



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](http://www.mtc.ca.gov)

## ***Memorandum***

TO: BAIFA

DATE: June 21, 2017

FR: Executive Director

W.I. 6840

RE: BAIFA Resolution No. 16 - FY 2017-18 Express Lanes Program Operating Budget

The FY 2017-18 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 10 months in FY 2017-18. To cover first year operating expenses of \$8.6 million, the FY 2017-18 budget anticipates using a combination of express lane toll revenue and funds previously set aside for this purpose in the BATA Express Lanes Capital Budget. The FY 2017-18 operating budget is shown in Attachment A.

### **General Toll Revenue - \$5.2 million**

Staff is estimating a total of 1.2 million trips on the express lanes which will generate \$5.2 million in toll revenue in FY 2017-18. This is a rough estimate since it will be the first year of BAIFA revenue operations. Staff will be able to better estimate revenue in the future when there is some historical data.

### **Other Revenue/Transfers In - \$3.4 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 – In planning for Express Lane operations, staff anticipated a need to subsidize operating costs on this segment of I-680. As such, staff planned to cover up to three years from capital funds. To cover the balance of FY 2017-18 operating expenses, staff will allocate \$2.9 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, is proposed to be \$8.6 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 - \$4.1 million

- \$4.1 million for daily express lanes operations and maintenance including: toll operators in the Regional Operations Center, enforcement by California Highway Patrol, maintenance by BAIFA's roadway contractor and Caltrans, and PG&E utility services.

Backhaul Operations and Maintenance - \$0.7 million

- \$0.7 million for Backhaul operations plus 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 - \$2.0 million**

- \$2.0 million for staff support, insurance and financial audit costs.

**Recommendation**

Staff requests approval of the BAIFA Operating Budget for FY 2017-18, BAIFA Resolution No. 16.



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Steve Heminger

SH:bm  
Attachment A

Date: June 28, 2017  
W.I.: 6840  
Referred By: BAIFA

ABSTRACT

BAIFA Resolution No. 16

This resolution approves the Express Lanes Program Operating Budget for FY 2017-18 for the Bay Area Infrastructure Financing Authority (BAIFA).

Further discussion of the FY 2017-18 Express Lanes Program Operating Budget is contained in the Executive Director's Memorandum to BAIFA dated June 21, 2017.

Date: June 28, 2017  
W.I.: 6840  
Referred By: BAIFA

Re: Bay Area Infrastructure Financing Authority's Operating Budget for FY 2017-18

BAY AREA INFRASTRUCTURE FINANCING AUTHORITY  
RESOLUTION NO. 16

WHEREAS, the Metropolitan Transportation Commission ("MTC") and the Bay Area Toll Authority ("BATA") have executed a joint exercise of powers agreement dated as of August 1, 2006, as amended, which created and established the Bay Area Infrastructure Financing Authority ("BAIFA"); and

WHEREAS, BAIFA staff has prepared a budget setting forth the anticipated revenues and expenditures of BAIFA for FY 2017-18; now, therefore, be it

RESOLVED, that BAIFA approves the FY 2017-18 Operating Budget prepared in accordance to generally accepted accounting principles attached hereto as Attachment A and incorporated herein as though set forth in full to be effective July 1, 2017, in the amounts and for the purposes listed therein; and be it further

RESOLVED, that the Executive Director or designee shall submit written requests to BAIFA for approval of funds to contract for applicable consultant and professional services; and, be it further

RESOLVED, that BAIFA's Executive Director and the Treasurer and Auditor are authorized to carry over all contracts and funds properly budgeted in the prior year for which expenditures were budgeted and encumbered which will take place in FY 2017-18, and to cover any operating cash-flow deficits from any available resource provided such cash-flow advances are repaid by the close of the fiscal year; and be it further

RESOLVED, that the BAIFA staff shall furnish BAIFA with at a minimum, a quarterly financial report to reflect budgeted and actual income, expenditures, obligations for professional and consultant services and such other information and data as may be requested by BAIFA.

BAY AREA INFRASTRUCTURE FINANCING  
AUTHORITY

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Jake Mackenzie, Chair

The above resolution was entered into by  
the Bay Area Infrastructure Financing Authority  
at a regular meeting of the Board held in San Francisco,  
California on June 28, 2017.

Date: June 28, 2017  
W.I.: 6840  
Referred By: BAIFA

Attachment A  
BAIFA Resolution No. 16

FY 2017-18 BAIFA Express Lanes Program Operating Budget



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

BAIFA Resolution No. 16

Date: June 28, 2017

W.I.: 6840

**OPERATING REVENUE-EXPENSE SUMMARY**

	<b>Original Budget FY 2017-18</b>
General Toll Revenue	\$5,200,000
Violation Revenue	\$500,000
<b>Total Operating Revenue</b>	<b>\$ 5,700,000</b>
<b>Total Operating Expense</b>	<b>\$ 8,615,000</b>
<b>Total Transfers In/(Out)</b>	<b>\$ 2,915,000</b>
<b>Total Operating Surplus (Shortfall)</b>	<b>\$0</b>

<b>REVENUE DETAIL</b>
<b>BUDGET FY 2017-18</b>

<b>General Toll Revenue (subtotal)</b>	<b>\$5,200,000</b>
CC-680 Toll Revenue	\$5,200,000
<b>Violation Revenue (subtotal)</b>	<b>\$500,000</b>
Other Revenue (Violations)	\$500,000
<b>Transfers In</b>	<b>\$2,915,000</b>
BATA Express Lanes Capital Funds	\$2,915,000
<b>Total Current Year Revenue and Transfers In</b>	<b>\$ 8,615,000</b>

<b>EXPENSE DETAIL</b>
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**BUDGET FY 2017-18**

	<b>Original Budget FY 20017-18</b>
<b>Operating Expense</b>	
<b>FasTrak Operations and Maintenance (Subtotal)</b>	<b>\$ 1,800,000</b>
RCSC Operations	\$ 1,335,000
Banking/Credit Card Fees	240,000
Toll Collection Services	225,000
<b>Express Lanes Operations and Maintenance (Subtotal)</b>	<b>\$ 4,130,000</b>
Express Lane Toll Operators	\$ 799,000
California Highway Patrol Enforcement	320,000
Roadway Maintenance	700,000
Toll System Operations & Maintenance	1,916,000
Caltrans Express Lanes Operations & Maintenance	155,000
Utility Service	240,000
<b>Backhaul Operations and Maintenance (Subtotal)</b>	<b>\$ 715,000</b>
Roadway Maintenance	\$ 692,000
Utility Service	23,000
<b>Express Lanes Operations and Maintenance Total</b>	<b>\$ 6,645,000</b>
<b>Express Lanes Administration (Subtotal)</b>	<b>\$ 1,970,000</b>
Salaries and Benefits	\$ 1,001,000
Professional/Consultant Service	322,000
Other	558,000
Audit/Accounting/Other	30,000
Insurance	59,000
<b>Total Operating Expense</b>	<b>\$ 8,615,000</b>