

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

November 16, 2022

Agenda Item 4a - 22-1338

**Cooperative Agreement – Funding for I-880 Capital Preservation Maintenance Project**

**Subject:**

A request to enter into a cooperative agreement with Caltrans to contribute an amount not to exceed \$8,800,000 plus a contingency to be held by BAIFA of \$900,000 for the Alameda I-880 Capital Preventative Maintenance pavement rehabilitation project subject to BAIFA budget approval.

**Background:**

In December 2018, BAIFA entered into an operations and maintenance (O&M) agreement with Caltrans covering BAIFA's express lanes facility as required by statute. The agreement defines each agency's responsibilities for performing and funding O&M and rehabilitation work. Generally, BAIFA owns and is fully responsible for toll system assets and any civil asset that exists for the sole purpose of supporting express lanes tolling. Caltrans owns the roadway, including the lane used as the express lane but BAIFA is responsible for the cost of maintaining and rehabilitating the express lane pavement and adjacent shoulder. The O&M agreement requires BAIFA contributions to rehabilitation work be memorialized in separate cooperative agreements. The division of responsibility for rehabilitation is graphically depicted in Attachment A.

In October 2020, BAIFA completed the conversion of the high occupancy vehicle (HOV) lanes on I-880 in Alameda County into express lanes. Concurrently, Caltrans completed a pavement rehabilitation project on the segment of the Alameda I-880 express lane corridor north of Fremont Boulevard; the project included BAIFA-funded work to repair pavement scarred during the conversion to express lanes. Pavement on the corridor south of the Fremont Boulevard overcrossing was left in its existing condition.

In the coming months, Caltrans intends to advertise a project to perform pavement rehabilitation from the Fremont Boulevard overcrossing south to the Santa Clara County line. Caltrans intends to grind and repave to add 10 to 15 years of useful life to the roadway. Staff recommends that BAIFA contribute to the project, which is projected to have a total cost of \$74 million. The

methodology for calculating BAIFA’s contribution is still being evaluated at the time of packet publication. Staff will provide a recommendation for an authorization amount at the meeting.

Item 4b funds this project in the Rehabilitation Budget from the (unaudited) \$38 million surplus operating revenue.

Prospective rehabilitation projects on BAIFA express lane corridors that may be eligible for a BAIFA contribution are identified in the State Highway Operations and Protection Program (SHOPP) Ten-Year Project Book and include:

No.	County	Route	Location	Category of Rehabilitation	SHOPP Estimate	Ready to List Date
	Contra Costa	I-680	Danville and San Ramon	Pavement	\$44	FY25
	Contra Costa	I-680	Rte. 242 to Benicia Martinez Bridge	Pavement	\$36	FY25
	Contra Costa	I-680 NB	Rudgear Rd. to Monument Blvd.	Pavement	\$11	FY32
	Solano	I-80	Tennessee Street to Leisure Town	Pavement	\$112	FY32

The O&M agreement provides the framework for determining BAIFA’s responsibility for these projects and includes: conducting a joint walkthrough prior to express lanes construction; Caltrans’ consulting with BAIFA on its preventative maintenance program; BAIFA’s consulting with Caltrans on its expenditure plan; and memorialization in cooperative agreements. BAIFA’s share of the cost of each project would be determined by BAIFA and Caltrans based on the project scope and the terms in the O&M agreement.

In addition, Staff has initiated development of a long-range plan that will allow for a more comprehensive policy on revenue and its uses including a structured and collaborative approach with Caltrans to develop and jointly fund a civil rehabilitation program for BAIFA's express lanes corridors.

**Issues:**

BAIFA's commitment of funds would come as staff is developing a reserves policy informed by a long-range plan in which consideration will be given to network development, toll system replacement and appropriately allocated share of express lane roadway maintenance and rehabilitation (consistent with BAIFA's O&M Agreement with Caltrans). To the extent opportunities and needs arise before BAIFA approval of the long-range plan, staff will make one-off recommendations.

**Recommendations:**

That the Authority authorize a cooperative agreement with Caltrans to contribute an amount to be memorialized in the minutes for this item for the Alameda I-880 Capital Preventative Maintenance pavement rehabilitation project subject to BAIFA budget approval.

**Attachments:**

- Attachment A: Graphic representation of express lanes responsibility
- Authority Approval Sheet



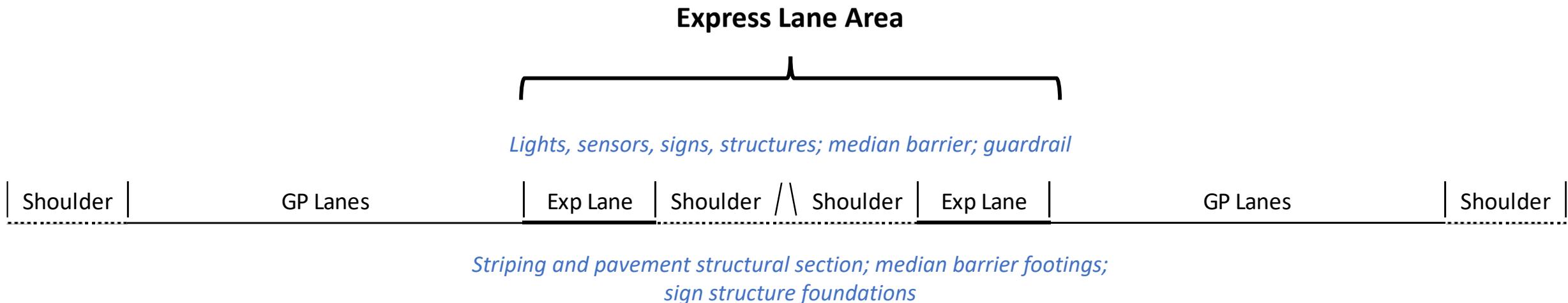
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Therese W. McMillan

# Attachment A

## BAIFA Financial Responsibility for Roadway per Express Lanes O&M Agreement

- BAIFA has financial responsibility for rehabilitation of the Express Lane (EL) Area, except for the median barrier (split proportionally with the State) and drainage (100% State).
- Other items are eligible for excess revenue in the expenditure plan
- BAIFA is not responsible for pre-existing conditions



## **Request for Authority Approval**

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### **Summary of Proposed Cooperative Agreement**

Work Item No.: 6864

Agency: Caltrans

Work Project Title: Funding Agreement for I-880 Capital Preservation Maintenance Project

Purpose of Project: Fund BAIFA's share of pavement rehabilitation project on I-880 in Alameda County

Brief Scope of Work: Pavement rehabilitation on I-880 in Alameda County from the Fremont Boulevard overcrossing south to the county line.

Project Cost Not to Exceed: To be finalized with approval of this item

Funding Source: BAIFA toll funds

Fiscal Impact: Funding is subject to BAIFA approval of an amendment to FY 2022-23 BAIFA budget.

Motion by Authority: That the Executive Director or designee is authorized to negotiate and enter into a cooperative agreement with Caltrans as described above and in the BAIFA Summary Sheet dated October 26, 2022 and that the Chief Financial Officer is authorized to set aside an amount and contingency to be finalized in the oral motion on this item, to be used at the discretion of the Executive Director or designee, for such agreement, subject to BAIFA budget approval.

Authority:

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Alfredo Pedroza, Chair

Approved: November 16, 2022