

Bay Area Infrastructure Financing Authority (BAIFA)

May 27, 2020

Agenda Item 3a - 20-0664

Cooperative Agreement Amendment – San Mateo 101 Express Lanes Toll System: San Mateo County Express Lanes Joint Powers Authority (SMCELJPA), the San Mateo County Transportation Authority (SMCTA) and the City/County Association of Governments of San Mateo County (C/CAG)

Subject: A request for approval to amend the cooperative agreement between the Bay Area Infrastructure Financing Authority (BAIFA), the San Mateo County Express Lanes Joint Powers Authority (SMCELJPA), the San Mateo County Transportation Authority (SMCTA) and the City/County Association of Governments of San Mateo County (C/CAG) (collectively referred to as the San Mateo County Agencies) for installation, testing, and associated services to deliver the express lane toll system.

Background: In February 2019, BAIFA approved an arrangement whereby BAIFA will implement the toll system and operate the San Mateo 101 Express Lanes (San Mateo 101) for the agency that would ultimately be responsible for the lanes. In May 2019, C/CAG and SMCTA created the SMCELJPA, which subsequently secured authorization from the California Transportation Commission to implement the San Mateo 101 Express Lane.

In June 2019, BAIFA authorized a cooperative agreement with SMCELJPA committing an initial amount not to exceed \$3 million for the toll system design phase with the understanding staff would return at a later date for authorization to add the toll system implementation phase. After BAIFA approved staff's request to enter into a cooperative agreement with SMCELJPA, the San Mateo Agencies informed us they preferred a four-party cooperative agreement with each agency playing a role. SMCELJPA was formed to oversee the operations and administration of the San Mateo 101 Express Lanes Project, and to jointly exercise ownership rights over the express lanes. C/CAG is the procurement and contract management arm, as well as provider of SMCELJPA Board support, while SMCTA is the financing arm of SMCELJPA and provides marketing and communications support. BAIFA subsequently entered into the agreement with all of the San Mateo County Agencies. Staff is now requesting authorization to amend the cooperative agreement in order to undertake the work associated with toll system implementation including, but not limited to: capital and support for toll equipment and testing, integration with the FasTrak® Customer Service Center, implementation of the backhaul communications network, and expansion of the Regional Operating Center (ROC) to accommodate the SM 101 corridor, as well as contingency for known and unknown risks. With this amendment, BAIFA will agree to spend up to \$42,000,000 in implementation related expenses, subject to other Authority approvals. Staff would also like to note that staff will seek authority from BAIFA in the future to execute change orders to its existing Toll System


Integrator (TSI) contract with Transcore, LP to execute the majority of this work, as explained further in Item 3b.

BAIFA's work on San Mateo 101 is funded in the FY 2019-20 BAIFA Capital Budget by a portion of the \$95 million provided by the Bay Area Toll Authority (BATA) for the project. These funds represent the regional commitment of bridge toll funding to the \$586.9 million project, which secured \$200 million in the first cycle of competitive Senate Bill 1 (SB 1) funding. Specifically, the \$95 million includes \$45 million to pay for BAIFA's costs to design and implement the San Mateo 101 toll system. The \$50 million balance of bridge toll funding is being used to help fund civil construction of the express lanes in accordance with a funding agreement between BAIFA and SMCTA approved by BAIFA in November 20, 2019.

Toll system implementation and testing must be undertaken in order to complete the San Mateo 101 Express Lanes approved by the California Transportation Commission. BAIFA is performing this work through mutual agreement with the San Mateo County Agencies, but BAIFA is not required to perform this work by statute or regulation. As noted above, funds for BAIFA's work on toll system implementation and testing are approved in the FY 2019-20 BAIFA Capital Budget, and no additional funding is required in FY 2020-21 to complete BAIFA's work to implement the San Mateo 101 toll system. Staff will return to BAIFA at a future date, likely in FY 2020-21, for authorization to enter into a separate operations and maintenance agreement with SMCELJPA. The project is expected to begin tolling operations in 2021. BAIFA's operations and maintenance work for SMCELJPA will be funded with San Mateo 101 Express Lane toll revenue.

Recommendation: Staff recommends that the Authority authorize the Executive Director or designee to negotiate and enter into an amendment to the cooperative agreement between BAIFA and the San Mateo County Agencies for toll system implementation and testing.

Attachments: Request for Authority Approval – Summary of Proposed Cooperative Agreement Amendment


Therese W. McMillan

REQUEST FOR AUTHORITY APPROVAL

Summary of Proposed Cooperative Agreement Amendment

Work Item No.:	6853
Agency:	San Mateo County Express Lanes Joint Powers Authority (SMCELJPA), the San Mateo County Transportation Authority (SMCTA) and the City/County Association of Governments of San Mateo County (C/CAG)
Work Project Title:	San Mateo 101 Express Lanes Toll System
Purpose of Project:	Implement an express lane on US 101 in San Mateo County.
Brief Scope of Work:	Implement and test the toll system for San Mateo 101 Express Lane and cover costs including, but not limited to, toll system support, capital cost related to installation and testing of toll equipment, and backhaul communications network, as well as contingency for known and unknown risks.
Project Cost Not to Exceed:	\$45,000,000 (includes \$3,000,000 from original agreement), subject to necessary Authority approval for specific contracts
Funding Source:	BAIFA Capital Budget Funds
Fiscal Impact:	Funding is included in the adopted FY 2019-20 BAIFA Capital and Operating Budget (BAIFA Resolution No. 18, Revised)
Motion by Authority:	That the Executive Director or designee is authorized to negotiate and enter into an amendment to the Cooperative Agreement with the SMCELJPA, SMCTA, and C/CAG for toll system implementation described above and in the Bay Area Infrastructure Financing Authority Summary Sheet dated May 27, 2020.
Bay Area Infrastructure Financing Authority:	<hr/> Scott Haggerty, Chair
Approved:	May 27, 2020