

**Bay Area Infrastructure Finance Authority
(BAIFA)**

January 25, 2023

Agenda Item 4b - 23-0091

Committee Structure

Subject:

Presentation of a proposed structure for standing committees to provide detailed review and recommendations to the Authority on matters related to tolling.

Background:

BAIFA is a joint powers authority created in 2006 by the Metropolitan Transportation Commission (MTC) and Bay Area Toll Authority (BATA) to finance the State contribution to the toll bridge seismic program. BAIFA was modified in 2011 and 2013 to implement and operate MTC's Express Lane Network that was authorized by the California Transportation Commission. In April 2022, MTC and BATA approved a change to the BAIFA's boards composition so BAIFA could, in addition to continuing its responsibilities for MTC's express lanes, address evolving opportunities: serve as the tolling authority for State Route 37 (SR 37), subject to authorization by the state; provide a more robust forum for facilitating regional tolling coordination; and more effectively serve as a regional transportation conduit financing entity (e.g., financing BART rail car replacement). Specifically, BAIFA board membership was expanded from its previous composition, a subset of the Commission reflecting the counties in the MTC Express Lanes Network, to be co-terminus with the MTC board.

At the time of the change, there was a recognized desire to establish committees through future action by the BAIFA board. The purpose of committees is to allow for more in-depth review and recommendations to the full BAIFA board, particularly related to tolling. BAIFA's financing activities are expected to be more limited and targeted for the immediate future, and thus would be handled directly by the full board.

Committee Concept:

Staff's proposed committee concept includes two standing committees to recognize BAIFA has two distinct roles when it comes to tolling.

Tolling Policy Committee

This committee would provide a forum to facilitate seamless regional tolling through advisory policy coordination and planning such as: regional approaches to toll violation penalties and payment plans, equity programs or toll discounts; Express Lanes Strategic Plan updates; network planning and funding opportunities (funding decisions such as Regional Measure 3 and priorities for Federal and State discretionary funding would remain under MTC's purview); and potentially, Next Generation Freeway tolling. Staff expects this committee would meet on an as needed basis likely, three to six times a year.

Commissioners have long advocated for coordination among express lane operators and with BATA to provide a better customer experience. While express lane operators have achieved largely consistent policies through coordination at the staff level, this forum would provide further scaffolding via direct discussion among board members. It would also be a forum to consider similarities and difference among toll bridges, express lanes and other types of tolling. It is worth underscoring this is an advisory role; policy recommendations would be subject to approval and implementation by each tolling agency.

Committee membership could include one commissioner representing each tolling operator, plus the commissioner representing CalSTA (non-voting), as follows:

Express Lanes

- Alameda County Transportation Commission (Alameda commissioner)
- MTC (Solano, Contra Costa or Alameda commissioner)
- Valley Transportation Authority (Santa Clara commissioner)
- San Mateo County Express Lanes Joint Powers Authority (San Mateo commissioner)

Other Tolled Facilities

- BATA (BATA Oversight chair, vice chair or other representative)
- Golden Gate Bridge (Sonoma, Marin or Napa commissioner)
- Treasure Island Mobility Management Agency (San Francisco commissioner)
- State Route 37 (Sonoma, Marin, Napa or Solano commissioner)

Network and Operations Committee

This committee would focus on the delivery and operation of facilities where BAIFA has or may have tolling authority – the MTC Express Lanes Network and SR 37, subject to authorization. Staff expects this committee would meet monthly to review and refer items to the full board for approval, as appropriate. Examples of items that would come before this committee include: approval of facility-specific toll rates, discounts, equity programs and toll ordinances; annual budget and long-range financial planning; matters related to delivery, operations and maintenance of tolling; and use of toll revenue for operations and maintenance, network buildout and eligible uses of excess (net) revenue. (As a reminder, state law restricts use of MTC express lane revenue to the MTC facility/corridors. SR37 tolling authorization would similarly restrict revenue to the SR 37 facility/corridor.)

Staff also recommends that the BAIFA board delegate to the Network and Operations Committee the approval of contract actions and interagency agreements.

Committee membership could include one commissioner representing each county in the BAIFA tolled facilities, plus the commissioner representing CalSTA (non-voting), as follows:

MTC Express Lanes

- Alameda County
- Contra Costa County
- Solano County (also represents Solano County with respect to SR 37)

SR 37

- Marin County
- Sonoma County
- Napa County

Issues:

The proposed BAIFA committee membership anticipates the California Transportation Commission (CTC) will approve BAIFA's application for authority to toll SR 37 as part of the

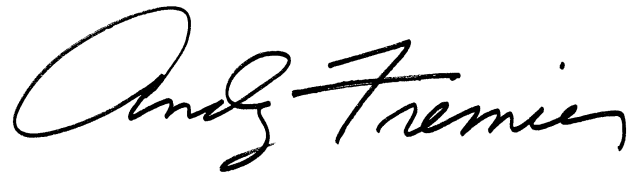
Sears Point to Mare Island Improvement Project. In December 2022, BAIFA authorized staff to submit the application to CTC, and staff is working toward consideration at CTC's March meeting. Should CTC approval be significantly delayed, BAIFA may wish to reconsider membership of the proposed BAIFA Network and Operations Committee. For example, BAIFA may wish to substitute the SR 37 county representatives with at-large representatives or officers of the BATA Oversight or MTC Operations committees.

Next Steps:

Staff intends to return in February to seek BAIFA's approval of a committee structure, based on input at the January BAIFA meeting. This would allow the new chair to make committee appointments this spring for BAIFA committees along with MTC and BATA committees. BAIFA committee(s) could convene for the first time in March or April.

Attachment:

- Presentation



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