



I-680 Sunol Express Lane Joint Powers Authority Meeting Agenda Monday, November 8, 2021, 9:00 a.m.

Pursuant to AB 361 in light of the current statewide State of Emergency, the Authority will not be convening at its meeting room but will instead convene remote meetings.

Members of the public wishing to submit a public comment may do so by emailing the Clerk of the Commission at vlee@alamedactc.org. Public comments received by 5:00 p.m. the day before the scheduled meeting will be distributed to Board members before the meeting and posted on Alameda CTC's website; comments submitted after that time will be distributed to Board members and posted as soon as possible. Submitted comments will be read aloud to the Authority and those listening telephonically or electronically; if the comments are more than three minutes in length the comments will be summarized. Members of the public may also make comments during the meeting by using Zoom's "Raise Hand" feature on their phone, tablet or other device during the relevant agenda item, and waiting to be recognized by the Chair. If calling into the meeting from a telephone, you can use "Star (*) 9" to raise/ lower your hand. Comments will generally be limited to three minutes in length, or as specified by the Chair.

| | | | |
|------------------|---|-------------------------|-------------------------------|
| Authority Chair: | Lily Mei, City of Fremont | Executive Director: | Tess Lengyel |
| Vice Chair: | David Haubert, Alameda County, District 1 | Staff Liaison: | Gary Huisingh |
| Members: | Karla Brown, Glenn Hendricks (Santa Clara Valley, Transportation Authority), Melissa Hernandez | Clerk of the Authority: | Vanessa Lee |

Location Information:

Virtual Meeting Information: <https://us06web.zoom.us/j/87379747713?pwd=bUZTTitjVG1pU2VaL29BeIVuZG00QT09>
Webinar ID: 873 7974 7713
Password: 258726

For Public Access Dial-in Information: **(669) 900-6833**
Webinar ID: 873 7974 7713
Password: 258726

To request accommodation or assistance to participate in this meeting, please contact Vanessa Lee, the Clerk of the Authority, at least 48 hours prior to the meeting date at: vlee@alamedactc.org

1. Call to Order

2. Roll Call

3. Public Comments

| 4. AB 361 Findings | Page/Action | |
|--|-------------|---|
| 4.1. Consider and Adopt Findings Pursuant to Government Code Section 54953(e) (AB 361) to Allow Remote Meetings | 1 | A |
| 5. Consent Calendar | | |
| 5.1. Approve the September 13, 2021 I-680 Sunol Smart Carpool Lane Joint Powers Authority (JPA) Meeting Minutes | 3 | A |
| 5.2. I-680 Sunol Express Lanes Project Implementation Update | 5 | I |
| 5.3. Approve the FY2021-22 First Quarter Financial Report | 7 | A |
| 6. Regular Matters | | |
| 6.1. Approve the Bay Area Express Lanes Network Executive Steering Committee Memorandum of Understanding | 11 | A |
| 6.2. Approve the Sunol Smart Carpool Lane JPA Draft Audited Annual Financial Report For the Year Ended June 30, 2021 | 19 | A |
| 7. Committee Member Reports | | |
| 8. Staff Reports | | |
| 9. Adjournment | | |

Next Meeting: February 14, 2022

Notes:

- All items on the agenda are subject to action and/or change by the Authority.
- To comment on an item not on the agenda, submit an email to the clerk or use the Raise Hand feature or if you are calling by telephone press *9 prior to or during the Public Comment section of the agenda. Generally public comments will be limited to 3 minutes.
- Call 510.208.7450 (Voice) or 1.800.855.7100 (TTY) five days in advance to request a sign-language interpreter.
- If information is needed in another language, contact 510.208.7400.
- Call 510.208.7400 48 hours in advance to request accommodation or assistance at this meeting.
- Meeting agendas and staff reports are available on the [website calendar](#).



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City of San Leandro

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Mayor Karla Brown

City of Union City
Mayor Carol Dutra-Vernaci

Executive Director
Tess Lengyel

Alameda CTC Schedule of Upcoming Meetings December 2021

Commission and Committee Meetings

| Time | Description | Date |
|-----------|--|-------------------|
| 2:00 p.m. | Alameda CTC Commission Meeting | December 2, 2021 |
| 2:00 p.m. | Alameda CTC Special Commission Meeting | December 13, 2021 |

Pursuant to AB 361 and the findings made by the Commission governing its meetings and the meetings of its Committees in light of the current statewide State of Emergency, the Commission and its Committees will not be convening at Alameda CTC's Commission Room but will instead convene remote meetings.

Meeting materials, directions and parking information are all available on the [Alameda CTC website](http://www.alamedactc.org). Meetings subject to change.

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MEMORANDUM

October 29, 2021

TO: Sunol Express Lane Joint Powers Authority (“Sunol JPA”)

FROM: Neal Parish

RE: Consider and Adopt Findings Pursuant to Government Code Section 54943(e) (AB 361) to Allow Remote Board Meetings

As of October 1st, AB 361 allows a local agency to continue to use teleconferencing without complying with the standard teleconferencing provisions of the Brown Act if the legislative body holds a meeting during a proclaimed state of emergency and determines by majority vote that, as a result of the emergency, meeting in person would present imminent risks to the health or safety of attendees (Government Code section 54953(e)). The governing bodies of both Alameda CTC and VTA, the Sunol JPA’s member agencies, each considered this matter at their respective governing body’s final meetings during the month of September. After careful consideration, each agency made such a finding, and further ensured that the findings and the authorizations for remote meetings applied to all committees and subcommittees of the agencies.

Since the Sunol JPA is a separate legal entity from both Alameda CTC and the VTA, however, the Sunol JPA Board must take an independent action to adopt the appropriate finding in order for the Sunol JPA Board to follow the lead set by its member agencies and also hold its meetings remotely. This is the first meeting of the Sunol JPA Board since the Governor signed AB 361, and is thus the first opportunity for the Sunol JPA Board to consider the matter.

Accordingly, in order to hold this meeting of the Sunol JPA Board on a remote basis, and potentially hold future meetings of the Board remotely, the Board must approve a motion making the following finding:

Pursuant to Government Code Section 54953(e)(1), the Sunol Express Lane Joint Powers Authority (“Sunol JPA”) hereby determines that there is a state of emergency proclaimed by the State of California based upon the COVID-19 Pandemic, and further determines that meeting in person would present imminent risks to the health or safety of attendees, and therefore Sunol JPA will follow the provisions of Government Code Section 54953(e)(2) with respect to all meetings of the Sunol JPA Board, subject to continued compliance and review pursuant to Section 54953(e)(3).

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1. Call to Order

2. Roll Call

A roll call was conducted. All members were present.

Commissioner Salwan was present as the alternate for Commissioner Mei.

3. Public Comment

There were no public comments.

4. Consent Calendar

4.1. Approve the May 10, 2021 I-680 Sunol Smart Carpool Lane Joint Powers Authority (JPA) Meeting Minutes

4.3. I-680 Sunol Express Lanes Project Implementation Update

Commissioner Brown moved to approve the Consent Calendar. Commissioner Hernandez seconded the motion. The motion passed with the following vote:

Yes: Brown, Haubert, Hendricks, Hernandez, Salwan

No: None

Abstain: None

Absent: None

5. Regular Matters

5.1. Approve actions necessary to facilitate project advancement into the construction phase for the I-680 Southbound Express Lanes from SR-84 to Alcosta Boulevard Project

Tess Lengyel stated that this is an action item before the Authority to finalize the funding program for the I-680 Gap Closure Project. She noted that this Project is named in the 2014 Transportation Expenditure Plan. Ms. Lengyel introduced Vivek Bhat to present this item. Mr. Bhat recommended the Authority approve the funding strategy for the I-680 Southbound Express Lanes from SR-84 to Alcosta Boulevard Project (Project) to facilitate project advancement into the construction phase. He noted that the design phase is 100 percent complete, and the project is ready to advance to the construction phase. Mr. Bhat stated that Alameda CTC is the project sponsor and implementing agency of the Project and delivery of the Project is currently being coordinated with an upcoming Caltrans pavement rehabilitation project along the same section of I-680. It is recommended that the I-680 Sunol Express Lane Joint Powers Authority (Sunol JPA) endorses Alameda CTC's July 22, 2021 action to program a loan of \$66.4 million from the 2000 Measure B capital account. The action also commits to repaying the loan within within an estimated 20 years.

from net operating revenues from the I-680 express lane operations as a priority expenditure, once the southbound express lane between SR-84 and Alcosta boulevard is operational.

Commissioner Haubert asked if the ongoing governance and policies would continue to be the same as the Authority's other express lanes and requested confirmation that the lanes connect to Contra Costa County. Ms. Lengyel confirmed that the lanes connect to Contra Costa County and noted that all policies are consistent across the region.

Commissioner Hendricks asked how long the I-680 Gap was and asked for clarification regarding the total funding for the segment. Ms. Lengyel responded that the gap is 9 miles and explained that costs included widening along the corridor, new barriers, and implementing a brand new lane with new Express Lanes infrastructure.

Commissioner Hendricks asked what percentage will be for paying back the loan and how much will be left for the maintenance. He asked Is there interest on the loan, and if so, how much. Ms. Lengyel noted that this loan method is similar to the method used for funding the I-580 project in Alameda County. Maintenance and operations costs are taken off the top and then payment for the loan, and if there is any net revenue, it goes towards transit or other improvements along the corridor. Ms. Lengyel noted that Alameda CTC will not be charging itself interest on the loan.

Commissioner Hernandez moved to approve the item. Commissioner Haubert seconded the motion. The motion passed with the following vote:

Yes: Brown, Haubert, Hendricks, Hernandez, Salwan
No: None
Abstain: None
Absent: None

6. Member Reports

There were no member reports.

7. Staff Reports

There were no staff reports.

8. Adjournment

The next meeting is Monday, November 8, 2021 at 9:00 a.m.



DATE: November 1, 2021

TO: I-680 Sunol Express Lane Joint Powers Authority

FROM: Liz Rutman, Director of Express Lanes Implementation and Operations

SUBJECT: I-680 Sunol Express Lanes Project Implementation Update

Recommendation

This item is to provide the Authority with an update on the status of I-680 Sunol Express Lanes – Phase 1 project implementation. This item is for information only.

Summary

The Interstate 680 (I-680) Sunol Express Lanes (EL) Project (Phase 1) will provide enhanced mobility for motorists in both the northbound and southbound directions by providing a 9-mile express lane segment on northbound I-680 between south of Auto Mall Parkway and SR 84 and converting the existing southbound controlled-access express lane to an open-access facility between SR 84 and SR 262. A new toll system will be deployed for both directions of travel with new technology that will allow for implementation of all Authority-adopted toll policies.

The purpose of this item is to provide the Authority with a status update on the project development and implementation activities which are either completed or planned for the Phase 1 project.

Background

The I-680 Sunol Southbound Express Lane was opened to traffic in September 2010 as a controlled access HOV/Express Lane. Deemed a success, the next logical step was to develop a parallel northbound express lane. Alameda CTC is the project sponsor and implementing agency of the I-680 Sunol Express Lanes Project (I-680 Sunol EL Project), which passes through the cities of Milpitas and Fremont and the community of Sunol, and which has completed construction of a new 9-mile express lane segment on northbound I-680 between south of Auto Mall Parkway and SR 84. To be consistent with the new northbound express lane and provide enhanced accessibility for users, the project has also converted the existing southbound controlled-access express lane to an open-access facility between SR 84 and SR

262. The project will provide a number of benefits to all motorists within the corridor. Motorists using the express lane will enjoy faster and more reliable travel times within the corridor, and all travel lanes will see reduced congestion. The express lane will optimize the corridor capacity by providing a choice to drivers: single occupancy vehicles (SOVs) will have the option to pay an electronic toll to access the express lane, while carpools with two or more persons, motorcycles, and transit vehicles may use the lane at no cost and eligible clean air vehicles may receive a 50% toll discount for solo drivers. All users must have a valid FasTrak® account to use the express lanes.

In order to complete the civil construction work, with Caltrans concurrence, the I-680 Sunol Southbound Express Lane ceased revenue operations and began operating in HOV ONLY mode beginning August 10, 2020, meaning that it is open for use only to HOV-eligible vehicles during the operating hours of 5 am – 8 pm, Monday – Friday, and open to all users during all other hours. On October 29, 2020, the new northbound express lane was opened for use, also in HOV ONLY mode, while construction and toll system development activities were completed. At this time, the new toll system is not yet ready to begin tolling operations. However, the civil construction work and is substantially complete and close-out of the civil construction contract is underway.

Implementation of a new toll system requires the services of a Toll System Integrator (TSI), who provides very specialized services for toll system design, software development, equipment procurement and installation, testing, and opening the express lanes for revenue service. Only upon completion of system testing during live operations, is the toll system implementation considered complete. In July 2021, following the termination of the prior TSI contract, Alameda CTC authorized execution of a sole source contract to Electronic Transactions Consultant, LLC (ETC) to implement an interim I-680 Sunol Express Lanes toll system in order to begin toll revenue collections as soon as possible. The interim toll system is expected begin operations in spring 2022. Alameda CTC will be releasing a request for proposals (RFP) in January to select a TSI for a toll system for both this segment of the I-680 Sunol Express Lanes and the I-680 Gap Closure project, which will extend the southbound express lane to the Contra Costa county line.

Fiscal Impact: There is no fiscal impact. This is an information item only.



Memorandum

5.3

1111 Broadway, Suite 800, Oakland, CA 94607 • 510.208.7400 • www.AlamedaCTC.org

DATE: November 1, 2021

TO: I-680 Sunol Express Lane Joint Powers Authority

FROM: Patricia Reavey, Deputy Executive Director of Finance and Administration
Yoana Navarro, Accounting Manager

SUBJECT: I-680 Sunol Smart Carpool Lane FY2021-22 First Quarter Financial Report

Recommendation

It is recommended that the Authority approve the I-680 Sunol Smart Carpool Lane FY2021-22 First Quarter Financial Report.

Summary

This financial report provides a summary of revenues and expenses related to the I-680 Sunol Smart Carpool Lane for the fiscal year through September 30, 2021. Investment income was \$2,904 or 22.56 percent less than projected through the first quarter of FY2021-22 due to declining market interest rates. Revenue operations were suspended on August 10, 2020 to allow for construction work on the I-680 express lane and are currently projected to reopen in Spring 2022; therefore, no toll or toll violation revenues were budgeted for the first quarter of the fiscal year. Operating expenses through the first quarter totaled \$79,934 or 76.9 percent less than budget due to expenses coming in lower than projections and a delay in the kick off of the toll revenue forecasting special project. These variances together resulted in a decrease to net position of \$77,030 for an ending net position of \$5,618,967. As of September 30, 2021, the I-680 Sunol Smart Carpool Lane had cash and investments totaling \$5.4 million.

Background

The FY2021-22 operating budget approved by the I-680 Sunol Smart Carpool Lane Board in May 2021 included \$2.7 million of revenues which was offset by \$4.2 million of expenses, including depreciation, resulting in a decrease of \$1.5 million to the projected net position for the fiscal year. The projected net position in the budget at the end of FY2021-22 was \$3,311,547 comprised of \$230,722 invested in capital assets; \$1,000,000 reserved for

maintenance; \$2,000,000 reserved for operational risk; and \$80,825 of unrestricted funds. There was no capital budget proposed for FY2021-22.

Fiscal Impact: There is no fiscal impact associated with the requested action.

Attachment:

- A. I-680 Sunol Smart Carpool Lane Statement of Operating Revenues and Expenses
As of September 30, 2021

I-680 SUNOL SMART CARPOOL LANE
Statement of Operating Revenues and Expenses
As of September 30, 2021

| | YTD Actuals | YTD Budget | % Used | Favorable / (Unfavorable) Variance |
|---|-----------------------|---------------|-----------|--|
| Beginning Net Position, June 30, 2021 | \$ 5,695,997 | | | |
| <u>OPERATING REVENUES</u> | | | | |
| Interest Income | \$ 2,904 | \$ 3,750 | 77.4% | \$ (846) |
| Total Operating Revenues: | 2,904 | 3,750 | 77.4% | (846) |
| <u>OPERATING EXPENSES</u> | | | | |
| Alameda CTC Operations and Management | \$ 53,218 | \$ 53,750 | 99.0% | \$ 532 |
| System Manager/Operations Support | 5,109 | 25,000 | 20.4% | 19,891 |
| Express Lane Monitoring | 26,250 | 26,250 | 100.0% | - |
| Utilities | 1,169 | 25,000 | 4.7% | 23,831 |
| Alameda CTC Administration | 1,476 | 13,750 | 10.7% | 12,274 |
| IT Support | - | 3,000 | 0.0% | 3,000 |
| Insurance | 23,256 | 50,000 | 46.5% | 26,744 |
| Legal Fees | (38,608) ¹ | 6,250 | -617.7% | 44,858 |
| Roadway Maintenance | 5,000 | 12,500 | 40.0% | 7,500 |
| Miscellaneous | 3,064 | 6,250 | 49.0% | 3,186 |
| Contingency | - | 125,000 | 0.0% | 125,000 |
| Total Operating Expenses: | 79,934 | 346,750 | 23.1% | 266,816 |
| Operating Surplus (Deficit) | (77,030) | (343,000) | | |
| <u>OTHER EXPENSES</u> | | | | |
| Special Project - Salaries & Benefits | \$ - | \$ 2,000 | 0.0% | \$ 2,000 |
| Special Project - Toll Revenue Forecasting | - | 93,750 | 0.0% | 93,750 |
| Total Non-Operating Expenses: | - | 95,750 | 0.0% | 95,750 |
| <u>ENDING NET POSITION</u> | \$ 5,618,967 | | | |
| <u>Net Position</u> | | | | |
| Invested in Capital Assets | 252,582 | | | |
| Maintenance Reserve | 1,000,000 | | | |
| Operational Risk Reserve | 2,000,000 | | | |
| Unrestricted Net position | 2,366,385 | | | |
| Total Net Position as of September 30, 2021 | \$ 5,618,967 | | | |

Note: Some line items in the budget were budgeted with specific amounts by month due to the suspension of revenues operations during construction. These line items have no allocated budget during the first quarter nor have they incurred expenses so they do not appear in this report.

¹ Legal fees incurred reflect a reclass related to a prior period.

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DATE: November 1, 2022

TO: I-680 Sunol Express Lane Joint Powers Authority

FROM: Liz Rutman, Director of Express Lanes Implementation and Operations

SUBJECT: Approve the Bay Area Express Lanes Network Executive Steering Committee Memorandum of Understanding

Recommendation

It is recommended that the Authority approve and authorize the Executive Director to execute the Bay Area Express Lanes Network Executive Steering Committee Memorandum of Understanding.

Summary

The Sunol Smart Carpool Lane Joint Powers Authority (Sunol JPA) owns the I-680 Sunol Express Lanes. The Bay Area Express Lanes Strategic Plan, dated April 2, 2021 and adopted by the Metropolitan Transportation Commission on April 28, 2021, recommends the formalization of the function of an Executive Steering Committee (ESC) for the purpose of developing consistent policies for recommendation to policy boards and other coordination efforts. Staff and legal counsels from the Metropolitan Transportation Commission (MTC), Caltrans, and several Bay Area county transportation authorities, including Alameda CTC, have worked cooperatively to develop a Memorandum of Understanding (MOU) that defines the purpose of the ESC, membership in the ESC, and governance and administration of the ESC. In addition, the MOU affirms that recommendations made by the ESC are non-binding and participation in the ESC does not constitute any type of partnership or joint venture among member agencies.

Background

The Bay Area Express Lanes Network ("Network") is conceived as a robust regional network of dedicated managed lanes that allows operators to better manage travel demand by primarily serving people in eligible carpools and buses, providing reliable travel times to lower-occupancy vehicles by allowing paid access, and thereby generating revenue for maintenance, operations, capital investments, and programs. The development of the Network has been a cooperative effort among Bay Area Express Lanes operators; several Bay Area county transportation authorities ("CTAs"); the California Department of

Transportation; and the California Highway Patrol; and with input from supporting subcommittees and other stakeholders with a vested interest in the success of the Network such as transit operators and those advancing equity, carpooling, and vanpooling. The Express Lanes Network Executive Steering Committee has existed for over five years as an informal venue for discussing express lane project development and tolling policies and practices.

As the Network is built out, not only will more express lanes connect along corridors, but corridors will also begin to connect to each other. This can create complex interactions between multiple operators with different goals and/or policies, which may affect the user experience. Consistency of public-facing operating policies is critical to the smooth functioning of a connected Network as well as the traffic safety and highway operational efficiency.

The Memorandum of Understanding (MOU) formalizes an ESC to provide the following activities that support the goals of Network as identified in the Bay Area Express Lanes Strategic Plan:

- Develop recommendations for consistent operating policies and practices among Member Agencies, particularly concerning aspects of the Network that are user-facing;
- Serve as a resource for consistency in tolling practices, project development, and operations for Member Agencies and other stakeholders;
- Other activities, to be determined by the ESC, e.g., examining new tolling technologies or interfacing with other organizations.

The ESC will strive for unanimous consent on matters of consistency in operations and will otherwise endeavor to achieve recommendations by consensus. When presenting actions on express lane operating policies to their decision-making bodies, Member Agencies commit to identifying the recommendations made by the ESC.

Staff recommends that the Authority approve and authorized the Executive Director to execute the Bay Area Express Lanes Network Executive Steering Committee Memorandum of Understanding

Fiscal Impact: There is no fiscal impact associated with this action.

Attachment:

- A. Bay Area Express Lanes Network Executive Committee Memorandum of Understanding

BAY AREA EXPRESS LANES NETWORK EXECUTIVE STEERING COMMITTEE

MEMORANDUM OF UNDERSTANDING

This Bay Area Express Lanes Network Executive Steering Committee Memorandum of Understanding (“MOU”), is entered into as of _____, 20__.

Article I – Purpose and Mission

The Bay Area Express Lanes Network (“Network”) is conceived as a robust regional network of dedicated managed lanes that allows operators to better manage travel demand by primarily serving people in eligible carpools and buses, providing reliable travel times to lower-occupancy vehicles by allowing paid access, and thereby generating revenue for maintenance, operations, capital investments, and programs. The Network leverages the investments made in the region’s highways and High-Occupancy Vehicle (“HOV”) lanes by making use of existing capacity to move more people, closing gaps in or expanding the managed lanes system, and improving operations to provide priority to carpools and buses, thereby expanding their use.

This purpose is further described in six strategic goals identified in the Bay Area Express Lanes Network Strategic Plan, dated April 2, 2021:

1. Manage congestion and bring reliability to the traveling public;
2. Increase person throughput by creating a seamless network that incentivizes the use of transit, vanpools, and carpools;
3. Minimize greenhouse gas emissions;
4. Focus on equity to improve transportation access and affordability, especially for Equity Priority Communities (also referred to as Communities of Concern);
5. Deliver the Network in a timely manner; and
6. Be responsible in the use of public funds.

The development of the Network has been a cooperative effort among Bay Area Express Lanes operators; several Bay Area county transportation authorities (“CTAs”); the California Department of Transportation; and the California Highway Patrol; and with input from supporting subcommittees and other stakeholders with a vested interest in the success of the Network such as transit operators and those advancing equity, carpooling, and vanpooling. As the Network is built out, not only will more express lanes connect along corridors, but corridors will also begin to connect to each other. This can create complex interactions between multiple operators with different goals and/or policies, which may affect the user experience. Consistency of public-facing operating policies is critical to the smooth functioning of a connected Network as well as the traffic safety and highway operational efficiency.

This Memorandum of Understanding (MOU) formalizes an Executive Steering Committee (“ESC”) and its cooperative effort to:

1. Support the goals of the Network, described above, by following a formalized process to develop recommendations on matters of consistency in public-facing operational policies across the

Network, which would serve as a resource for Member Agencies and their decision-making bodies that may consider actions on these policies; and

2. Promote the goals of the Network through other activities as may be determined by the ESC.

Article II Membership

ESC membership conveys upon all Member Agencies the ability to offer and document recommendations on matters of consistency in operations across the Network, as described in Section IV.B. ESC membership includes the following groups of Member Agencies: Express Lanes Operators with authority granted in statute or by action of the California Transportation Commission to operate an express lane in the nine-county Bay Area; CTAs that are not operators; and other agencies.

Express Lanes Operators (“Operators”)

- Alameda County Transportation Commission (“Alameda CTC”)
- Bay Area Infrastructure Financing Authority (“BAIFA”)
- San Mateo County Express Lanes Joint Powers Authority (“SMCEL-JPA”)
- Santa Clara Valley Transportation Authority (“VTA”)
- Sunol Smart Carpool Lane Joint Powers Authority (“Sunol JPA”)

Non-Operator County Transportation Authorities (“Non-Operator CTAs”)

- Contra Costa Transportation Authority (“CCTA”)
- San Francisco County Transportation Authority (“SFCTA”)
- Solano Transportation Authority (“STA”)

Other Agencies

- Bay Area Toll Authority (“BATA”)
- California Department of Transportation (“Caltrans”), Ex Officio Member
- California Highway Patrol (“CHP”)

ESC membership is voluntary, and the ESC shall not and cannot require compliance with any actions that are inconsistent with policies, procedures, and board actions of any Member Agency.

The ESC may conduct business anticipated under this MOU once it is signed by all of the above-listed Operators.

If other entities wish to gain membership to the ESC, such entities may petition the ESC. Admittance will be decided by majority vote of Operators and Non-Operator CTAs.

Member Agencies may withdraw from the ESC by providing written notice to the ESC Chair 30 days prior to the effective date of the withdrawal. If all Member Agencies withdraw excepting one Member Agency, the MOU shall be terminated.

Article III – Governance

A. Composition

The ESC shall be composed of the Chief Executive or appointed designee of each Member Agency with the authority to represent the interests of the respective Member Agency¹.

B. Responsibilities

The ESC shall provide overall management to the extent necessary to accomplish the Purpose of this MOU, as described above, including, but not limited to, the following activities:

- Developing recommendations for consistent operating policies and practices among Member Agencies, particularly concerning aspects of the Network that are user-facing, as described in Section IV.B;
- Serving as a resource for consistency in tolling practices, project development, and operations for Member Agencies and other stakeholders;
- Other activities, to be determined by the ESC, e.g., examining new tolling technologies or interfacing with other organizations.

C. Amendment and Termination

This MOU may be amended or terminated by unanimous written agreement of the Member Agencies.

Article IV – Conduct of Business

A. Meetings

Member Agencies shall meet every six months or more frequently as may be necessary to carry out the mission and activities defined above.

B. Consistent Operating Policies

The ESC shall make recommendations on various operating policies and the importance of their consistency regionwide. These recommendations are intended to demonstrate the deliberative process taken to reach them. The ESC will strive for unanimous consent on matters of consistency in operations and will otherwise endeavor to achieve recommendations by consensus. For the purposes of this MOU, consensus means that a process to develop recommendations was undertaken with the aim of positive or indifferent acceptance by all, minimizing opposing opinions to the extent possible by considering modifications proposed by dissenters. The action of making a recommendation shall require a quorum be present, here defined as a simple majority of all Member Agencies.

¹ In the case of SMCEL-JPA, the Executive Council, made up of the Executive Directors of the San Mateo County Transportation Authority (SMCTA) and the City/County Association of Governments of San Mateo County (C/CAG), may represent the Member Agency; however, the Executive Council, regardless of number of attendees present at the ESC meetings to represent the Member Agency, will be afforded only one position for each recommendation made by the ESC.

Recommendations shall be recorded in ESC meeting minutes documenting the position of each Member Agency sorted by grouping defined in Article II and including a summary supporting statement for the recommended operating policy. At the request of any Member Agency, a summary dissenting statement may be included. Member Agencies not present on the date an action is taken may supplement the minutes with their position within a timeframe to be specified by the Chair.

The ESC may develop summary memoranda to document additional detail of recommendations.

When presenting actions on express lane operating policies to their decision-making bodies, Member Agencies commit to identifying the recommendations made by the ESC.

C. ESC Administration

Other business the ESC may conduct shall be considered ESC Administration. The ESC shall adopt by consensus methods to take actions on matters related to ESC Administration including:

1. Selection of Officers

The ESC will select a Chair and Vice-Chair of the Committee for a term of two years with the intention that positions rotate amongst Member Agencies. The sitting Vice-Chair will be the Chair pro tempore and, to the extent practicable, become the Chair at the end of the two-year term. At least one of the Chair and Vice-Chair positions shall be held by an Operator at any time.

Duties of the Chair include:

- Coordinating meetings, including the creation and distribution of meeting agendas;
- Taking ESC meeting minutes; and
- Drafting summary memoranda as described in Article IV.B. above.

Duties of the Vice-Chair include:

- Performing the duties of the Chair in the event of a vacancy or absence of the Chair; and
- Other support as coordinated between the Chair and Vice-Chair.

2. Other Business

Activities concerning topics other than consistency in operations may be beneficial to be undertaken by the ESC, particularly when such activities would promote the goals of the Network and/or benefit from unified regional support, such as:

- Examining new tolling technologies; or
- Interfacing with other organizations.

E. No Liability

This agreement is solely intended to guide the obligations, intentions, and policies of the Member Agencies. Nothing in the provision of this MOU is intended to create or imply duties or obligations to, or create or imply rights extending to or for the benefit of third parties not parties to this MOU, and/or affect the legal liability of any party to this MOU by imposing any standard of care with respect to the operation of Member Agencies' express lane facilities.

F. No Partnership

Alameda CTC/BAIFA/BATA/Caltrans/CHP/CCTA/SFCTA/SMCELJPA/VTA/STA/Sunol JPA
Memorandum of Understanding
Bay Area Express Lanes Network Executive Steering Committee

Neither this MOU nor the exercise of any activity described hereunder shall evidence or establish, or be construed as evidencing or establishing, any partnership, joint venture, or other similar legally binding relationship amongst the Member Agencies.

Alameda CTC/BAIFA/BATA/Caltrans/CHP/CCTA/SFCTA/SMCELJPA/VTA/STA/Sunol JPA
 Memorandum of Understanding
 Bay Area Express Lanes Network Executive Steering Committee

IN WITNESS WHEREOF, the parties have executed this MOU as of the last date written opposite their respective names below. This agreement may be executed in counterparts by the respective Member Agencies.

| Member Agency | Signature | Date |
|--|-----------|------|
| Alameda County Transportation Commission (“Alameda CTC”) | | |
| Bay Area Infrastructure Finance Authority (“BAIFA”) | | |
| Bay Area Toll Authority (“BATA”) | | |
| California Department of Transportation (“Caltrans”) | | |
| California Highway Patrol (“CHP”) | | |
| Contra Costa Transportation Authority (“CCTA”) | | |
| San Francisco County Transportation Authority (“SFCTA”) | | |
| San Mateo County Express Lanes Joint Powers Authority (“SMCELJPA”) | | |
| Santa Clara Valley Transportation Authority (“VTA”) | | |
| Solano Transportation Authority (“STA”) | | |
| Sunol Smart Carpool Lane Joint Powers Authority (“Sunol JPA”) | | |



Memorandum

6.2

1111 Broadway, Suite 800, Oakland, CA 94607 • PH: (510) 208-7400 • www.AlamedaCTC.org

DATE: November 1, 2021

TO: I-680 Sunol Express Lane Joint Powers Authority

FROM: Patricia Reavey, Deputy Executive Director of Finance and Administration

SUBJECT: Approve the Sunol Smart Carpool Lane Joint Powers Authority Draft Audited Annual Financial Report for the Year Ended June 30, 2021

Recommendation

It is recommended that the Authority approve the Sunol Smart Carpool Lane Joint Powers Authority Draft Audited Annual Financial Report for the Year Ended June 30, 2021.

Summary

Pursuant to Section 9.2(iv) of the Joint Powers Agreement and Section 6505 of the California Government Code, an independent audit was conducted for the fiscal year ended June 30, 2021 by Maze & Associates Accounting Corporation (Maze & Associates). All financial statements are the responsibility of management. The auditor's responsibility is to express an opinion on the financial statements based on their audit. As demonstrated in the Independent Auditor's Report on page one of the Draft Audited Annual Financial Report, the auditors of the Sunol Smart Carpool Lane Joint Powers Authority (Authority) have expressed what is considered to be an unmodified audit or clean opinion.

"In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the Authority as of June 30, 2021 and the changes in financial position and cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America."

Financial Highlights:

- Total net position decreased by \$1.1 million or 16.6 percent from \$6.83 million to \$5.70 million as of June 30, 2021, compared to June 30, 2020. This decrease is mostly due to a decrease in cash and investments related to the suspension of revenue operations in August 2020 to allow for the transition to a new toll system and other

construction activities on the Interstate 680 (I-680) express lane. Capital assets, net of accumulated depreciation, comprised \$0.25 million or 4.4 percent of the total net position at June 30, 2021.

- For the year ended June 30, 2021, cash and cash equivalents decreased by \$0.90 million or 13.7 percent from \$6.57 million to \$5.67 million compared to June 30, 2020. This decrease is mostly related to the suspension of revenue operations to allow for construction activities.
- Operating revenue was \$0.09 million during fiscal year 2021, a decrease of \$1.78 million or 95.4 percent from fiscal year 2020 attributed to the suspension of revenue operations in August 2020 to allow for construction work on the I-680 express lane.
- The Authority's total operating expenses including depreciation were \$0.80 million during fiscal year 2021, a decrease of \$1.08 million or 57.3 percent from fiscal year 2020. This decrease is attributed to the suspension of revenue operations which resulted in a significant reduction in operations and maintenance expense. Operating expenses of \$0.8 million for fiscal year 2021 were primarily comprised of program ongoing operations and maintenance costs.

As part of the audit process, Maze & Associates considered the Authority's internal controls relevant to the Sunol JPA's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. They have not expressed an opinion on the effectiveness of the Authority's internal controls; however, Maze & Associates also did not identify any deficiencies in internal controls that would be considered a material weakness.

Fiscal Impact: There is no fiscal impact associated with the requested action.

Attachment:

- A. [Sunol Smart Carpool Lane Joint Powers Authority Draft Audited Annual Financial Report for the Year Ended June 30, 2021](#) (Hyperlinked to website)