenses. Pending funding award details.

¹⁰ Based on estimated revenues and projected expenses. Pending funding award details.

¹¹ The consolidation of all capital projects under a single budget reflects Board direction to expand the jurisdiction of ACE as a construction and projects entity that can serve all of the San Gabriel Valley.

¹² Net balance is inclusive of funds committed for CalPERS obligations.

The following addresses significant line item changes proposed for FY 2019-2020 ACE Project budget compared to the FY 2018-2019 budgeted (greater than 10%). The total anticipated expenditures in FY 2019-2020 will be down from what was budgeted in FY 2018-2019 as construction expenses (largest budget item for capital projects) is decreased to reflect the construction activity anticipated.

Indirect Expenditures

- *Insurance (\$40,000 decrease)*: This reflects the premium for the prepaid excess liability insurance required when construction on a project begins. The decrease this fiscal year reflects completed paid premiums for projects already under way.
- *Equipment Expense (\$24,610 increase)*: In FY 2019-2020 software and computer equipment will be upgraded and therefore additional expenses are anticipated in this area.
- *Committee/ Employee Expense – (\$15,000 decrease)*: This expense has decreased due to the stipend payments removed as a result of the integration. The former ACE Board was dissolved and became the Capital Projects and Construction Committee of the SGVCOG. Committee attendance does not qualify for stipend payments.
- *Personnel (Salary & Wages/Fringe Benefits) (\$586,933 Decrease)*: The FY 2019-2020 proposed budget assumes three reduction in staffing levels from 22 to 19.5 ACE project assigned positions. The budget does provide for a 3% merit pool to be allocated based on performance evaluations. There is no CPI or fixed percentage salary adjustments included in the budget.

Direct Expenditures

- *Program Management (\$3.3M decrease)*: This decrease in contracted consultant support is related to the late start for the Durfee Ave Project.
- *Right of Way Acquisition (\$25.060M increase)*: Planned acquisitions for properties on Montebello for FY 2019-2020 will result in this increase.
- *Construction (\$6.2M decrease)*: Completion of the San Gabriel Trench and Puente Ave projects, and a late fiscal year start for the Durfee Ave project, construction billing is expected to be at a rate less than it was anticipated in FY 2019-2020.
- *Railroad (\$2.467M decrease)*: Union Pacific Railroad billings are expected to be less because mainline construction will have been completed on the San Gabriel Trench and Puente Avenue projects.

The pace of active projects is the major factor in the annual budget projection. For FY 2019-2020 the following assumptions have been made on the projects that will have the biggest impact on spending estimates:

- Fairway Drive Grade Separation (Industry/LA County) – Construction 60% complete.
- Fullerton Road Grade Separation (Industry) – Construction 60% complete.
- Durfee Avenue Grade Separation (Pico Rivera) – Construction 30% complete.
- At-Grade Crossing Safety Improvements - Pomona – Design 100% complete.
- Montebello Avenue Grade Separation (Montebello) – Design 100% complete.
- Turnbull Canyon Road – Design 100% complete
- At-Grade Crossing Safety Improvements - Montebello – Design 65% complete.
- Maple Avenue Overhead Pedestrian Bridge (Montebello) – Design 65% complete.

- SR-57/SR-60 Confluence Project (Industry/Diamond Bar) – ROW Acquisitions & Utility Relocations; Design 80% complete.
- Rio Hondo LRS – Design 65% complete.
- Regional Bike Share – Purchase and deploy at least 840 pedal-assist bicycles
- City of La Verne Gold Line Transit Oriented Development Pedestrian Bridge – Design 35% complete.

BUDGET GLOSSARY

Indirect Expenses: The proposed FY 2019-2020 indirect expense budget was developed by line item, based on past expenditures and anticipated cost changes such as liability insurance, rent, utility costs, salaries, benefits, legal support, office supplies, and IT support. The ratio of all indirect costs to anticipated direct labor and fringe benefit cost is used to calculate the Indirect Cost Allocation Plan (ICAP) which is submitted to Caltrans for approval and becomes the basis for billing indirect costs in FY 2019-2020.

Personnel

- *Salaries and Wages:* Salaries for employees (charged both as indirect and direct expenses).
- *Fringe Benefits:* Employee benefits such as health insurance, life insurance and pension.

Board/Employee Expenses

- *Auto/Travel:* Employee travel for business purposes. Includes registration fees and local mileage reimbursement or auto allowance.
- *Training/Memberships:* Authority and professional memberships; ongoing professional training.
- *Board or Committee Related Expenses:* Board stipends, travel.

Professional Services

- *Auditing/Accounting:* Financial auditing and accounting services.
- *Legal - Agency Support:* General Counsel, construction legal and any other legal services not directly chargeable to specific construction projects.
- *Program Management:* Contracted project administration support which cannot be charged to specific projects. Consists primarily of special studies, community relations, and those activities of our support contractors which address general agency needs.
- *State/Federal Advisory Services:* State & Federal legislation research, monitoring and funding application services.
- *Risk Management:* Administrative fee for analyzing insurance requirements, reviewing in-house and contractor policies and obtaining insurance.
- *Insurance:* Annual insurance premiums
- *Equipment Expense:* Purchase/lease and maintenance of office equipment such as copiers, printers and computers.
- *Office Expense:* Rent on ACE office space, including maintenance and miscellaneous expense.
- *Office Operations:* Office supplies, postage, printing/copying and telephones.
- *Other:* General advertising, subscriptions, payroll service fees, etc.

Direct Expenses: The proposed FY 2019-2020 direct expense budget assumes two projects in major construction (Fairway and Fullerton), one project beginning construction (Durfee) and four projects in design (At-grade safety improvements, Turnbull Canyon, Montebello and Rio Hondo). For the active construction projects staff used the construction schedules to determine the rate of construction and determine the anticipated contractor expenditures. For the four projects in design staff included in the project budget the final design as well as the current estimated cost of land acquisition if applicable to the project. It should be noted that the pace and cost of land acquisition is the most speculative part of the budget estimates and may change if cost settlements require court action.

- *Betterments*: City funded work that City desires to have the SGVCOG construct concurrently with project (e.g. street modifications, beautifications)
- *Program Management*: The portion of overall program management expenses which can be directly charged to projects; consists primarily of design and utility relocation support, land acquisition related services and office support.
- *Legal*: Legal expenses which can be directly charged to specific projects for land acquisition activities.
- *Design*: Preparation of project plans, specifications and estimates and support during construction.
- *Right of Way Acquisition*: Property acquisition costs, closing costs, appraisals, surveys, miscellaneous acquisition support costs.
- *Utility Relocation*: Costs of relocating utilities, including design.
- *Construction Management*: Field oversight of construction.
- *Railroad*: Railroad (UPRR and Metro link) charges to projects for project support, design, procurement and construction.
- *Construction*: Payment to construction contractors.
- *Third Party Review*: Payment to outside agencies (e.g., UPRR, Cities, LA County) for their costs to review and approve project designs and submittals.
- *UPRR Invoice Review*: Use of an outside contractor to review UPRR billings for errors, mischarges, questionable costs, etc.
- *Advertising*: Cost of advertising construction contracts.
- *Utilities (Site)*: Cost of utilities service to construction sites

Exhibit A
Staff Positions and Salary Ranges (Adopted March 2019)¹³

Full-Time Positions

Grade	Range Min	Range Max	Classification Title
100	161,600	232,300	Executive Director ¹⁴
99	146,909	211,182	Director of Capital Projects/Chief Engineer
98	133,554	191,983	Director of Finance Director of Regional Planning Senior Project Manager Capital Projects Program Manager Director of Government & Community Relations
97	124,236	178,589	
96	115,568	166,130	
95	107,505	154,539	
94	100,005	140,632	Administrative Services Manager Accounting Manager Audit Manager Contracts / Procurement Manager Project Manager
93	93,028	130,821	Principal Management Analyst
92	86,538	121,694	Senior Contracts Auditor Sr. Contracts Administrator/Labor Compliance Officer
91	80,500	113,203	
90	74,884	105,305	Senior Management Analyst
89	69,659	97,959	Senior Accountant Contracts Auditor
88	64,799	91,124	IT Analyst
87	60,279	82,883	Management Analyst Accountant Executive Assistant Engineering Technician
86	56,073	77,100	
85	52,161	71,721	Senior Administrative Assistant
84	48,522	66,718	Accounting Technician Administrative Assistant
83	45,137	60,370	
82	41,988	56,158	Office Assistant
81	39,058	52,240	
80	36,333	48,596	

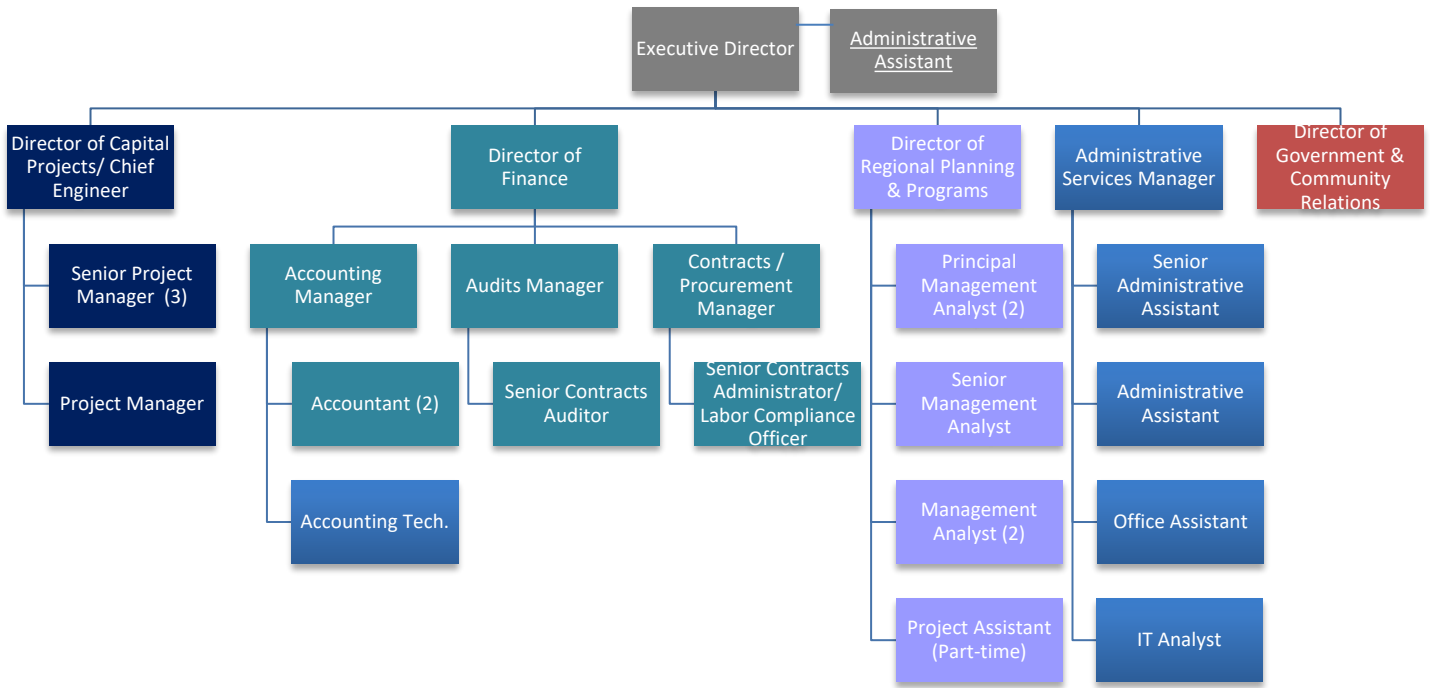
Part-Time Positions

Part Time Positions	Hourly Rate
Project Assistant	\$ 25
Office Assistant	\$ 18
Intern (Graduate Student)	\$ 18
Intern (Undergraduate Student)	\$ 16

¹³ Executive Director assigns salary ranges based on available funding within the ranges above.

¹⁴ Governing Board assigns salary and compensation package for this position.

ORGANIZATIONAL CHART ^{15 16 17}



¹⁵ Integrate SGVCOG and ACE staff under a single personnel system reporting to the Executive Director of SGVCOG.

¹⁶ Restructure the ACE Board so that it has representation from the entire San Gabriel Valley and revise its role so it is no longer a separate Board with advisory to the Governing Board regarding the ACE operation.

¹⁷ This organizational chart represents job titles, internal working titles organizational chart is available as required for compliance of Caltrans/MTA agreements.