



METROPOLITAN
TRANSPORTATION
COMMISSION

Agenda Item 6

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Memorandum

TO: Policy Advisory Council

DATE: September 6, 2017

FR: Rebecca Long, MTC

RE: Senate Bill 595 (Beall) – Regional Measure 3

Background

As you know, Senate Bill 595 (Beall) – which authorizes the Bay Area Toll Authority (BATA) to place on the ballot a toll increase of up to \$3 on the region's seven state-owned toll bridges (commonly referred to as Regional Measure (RM) 3 – is in the final stages of the legislative process. At the time this memo was finalized, the bill was awaiting action on the Assembly Floor. The bill was amended on September 5, 2017 after approval by the Assembly Appropriations Committee to address a number of concerns, including the following changes sought by MTC, including:

1. Authorize a FasTrak® discount to incentivize greater use of the region's electronic toll payment system;
2. Allow that any funds available from the toll increase that are not needed for the RM 3 expenditure plan set forth in the bill may be used for bridge rehabilitation and maintenance;
3. Provide flexibility as to when the election is held, but limit it to a primary or general election;
4. Allow for a "back-up" plan to avoid leaving funds unallocated if a project has savings or encounters insurmountable obstacles; allow toll revenue assigned to a specific project to be reduced or reassigned within the same bridge corridor, similar to RM 2;
5. Allow BATA to adjust the amount of funding assigned to projects on a pro-rata basis in the event that the toll increase is less than \$3 since the dollar amounts identified in the bill are based on the assumed funding availability from a \$3 increase; and.
6. Add funding for Clipper® 2.0 (\$50 million) from an additional \$200 million in capital funds that BATA identified as available.

The Commission also directed staff to seek greater geographic balance in the expenditure plan to increase funding in areas where the proposed investment levels are lower on a per toll payer basis. Further amendments are expected that would assign an additional \$150 million available and adjust the level of funding assigned to some projects so as to make additional funds available for projects benefiting Alameda and Contra Costa counties. Those changes are expected to be incorporated into the bill by Friday, September 8.

The attached PowerPoint provides additional details on the bill in print as of September 5, 2017.

Attachment:

- Attachment A: PowerPoint



Regional Measure 3 Update

Policy Advisory Council

September 13, 2017



RM3 Status Update

- Senate Bill 595 (Beall) would authorize the Bay Area Toll Authority to place on the ballot a toll increase up to \$3.
- Amendments were planned to be made on September 8, 2017.
- Those amendments include detailed project descriptions, some additional projects and adjustments to the funding levels provided in the July 19 version for a \$4.4 billion expenditure plan.
- In addition, a number of amendments were made to incorporate policy changes sought by MTC.



SB 595 Expenditure Plan Summary

PROGRAM CATEGORY	\$3 Toll Funding (in millions)	Percent of Capital Funding
Operating Program	\$60/year	--
Regional Capital Program	\$1,965	44%
Corridor-Based Capital Program	\$2,485	56%
Grand Total Capital Program	\$4,450	100%



Annual Operating Funding

OPERATING PROGRAM	Annual Amount \$60 million
ALL CORRIDORS	
Transbay Terminal	\$5
• Ferries (ramps up over five years)	\$35
Regional Express Bus	\$20



RM3 Capital Program

REGIONAL	\$3 Toll Project Amount (\$ millions)
BART Expansion Cars	500
Bay Area Corridor Express Lanes	300
Goods Movement and Mitigation	160
San Francisco Bay Trail / Safe Routes to Transit	150
Ferry Enhancement Program	300
BART to Silicon Valley, Phase 2	375
Sonoma-Marín Area Rail Transit (Extension to Windsor & Healdsburg)	40
Capitol Corridor	90
<i>Clipper (new)</i>	<i>50</i>
Subtotal	1,965



RM3 Capital Program

CENTRAL CORRIDOR (SF-Oakland Bay Bridge)		\$3 Toll Project Amount (\$ millions)
Caltrain Downtown Extension		325
Muni Fleet Expansion and Facilities		140
Core Capacity Transit Improvements		140
AC Transit - Rapid Bus Corridor Improvements		100
Transbay Rail Crossing		50
<i>Interstate 80 Transit Improvements</i>		25
Subtotal		780



RM3 Capital Program

SOUTH CORRIDOR (San Mateo-Hayward, Dumbarton)		\$3 Toll Project Amount (\$ millions)
Tri-Valley Transit Access Improvements		100
Eastridge to BART Regional Connector		130
San Jose Diridon Station		100
Dumbarton Corridor Improvements		130
Highway 101/State Route 92 Interchange		50
<i>Interstate 680/State Route 84 Interchange</i>		85
<i>Interstate 680/Route 262 Freeway Connector</i>		15
Subtotal		610



RM3 Capital Program

NORTH CORRIDOR (Richmond-San Rafael, Benicia-Martinez, Carquinez, Antioch)		\$3 Toll Project Amount (\$ millions)
Contra Costa Interstate 680/State Route 4 Interchange Improvements		210
Highway 101-Marin/Sonoma Narrows		120
Solano I-80/680/SR 12 Interchange Improvements		150
Interstate 80 Westbound Truck Scales		105
State Route 37 Improvements		100
San Rafael Transit Center		30
Richmond-San Rafael Bridge Access Improvements		210
North Bay Transit Improvements		100
SR 29 (South Napa County)		20
Continued...		



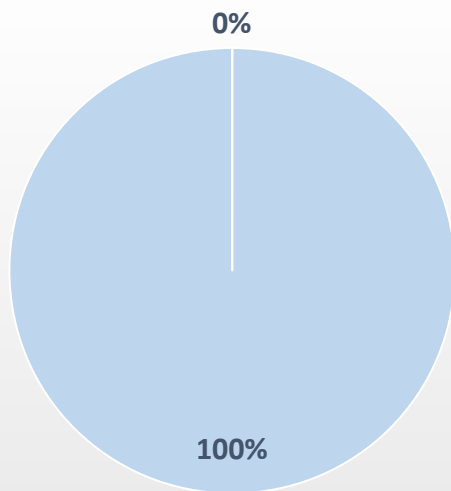
RM3 Capital Program

NORTH CORRIDOR (Cont'd)		\$3 Toll Project Amount (\$ millions)
East Contra Costa County Transit Intermodal Station		15
Byron Highway Vasco Road Airport Connector		10
Vasco Road Safety Improvements		15
I-680 Transit Improvements		10
Subtotal		1,095
Total all corridor-based programs		2,485
Grand total capital program		4,450



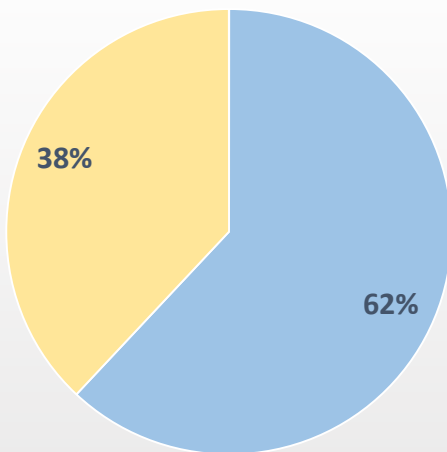
Voter Approved Bridge Toll Investments: Operating vs Capital

RM1
Capital vs. Operating



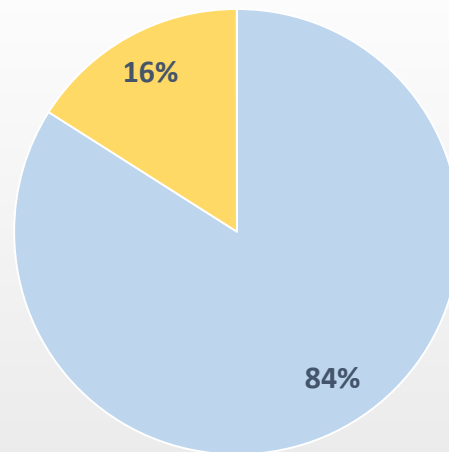
■ Capital ■ Operating

RM2
Capital vs. Operating



■ Capital ■ Operating

RM3
Capital vs. Operating



■ Capital ■ Operating



Latest Amendments to SB 595

- **FasTrak® Discount.** Authorize a financial incentive for more people to pay tolls via FasTrak to reduce delay at toll plazas and toll collection administrative costs.
- **Use of Toll Revenue from Indexing.** Specifies that any funds generated from an indexing of the tolls could be spent on bridge rehabilitation/maintenance as well as supplemental funds for RM 3 projects.
- **Election Date.** Deletes reference to November 2018 to provide flexibility on when vote is held.
- **Back-up Plan.** To avoid leaving funds unallocated if a project has savings or encounters insurmountable obstacles, allows toll revenue assigned to a specific project to be reduced or reassigned within the same bridge corridor, similar to RM 2.

Latest Amendments to SB 595 (cont'd)

- **Clipper 2.0 Funding.** Provides \$50 million to fund Clipper 2.0, the next generation of the region's transit fare collection system.
- **Pro Rata Expenditure Plan Adjustment.** In the event that a \$3 toll increase is determined to be infeasible at the ballot, the bill allows for a pro rata adjustment to the expenditure plan to account for a lower toll increase.
- **BART Inspector General.** The bill establishes a new office at BART to report to their board and oversee use of bridge tolls and other funds within BART, to be nominated by the board and appointed by the Governor for a four-year, renewable term.
- **Two-bridge Discount.** The bill requires a 50% discount (on RM 3 toll increment) for toll payment on second bridge.

Next Steps

- The bill is expected to be voted on by the Assembly and Senate the last week of session, which concludes on September 15.
- The Governor has 12 days to sign or veto the bill if it is transmitted before the final day of session, or until October 15 if it is received after September 15 (most likely). If he does not sign or veto the bill within this timeframe, it will become law without his signature.