



## EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

### AGENDA

Board of Directors Special Meeting

June 28, 2023 @ 1:30 PM

1333 Park Avenue, Garden Room

Emeryville, CA 94608

[Hybrid Zoom Link](#): Meeting ID: 870 8676 0564

#### **Chair**

*Bobby Lee, At-Large  
Residential Member*

#### **Vice Chair**

*Andrew Allen  
At-Large Business  
Member*

#### **Secretary**

*Besty Cooley, At-Large  
Residential Member*

#### **Treasurer**

*Geoffrey Sears  
Wareham  
Development*

#### **Directors**

*Peter Schreiber  
Pixar*

*Colin Osborne  
At-Large Business  
Member*

*Kassandra Kappelos  
Public Market*

*Izamar Hook  
CenterCal/Bay Street*

1. Call to Order
2. Public Comment
3. Business Items
  - A. Review and Consider Approval of Amendment 2 to the Professional Services Agreement with the City of Emeryville for a 1-year extension for 8 to Go Paratransit Services (Attachment, Page 2)
  - B. Review and Consider Approval of Financial Investment Plan (Attachment, Page 5)
  - C. Review and Consider Approval of Preliminary Budget & PBID Levy Recommendation to City Council (Attachment, Page 16)
  - D. Review, Select, and Consider Approval to Replace Syncromatics (Attachment, Page 17)
  - E. Review and Consider Approval of Vehicle Retirement and Spare Part Utilization Recommendation (Attachment Page 20)
4. Confirm date of Next Meeting – August 17, 2023
5. Adjournment



**PROFESSIONAL SERVICES CONTRACT**

**SECOND AMENDMENT**

**THIS SECOND AMENDMENT TO THE PROFESSIONAL SERVICES CONTRACT**

("Amendment") is effective as of \_\_\_\_\_ (the "Effective Date"), by and between **THE CITY OF EMERYVILLE**, a municipal corporation, ("City") and **EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION (ETMA)** ("Contractor"), individually referred to as a "Party" and collectively as the "Parties".

**WITNESSETH THAT**

**WHEREAS**, the City and Contractor entered into a Professional Services Contract dated September 13, 2021 ("Contract") for the purpose of retaining the services of Contractor to provide Paratransit Services to residents of the 94608 zip code; and

WHEREAS, the City and Contractor entered into a first amendment of the contract on July 18, 2022 for the purpose of increasing the contract amount and/or extending the termination date of the contract; and

**WHEREAS**, the City and Contractor desire to amend the Contract; and

**WHEREAS**, the public interest will be served by this Amendment.

**NOW, THEREFORE**, the Parties hereto do mutually agree as follows:

**1. AMENDMENT**

The Parties agree to amend the Contract as checked below:

**1.1 Exhibit A**

- ☐ Exhibit A of the Contract is hereby amended in its entirety and replaced with **Exhibit A-*Revision Number***;

**OR**

- ☒ Exhibit A of the Contract is hereby amended to include the provisions of **Exhibit A-1**, attached hereto and incorporated herein by this reference.

**FOR CITY USE ONLY**

Contract No.		CIP No.	
Resolution No.		Project No.	

## 1.2 Termination Date

- ☐ The Parties desire to extend the termination date. Section 1.3 of the Contract is hereby amended to extend the termination date to **JUNE 30, 2024**.

## 1.3 Total Compensation Amount

- ☒ The Parties desire to increase the Total Compensation Amount as set forth in Section 3.2 of the Contract by **SEVEN THOUSAND EIGHT HUNDRED DOLLARS AND NO CENTS (\$7,800.00)**. The total amount paid under the Contract as compensation for Services performed and reimbursement for costs incurred shall not, in any case, exceed **ONE HUNDRED FORTY NINE THOUSAND EIGHT HUNDRED DOLLARS AND NO CENTS (\$149,800.00)**.

## 2. CONTINUING EFFECT OF CONTRACT

Except as amended by this Amendment, all other provisions of the Contract remain in full force and effect and shall govern the actions of the Parties under this Amendment. From and after the date of this Amendment, whenever the term "Contract" appears in the Contract, it shall mean the Contract as amended by this Amendment.

## 3. ADEQUATE CONSIDERATION

The Parties hereto irrevocably stipulate and agree that they have each received adequate and independent consideration for the performance of the obligations they have undertaken pursuant to this Amendment.

## 4. SEVERABILITY

If any portion of this Amendment is declared invalid, illegal, or otherwise unenforceable by a court of competent jurisdiction, the remaining provisions shall continue in full force and effect.

## 5. WAIVER

The City's failure to enforce any provision of this Amendment or the waiver in a particular instance shall not be construed as a general waiver of any future breach or default.

*SIGNATURES ON FOLLOWING PAGE*

**6. SIGNATURE PAGE TO PROFESSIONAL SERVICES CONTRACT  
SECOND AMENDMENT**

**IN WITNESS WHEREOF** the City and the Contractor have executed this Contract,  
which shall become effective as of the date first written above.

Approved As To Form:

\_\_\_\_\_  
City Attorney

Dated: **CITY OF EMERYVILLE**

\_\_\_\_\_  
City Manager

Dated: **EMERYVILLE TRANSPORTATION MANAGEMENT  
ASSOCIATION (ETMA)**

\_\_\_\_\_  
Bobby Lee, ETMA Board Chair *(Signature)*

<i>Attach: W-9 Form</i>	<i>Attach: Business License Certificate</i>	<i>Attach: Insurance Certificate and Endorsements</i>



# Emeryville TMA Financial Investment Plan

## Information

ALTRANS has developed and estimated a 32-month cash flow report through December 2025. This report forecasts month-to-month, accrual-based expenses and revenue based on 2 scenarios:

- A 5% increase in operating expenses with a 3% PBID increase
- A 10% increase in operating expenses with a 3% PBID increase

Utilizing this cash flow report, which was reviewed and approved by John Tounger, the ETMA's Bookkeeper and Accountant, it was determined that over the next 2 years, the lowest balance the ETMA's savings will reach while maintaining the \$135,000 Contingency fund and 15% Operating Reserve, per ETMA Policy, is approximately \$3,292,215.99.

ALTRANS and John met with a Wealth Management Advisor from Merrill Lynch, the investment management branch of Bank of America, to discuss options and recommendations to invest the ETMA's funds in a manner that balances seeking maximum returns with the desired levels of risk and liquidity.

## Options

Throughout the conversations with Merrill Lynch, three primary options were discussed: brokered CD (Certificate of Deposit) accounts, US Treasuries, and a Preferred Deposit Account.

### CD Account

A CD is a type of savings account with a fixed interest rate that's usually higher than a standard savings account. Funds invested in CDs are locked for a fixed term, generally ranging from 3 months to 5 years. CDs don't have monthly fees, but most have an early withdrawal penalty.

Like standard savings accounts, CDs at banks are insured by the Federal Deposit Insurance Corp. (FDIC), up to \$250,000. Since the majority of the deposit of \$2,000,000 wouldn't be covered by FDIC if it resided in one CD account, a *brokered* CD account is an option which would diversify the funds in \$250,000 increments throughout multiple different banks. These investments would be able to be brokered through Merrill Lynch, but each bank and term would have to be individually selected.

### US Treasuries

US Treasuries are US government debt securities in which investors loan the government money to finance the operations of the federal government, earning a fixed rate of return. US Treasuries have fixed terms ranging from 4 weeks to 10 years. Treasuries can be sold before the maturity date without penalty, but the full maturity value would not be realized.

US Treasuries are not insured by the FDIC but are considered to be the most creditworthy investment available because they are backed by the full faith and credit of the US government itself.

## Preferred Deposit Account

Preferred Deposit is a bank deposit solution offered through Merrill Lynch that provides a higher yield than standard savings accounts. While the Preferred Deposit accounts have higher yields, the interest rate is variable and may change over time. Funds held in a Preferred Deposit account are easily and quickly liquidated without penalty, with funds typically transferred the same day, or following day of the request.

Like standard savings accounts, a Preferred Deposit account is insured by the FDIC up to \$250,000.

## Recommendation

### Recommendation 1

It is recommended to invest \$3,500,000 from the ETMA's Savings account into US Treasuries, with funds distributed between Treasury Bills and Treasury Notes. These securities have maturity dates ranging from 3 months to 18 months, with the ability to purchase new securities or invest in alternative options, such as CDs, at the end of each term.

As each maturity date is reached it is recommended to allow the Executive Director and Treasurer to jointly re-invest the matured funds at their discretion. This re-investment discretion should be re-evaluated by the Board of Directors in December 2024, or as the Board sees fit.

### Recommendation 2

It is recommended to transfer the remainder of the banking funds from a standard business savings account through Bank of America with an APY of 0.04% to a Preferred Deposit account through Merrill Lynch with an APY of 4.76% (as of June 9, 2023).

Members. The action by written consent shall have the same force and effect as the unanimous vote of the Members or class of Members. **[The use of written ballots collected outside of meetings is not acceptable under the Brown Act, which mandates that all decisions be made a publicly-noticed meetings.]**

#### **Section 14      Record Date For Meetings**

The record date for purposes of determining the Members entitled to notice, voting rights, written ballot rights, or any other right with respect to a meeting of Members or any other lawful Membership action, shall be fixed pursuant to Code Section 5611.

### **ARTICLE V DIRECTORS**

#### **Section 1      Number**

The Board shall consist of at least eight (8) Directors, with the precise number of Directors determined by resolution of the Board.

#### **Section 2      Terms**

Each Director designated by a Corporate Member shall hold office only as long as the Member that designated such Director is in good standing with the Corporation, or until the Director resigns, is removed or the Corporate Member designates a different Director. Directors designated by Corporate Members who no longer qualify as Corporate Members under Section 1(1) of Article III, based upon the amount of dues paid to the Corporation, shall serve up until the next Annual Membership Meeting. The determination of which members qualify as Corporate Members as set forth in Section 1(1) of Article III, shall be made prior to the Annual Membership Meeting, based on the amount of dues billed in the calendar year of the Annual Membership Meeting. Any new Corporate Members shall then designate their Directors, who shall serve terms as provided herein. If a non-Corporate Member designates a Director due to the failure of a Corporate Member to designate a Director, pursuant to Article III, Section 1(1), that Director shall serve until the Corporate Member designates a Director or until the next Annual Membership Meeting, whichever is earlier.

Each Class B Residential Member Director shall hold office for a term of three (3) years, or until he or she resigns or is removed, pursuant to Section 20 of this Article.

Each elected Director representing the Business Members shall hold office for three (3) years or until he or she resigns or is removed, pursuant to Section 20 of this Article.

Each elected Director representing the Employer Members shall hold office for one (1) year or until he or she resigns or is removed, pursuant to Section 20 of this Article.

#### **Section 3      Powers**

**Subject to the provisions and limitations of the California Nonprofit Public Benefit**

Corporation Law and any limitations in the Articles and these Bylaws relating to actions required or permitted to be taken or approved by the Members, the activities and affairs of the Corporation shall be conducted and all corporate powers shall be exercised by or under the direction of the Board. The Board shall have the power to do the following:

- (1) Appoint and remove, at the pleasure of the Board, all corporate officers, agents, and employees; prescribe powers and duties for them as are consistent with the law, the Articles, and these Bylaws; fix their compensation; and require from them security for faithful service;
- (2) Conduct, manage and control the Corporation's affairs and activities and make such rules and regulations for this purpose, consistent with law, the Articles, and these By-Laws, as the Board deems best;
- (3) Change the Principal Office for the transaction of Corporation business from one location to another within the area surveyed by the Corporation; set Director or Member meetings; and adopt, make and use a corporate seal, if any, and alter the form of the corporate seal, provided such seal shall at all times comply with the provisions of law;
- (4) Borrow money and incur indebtedness on the Corporation's behalf, and to cause to be executed and delivered for the Corporation's purposes, in the Corporation's name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, and other evidences of debt and securities;
- (5) Solicit, collect, receive, acquire, hold and invest money and property, both real and personal, received by gift, contribution, bequest, devise or otherwise; to sell and convert property, both real and personal, into cash; and to use the funds of the Corporation and the proceeds, income, rents, issues and profits derived from any property of the Corporation for any of the purposes for which the Corporation is formed;
- (6) Act as trustee under any trust created to furnish funds for the principal objectives of the Corporation and receive, hold, administer, and expend funds and property subject to such trust;
- (7) Purchase or otherwise acquire, own, hold, sell, assign, transfer or otherwise dispose of mortgage, pledge or otherwise hypothecate or encumber, and to deal in with shares, bonds, notes, debentures or other securities or evidences of indebtedness of any person, firm, corporation or association and, while the owner or holder thereof, to exercise all rights, powers and privileges of ownership; and
- (8) Enter into, make, perform and carry out contracts for every kind for any lawful purpose without limit as to amount, with any person, firm, corporation or association, municipality, county, parish, state, territory, government (foreign or domestic), or other municipal or governmental subdivision.

#### **Section 4      Duties**

It shall be the duty of the Directors to:





## EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

# 32-Month Estimated Cash Flow \$3,000,000 Initial Investment

Initial Investment: \$3,000,000

Gains from Initial Investment: \$96,132

	Estimated Expenses	Estimated Revenue	Investment Cash Flow	Banking Balance
	10% Op. Expense Increase	3% PBID Increase	Initial: \$3,000,000	
May 23	\$451,335	\$64,006		\$4,538,030
Jun 23	\$392,813	\$61,833	-\$3,000,000	\$1,207,049
Jul 23	\$445,364	\$2,563,517		\$3,300,659
Aug 23	\$408,989	\$64,006		\$2,955,675
Sep 23	\$390,422	\$59,659		\$2,624,912
Oct 23	\$394,779	\$61,833	+\$760,000	\$3,051,966
Nov 23	\$383,913	\$61,833		\$2,729,886
Dec 23	\$379,888	\$59,659	+\$768,000	\$3,177,657
Jan 24	\$441,178	\$70,120		\$2,806,600
Feb 24	\$422,106	\$2,635,242		\$5,021,686
Mar 24	\$427,221	\$65,359	+\$778,000	\$5,437,824
Apr 24	\$450,342	\$183,100		\$5,170,582
May 24	\$483,528	\$70,120		\$4,757,175
Jun 24	\$417,685	\$62,979	+\$788,000	\$5,190,469
Jul 24	\$490,560	\$2,640,002		\$7,310,123
Aug 24	\$442,845	\$67,740		\$6,935,018
Sep 24	\$428,228	\$65,359		\$6,572,150
Oct 24	\$441,178	\$70,120		\$6,201,092
Nov 24	\$425,059	\$65,359		\$5,841,392
Dec 24	\$433,804	\$67,740		\$5,475,328
Jan 25	\$481,425	\$76,845		\$5,070,748
Feb 25	\$449,979	\$2,731,608		\$7,354,237
Mar 25	\$466,088	\$71,630		\$6,959,779
Apr 25	\$491,513	\$193,058		\$6,661,324
May 25	\$520,777	\$74,237		\$6,214,785
Jun 25	\$462,839	\$71,630		\$5,823,575
Jul 25	\$532,289	\$2,739,432		\$8,002,320
Aug 25	\$475,163	\$71,630		\$7,598,787
Sep 25	\$475,299	\$74,237		\$7,197,725
Oct 25	\$481,425	\$76,845		\$6,793,145
Nov 25	\$455,606	\$69,022		\$6,406,561
Dec 25	\$481,425	\$76,845		\$6,001,981

Lowest estimated 32-month banking balance



## EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

# 32-Month Estimated Cash Flow \$3,500,000 Initial Investment

Initial Investment: \$3,500,000

Gains from Initial Investment: \$136,102

	Estimated Expenses	Estimated Revenue	Investment Cash Flow	Banking Balance
	10% Op. Expense Increase	3% PBID Increase	Initial: \$3,500,000	
May 23	\$451,335	\$64,006		\$4,538,030
Jun 23	\$392,813	\$61,833	-\$3,500,000	\$707,049
Jul 23	\$445,364	\$2,563,517	+\$2,650	\$2,800,659
Aug 23	\$408,989	\$64,006		\$2,455,675
Sep 23	\$390,422	\$59,659		\$2,124,912
Oct 23	\$394,779	\$61,833	+\$760,000	\$2,551,966
Nov 23	\$383,913	\$61,833		\$2,229,886
Dec 23	\$379,888	\$59,659	+\$770,650	\$2,677,657
Jan 24	\$441,178	\$70,120		\$2,306,600
Feb 24	\$422,106	\$2,635,242		\$4,521,686
Mar 24	\$427,221	\$65,359	+\$778,000	\$4,937,824
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May 24	\$483,528	\$70,120		\$4,257,175
Jun 24	\$417,685	\$62,979	+\$788,000	\$4,690,469
Jul 24	\$490,560	\$2,640,002		\$6,810,123
Aug 24	\$442,845	\$67,740		\$6,435,018
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Oct 24	\$441,178	\$70,120		\$5,701,092
Nov 24	\$425,059	\$65,359		\$5,341,392
Dec 24	\$433,804	\$67,740	+\$530,000	\$5,505,328
Jan 25	\$481,425	\$76,845		\$5,100,748
Feb 25	\$449,979	\$2,731,608		\$7,384,237
Mar 25	\$466,088	\$71,630		\$6,989,779
Apr 25	\$491,513	\$193,058		\$6,691,324
May 25	\$520,777	\$74,237		\$6,244,785
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Jul 25	\$532,289	\$2,739,432		\$8,032,320
Aug 25	\$475,163	\$71,630		\$7,628,787
Sep 25	\$475,299	\$74,237		\$7,227,725
Oct 25	\$481,425	\$76,845		\$6,823,145
Nov 25	\$455,606	\$69,022		\$6,436,561
Dec 25	\$481,425	\$76,845		\$6,031,981

Lowest estimated 32-month banking balance

# Fixed Income Portfolio Ladder

Prepared for ALTRANS | Prepared by Paul Kommer

June 20, 2023

## PROPOSAL

Qty	ML#	Issuer	Coupon	Maturity Date	CCY	Offer Price	Yield/ Code	Call Date	Mod Dur	Moody's	S&P	Settlement Date	Principal Amount	Accrued Interest	Total Amount
760,000	H2ZA3	TREASURY BILL	0.000	10/03/2023	USD	98.568	5.113 /M	N	0.28	-	-	06/21/2023	749,116.80	0.00	749,116.80
768,000	H2ZA8	TREASURY BILL	0.000	12/14/2023	USD	97.544	5.236 /M	N	0.469	-	-	06/21/2023	749,137.92	0.00	749,137.92
778,000	H25V8	TREASURY BILL	0.000	03/21/2024	USD	96.354	5.013 /M	N	0.733	-	-	06/21/2023	749,634.12	0.00	749,634.12
788,000	H2ZA9	TREASURY BILL	0.000	06/13/2024	USD	95.175	5.119 /M	N	0.954	-	-	06/21/2023	749,979.00	0.00	749,979.00
<b>3,094,000</b>		<b>Average/Total</b>	<b>0</b>	<b>0.625</b>		<b>96.893</b>	<b>5.12</b>		<b>0.609</b>	<b>-</b>	<b>-</b>		<b>2,997,867.84</b>	<b>0.00</b>	<b>2,997,867.84</b>

## MONTHLY CASH FLOW (USD)

Par Value	ML#	Issuer	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Total
760,000	H2ZA3	TREASURY BILL	-	-	-	-	760,000.00	-	-	-	-	-	-	-	760,000.00
768,000	H2ZA8	TREASURY BILL	-	-	-	-	-	-	768,000.00	-	-	-	-	-	768,000.00
778,000	H25V8	TREASURY BILL	-	-	-	-	-	-	-	-	-	778,000.00	-	-	778,000.00
788,000	H2ZA9	TREASURY BILL	-	-	-	-	-	-	-	-	-	-	-	-	0.00

## YEARLY CASH FLOW (USD)

Year	No. of Issues Maturing	Coupon Income	Principal Due	Total Cash Flow	% of Portfolio
<b>2023</b>	2	0.00	1,528,000.00	1,528,000.00	49.39
<b>2024</b>	2	0.00	1,566,000.00	1,566,000.00	50.61
<b>Total</b>	<b>4</b>	<b>0.00</b>	<b>3,094,000.00</b>	<b>3,094,000.00</b>	<b>100.00</b>

# Fixed Income Portfolio Ladder

Prepared for Altrans | Prepared by Paul Kommer

June 20, 2023

## PROPOSAL

Qty	ML#	Issuer	Coupon	Maturity Date	CCY	Offer Price	Yield/ Code	Call Date	Mod Dur	Moody's	S&P	Settlement Date	Principal Amount	Accrued Interest	Total Amount
760,000	H2ZA3	TREASURY BILL	0.000	10/03/2023	USD	98.568	5.113 /M	N	0.28	-	-	06/21/2023	749,116.80	0.00	749,116.80
768,000	H2ZA8	TREASURY BILL	0.000	12/14/2023	USD	97.544	5.236 /M	N	0.469	-	-	06/21/2023	749,137.92	0.00	749,137.92
778,000	H25V8	TREASURY BILL	0.000	03/21/2024	USD	96.354	5.013 /M	N	0.733	-	-	06/21/2023	749,634.12	0.00	749,634.12
788,000	H2ZA9	TREASURY BILL	0.000	06/13/2024	USD	95.180	5.113 /M	N	0.954	-	-	06/21/2023	750,018.18	0.00	750,018.18
530,000	H26E1	US TREASURY N/B	1.000	12/15/2024	USD	94.451	4.924 /M	N	1.44	Aaa	-	06/21/2023	500,590.30	86.89	500,677.19
<b>3,624,000</b>		<b>Average/Total</b>	<b>0.146</b>	<b>0.748</b>		<b>96.537</b>	<b>5.091</b>		<b>0.728</b>	<b>Aaa</b>	<b>-</b>		<b>3,498,497.32</b>	<b>86.89</b>	<b>3,498,584.21</b>

## MONTHLY CASH FLOW (USD)

Par Value	ML#	Issuer	Jun 2023	Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Total
760,000	H2ZA3	TREASURY BILL	-	-	-	-	760,000.00	-	-	-	-	-	-	-	760,000.00
768,000	H2ZA8	TREASURY BILL	-	-	-	-	-	-	768,000.00	-	-	-	-	-	768,000.00
778,000	H25V8	TREASURY BILL	-	-	-	-	-	-	-	-	-	778,000.00	-	-	778,000.00
788,000	H2ZA9	TREASURY BILL	-	-	-	-	-	-	-	-	-	-	-	-	0.00
530,000	H26E1	US TREASURY N/B	2,650.00	-	-	-	-	-	2,650.00	-	-	-	-	-	5,300.00

## YEARLY CASH FLOW (USD)

Year	No. of Issues Maturing	Coupon Income	Principal Due	Total Cash Flow	% of Portfolio
<b>2023</b>	2	5,300.00	1,528,000.00	1,533,300.00	42.19
<b>2024</b>	3	5,300.00	2,096,000.00	2,101,300.00	57.81
<b>Total</b>	<b>5</b>	<b>10,600.00</b>	<b>3,624,000.00</b>	<b>3,634,600.00</b>	<b>100.00</b>

# U.S. Treasury securities

## What is a U.S. Treasury security?

A U.S. Treasury security is the most creditworthy investment available, giving you a U.S. government guaranteed interest rate with maximum security, selection and liquidity (it can easily be sold for cash).

## When should you consider U.S. Treasury securities?

If you are building a balanced portfolio to help protect you during uncertain times and prosper over the long term, consider U.S. Treasury securities, which offer high creditworthiness and liquidity.

## What are the potential benefits of U.S. Treasury securities?

### Ensure your return if you hold the security to maturity

- Treasuries are usually issued in three forms in minimum denominations of \$100.
  - Bills, issued in maturities of 4, 13, 26 and 52 weeks, are sold at a discount to face value. Their investment return is the difference between the acquisition cost and the face value.
  - Notes have maturities between 2 and 10 years. Investors earn a fixed rate of interest until maturity.
  - Bonds have maturities of greater than 10 years. Investors earn a fixed rate of interest until maturity.
- The timely payment of interest and principal at maturity is backed by the full faith and credit of the U.S. government.
- You lock in an interest rate for the full term, since most Treasury securities cannot be called or redeemed before their final maturity date.

### Gain liquidity and tax advantages

The secondary market for U.S. Treasuries is the most liquid fixed income market in the world.

Interest on U.S. Treasuries is exempt from all state and local taxes but is subject to federal tax.

### Diversify your portfolio

- The high creditworthiness and investment return of U.S. Treasury securities make them a vital part of your investment portfolio.
- A Treasury security is an especially good choice for a risk-averse investor.
- The wide range of maturities in the secondary market makes it easy to find the maturities and coupon rates that suit your needs.

### Take advantage of inflation-protected U.S. Treasury securities

- You might consider U.S. Treasury inflation-indexed securities if you are looking for a high-quality investment that pays periodic income and allows you to preserve your future purchasing power.
- Your principal is indexed to a version of the Consumer Price Index (CPI), providing you protection against inflation. If consumer prices rise, the principal amount of the securities increases, and at maturity, you are paid the inflation-adjusted

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principal. If consumer prices decrease, you are paid the original principal at maturity.

- U.S. Treasury inflation-indexed securities pay a fixed rate of interest semiannually. As this rate is applied to the adjusted principal, interest payments rise with inflation and fall with deflation.
- Inflation adjustments to principal are taxed as interest in the year in which the adjustments occur, even though these principal adjustments will not be paid until maturity. Therefore, U.S. Treasury inflation-indexed securities may be most appropriate for tax-favored accounts.

### Consider zero-coupon U.S. Treasury securities

- In addition to coupon-bearing securities, the U.S. Treasury issues zero-coupon investments. U.S. Treasury STRIPS (Separate Trading of Registered Interest and Principal Securities) offer the same safety as other Treasury securities but do not make periodic interest payments.
- In lieu of regular interest payments, STRIPS are priced at a discount to their face value. The interest accrues and is paid in a lump sum at maturity. When each STRIP matures, you receive its face value, which represents your original principal investment and the interest you earned but did not receive during the life of the security.
- Though you do not receive payment until maturity, the imputed interest is taxable as ordinary income each year. You may therefore prefer to hold these securities in a tax-favored account.
- STRIPS are ideal for investors who do not need current income but are planning for an investment goal with a specific future date, such as a child's college education.

### Benefit from the resources of Merrill

- Merrill is one of the world's leading participants in the U.S. Treasury market.
- Our fixed income analysts can help you capitalize on opportunities in specific maturity sectors of the Treasury market.
- Since Merrill maintains an active secondary market, you don't have to wait for scheduled Treasury auctions to purchase Treasury securities.
- Additionally, if you need to liquidate your holdings before maturity, you may be able to do so in the secondary market Merrill maintains. The price you receive may be higher or lower than your original purchase price, based on market conditions.

### What else should you know about U.S. Treasury securities?

- U.S. Treasury securities are subject to interest rate risk. If interest rates rise, the market value of your Treasury investment will decline. While you may be able to liquidate your investment in the secondary market, you may receive less than the face value of your investment.
- As with other securities, the market prices of U.S. Treasury securities will be subject to current market conditions. If you sell your securities in the secondary market, the price that you receive may be higher or lower than your original purchase price.


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# Take advantage of higher interest rates for your cash balances



## Preferred Deposit® for Merrill clients

Having available cash for your personal needs can be as important as pursuing your long-term financial goals. With Preferred Deposit®, you can help manage your everyday expenses and cash flow, as well as your objectives for the future.

### Earn more interest on your cash balances. The current annual percentage yield (APY) is 4.76%.<sup>1,2</sup>

Preferred Deposit is a bank deposit solution offered through eligible Merrill brokerage accounts.<sup>3</sup> It may be a smart addition to your overall wealth management approach and provides the following benefits:

- **Competitive yield.** Your money is placed by Merrill into a deposit account with Bank of America, N.A., where the APY is currently 4.76%.<sup>1,2</sup> This competitive yield can help you optimize the cash you may need for your goals.
- **Security.** Preferred Deposit balances held at Bank of America, N.A. are insured by the Federal Deposit Insurance Corporation (FDIC), up to applicable limits. Visit [fdic.gov](https://www.fdic.gov) for more information about FDIC insurance.
- **Convenience.** You can readily access your Preferred Deposit balance — through your financial advisor — to quickly and easily redirect these assets for your personal needs or to take advantage of other opportunities.

### Manage for today and plan for tomorrow

If you have a large amount of cash — after a home sale, for example — consider Preferred Deposit. It offers quick access to funds, cash flow in the short term and a more competitive interest rate than a cash sweep. It can also help you prepare for the unexpected, plan for major life events or make large purchases.

Plus, you can access your Preferred Deposit balance and performance information within your Merrill account statement, so you and your financial advisor will have a consolidated view of your total account assets. That way, you can have more meaningful discussions and work together to maintain your financial strategy.

### Getting started

The minimum initial deposit for Preferred Deposit is \$100,000. Thereafter, deposits in whole dollar amounts of \$1,000 or more and withdrawals in any whole dollar amount may be made by calling your financial advisor. Deposit and withdrawal requests made by 5 p.m. Eastern will have same-day settlement.

**Let us help put Preferred Deposit to work for you.**

*Contact your Merrill advisor to discuss how Preferred Deposit may fit into your overall financial strategy.*



**2024 Preliminary Budget  
EMERY GO-ROUND**

Based on 10% Operating Expense Increase from 2023

		2024			Notes
<u>Revenue</u>		Anticipated Revenue (0% Increase)	Anticipated Revenue (3% Increase)	Anticipated Revenue (5% Increase)	
<b><u>PBID Revenue</u></b>					
PBID Revenue		4,473,627	4,607,835	4,697,308	1.7% of assessment to County Assessor + \$24,500 to City for legal and administrative fees.
District Related Costs		(100,552)	(102,833)	(104,354)	
<b>Net PBID</b>		<b>4,373,075</b>	<b>4,505,002</b>	<b>4,592,954</b>	
<b><u>Non-PBID Revenue</u></b>					
City of Emeryville - General Benefit Contribution		639,891	639,891	639,891	Assumed 12.29% of Total Budget.
City of Emeryville - Emery Go Round Bus Yard (CIP)		-	-	-	
ETMA Billed Revenue		112,000	115,360	117,600	Revenue derived from 15% Indirect Cost Markup. Does not include passthrough operations expenses Revenue derived from 20% Indirect Cost Markup. Does not include passthrough operations expenses
BGTMA Revenue		43,366	43,366	43,366	
Emery Express Revenue		58,055	58,055	58,055	
Misc. Revenue (interest income, etc.)		1,920	1,920	1,920	
<b>Subtotal Non-PBID Revenues</b>		<b>855,232</b>	<b>858,592</b>	<b>860,832</b>	
<b>Total Revenue</b>		<b>5,228,307</b>	<b>5,363,594</b>	<b>5,453,786</b>	

		2024		
<u>Expenditures</u>		Estimated Expenditures		
<b><u>Direct Costs</u></b>				<b>ASSUMPTIONS</b>
Bus Leases/Purchases		500,000		Budget allocation for new fleet acquisitions.
Bus Maintenance		242,000		
Operations Contract		2,738,806		Assume level of service remains as is in 2023. Est. Variable Costs: 33709 driver hours @ \$66.02/hour = \$2,225,573 Est. Fixed Cost: \$513,232 for management and overhead
Fuel		300,000		
Communications		98,386		Annual fees for real-time tracking system, driver radios & automated passenger counter's. Route guides, bus stop sign replacements, rider alert postings, etc.
Miscellaneous Operating Costs		10,000		
<b>Subtotal Direct Costs</b>		<b>3,889,191</b>		
<b><u>Indirect Costs</u></b>				
Professional Services		528,444		Includes all management, accounting, website & legal service contracts.
Occupancy (Facilities related expenses)		554,400		Site lease, on-site security, video monitoring, utilities, yard maintenance expenses.
Membership & Public Outreach Materials		10,000		Annual Report, Annual Membership Meeting Invitations & Rider Satisfaction Survey.
Pilot Projects and Research		25,000		Allowance for implementation of new transit enhancements.
TMA Insurance		54,560		Commercial, Directors & Officers, Excess Liability & Property Coverage.
Conferences, Meetings, Office Expenses		10,000		Shuttle Operations Workshop, office equipment and expenses, etc.
<b>Subtotal Indirect Costs</b>		<b>1,182,404</b>		
Contingency		135,000		Anticipate potential cost overruns due to rising fuel costs and other operating cost increases.
<b>Subtotal Other Costs</b>		<b>135,000</b>		
<b>TOTAL BUDGET/EXPENSES</b>		<b>5,206,596</b>		
<b>Estimated Balance</b>		<b>21,711</b>	<b>156,998</b>	<b>247,190</b>

<b><u>Reserve Balance Summary (2022)</u></b>	0% Increase	3% Increase	5% Increase
Projected Cash Balance on Dec 31, 2023	\$ 4,615,918	\$ 4,615,918	\$ 4,615,918
<b>2024 Projected Balance</b>	<b>\$ 21,711</b>	<b>\$ 156,998</b>	<b>\$ 247,190</b>
Total Projected Cash Balance on Dec 31, 2024	\$ 4,637,629	\$ 4,772,916	\$ 4,863,107
15% Operating Reserve (per ETMA Policy)	\$ 780,989	\$ 780,989	\$ 780,989
<i>Total Available Cash Balance on December 31, 2023</i>	<i>\$ 3,856,639</i>	<i>\$ 3,991,927</i>	<i>\$ 4,082,118</i>





# Syncromatics Replacement Options

## History/Background

Emery Go-Round has been using GMV Syncromatics for real-time, ridership, and on-time performance (OTP) tracking since 2016. The program provides a passenger-facing app and Automatic Passenger Counter (APC) integration. Unfortunately, the APC integration has never functioned properly, providing a 50% variance from the drivers' manually-tracked ridership. Additionally, issues with their system's OTP tracking has prevented accurate reporting. Because Syncromatics' ridership and OTP reporting has had regular and ongoing issues, the only accurate function it provides is real-time locations.

As a result, we have reached out to multiple vendors to identify potential replacements for Syncromatics.



### Information:

Features/Benefits	Integrated Rider App, Real-Time Monitoring, Public and Private Facing Options, push notifications
Drawbacks	Higher Cost
Other Systems That Use	Mountain View Community Shuttle, Genentech, City of Santa Maria, Google

### Pricing:

	Annual Price without APC Integration	Annual Price with APC Integration
Year 1	\$75,000 (\$240 PVPM)	\$81,120 (\$260 PVPM)
Year 2	\$75,000 (\$240 PVPM)	\$81,120 (\$260 PVPM)
Year 3	\$77,250 (\$248 PVPM)	\$84,240 (\$270 PVPM)



### Information:

Features/Benefits	Real-Time Monitoring, Automated Reports, Integration with Transit App
Drawbacks	No dedicated passenger app, passenger interface limited and reliant on third-party systems
Other Systems That Use	AC Transit, FAST Transit, VTA

### Pricing:

	Annual Price without APC Integration	Annual Price with APC Integration
Year 1	\$33,800 (\$108 PVPM) + \$8,632 setup	\$47,944 (\$154 PVPM) + \$8,632 setup
Year 2	\$34,814 (\$111 PVPM)	\$49,382.32 (\$160 PVPM)
Year 3	\$35,858.42 (\$115 PVPM)	\$50,863.79 (\$163 PVPM)



#### Information:

Features/Benefits	Branded "No-App" rider experience, Real-Time Monitoring, Multiple individually branded tracking sites, rider opt-in SMS alerts
Drawbacks	Some features, such as SMS alerts and wheelchair/bike tracking are in the process of being implemented
Other Systems That Use	TransAction Shuttles (Shuttle Operator), SP Plus (Shuttle Operator), Wendy Silvani/Alexandria Real Estate

#### Pricing:

	Annual Price without APC Integration	Annual Price with APC Integration
Year 1	\$39,000 (\$125 PVPM)	\$42,250 (\$125 PVPM + one-time \$3,250 APC implementation)
Year 2	\$39,000 (\$125 PVPM)*	\$39,000 (\$125 PVPM)*
Year 3	\$39,000 (\$125 PVPM)*	\$39,000 (\$125 PVPM)*

*\*Awaiting confirmation from follow-up question*

#### Reference Interviews:

Upon request, Tripshot, Swiftly, and Trakk provided multiple references which were interviewed using the below questions.




- Tripshot provided three references from shuttle-based and smaller transit systems.
- Swiftly provided three references from larger, municipal transit systems.
- Trakk provided two references from shuttle operators and one from Wendy Silvani who manages a campus shuttle in San Carlos.

The references provided glowing reviews for all three programs.

#### Questions:

1. Did you face any challenges during the implementation phase? If yes, how were they resolved?
2. How has the transit software improved your day-to-day operations and efficiency?
3. What specific features of the software have had the most impact on your organization?
4. Have you experienced any technical issues or system downtime? If so, how were they addressed?
5. How responsive and helpful has the customer support team been in addressing your concerns or inquiries?
6. Are there any features or functionalities that you feel are missing from the software or could be improved?
7. What is your overall satisfaction level with the transit software and the service provided by Tripshot / Swiftly/Trakk?

# Transit Software Comparisons

	SYNCRONATICS	 TripShot	 Swiftly	 TRAKK
Transit Systems				
Public Route Systems	X	X	X	X
Private Route Systems		X		X
Connecting with Passengers				
Integrated Rider App	X	X		
Push Alerts	X	X		X
GTFS-RT to Transit App, Google Maps, etc.	X	X	X	X
Service Alerts through GTFS (not push)	X	X	X	X
Real-Time Location Tracking	X	X	X	X
Passenger Web Interface	X	X	Limited	X
Estimated Arrival Times	X	X	X	X
Headsign Connectivity	X	X	X	
Reporting/Performance Tracking				
On Time Performance Tracking	X	X	X	X
Driver-Lead Passenger Counting		X	X	X
Automatic Passenger Counter (APC) Compatibility	X	X	X	X
Bike Tracking	X	X	X	X (Aug 2023)
Wheelchair Tracking	X	X	X	X (Aug 2023)
GPS Historical Playback	X	X	X	X



# Vehicle Retirement and Spare Part Utilization

## Background

The ETMA's standard policy has been that shuttles are planned to be retired after 7 years of service. Because of the pandemic and the subsequent reduction in service, the utilization of the shuttles were spread out throughout the fleet, which caused each shuttle to accumulate fewer miles. This allowed the standard 7-year retirement policy to be extended.

The Emery Go-Round fleet currently has 26 shuttles with production years ranging from 2013 to 2019. The program utilizes 15 shuttles per weekday, which leaves 11 shuttles to serve as spares. ALTRANS met with the MV Operations and Maintenance team to discuss the current fleet condition. In this discussion, 5 shuttles were identified to be high in mileage, high in maintenance costs, overdue for replacement, and rarely used.

## Recommendation

**It is recommended to retire the 5 identified shuttles and allow MV to remove, store, and utilize any, and all parts for the maintenance and upkeep of the current Emery Go-Round fleet.**

MV has confirmed that because these 5 shuttles are rarely used, there would be no negative impact to operations and the fleet would maintain a healthy 6:15 spare ratio.

## Rationale

MV has requested permission to utilize parts from these 5, unused, shuttles to repair the remaining, used shuttles. By utilizing the parts in these 5 shuttles, maintenance costs and shuttle down-time will be reduced because the parts will be readily available.

For example, MV has relayed that in a given year, up to 10 seats need to be replaced due to vandalism or regular usage. Each seat costs approximately \$670 with shipping and can take up to 2 weeks to be delivered and installed. If MV were to remove, store and utilize all 180 potential seats (5 shuttles x 36 seats/shuttle), that would save the ETMA up to \$120,000 over the course of the remaining vehicles' lifespans, on seats alone.

MV has stated that they would be interested in storing one of the retired shuttles at their San Leandro terminal to use as a storage facility for all of the Emery Go-Round parts that they remove.

In May 2023, the board requested that ALTRANS look into potentially selling the unused shuttles. After speaking with MV's Maintenance Manager and Roni Hattrup, the sale of the shuttles does not outweigh the potential maintenance savings. When Roni attempted to sell some shuttles a few years ago, she discovered that she would only get approximately \$3000 for each shuttle. Due to the large size of the vehicles, these shuttles are not highly sought after and are difficult to sell. Because of these reasons, it is not recommended to attempt to sell the unused shuttles.



# EMERYVILLE TRANSPORTATION MANAGEMENT ASSOCIATION

Fleet:

June 2023

Bus Number	Year	Make/Model	VIN	Type	Mileage	GPS Emitter	Planned Retirement Year
Emery Go-Round							
683	2013	INTERNATIONAL UC	5WEASAAN4DJ270683	CUTAWAY	188,951		2020
065	2014	INTERNATIONAL 3200	5WEASAANXE487065	CUTAWAY	175,748		2021
066	2014	INTERNATIONAL 3200	5WEASAAN1EH487066	CUTAWAY	148,439		2021
067	2014	INTERNATIONAL 3200	5WEASAAN3EH487067	CUTAWAY	166,985		2021
068	2014	INTERNATIONAL 3200	5WEASAAN5EH487068	CUTAWAY	161,675		2022
207	2014	INTERNATIONAL 3200	5WEASAAN8DH417207	CUTAWAY	141,701		2022
208	2014	INTERNATIONAL 3200	5WEASAANXDH417208	CUTAWAY	136,873		2022
215	2015	INTERNATIONAL 3200	5WEASAAN3FH726215	CUTAWAY	117,474		2023
216	2015	INTERNATIONAL 3200	5WEASAAN5FH726216	CUTAWAY	121,193		2023
220	2015	INTERNATIONAL 3200	5WEASAAN7FH726220	CUTAWAY	150,970		2023
649	2016	INTERNATIONAL 4300	5WEASC8L0GH268649	CUTAWAY	116,710		2025
650	2016	INTERNATIONAL 4300	5WEASC8L7GH268650	CUTAWAY	108,018		2025
651	2016	INTERNATIONAL 4300	5WEASC8L9GH268651	CUTAWAY	130,273	Yes	2025
920	2016	INTERNATIONAL 4300	5WEASC8L3GH282920	CUTAWAY	158,821		2024
921	2016	INTERNATIONAL 4300	5WEASC8L3GH282921	CUTAWAY	120,730	Yes	2024
922	2016	INTERNATIONAL 4300	5WEASC8L3GH282922	CUTAWAY	150,017		2024
696	2017	IC CORPORATION RC505	5WEASC8N9HH514696	CUTAWAY	119,917	Yes	2025
697	2017	IC CORPORATION RC505	5WEASC8N0HH514697	CUTAWAY	107,236	Yes	2026
698	2017	IC CORPORATION RC505	5WEASC8N2HH514698	CUTAWAY	123,072		2026
8698	2018	INTERNATIONAL 4300	5WEASC8N6JH578698	CUTAWAY	102,870	Yes	2026
8699	2018	INTERNATIONAL 4300	5WEASC8N8JH578699	CUTAWAY	105,213	Yes	2027
8700	2018	INTERNATIONAL 4300	5WEASC8N0JH578700	CUTAWAY	87,314	Yes	2027
8701	2018	INTERNATIONAL 4300	5WEASC8N2JH578701	CUTAWAY	86,488	Yes	2027
751	2019	INTERNATIONAL PC505	5WEASC8N3KH400751	CUTAWAY	59,095	Yes	2028
752	2019	INTERNATIONAL PC505	5WEASC8N5KH400752	CUTAWAY	56,623	Yes	2028
753	2019	INTERNATIONAL PC505	5WEASC8N7KH400753	CUTAWAY	44,972	Yes	2028

## West Berkeley

628	2013	INTERNATIONAL UC	5WEXWSKK6DH044628	CUTAWAY	167,045		
938	2016	FORD MOTOR COMPANY F550	1FDGF5GT2GEA51938	CUTAWAY	75,181		

## 8 to Go

743	2016	DODGE CARA SHUTTLE	2C7WDGBG3GR313743	CUTAWAY	39,432		
591	2007	DODGE SPRI	WD8PE746475132591	CUTAWAY	93,529		