



I-680 Sunol Smart Carpool Lane JPA (I-680 JPA) Meeting Agenda Monday, February 12, 2024, 9:00 AM

The Commission and its Standing Committees will meet in the Mary V. King Conference Room at Alameda CTC's offices at 1111 Broadway, Suite 800, Oakland, CA 94607. The live stream of each Alameda CTC Commission and Standing Committee meeting is available for public viewing at www.alamedactc.org/all-meetings by clicking on **View Event** next to the meeting in the list of Upcoming Events.

Members of the public may submit public comments that are addressed to the Commission or Committee members on topics germane to the jurisdiction of the Alameda CTC in person by attending the meeting in Alameda CTC's offices. Alameda CTC conducts orderly meetings to fulfill its mandate. Discriminatory statements or conduct that would potentially violate the federal Civil Rights Act of 1964 and/or the California Fair Employment and Housing Act, California Penal Code sections 403 or 415 is per se disruptive to a meeting and will not be tolerated. Please see [Alameda CTC's Meeting Code of Conduct](#) for more information.

Additionally, comments may be submitted by email sent to the Clerk of the Commission at clerk@alamedactc.org, including the words "Public Comment" and the meeting to which it pertains in the email's subject line. Public comments received by 5:00 p.m. the day before the scheduled meeting will be distributed to Commissioners or Committee members before the meeting and posted on the Alameda CTC website; comments submitted after that time will be distributed to Commissioners or Committee members and posted as soon as possible. Comments submitted will be read aloud or summarized, as specified by the Chair, to the Commission or Committee and those listening telephonically or electronically.

As a convenience, members of the public may also make comments remotely during the meeting by accessing the Zoom link listed below, using the "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 press the star key (*) and then the number 9 (*9) to raise/lower your hand. Comments made in person or via Zoom will generally be limited to three minutes in length, or as specified by the Chair. Alameda CTC cannot guarantee that the public's access to Zoom via phone or other device will be uninterrupted, and technical difficulties may occur from time to time. Unless required by the Brown Act, the meeting will continue despite technical difficulties for participants using the Zoom option.

Authority Chair:	Melissa Hernandez	Executive Director:	Tess Lengyel
Vice Chair:	Karla Brown	Staff Liaison:	Gary Huisingh
Members:	David Haubert Sudhanshu "Suds" Jain Lily Mei	Clerk of the Authority:	Vanessa Lee

Location Information:

Alameda County Transportation Commission
Mary V. King Conference Room
1111 Broadway, Suite 800
Oakland, CA 94607

Alameda County Fairgrounds
Heritage House
4501 Pleasanton Drive
Pleasanton, CA 94566

188 Brookline St.
Cambridge, MA 02139

Zoom Link:

<https://us06web.zoom.us/j/87601740888?pwd=OEFrRzYoVUpmVHh1TU1YYjJWVGdaZz09>

Dial-in Information: 1 (669) 900 6833
Webinar ID: 876 0174 0888
Password: 435122

Meeting Agenda

1. Call to Order

2. Roll Call

3. Public Comment

4. Consent Calendar

- 4.1 Approve the November 13, 2023 I-680 Sunol Smart Carpool Lane Joint Powers Authority Meeting Minutes

Approve

[4.1_I-680_JPA_Minutes_2023113.pdf](#)

- 4.2 Approve the I-680 Sunol Smart Carpool Lane FY 2023-24 Second Quarter Financial Report

Approve

[4.2_I-680_JPA_FY23-24_2nd_Qtr_Financial_Report_20240212.pdf](#)

5. Regular Matters

- 5.1 Approve Resolution Authorizing Actions Related to Dissolution of the Sunol Smart Carpool Lane Joint Powers Authority

Approve

[5.1_I-680_JPA_Resolution_of_Dissolution_20240212.pdf](#)

- 5.2 Approve the I-680 Sunol Smart Carpool Lane FY2023-24 Mid-Year Budget Update

Approve

[5.2_I-680_JPA_FY23-24_Mid-Year_Budget_Update_20240212.pdf](#)

6. Committee Member Reports

7. Staff Reports

8. Adjournment

Notes:

- All items on the agenda are subject to action and/or change by the Commission/Committee. To comment on an item not on the agenda, submit a speaker card to the clerk or follow remote instructions listed in the agenda preamble.
- Meeting agendas and staff reports are available on the [website calendar](#).
- Alameda CTC is located near 12th St. Oakland City Center BART station and AC Transit bus lines.
- [Directions and parking information](#) are available online.
- For language assistance, please call (510) 208-7475. We request at least five working days' notice to accommodate your request.

- Para obtener asistencia de idioma, comuníquese al (510) 208-7475. Para hacer lugar a su pedido, solicitamos que nos avise con una anticipación mínima de cinco días hábiles.
- 如需语言协助，请致电 (510) 208-7475. 请至少提前五个工作日通知，以便满足您的要求。
- Para sa tulong sa wika, tumawag sa (510) 208-7475. Mag-abiso nang limang araw na may pasok o mas maaga para mapagbigyan ang inyong kahilingan.
- Để được hỗ trợ ngôn ngữ, vui lòng gọi (510) 208-7475. Chúng tôi yêu cầu quý vị thông báo ít nhất năm ngày làm việc để có thể đáp ứng được yêu cầu của quý vị.
- Call (510) 208-7450 (Voice) or 1(800) 855-7100 (TTY) five days in advance of the meeting to request a sign-language interpreter.
- Call (510) 208-7400 48 hours in advance to request accommodations or assistance at this meeting.



I-680 Sunol Smart Carpool Lane Joint Powers Authority Meeting Minutes Monday, November 13, 2023, 9:00 a.m.

4.1

1111 Broadway, Suite 800, Oakland, CA 94607

PH: (510) 208-7400

www.AlamedaCTC.org

1. Call to Order

2. Roll Call

A roll call was conducted. All members were present.

Subsequent to the roll call:

Commissioner Salwan attended as the alternate for Commissioner Mei.

3. Public Comment

There were no public comments.

4. Consent Calendar

4.1 Approve the May 8, 2023 I-680 Sunol Smart Carpool Lane Joint Powers Authority (JPA) Meeting Minutes

4.2 Approve the I-680 Sunol Smart Carpool Lane FY2023-24 First Quarter Financial Report

4.3 I-680 Sunol Express Lanes Operations Update

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

Yes: Brown, Jain, Haubert, Hernandez, Salwan

No: None

Abstain: None

Absent: None

5. Regular Matters

5.1 Approve the Sunol Smart Carpool Lane Joint Powers Authority Draft Audited Annual Financial Report for the Year Ended June 30, 2023

David Alvey, Maze & Associates, provided an overview of the Sunol Smart Carpool Lane's Audited Financial Report for the year ended June 30, 2023 for which Maze and Associates issued a clean, or unmodified, audit opinion.

Patricia Reavey recommended that the Authority approve the Sunol Smart Carpool Lane Joint Powers Authority Draft Audited Annual Financial Report for the Year Ended June 30, 2023.

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

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

6. Committee Member Reports

There were no committee member reports.

8. Staff Reports

There were no staff reports.

9. Adjournment

The next meeting is Monday, February 12, 2024 at 9:00 a.m. and will be in person at the Alameda CTC offices at 1111 Broadway, Suite 800, Oakland, CA 94607.



Memorandum

4.2

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: February 5, 2024

TO: I-680 Sunol Express Lane Joint Powers Authority

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

SUBJECT: Approve the I-680 Sunol Smart Carpool Lane FY2023-24 Second Quarter Financial Report

Recommendation

It is recommended that the Authority approve the I-680 Sunol Smart Carpool Lane FY2023-24 Second Quarter Financial Report.

Summary

This financial report provides a summary of actual revenues and expenses related to the I-680 Sunol Smart Carpool Lane for the fiscal year through December 31, 2023 compared to budget. Net toll and other revenues were \$6,145,944 or 61.7 percent more than projected revenues through the second quarter of FY2023-24 mostly due to better than projected toll revenue collected during the second quarter. Operating expenses through the second quarter totaled \$2,521,574 or 18.4 percent less than budget mostly related to lower than projected enforcement costs, due to other CHP priority projects and an unused contingency allowance. These variances together result in an increase to net position of \$3,623,433 for an ending net position of \$31,101,111 comprised of investments in capital assets of \$21,260,815, maintenance and operational risk reserves of \$3,000,000, and unrestricted net position of \$6,840,296.

As of December 31, 2023, the I-680 Sunol Smart Carpool Lane had cash and investments totaling \$11.7 million.

Background

The FY2023-24 operating budget approved by the I-680 Sunol Smart Carpool Lane Board in May 2023 included \$7.6 million of revenues which was offset by \$7.0 million of expenses, including depreciation, resulting in an increase of \$0.6 million to the projected ending net position for the fiscal year. The projected net position in the budget at the end of FY2023-

24 was \$15.6 million comprised of \$11 million invested in capital assets; \$1.0 million reserved for maintenance; \$2.0 million reserved for operational risk; and \$1.6 million of unrestricted funds.

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 December 31, 2023

I-680 SUNOL SMART CARPOOL LANE
Statement of Operating Revenues and Expenses
As of December 31, 2023

	YTD Actuals	YTD Budget	% Used	Favorable / (Unfavorable) Variance
Beginning Net Position, June 30, 2023	\$ 27,477,678			
<u>OPERATING REVENUES</u>				
Toll Revenue	\$ 5,563,710	\$ 3,250,000	171.2%	\$ 2,313,710
Toll Violation Revenue	484,543	500,000	96.9%	(15,457)
Interest Income	97,691	50,000	195.4%	47,691
Total Operating Revenues:	6,145,944	3,800,000	161.7%	2,345,944
<u>OPERATING EXPENSES</u>				
Operations and Maintenance	\$ 985,362	\$ 1,030,000	95.7%	\$ 44,638
Revenue Collection Fees	742,861	700,000	106.1%	(42,861)
Alameda CTC Operations and Management	87,812	122,750	71.5%	34,938
System Manager/Operations Support	200,764	190,000	105.7%	(10,764)
Enforcement	129,077	350,000	36.9%	220,923
Express Lane Monitoring	54,000	60,000	90.0%	6,000
Utilities	71,172	65,000	109.5%	(6,172)
Alameda CTC Administration	31,299	25,050	124.9%	(6,249)
Insurance	114,142	182,500	62.5%	68,358
Public Outreach/Education	-	12,500	0.0%	12,500
Legal Fees	15,909	15,000	106.1%	(909)
Roadway Maintenance	7,739	25,000	31.0%	17,261
Other Consultant Costs	77,356	25,000	309.4%	(52,356)
Miscellaneous	4,081	37,500	10.9%	33,419
Contingency	-	250,000	0.0%	250,000
Total Operating Expenses:	2,521,574	3,090,300	81.6%	568,726
Operating Surplus (Deficit)	3,624,370	709,700		
<u>OTHER EXPENSES</u>				
Special Project - Salaries & Benefits	\$ 937	\$ 4,500	20.8%	\$ 3,563
Capital Project - Arbitration Support	-	245,500	0.0%	245,500
Total Non-Operating Expenses:	937	250,000	0.4%	249,063
<u>ENDING NET POSITION</u>				
	<u>\$ 31,101,111</u>			
<u>Net Position</u>				
Invested in Capital Assets	21,260,815			
Maintenance Reserve	1,000,000			
Operational Risk Reserve	2,000,000			
Unrestricted Net position	6,840,296			
Total Net Position as of December 31, 2023	<u>\$ 31,101,111</u>			



Memorandum

5.1

1111 Broadway, Suite 800, Oakland, CA 94607

• 510.208.7400

• www.AlamedaCTC.org

DATE: February 5, 2024

TO: I-680 Sunol Joint Powers Authority

FROM: John Lowery, Director of Express Lane Operations
Lindsay D'Andrea, Meyers Nave

SUBJECT: Approve Resolution Authorizing Actions Related to Dissolution of the Sunol Smart Carpool Lane Joint Powers Authority

Recommendation

Staff recommends that the Authority adopt a Resolution of Termination to terminate the Sunol Smart Carpool Lane Joint Powers Agreement (“Sunol JPA Agreement”) and dissolve the Sunol Smart Carpool Lane Joint Powers Authority (“Sunol JPA”), convey all Sunol JPA contracts and assets pertaining to the I-680 Express Lanes to Alameda CTC, and authorize the Executive Director to take necessary steps to effectuate dissolution and transition of the I-680 Express Lanes operations.

Summary

The Alameda County Transportation Commission (“Alameda CTC”) and the Santa Clara Valley Transportation Authority (“VTA”) are member agencies of the Sunol JPA, which operates the I-680 Express Lanes pursuant to statutory authority granted in Streets and Highways Code Section 149.5. Alameda CTC serves as the managing agency of the Sunol JPA and also operates the I-580 Express Lanes under the governance of the Commission. The current governance structure of the Sunol JPA requires Alameda CTC to manage governmental functions for two separate agencies (Alameda CTC and Sunol JPA) as part of its Express Lanes program. This structure necessitates significant duplication of effort and expenditure of resources, including noticing, agendizing, and conducting separate public meetings for the Sunol JPA, and conducting separate budgeting, financial recordkeeping, and audits. Staff believes that dissolving the Sunol JPA and transitioning the operation of the I-680 Express Lanes in Alameda County to Alameda CTC will result in a more efficient governance and administrative structure.

Several actions over the last two years have made it possible to consider a resolution to dissolve the Sunol JPA. The Third Amended and Restated Sunol JPA Agreement, adopted on September 6, 2022, included new procedures to effectuate separate operations by Alameda CTC and VTA of the I-680 Express Lanes in the event that Alameda CTC and VTA elected to

terminate the Sunol JPA Agreement and dissolve the Sunol JPA. In September of 2023, the Governor signed legislation amending Section 149.5 of the Streets and Highways Code to authorize both Alameda CTC and VTA to operate the I-680 Express Lanes separately, and independent of the Sunol JPA, in their respective counties. Finally, on January 25, 2024, Alameda CTC adopted a resolution approving actions related to the dissolution of the Sunol JPA, including bringing forward a Resolution of Termination to the Sunol JPA Governing Board for consideration. Pursuant to the resolution adopted by Alameda CTC, staff is recommending that the Authority adopt Resolution No. 24-01 to terminate the Sunol JPA Agreement and dissolve the Sunol JPA, convey all Sunol JPA contracts and assets to Alameda CTC, and authorize the Executive Director to take all necessary actions to effectuate the dissolution and transition of the I-680 Express Lanes operations.

Background

As originally adopted pursuant to Assembly Bill 2032 in 2004, Section 149.5 of the Streets and Highways Code provides that the Sunol JPA, consisting of Alameda CTC¹ and VTA, is authorized to conduct, administer, and operate a value pricing high-occupancy vehicle program (referred to as express lanes) on I-680 in Alameda and Santa Clara Counties.

The Sunol JPA was created pursuant to the Joint Exercise of Powers Act to exercise the authority granted by Section 149.5 and in accordance with the Sunol JPA Agreement entered into between Alameda CTC and VTA on February 23, 2006. The purpose of the Sunol JPA Agreement is to create an independent agency to advance the planning, design and construction, and then administration and operation of express lanes on I-680 in Alameda and Santa Clara Counties. The Sunol JPA Agreement was amended on June 23, 2016 through adoption of the Amended and Restated Sunol JPA Agreement, on February 28, 2019 through adoption of the Second Amended and Restated Sunol JPA Agreement, and further amended on September 6, 2022 through adoption of the Third Amended and Restated Sunol JPA Agreement.

The current Sunol JPA Agreement outlines procedures which would effectuate separate operation by Alameda CTC and VTA of the I-680 Express Lanes in their respective counties in the event that the parties elected to terminate the Sunol JPA Agreement and dissolve the Sunol JPA. The Sunol JPA Agreement also requires that the portion of the I-680 Express Lane that crosses into Santa Clara County be converted to a carpool lane.

On September 22, 2023 the Governor signed Senate Bill 891 (“SB 891”), which amended Section 149.5 of the Streets and Highways Code to grant explicit authority to Alameda CTC, independent of the Sunol JPA, to conduct, administer, and operate express lanes on I-680 in Alameda County and to grant explicit authority to VTA, independent of the Sunol JPA, to conduct, administer, and operate express lanes on I-680 in Santa Clara County.

¹ Note that AB 2032 referred to Alameda CTC’s predecessor entities Alameda County Congestion Management Agency and Alameda County Transportation Improvement Authority. Section 149.5 was amended pursuant to Senate Bill 1318 in 2010 to change references from the predecessor entities to Alameda County Transportation Commission.

Alameda CTC staff manage express lanes on I-580 and I-680 under the oversight of two governing boards. The Sunol JPA Agreement names Alameda CTC as the managing agency for the I-680 Express Lanes on behalf of the Sunol JPA Governing Board, while I-580 Express Lanes operations are under the oversight of the Commission. This necessitates performance of numerous duplicative operational and administrative responsibilities, such as noticing, agendaing, and conducting separate public meetings for the Sunol JPA, and conducting separate budgeting, financial recordkeeping, and audits.

The recent amendments to both Section 149.5 of the Streets and Highways Code and the Sunol JPA Agreement provide an alternative approach for the administration and operation of the I-680 Express Lanes in Alameda County by dissolving the Sunol JPA and transitioning operation to Alameda CTC. Staff believes this approach will create a more efficient and streamlined governance and administrative structure, will result in cost savings, and will better utilize valuable public agency resources.

Per the Sunol JPA Agreement, Alameda CTC may initiate the process for dissolution of the Sunol JPA, termination of the Sunol JPA Agreement, and transition of the I-680 Express Lanes operations to the respective member agencies. On January 25, 2024, Alameda CTC adopted a resolution approving actions related to the dissolution of the Sunol JPA, including bringing forward a Resolution of Termination to the Sunol JPA Governing Board for consideration. Pursuant to the resolution adopted by Alameda CTC, staff is bringing a Resolution of Termination (attached as Attachment A) to the Sunol JPA to adopt and formally commence the process.

Provided that the Sunol JPA adopts the Resolution of Termination, then the termination of the Sunol JPA Agreement and dissolution of the Sunol JPA would be effective no sooner than April 30, 2024 or such other date upon which the Executive Director certifies in writing that all termination and dissolution actions have been completed. The Resolution of Termination includes the following tasks to be completed by the Alameda CTC Executive Director (as Executive Director of the managing agency) to effectuate the dissolution of the Sunol JPA:

- (1) **Conveyance of Assets and Contracts.** Convey all Sunol JPA contracts and assets pertaining to the I-680 Express Lanes to Alameda CTC.
- (2) **Lane Conversion Work.** Procure necessary services and work and obtain the necessary permits (or execute a cooperating agreement with Caltrans) to complete work to convert the portion of the I-680 Express Lane that crosses into Santa Clara County to a carpool lane. Alameda CTC will offer to transfer ownership of any I-680 Express Lane infrastructure in Santa Clara County to VTA or Caltrans before dismantling and removing any infrastructure as part of the Lane Conversion Work. Staff anticipates that completion of the Lane Conversion Work will likely take place by Spring of 2025 depending upon whether such work can be completed as part of another Caltrans project or has to be completed independently.

(3) **Notice of Termination.** After the termination is effective, file notice of termination with the Secretary of State to provide a record that the Sunol JPA Agreement has been terminated and all obligations of the Sunol JPA have been completed.

(4) **Administrative Actions.** Take all other necessary and reasonable action to carry out the Resolution of Termination, including preparing financial accounting documents, executing any agreements necessary for termination, completion of the Lane Conversion Work, and transition of operations of the I-680 Express Lanes in Alameda County to Alameda CTC.

Fiscal Impact: Staff anticipates a positive fiscal impact to the I-680 Express Lanes program associated with dissolution of the Sunol JPA. As stated above, managing the I-680 Express Lanes through the Sunol JPA results in duplication of efforts and expenditure of agency resources that could be avoided by consolidating operations under Alameda CTC.

Under the Third Amended and Restated Sunol JPA Agreement, Alameda CTC assumed financial responsibility for completion of the necessary work to convert the existing I-680 Express Lane in Santa Clara County into a carpool lane upon dissolution of the JPA. Current estimates for this work are \$3,000,000, which would be funded through I-680 Express Lanes toll revenue.

Attachment:

A. Sunol JPA Resolution No. 24-01

SUNOL SMART CARPOOL LANE JOINT POWERS AUTHORITY**RESOLUTION NO. 24-01****Resolution of the of the Sunol Smart Carpool Lane Joint Powers Authority Approving Actions Related to the Termination of the Joint Powers Authority Agreement and Dissolution of the Sunol Smart Carpool Lane Joint Powers Authority**

WHEREAS, as originally adopted, Section 149.5 of the Streets and Highways Code provided that the Sunol Smart Carpool Lane Joint Powers Authority (“Sunol JPA”), consisting of the Alameda County Transportation Commission (“Alameda CTC”) and the Santa Clara Valley Transportation Authority (“VTA”), is authorized to conduct, administer, and operate a value pricing high-occupancy vehicle program on State Highway Route 680 in Alameda and Santa Clara Counties; and

WHEREAS, Government Code Section 6500 et seq. (known as the “Joint Exercise of Powers Act”) outlines the procedures and requirements for the creation, operation and dissolution of joint powers authorities; and

WHEREAS, the Sunol JPA was created pursuant to the Joint Exercise of Powers Act to exercise the authority granted by Section 149.5 in accordance with the Joint Powers Agreement entered into between Alameda CTC and VTA on February 23, 2006. The Joint Powers Agreement was subsequently amended on June 23, 2016 through adoption of the Amended and Restated Joint Powers Agreement, on February 28, 2019 through adoption of the Second Amended and Restated Joint Powers Agreement, and further amended on September 6, 2022 through adoption of the Third Amended and Restated Joint Powers Agreement (the “Sunol JPA Agreement”); and

WHEREAS, the purpose of the Sunol JPA Agreement is to create an independent agency to advance the planning, design and construction, and then administration and operation of a value pricing high-occupancy vehicle program on I-680 in Alameda and Santa Clara Counties (“I-680 Express Lanes”); and

WHEREAS, on September 22, 2023, the Governor signed Senate Bill 891 (“SB 891”), which amended Section 149.5 to grant explicit authority to Alameda CTC, independent of the Sunol JPA, to conduct, administer, and operate a value pricing high-occupancy vehicle program on the segment of I-680 in Alameda County and to grant explicit authority to VTA, independent of the Sunol JPA, to conduct, administer, and operate a value pricing high-occupancy vehicle program on the segment of I-680 in Santa Clara County; and

WHEREAS, Government Code Section 6510 provides that a joint powers agreement may be continued for a definite term or continued until rescinded or terminated; and

WHEREAS, Section 4 of the Sunol JPA Agreement provides that the Sunol JPA Agreement shall continue unless and until terminated pursuant to Section 14 of the Sunol JPA Agreement; and

WHEREAS, Section 14 was amended pursuant to the Third Amended and Restated Sunol JPA Agreement to outline new procedures to effectuate separate operations by Alameda CTC and VTA of the I-680 Express Lanes in the event that Alameda CTC and VTA elected to terminate the Sunol JPA Agreement and dissolve the Sunol JPA; and

WHEREAS, pursuant to Section 14 of the Sunol JPA Agreement, the Agreement may be terminated by a resolution approved by a four-fifths (4/5) vote of the Members of the Sunol JPA Governing Board at a regularly noticed Sunol JPA Governing Board meeting (“Resolution of Termination”). Such termination shall be effective on the date specified in the Resolution of Termination, which shall be no earlier than sixty (60) days from the date of adoption of the Resolution; and

WHEREAS, on January 25, 2024, Alameda CTC adopted Resolution No. 24-002 approving actions related to dissolution of the Sunol JPA, including bringing forward a Resolution of Termination to the Sunol JPA Governing Board for consideration, and authorizing the Alameda CTC Executive Director to take actions to carry out the dissolution of the Sunol JPA upon adoption of the Resolution of Termination, accept assignment of contracts and assets of the Sunol JPA as allocated to Alameda CTC by Sunol JPA, and separately operate the I-680 Express Lanes in Alameda County; and

WHEREAS, adopting the Resolution of Termination and transferring operations of the I-680 Express Lanes in Alameda County to Alameda CTC will create a more efficient governance and administrative structure for the operation of the I-680 Express Lanes; and

WHEREAS, the Sunol JPA desires to terminate the Sunol JPA Agreement, transition operations of the I-680 Express Lanes in Alameda County to Alameda CTC, provide for the conversion of the portion of the I-680 Express Lane that crosses into Santa Clara County to a High Occupancy Vehicle lane (“HOV Lane”), and dissolve the Sunol JPA; and

WHEREAS, as part of the termination of the Sunol JPA Agreement and dissolution of the Sunol JPA, the Sunol JPA intends to assign and/or convey to Alameda CTC all of the contracts related to the I-680 Express Lanes, all of the real property interests including fixtures/equipment owned by the Sunol JPA, and all personal property (including money and assets) owned by the Sunol JPA; and

WHEREAS, Government Code section 6503.5 states that a joint powers agency shall file two copies of a notice with the Secretary of State whenever a joint powers agreement provides for the creation of an agency and whenever a joint powers agreement is amended; and

WHEREAS, Sunol JPA now wishes to initiate termination of the Sunol JPA Agreement by (1) approving this Resolution of Termination to terminate the Sunol JPA Agreement and dissolve the Sunol JPA no sooner than April 30, 2024 or such date upon which the Alameda CTC Executive Director certifies in writing that all termination and dissolution actions related to the Sunol JPA have been completed, whichever is later; (2) convey all Sunol JPA contracts and assets pertaining to the I-680 Express Lanes to Alameda CTC, and (3) authorize the Alameda CTC Executive Director (as Executive Director of the Managing Agency) to take necessary steps to effectuate dissolution and

transition of I-680 Express Lanes operations by: (i) procuring the necessary services and work and obtaining the necessary permits (or executing a cooperative agreement with Caltrans) to convert the portion of the I-680 Express Lane that crosses into Santa Clara County to a HOV Lane (consistent and compliant with Caltrans design requirements) or such alternative work necessary to complete the goals of the Express Lane separation as agreed to by Alameda CTC and VTA (“Lane Conversion Work”), and (ii) take all other related actions necessary and advisable to effectuate the termination and dissolution of the Sunol JPA and transition of operations of the I-680 Express Lanes in Alameda County to Alameda CTC.

NOW, THEREFORE BE IT RESOLVED, by the Sunol Smart Carpool Lane Joint Powers Authority, that all above recitals are hereby found to be true and correct and incorporated herein.

BE IT FURTHER RESOLVED, that the Sunol Smart Carpool Lane Joint Powers Authority, by a vote of at least 4/5, hereby takes the following actions to carry out the termination of the Sunol JPA Agreement, dissolution of the Sunol JPA, and transition of the I-680 Express Lanes operations in Alameda County to Alameda CTC:

- (1) Approves this Resolution of Termination pursuant to which the Sunol JPA Agreement shall be terminated and of no further force or effect pursuant to Section 14 of the Sunol JPA Agreement as of the date specified in Section 2 below; and
- (2) Dissolves the Sunol JPA effective as of April 30, 2024 or such other date upon which the Executive Director certifies in writing that all termination and dissolution actions related to the Sunol JPA have been completed, whichever is later (“Termination Date”); and
- (3) Conveys all Sunol JPA contracts and assets pertaining to the I-680 Express Lanes to Alameda CTC, including any of the following:
 - a. Sunol JPA contracts and the rights and obligations therein related to the I-680 Express Lanes,
 - b. Sunol JPA real property interests (fee, easements and licenses) including fixtures and equipment installed thereon, and
 - c. Sunol JPA personal property (including any money or other assets); and
- (4) Authorizes the Executive Director to procure the necessary services and work and obtain the necessary permits (or execute a cooperative agreement with Caltrans) to complete the Lane Conversion Work; and
- (5) After the Termination Date, authorizes the Executive Director to file notice of termination with the Secretary of State to provide a record that the Sunol JPA Agreement has been terminated and all obligations of the Sunol JPA have been completed; and
- (6) Authorizes the Executive Director to take any other necessary and reasonable action to carry out the intent of this Resolution of Termination, including preparing financial accounting

documents, and executing any agreements necessary for termination of the Sunol JPA, completion of Lane Conversion Work, and transition of operations of the I-680 Express Lanes in Alameda County to Alameda CTC.

DULY PASSED AND ADOPTED by the Sunol Smart Carpool Lane Joint Powers Authority at the regular Board meeting held on February 12, 2024 in Oakland, California and at other remote locations, by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

SIGNED:

Attest:

Melissa Hernandez
Chair, Sunol JPA

Vanessa Lee,
Clerk of the Commission



Memorandum

5.2

1111 Broadway, Suite 800, Oakland, CA 94607

• PH: (510) 208-7400

• www.AlamedaCTC.org

DATE: February 5, 2024

TO: I-680 Sunol Express Lane Joint Powers Authority

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

SUBJECT: Approve the I-680 Sunol Smart Carpool Lane FY2023-24 Mid-Year Budget Update

Recommendation

It is recommended that the Authority approve the I-680 Sunol Smart Carpool Lane JPA FY2023-24 Mid-Year Budget Update.

Summary

The proposed mid-year budget update for the I-680 Sunol Smart Carpool Lane (Attachment A) adjusts the beginning net position of the currently adopted budget to tie to the ending net position in the audited financial statements for FY2022-23 and updates both revenue and expense line items to account for increased activity upon resuming revenue collections on the southbound express lane and beginning collections on the new northbound express lane in early 2023; work to be completed for the proposed conversion of the southbound lane portion located in Santa Clara County to a high occupancy vehicle lane consistent with requirements in the joint powers agreement (JPA) for dissolution of the JPA; and the contribution of capital assets from the Alameda CTC capital project upon commencing operations on the northbound express lane.

These events require an increase to the beginning net position of \$12,539,194, projected revenues of \$3,975,000, and expense authority of \$2,554,480; resulting in an increase to the projected ending net position of \$13,959,715 to \$29,533,446. The proposed mid-year budget update also increases the operational risk reserve to \$8.0 million toward its \$20 million established goal in order to remain sustainable in the event of unanticipated expenses or loss of revenues, such as those related to commitments in the operations and maintenance agreement with Caltrans and loss of revenue due to unexpected events, such as the COVID-19 pandemic, catastrophic failure of the toll lane systems, or a natural disaster, which are not covered by insurance. The projected ending net position is

comprised of \$1.0 million of maintenance reserves, \$8.0 million of operational risk reserves, \$19,020,499 of investments in capital assets, net of depreciation, and \$1,512,946 of unrestricted funds.

This mid-year budget update includes budget authority for the full fiscal year through June 30, 2024 although the final date of recorded activity is anticipated to be April 30, 2024 due to the proposed dissolution of the Sunol JPA. The full fiscal year budget is provided to allow full transparency and more meaningful year-over-year comparison information.

Upon approval of the termination of the Sunol JPA, all assets, liabilities and other obligations will be assigned to Alameda CTC effective May 1, 2024. The mid-year budget update for Alameda CTC will include the budget amounts necessary for the last two months of operations of the I-680 express lanes and will be presented to the Alameda CTC Commission for approval in May 2024.

Background

The Sunol JPA's budget is a sustainable budget allowing for expenses to be paid from current year toll revenues. In May 2023, the Sunol Smart Carpool Lane Authority adopted an operating budget for FY2023-24, which included \$6,964,753 of expenses, including asset depreciation, to be paid from \$7,600,000 of revenues for an overall increase in net position of \$635,247. There was no change to the reserves for maintenance in net position in the FY2023-24 budget, which was set at a very low level, because major maintenance work is not expected on the express lanes during the next few years due to the upgrades included in the capital project work recently completed, and there also was no change to the operational risk reserve.

Fiscal Impact: The fiscal impact for the approval of this item is to increase projected revenues by \$3,975,000 to \$11,575,000 and increase budget expense authority by \$2,554,480 to \$9,519,233. This budget update also increases the operational risk reserve by \$6,000,000 to \$8,000,000 and the projected overall net position by \$13,959,715 to \$29,533,446.

Attachment:

- A. I-680 Sunol Smart Carpool Lane Fiscal Year 2023-24 Proposed Mid-Year Budget Update

I-680 SUNOL SMART CARPOOL LANE JPA
Fiscal Year 2023-24
Proposed Mid-Year Budget Update

	FY2023-24 Original Budget	Mid-Year Adjustment	Adjusted FY2023-24 Budget
Beginning Net Position	\$ 14,938,484	\$ 12,539,194	\$ 27,477,678
<u>OPERATING REVENUES</u>			
Toll Revenue	6,500,000	4,100,000	10,600,000
Toll Violation Revenue	1,000,000	(200,000)	800,000
Interest Income	100,000	75,000	175,000
Total Operating Revenues:	7,600,000	3,975,000	11,575,000
<u>OPERATING EXPENSES</u>			
Operations and Maintenance	2,060,000	-	2,060,000
Revenue Collection Fees	1,400,000	200,000	1,600,000
Enforcement	700,000	(300,000)	400,000
System Manager/Operations Support	380,000	-	380,000
Insurance	365,000	(139,083)	225,917
Alameda CTC - Operations and Management	245,500	(35,500)	210,000
Utilities	130,000	37,000	167,000
Express Lane Monitoring	120,000	-	120,000
Alameda CTC - Administration	50,100	39,900	90,000
Roadway Maintenance	50,000	-	50,000
Other Consultant Costs	50,000	40,000	90,000
Legal Fees	30,000	10,000	40,000
Public Outreach/Education	25,000	-	25,000
Miscellaneous	75,000	-	75,000
Contingency	500,000	(250,000)	250,000
Total Operating Expenses:	6,180,600	(397,683)	5,782,917
Operating Surplus/(Deficit)	1,419,400	4,372,683	5,792,083
<u>OTHER EXPENSES</u>			
Alameda CTC - Projects	9,000	12,000	21,000
Capital Project - Arbitration Support	491,000	-	491,000
Capital Project - HOV Conversion	-	984,000	984,000
Depreciation*	284,153	1,956,163	2,240,316
Total Non-Operating Expenses:	784,153	2,952,163	3,736,316
<u>PROJECTED ENDING NET POSITION</u>	\$ 15,573,731	\$ 13,959,715	\$ 29,533,446
Net Position			
Maintenance Reserve	1,000,000	-	1,000,000
Operational Risk Reserve	2,000,000	6,000,000	8,000,000
Invested in Capital Assets	11,019,386	8,001,113	19,020,499
Unrestricted	1,554,345	(41,399)	1,512,946
Total Net Position	\$ 15,573,731	\$ 13,959,715	\$ 29,533,446

* Non-cash expense