

**FINAL**

**MINUTES OF THE REGULAR MEETING OF  
ECO-RAPID TRANSIT/ORANGELINE DEVELOPMENT AUTHORITY  
Wednesday February 08, 2023  
Teleconference Meeting via Zoom or by Phone**

**CALL TO ORDER**

Vice Chair Gonzalez called the meeting to order at 6:31 PM Pacific Standard Time. A quorum (6 voting members out of 11 filled seats) was reached; thus, action items were taken by the Board.

**PLEDGE OF ALLEGIANCE**

Executive Director Shen led the Pledge of Allegiance and the flag salute.

**ROLL CALL AND INTRODUCTION OF ATTENDEES**

Voting Board of Directors were present (alphabetical order by agency and position on the Board):

1. City of Cerritos – Hon. Bruce Barrows, Director
2. City of Cudahy – Hon. Jose R. Gonzalez, Vice Chair
3. City of Downey – Hon. Hector Sosa, Director
4. City of Huntington Park – Hon. Karina Macias, Director
5. City of Maywood - Ms. Angelina Martinez, Director
6. City of Paramount – Hon. Isabel Aguayo, Treasurer
7. City of South Gate – Hon. Maria Davila, Director
8. Airport Authority – Hon. Frank Quintero, Director

Eco-Rapid Transit Staff:

9. Eric Shen, Executive Director
10. Thais Alves, Deputy General Counsel
11. Kathryn Morrison, Administrative Services Manager
12. Bruno Naulls, Program Manager
13. Maria Barquera, Scribe & Intern
14. Tianyi Wei, Intern

**PUBLIC COMMENTS**

No written public comments were received prior to the meeting. No additional public comments were received during the meeting.

**ITEM 5 – CONSENT CALENDAR**

No written public comments were received prior to the meeting. No additional public comments were received during the meeting.

- a) **Approval of Minutes of January 23, 2023**
- b) **Teleconferencing Legislation: AB 361 and Resolution 2023-03 of the EcoRapid Transit Authority Board of Directors Authorizing Remote Teleconferencing Meetings of the Eco-Rapid Transit Board of Directors Pursuant to Government Code Section 54953(e) for the Continuance of Virtual Meetings and Teleconference as the County of Los Angeles is Under Certain Emergency Orders and Still Promotes Social Distancing and the Use of Face Mask**

**MOTION:** Board Director Macias (Huntington Park) moved to approve the Consent Calendar. Director Davila (South Gate) seconded the motion. The item was approved unanimously by roll call vote.

**ITEM 6 – TREASURER’S REPORT DATED FEBRUARY 8, 2023 AND PAYMENT DEFERMENT**

***Recommended Action: Approve Treasurer’s Report, authorize to pay insurance premium payment; defer all other payments pending available funding***

No written public comments were received prior to the meeting. No additional public comments were received during the meeting.

Executive Director Shen proceeded with a report and recommendation. Staff recommend to the Board to approve Treasurer’s Report dated February 8, 2023, authorize to pay the liability insurance premium payment and defer all other payments pending available funding. Current professional liability coverage to expire March 22, 2023. Last installment must be paid on-time. Incurred expenses during January 2023 exceeded available bank balance. A combined Warrant Register for January and February 2023 will be presented to the Board on the March 8, 2023 meeting and invoices will be paid when sufficient funds become available.

Director Barrows (Cerritos) inquired on late fees incurred on the copy machine as discussed on the January 23, 2023 meeting. Executive Director Shen stated that a formal response and staff recommendation for the Board will be presented at the March 8, 2023 meeting.

**MOTION:** Board Director Macias (Huntington Park) moved to approve the Item. Director Davila (South Gate) seconded the motion. The item was approved unanimously by roll call vote.

**ITEM 7 – MEMORANDUM OF UNDERSTANDING BETWEEN ECO-RAPID TRANSIT AUTHORITY AND THE CITY OF SOUTH GATE REGARDING FINANCIAL SERVICES AND THREE-PARTY AGREEMENT FOR THE FINANCIAL SERVICES**

***Recommended Action: Approve the Memorandum of Understanding with the City of South Gate on the transfer of financial services. Authorize Executive Director to execute a three-party agreement with the City and Ms. Toni Penn for perform the Eco-Rapid Transit’s financial and accounting services under the supervision of the City’s finance staff.***

No written public comments were received prior to the meeting. No additional public comments were received during the meeting.

Executive Director Shen proceeded with a report and recommendation. Staff recommended to Board to approve the Memorandum of Understanding with the City of South Gate on the transfer of financial services and to authorize Executive Director Shen to execute a three-party agreement with the City and Ms. Toni Penn. Further information in the staff report.

Vice Chair Gonzalez opened the meeting to comments and questions. No comments were made by the Board.

**MOTION:** Board Director Davila (South Gate) moved to approve the Memorandum of Understanding. Director Aguayo (Paramount) seconded the motion. The item was approved unanimously by roll call vote.

**ITEM 8 – AD HOC BUDGET SUB-COMMITTEE REPORT ON STRATEGIES TO ADDRESS FY2022/23 FINANCE ISSUES**

***Recommended Action: Approve the Ad-Hoc Sub-Committee’s recommendation and direct staff to take appropriate actions***

No written public comments were received prior to the meeting. No additional public comments were received during the meeting.

Executive Director Shen provided a report and recommendation. He reported that Director Macias (Huntington Park) has agreed to lead the discussion on proposed actions. The ad hoc subcommittee formed by the Board on the January 23, 2023 meeting directed staff to explore cost-saving options including working with member cities to provide pro bono legal and/or accounting services. An outline of issues to be addressed by the Board included handling on-going expenses and discussing the possibility of member cities to provide pro bono services. Possible options included a onetime special assessment fee, borrowing from member cities with financial capacity, or borrowing from a commercial bank.

Director Macias (Huntington Park) highlighted the importance of making an immediate decision on the Item. She recommended the action of terminating stipends for Board members and a onetime assessment from member cities.

Director Quintero (Airport Authority) reminded the Board that a special assessment would be difficult for the City of Glendale and the Airport Authority. An early payment of membership fees and termination of Board stipends was recommended by him.

Director Barrows (Cerritos) inquired on if checks have bounced. This was confirmed by Executive Director Shen. He also noted that an early payment from member cities may result in another future deferment. Executive Director Shen further recommended a one-time assessment to cover current insufficient funds.

Vice Chair Gonzalez (Cudahy) brought forth the idea of inviting developers to be part of Eco-Rapid Transit to increase revenue. He inquired Executive Director Shen on the feasibility of various options provided. Executive Director Shen will discuss with General Counsel and respond to the Board in the near future. Executive Director Shen informed the Board that the projected expenditures for January 2023 to June 2023 amounts to \$192,000. Early collection of membership dues to be insufficient to cover incurred deficits from past management. He further

provided that the General Council's office has been heavily subsidizing fees. He recommended to the Board the reconsideration of the amount of membership dues.

Vice Chair Gonzalez (Cudahy) recommended an early collection of membership dues that includes the price of inflation while a future onetime assessment is considered. Director Quintero (Airport Authority) agreed with Vice Chair Gonzalez's recommendation.

Director Macias (Huntington Park) acknowledged the potential financial burden of a one-time assessment and suggested the recommendations made by Vice Chair Gonzales.

Director Davila (South Gate) recommended invoices to be sent to member cities, the termination of Board stipends, and the future option of a onetime assessment. She also recommended reaching out to assembly members for further help.

Executive Director Shen inquired Deputy General Counsel Alves on the allowance of associate and nonvoting membership to the Joint Powers Authority. This issue will be further researched by General Counsel's office.

Vice Chair Gonzalez (Cudahy) inquired on a voluntary one-time assessment. Executive Director Shen provided that staff and the budget subcommittee will further discuss the equitability of a voluntary onetime assessment.

Executive Director Shen provided a summary of discussed topics for motion. First for the Board to direct staff to issue invoices for membership dues based on FY2022-23, including proper CPI inflationary charges. Second for the Board to agree the suspension of stipends beginning February 8, 2023 to July 1, 2024. Any Board members who are holding stipend check(s) are reminded to cash it/them for accounting clarity. Third to direct staff and budget subcommittee to continue discussion on a one-time special assessment and membership due recalculation. Fourth to direct staff to continue work with budget subcommittee, including discussion on cost-reduction options (i.e., pro bono legal and accounting services).

**MOTION:** Board Director Davila (South Gate) moved to approve the motion. Director Quintero (Airport Authority) seconded the motion. The item was approved unanimously by roll call vote.

## **ITEM 9 – EXECUTIVE DIRECTOR'S VERBAL REPORT**

Executive Director Shen provided that staff worked to update contact information of Board Members, City Managers, and agency partners to ensure that agenda packages and communication items are properly received.

He also reassured the Board of Eco-Rapid Transit's commitment to developing an efficient, safe, and sustainable public transit system. He also invited two ERT interns to introduce themselves.

Ms. Maria Barquera, urban planning and real estate student at USC, introduced herself to the Board. She assists ERT with the transcribing of Board meeting minutes. Tianyi Wei, a senior studying civil engineering with a focus on transportation engineering at UC Berkeley, introduced herself to the Board. She is a remote intern assisting on the migration of ERT's website.

Vice Chair Gonzalez (Cudahy) opened the meeting to comments from the Board.

Director Davila (South Gate), Director Quintero (Airport Authority), and Vice Chair Gonzalez (Cudahy) offered their welcomes to Ms. Barquera and Ms. Wei.

Executive Director Shen informed the Board of ERT's efforts to modernize the webpage and displayed initial versions of the page. This will aid in displaying ERT's missions for the future.

**ITEM 10 – CHAIR'S COMMENTS**

Vice Chair Gonzalez (Cudahy) expressed his certainty that Chair Taj (Artesia) will be satisfied by the efforts taken by the Board.

**ITEM 11 – ANNOUNCEMENTS/BOARD OF DIRECTORS COMMENTS**

Director Davila (Huntington Park) thanked Executive Director Shen and staff for their work. She inquired if the updated website will be bilingual in Spanish. Executive Director Shen concurred that the new webpages will be designed to accommodate non-English speakers and those with disabilities.

Vice Chair Gonzalez (Cudahy) reminded the Board of the next meeting to be held on Wednesday March 8, 2023 in the Gateway Cities Council of Government building in Paramount at 6:30 PM Pacific Standard Time (with Zoom access).


**ITEM 12 - ADJOURNMENT**

The Board Meeting was adjourned at 8:00 pm Pacific Standard Time.

Attest:

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Secretary

Approved:

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Chair