



Transportation Committee

Meeting Date: January 10, 2024

Agenda Item No. 2

Development of a Regional Tolling Authority and the Yolo 80 Corridor Improvement Project

Action

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Attachments: Yes

Approved by: Kristina Svensk

Referring Committee: Not Applicable

Issue:

This item recommends a series of actions needed to advance the Yolo 80 Corridor Improvement Project (Yolo 80), including the creation of the Capital Area Regional Tolling Authority (CARTA).

Recommendation:

That the Transportation Committee recommend that the board:

- Approve the Joint Powers Authority (JPA) agreement (Attachment A) with Yolo Transportation District (YoloTD) and the California Department of Transportation (Caltrans) establishing CARTA
- Consent to CARTA's submission of a Toll Facility Application to the California Transportation Commission (CTC) for Yolo 80 pursuant to Assembly Bill (AB) 194

Background/Analysis:

Tolled lanes, including express lanes and high-occupancy toll lanes, are identified as a critical component of the adopted Metropolitan Transportation Plan/Sustainable Communities Strategy (MTP/SCS) to improve traffic management, increase system reliability, expand modal choice, and increase person and freight throughput. The adopted MTP/SCS identified the following corridors in the region for tolled facilities: US 50, I-80, I-5, SR 51 (Capital City Freeway), SR 99, and SR 65. This report builds on previous tolling presentations and discussions in the region including the Megaregion Working Group workshop in April 2022; the SACOG Transportation Committee and board workshops in March 2023; the SACOG Strategic Planning Committee and Board information items in August 2023; and the SACOG Transportation Committee, Strategic Planning Committee, and board information items in December 2023. SACOG, Yolo TD, Caltrans, and other transportation stakeholders believe that a regional approach, rather than multiple organizations within the region, would be the best overall strategy for managing tolling facilities.

The CTC was delegated authority to approve tolled facilities on the state highway system through AB 194. The CTC requires that each tolled facility, or project, seek approval prior to construction. Toll Facility Project Applications may be submitted by a Regional Transportation Planning Agency (RTPA), a JPA with the consent of the RTPA, or Caltrans. The CTC's approval process also requires a public hearing on each Toll Facility Project Application prior to the CTC commission meeting when the approval is considered.

The Yolo 80 is the first project in the region that will seek approval to toll from the CTC. The project extends along I-80 from the Yolo/Solano County line to West El Camino Avenue in Sacramento County and on US 50

from the I-80/US 50 Interchange to the US 50/I-5 interchange. Yolo 80 has received \$86 million in federal INFRA funds, which requires the project to begin construction in September 2024, or risk forfeiture of the funds. To meet this deadline, the project must go out to bid in April 2024. The project's draft environmental document was released on November 13, 2023, and comments are due January 12, 2024; the Notice of Determination is anticipated to be filed in Spring 2024. Twelve alternatives are included in the draft environmental document, including multiple that would construct tolled lanes. Per the CTC, its approval to develop and operate a toll facility must occur at the March 2024, CTC meeting, which requires a Toll Facility Project Application to be submitted in early February 2024. As the RTPA covering Yolo County, SACOG must either submit the application for the Yolo 80 on its own or consent to a joint powers authority submitting the application. Through a contract with a consultant, Yolo TD has been conducting the necessary analyses and preparing the required documentation for the application, in consultation and coordination with SACOG and Caltrans staff.

Discussion/Analysis:

YoloTD, SACOG, and Caltrans have been working together, along with other partners in the region, to develop a governance structure for a regional tolling authority. Staff believe a regional JPA capitalizes on the unique skillset of the region's transportation partners while minimizing risks to individual agencies. The staff recommendation is to create a regional JPA that serves as the tolling authority, called CARTA. As proposed, CARTA would have five voting board members to start: one at-large Director appointed by SACOG, one Director within Yolo County appointed by SACOG, two Directors appointed by YoloTD, and one Director appointed by Caltrans. In the future, if a new toll facility is approved within Sacramento County, three new Directors will be added: one Director within Sacramento County appointed by SACOG and two Directors appointed by Sacramento Transportation Authority (STA). If a new toll facility is approved within Placer or El Dorado Counties, Placer County Transportation Planning Agency (PCTPA) or El Dorado County Transportation Commission (EDCTC) could join CARTA and new Directors could be appointed in the same manner. However, as RTPAs, PCTPA and EDCTC retain the ability to establish their own tolling authorities.

During the December board meeting, the SACOG board discussion highlighted the importance of creating a tolling governance structure that performs well on four metrics:

- Minimizes risk to the Yolo 80 project
- Minimizes risk to SACOG
- Promotes regional partnership
- Preserves local representation

Staff believe the recommended governance structure performs best on these four metrics. The staff-recommended structure is supported by YoloTD and Caltrans, and their support minimizes barriers to successfully delivering the \$86 million in discretionary federal funds on the Yolo 80 project. The staff-recommended structure also creates a separate entity, successfully minimizing legal and financial liability to SACOG. Most importantly, the staff-recommended structure strikes a balance between the need for regional partnership on decisions that will impact counties who may have toll facilities in the future and the need for local representation on decisions that impact specific toll facilities in specific communities. The staff-recommended structure strikes this balance by including non-voting seats for potential future JPA members and creating a clear means to add counties as new toll facilities are developed. In developing the recommended governance structure, staff reviewed six potential governance structures discussed by the SACOG board or requested by partners. A discussion of how each alternative performs in each of the four

metrics is detailed in Attachment B.

The role of Caltrans in the tolling authority was a key topic of discussion at the December SACOG board meeting. As proposed in the staff recommendation, the CARTA Board would include one voting seat for Caltrans. Staff believe the inclusion of Caltrans as a participating member of the JPA has the potential to reduce costs through transportation management center, maintenance, and design support; and reduce institutional barriers through expedited permitting and review processes. Tolling facilities on the state highway system require numerous agreements with Caltrans, including cooperative agreements that cover design, construction, operations, and maintenance. With their participation directly on the board, Caltrans will be able to ensure more streamlined review and approval processes to execute these agreements. The involvement of Caltrans will also likely improve funding and financing opportunities, as US Department of Transportation, CTC, and municipal investors all highly value well-functioning partnerships when evaluating grant applications and bond sales. Caltrans staff will present these benefits at the Transportation Committee meeting.

In addition, SACOG, Caltrans, and YoloTD have been working closely with STA to respond to their comments and ensure the tolling authority governance structure works for all potential future members. The updated JPA agreement (Attachment A) names STA as the appointing agency for Sacramento County. STA has requested language to ensure decisions that only affect one county cannot be made without that county's support. The updated JPA agreement includes placeholder language referencing this request, but this remains an active issue that is still under discussion among the partners.

Fiscal Impact/Grant Information:

The staff and legal costs associated with forming a tolling authority and participating as a stakeholder on the Yolo 80 project is covered by the adopted 2023-2024 OWP/Budget. However, budgetary actions to implement the creation of CARTA, including necessary SACOG staff support, will be included as a separate action item for consideration by the SACOG board.