



Bay Area Infrastructure Financing Authority
Bay Area Metro Center
375 Beale Street, Suite 800
San Francisco, CA 94105
TEL 415.778.6700
WEB www.mtc.ca.gov

Memorandum

TO: BAIFA

DATE: May 3, 2017

FR: Executive Director

W.I. 6840

RE: Draft FY 2017-18 Express Lanes Program Operating Budget

Below is an overview of the draft FY 2017-18 Express Lanes Program Operating Budget. The FY 2017-18 budget will be presented to BAIFA for approval in June. The BATA Capital Budget provides capital funding for the express lane program, as in prior years.

FY 2017-18 Draft Operating Budget

The FY 2017-18 draft budget is the first operating budget for the express lanes program. The I-680 Contra Costa Express Lanes between Walnut Creek and San Ramon and the backhaul communications network (Backhaul) are anticipated to be in operation for 11 months in FY 2017-18. To cover first year operating expenses of \$8.5 million, the FY 2017-18 draft budget anticipates using a combination of express lane toll revenue and funds previously set aside for this purpose in the BATA Express Lane Capital Budget. The draft FY 2017-18 operating budget is shown in Attachment A.

General Toll Revenue - \$5.2 million

Staff is estimating total express lane toll revenue of \$5.2 million for FY 2017-18. This is a rough estimate considering it to be the first year of BAIFA revenue operations. Staff will be able to better estimate revenue when there is some historical data to track trends in the future.

Other Revenue - \$3.3 million

Violation Revenue – Staff is estimating \$0.5 million in revenue from toll violations. This is a conservative estimate based on the number of violations on the I-580 express lanes.

BATA Express Lanes Capital Funds Transfer In – To cover the balance of FY 2017-18 expenses, staff will allocate \$2.8 million of the \$16 million in BATA Express Lanes Capital funds previously set aside for capitalized operations and maintenance in the Express Lanes Program Expenditure Plan (BAIFA Resolution No. 9). These funds will be transferred from the BATA Capital Budget to the FY 2017-18 BAIFA Operating Budget.

Operating Expense

Total cost for the I-680 Express Lanes operations, including operations of the Backhaul Communications Network, is proposed to be \$8.5 million for FY 2017-18. Highlights of the FY 2017-18 budget include:

Express Lane and Backhaul Operations and Maintenance - \$6.6 million

FasTrak® Operations and Maintenance - \$1.8 million

- \$1.3 million for the FasTrak® Regional Customer Service Center (RCSC) operations. The RCSC will provide customer service, distribute toll tags, process violations, and collect tolls for the express lanes.
- \$240,000 for banking/credit card fees.
- \$225,000 for BATA financial services.

Express Lanes Operations and Maintenance - \$3.8 million

- \$3.8 million for daily express lanes operations and maintenance including: toll operators in the Regional Operations Center, California Highway Patrol enforcement, maintenance by BAIFA's roadway contractor and Caltrans, and PG&E utility services.

Backhaul Operations and Maintenance - \$1.0 million

- \$1.0 million for the Backhaul operations and maintenance and utility services. Notably, BAIFA is unique among Bay Area express lanes in supporting a fiber communications network of this extent.

Express Lanes Administration - \$1.8 million

- \$1.8 million for staff support, insurance and financial audit costs.

Recommendation

This draft budget is presented for the Authority's information. Staff will present the final budget to BAIFA for approval in June.



Steve Heminger

SH:bm
Attachment A



ATTACHMENT A
BAY AREA INFRASTRUCTURE FINANCING AUTHORITY
OPERATING BUDGET FY 2017-18

BAIFA Resolution No. 16

Date: May 3, 2017

W.I.: 6840

OPERATING REVENUE-EXPENSE SUMMARY

DRAFT BUDGET FY 2017-18	
General Toll Revenue	\$5,200,000
Violation Revenue	\$500,000
BATA Express Lanes Capital Funds-Transfer In	\$2,835,313
Total Operating Revenue	\$8,535,313
Total Operating Expense	\$8,535,313
Total Operating Surplus (Shortfall)	\$0

REVENUE DETAIL
BUDGET FY 2017-18

General Toll Revenue (subtotal)	\$5,200,000
CC-680 Toll Revenue	\$5,200,000
Violation Revenue (subtotal)	\$500,000
Other Revenue (Violations)	\$500,000
BATA Express Lanes Capital Funds (subtotal)	\$2,835,313
BATA Express Lanes Capital Funds-Transfer In	\$2,835,313
Total Current Year Revenue	\$8,535,313

EXPENSE DETAIL	
BUDGET FY 2017-18	
	DRAFT BUDGET FY 2017-18
Operating Expense	
FasTrak Operations and Maintenance (Subtotal)	\$ 1,800,000
RCSC Operations	\$ 1,335,000
Banking/Credit Card Fees	240,000
BATA Financial Services	225,000
Express Lanes Operations and Maintenance (Subtotal)	\$ 3,837,000
Express Lane Toll Operators	\$ 638,000
California Highway Patrol Enforcement	320,000
Roadway Maintenance	700,000
Toll System Operations & Maintenance	1,784,000
Caltrans Express Lanes Operations & Maintenance	155,000
Utility Service	240,000
Backhaul Operations and Maintenance (Subtotal)	\$ 1,029,000
Roadway Maintenance	\$ 692,000
Utility Service	337,000
Express Lanes & Backhaul Operations and Maintenance Total	\$ 6,666,000
Express Lanes & Backhaul Administration (Subtotal)	\$ 1,869,313
Salaries and Benefits	\$ 1,000,328
Professional/Consultant Service	322,000
Other	457,985
Audit/Accounting/Other	30,000
Insurance	59,000
Total Operating Expense	\$ 8,535,313