

**Metropolitan Transportation Commission
Programming and Allocations Committee**

May 10, 2023

Agenda Item 2e - 23-0564

Regional Measure 2 (RM2) and Regional Measure 3 (RM3) Capital Programs: Semi-Annual Update

Subject:

Semi-annual update on the progress of projects that have received Regional Measure 2 (RM2) capital funds and projects issued Regional Measure 3 (RM3) Letters of No Prejudice (LONPs).

Background:

RM2 Capital Program

RM2 was passed by the voters in March 2004 and the Commission began allocating funds in July 2004. Attached is the latest semiannual report for the RM2 capital program.

Allocation/Expenditure Status

The RM2 Capital Program has a total program amount of approximately \$1.6 billion. As of April 2023, MTC has approved \$1.58 billion in capital allocations, of which \$1.54 billion has been expended (97% of the total amount available).

Project Status

The majority of projects are completed or are on track and under construction. Staff continues to work with sponsors to move projects with remaining unallocated funds toward construction.

RM3 Capital Program

Bay Area voters approved Regional Measure 3 (RM3) on June 5, 2018, and on December 19, 2018, the Bay Area Toll Authority (BATA) adopted a toll schedule phasing in the resulting toll increase. The first and second dollars of the toll increase were implemented on January 1, 2019 and January 1, 2022, respectively. Lawsuits challenging RM3 were dismissed by the State Supreme Court earlier this year, finally resolving the litigation in favor of RM3. The Bay Area Toll Authority released the toll funds held in escrow and terminated the escrow agreement in March 2023. The Commission has not yet begun making allocations of RM3 funds, but expects to begin as early as June 2023.

Until RM3 allocations can be made, MTC continues to issue and monitor LONPs allowing projects to progress with alternative fund sources while preserving eligibility for RM3 reimbursement when the funds are made available.

Twenty-one RM3 projects have been issued LONPs totaling \$600 million. Most projects with LONPs are proceeding with phases funded by the RM3 replacement source, including some projects under construction. However, some transit projects have been unable to proceed even with the LONP and are awaiting allocation of RM3 funds to continue with the approved scope.

Most project sponsors with LONPs are expected to request conversions to RM3 allocations as soon as MTC begins making allocations. Over \$180 million has been spent against the RM3 LONPs, and it is expected that sponsors will request reimbursements for this amount soon after the LONPs are converted to RM3 allocations.

Issues:

None identified.

Recommendations:

Information

Attachments:

- Attachment A: RM2 Semi-Annual Report
- Attachment B: RM3 Letters of No Prejudice Summary



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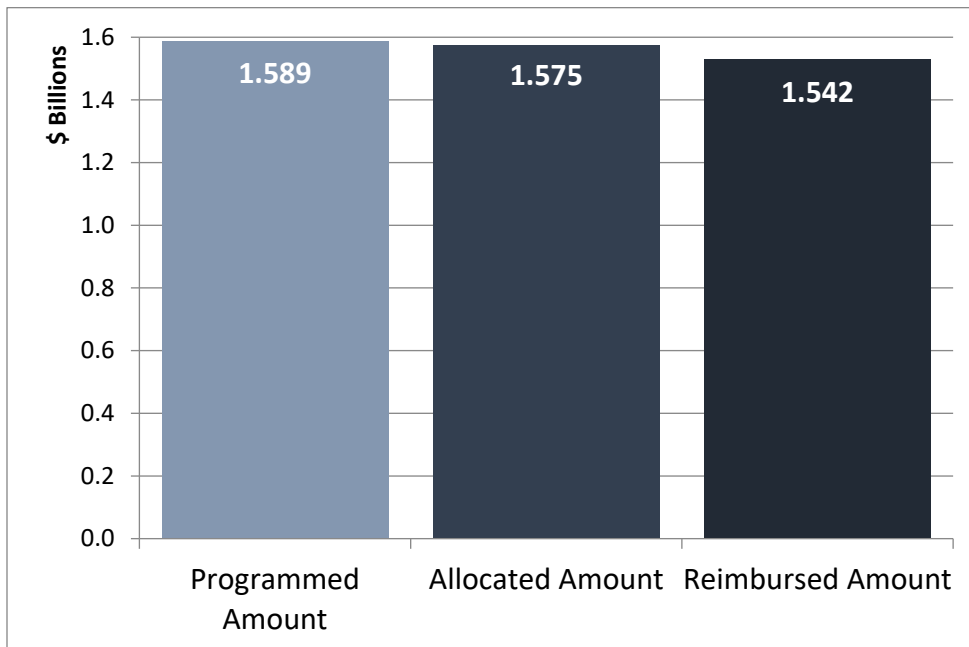
Regional Measure 2 (RM2) Capital Program Semi-Annual Update

This report summarizes the status of the RM2 capital program and highlights ongoing and recently completed RM2-funded projects.

Capital Program Summary

Of the \$1.59 billion RM2 capital program, 99% of the funds have been allocated to projects and 97% of the funds have been reimbursed.

Figure 1: RM2 Capital Program Summary



The remaining \$14 million not yet allocated includes the following projects:

- Express Bus South (Dumbarton Reserve) (\$5M)
- Bay Bridge Forward (\$3M)
- LAVTA Shared Autonomous Vehicle Pilot (\$2.5M; new subproject as of 2021)
- LAVTA Rapid Bus Stop Improvements (\$2M; new subproject as of 2021)
- BART/Muni Connection (\$1.5 M)

Staff are working with project sponsors to move these projects towards readiness for RM2 allocation. The \$32 million allocated but not yet reimbursed includes the following projects:

- Bay Bridge Forward (\$11M - includes funds from RM2 Project 29 and RM2 Project 38; includes funding for new subproject added in 2020)
- Dublin/Pleasanton Parking Garage (\$7M)
- Richmond Parkway Park & Ride (\$2M)
- Blue Ribbon Task Force Initiatives (\$2M; new subproject added in 2020)
- Irvington BART Station (\$2M)
- Dumbarton Bus Replacement (\$2M)
- BART Extension to Warm Springs (\$1M)
- Clipper Next Generation (\$1M)
- BART/Muni Connection (\$1M)
- \$3M in smaller allocations across other ongoing projects

Staff are working with project sponsors to track project progress and redirect project savings as appropriate. Most projects are on track to be completed as planned, with most ongoing projects under or entering construction or in closeout. Some projects are still recovering from COVID-19 related delays and cost increases. Staff will continue to monitor projects to assess and minimize risks, including project delays and funding shortfalls, and to provide opportunities for meaningful scope changes.

Project Highlights

The following are highlights of the projects covered by this year-end report, which includes both projects reporting semi-annually and annually.

Projects Completed or Substantially Completed this Period

- The RM2-funded segment of the Transportation Authority of Marin's **North-South Greenway Gap Closure Project** is complete and the multi-use pathway is open to the public
- The RM2 funded portion of the BART **Railcar Replacement Project** has been completed and closed out. Delivery of the next phase of railcars continues.



*North-South Greenway Segment over
Corte Madera Creek opened July 2022*

Projects in Construction/Implementation

- Construction progressed on the **I-80/I-680/Hwy-12 Interchange Project** and **I-80 HOV Lanes** in Solano County
- **The Next Generation Clipper System** continued rollout, including testing of new equipment
- Caltrain has worked to resolve a funding gap on the **Peninsula Corridor Electrification Project** and is continuing installation of the electrification infrastructure and delivery of electric trainsets, four of which have been received on Caltrain property
- Construction began on the **Dublin/Pleasanton BART Parking Garage**

Projects in Design and Engineering

- Design continued to advance on **Bay Bridge Forward** and **Bay Bridge Forward 2020** projects, and **Irvington Station**

Look Ahead

Most remaining projects are in construction or starting construction within the next two years. Staff will continue to work with project sponsors to monitor ongoing projects, close out completed projects, and allocate remaining funds.

Regional Measure 3 (RM3) Capital Program Semi-Annual Update – Letters of No Prejudice (LONP)

21 projects have been issued LONPs **totaling \$600 million** to allow projects to progress with alternative fund sources while preserving eligibility for RM3 reimbursement when the funds are made available. The list of projects that have been issued an LONP is below, organized by commission approval date. A \$2 million increase to the LONP to CCTA for the Mokelumne Trail Bicycle/Pedestrian Overcrossing at SR-4 (RM3 Project 34.1) is being proposed for Commission approval this month.

RM3 Project Number	Sponsor	Project Title	LONP Phase	Amount (\$M)	Commission Approval Date
5.1	WETA	Mission Bay Ferry Landing	Construction	25.0	Mar-20
3.1	ACTC	Goods Movement GoPort 7th St Grade Separation	Construction	55.0	May-20
30	ACTC	I-680/SR-84 Interchange Reconstruction and SR-84 Expressway Widening	Construction	85.0	May-20
21	STA	I-80/I-680/SR-12 Interchange	Construction	18.8	Jul-20
25.1	TAM	US-101/I-580 Direct Connector	Planning/Env	5.6	Jul-20
7.1	SMART	SMART System Extension to Windsor and Healdsburg	Construction	5.0	Oct-20
20.1	TAM	US-101 Marin-Sonoma Narrows, Marin Segment	ROW	7.1	Dec-20
19.1	CCTA	I-680/SR-4 Interchange Improvement Phase 1 and 2A	Final Design	8.0	Feb-21
34.1	CCTA	Mokelumne Trail Bicycle/Pedestrian Overcrossing of SR-4	Construction	11.0	Feb-21
29.1	ACTC	SR-262 (Mission Blvd) Cross Connector	Environmental	10.0	Apr-21
22	STA	I-80 Westbound Truck Scales	PS&E	5.3	Apr-21
20.1	TAM	US-101 Marin-Sonoma Narrows, Marin Segment	Construction	80.9	Apr-21
2.1	STA	I-80 Express Lanes in Solano County	Construction	70.4	Apr-21
26.1	NVTA	Vine Transit Maintenance Facility	Construction	20.0	Jun-21
2.2	BAIFA	I-80 Express Lanes in Solano County (Toll System)	Construction	31.3	Jul-21
2.3	ACTC	I-680 Southbound Express Lane in Alameda County	Construction	80.0	Sep-21
28	MTC	Next-Generation Clipper Transit Fare Payment System	PS&E/CON	30.0	Feb-22
18.1	SMCTA	Highway 101/State Route 92 Interchange: Area Improvements Project	ROW	0.025	Mar-22
18.2	SMCTA	Highway 101/State Route 92 Interchange: Direct Connector Project	Environmental	2.0	Mar-22
27.1	NVTA	SR 29 Improvement Project - Soscol Junction	Construction	20.0	Apr-22
16	VTA	San Jose Diridon Station Project	PS&E/CON	30.0	Nov-22
Total				600.4	