

## Regional Measure 3 Independent Oversight Committee

March 7, 2025

Agenda Item 6b

### Regional Measure 3 (RM3) Allocations and Expenditures Update

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#### **Subject:**

Update on RM3 allocations and expenditures to date.

#### **Background:**

At the November 15, 2024 meeting, staff presented an update on the RM3 revenue collection through June 30<sup>th</sup>, 2024, and allocations and expenditures through October 31, 2024. Today's committee item includes recent updates to revenue collection, allocations, and expenditures.

#### **Revenue Collection**

The final FY 2023-24 RM3 bridge toll revenues were \$213.4 million, as presented at the September 9<sup>th</sup> IOC meeting and confirmed by the financial statement audit in October. RM3 bridge toll revenues for the first half of FY 2024-25, July through December 2024, were \$111.9 million. As of December 2024, the balance in the RM3 Capital fund was \$613.8 million and the balance in the RM3 Operating fund was \$7.4 million.

Additionally, Streets and Highways Code Section 30914.7(c) provides that, to the extent that funds made available for the ferry component of the RM3 operating program are not requested for expenditure by the San Francisco Bay Area Water Emergency Transportation Authority ("WETA") in a given year, the funds will be held in a reserve account, until such time that WETA requests these funds for an operating or capital purpose. As of June 30, 2024, the WETA Operating Reserve amount was \$96.1 million.

#### **Updates to the Expenditure Plan**

The RM3 statute gives MTC discretion to approve changes to the scope of projects within the RM3 expenditure plan or reassign funds to another project within the same bridge corridor, provided MTC consults with the program or project sponsor and holds a public hearing. No such changes were made, or public hearings held, since the last IOC meeting.

MTC Staff have opened a comment period and plan to hold a public hearing at the upcoming Programming and Allocations Committee meeting on March 12, 2025, to gather feedback on the following proposed changes to the expenditure plan:

- Modify scope of Highway 101-Marin/Sonoma Narrows (RM3 project #20) to include updating the high occupancy vehicle lane hours signage on Highway 101 between Arata Lane in Windsor and North Bridge Boulevard in Sausalito.

The proposed change is a correction to the project description to capture the project limits accurately and will allow for updating the HOV signage to consistent hours for the entire US-101 corridor once the Marin/Sonoma Narrows project opens connecting the two counties. The Transportation Authority of Marin and the Sonoma County Transportation Authority, as the project sponsors identified in legislation, submitted a letter requesting this modification. Note the funding amount remains unchanged (\$120 million), as does the project limits for the main capital portion of the Marin/Sonoma Narrows project (on US-101 between Petaluma Boulevard North in Petaluma and State Route 37 in Novato). MTC has allocated \$91 million to-date for this project. The RM3-funded segments are in the design and construction phases.

The public hearing notice and proposed changes to MTC Resolution No. 4621 are included as Attachment A. The comment period opened on February 27, 2025, and will close on March 30, 2025. Staff will return to the Commission in April with a summary of comments received and with recommendations for approval of the proposed program revisions. If the proposed revisions are approved, staff will also return to the Commission with recommendations to allocate funds to the newly re-scoped project.

One prior public hearing and expenditure plan change has been approved since the implementation of RM3; this has been presented at previous IOC meetings. Attachment A also includes a summary of previously approved changes to the expenditure plan.

### **Operating Program Allocations and Expenditures**

The FY 2024-25 RM3 Operating Program, MTC Resolution No. 4644, was revised by the Commission in December 2024. The revision added the funding maximums for express bus service.

In January and February 2025, the Commission approved \$12.8 million in operating allocations consistent with the FY 2024-25 RM3 Operating Program. Additionally, \$2.2 million in operating allocations were approved by Delegated Authority. Attachment B, Index of Commission Allocation Actions, breaks down the Commission meetings featuring RM3 operating actions by month and includes links to where the staff reports and allocating resolutions can be viewed.

**Capital Allocations and Expenditures**

From November 2024 through February 2025, the Commission approved \$32.5 million in new capital allocations. Additional capital allocations were made via delegated authority in December 2024. Attachment C, RM3 Capital Allocations Summary, provides an overview of all capital allocations made to date and previews the allocations recommended for Commission approval in November. Attachment B, Index of Commission Allocation Actions, breaks down the Commission meetings featuring RM3 capital and operating allocations by month, and includes links to where the staff reports and allocating resolutions can be viewed.

For capital projects in which MTC or BATA is a sponsor or co-sponsor and that need further definition or distribution between multiple sponsors prior to allocation, MTC can program the funds via MTC Resolution No. 4411, Revised, included as Attachment D. No new programming actions were approved by MTC since the last IOC meeting.

As of February 2025, the RM3 capital program has made a total of \$1.6 billion in allocations. As of January 2025, \$257 million had been reimbursed to project sponsors.

An additional \$14.1 million in capital allocations are recommended for approval by the Commission in March 2025. Details of these recommendations are available in the March 12, 2025 Programming and Allocations Committee meeting materials.

**Issues:**

None.

**Recommendation:**

Information only.

**Attachments:**

- Attachment A: Public hearing notice and proposed changes to MTC Resolution No. 4621 (Regional Measure 3 Program Amendments)
- Attachment B: Index of Commission Allocation Actions
- Attachment C: Capital Allocations and Expenditures
- Attachment D: MTC Resolution No. 4411, Revised – Attachments A - D (Programming of Regional Measure 3 Capital Projects)
- Presentation



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