

6. Express Lanes Update by Ross Chittenden, CCTA Deputy Director, Projects

Attachments:

- Ross Chittenden Presentation "Regional Express Lanes Application to the California Transportation Commission" (CTC)
- CCTA 9/1/11 Administration and Projects Committee Staff Report re: a Letter of Support (9/22/11 draft Letter of Support included) for the MTC Application to the CTC including Attachment A, the Bay Area Regional Express Lane Network
- Attachment B, draft letter to Mr. Dario Frommer, Chair, California Transportation Commission
- 7/25/11 SWAT Initial Comments on the Proposed Bay Area Express lane Network
- 8/22/11 WCCTAC Board letter to CCTA stating its reasons for the adoption of a "Do Not Support" position on the Express Lanes application
- MTC Fact Sheet on AB 744 (2009 Torrico) which authorized the development, operation and maintenance of a regionally managed Express Lane Network in the Bay Area.

Regional Express Lanes Application to the CTC

Presentation to Contra Costa Transportation Authority
Administration and Projects Committee

on

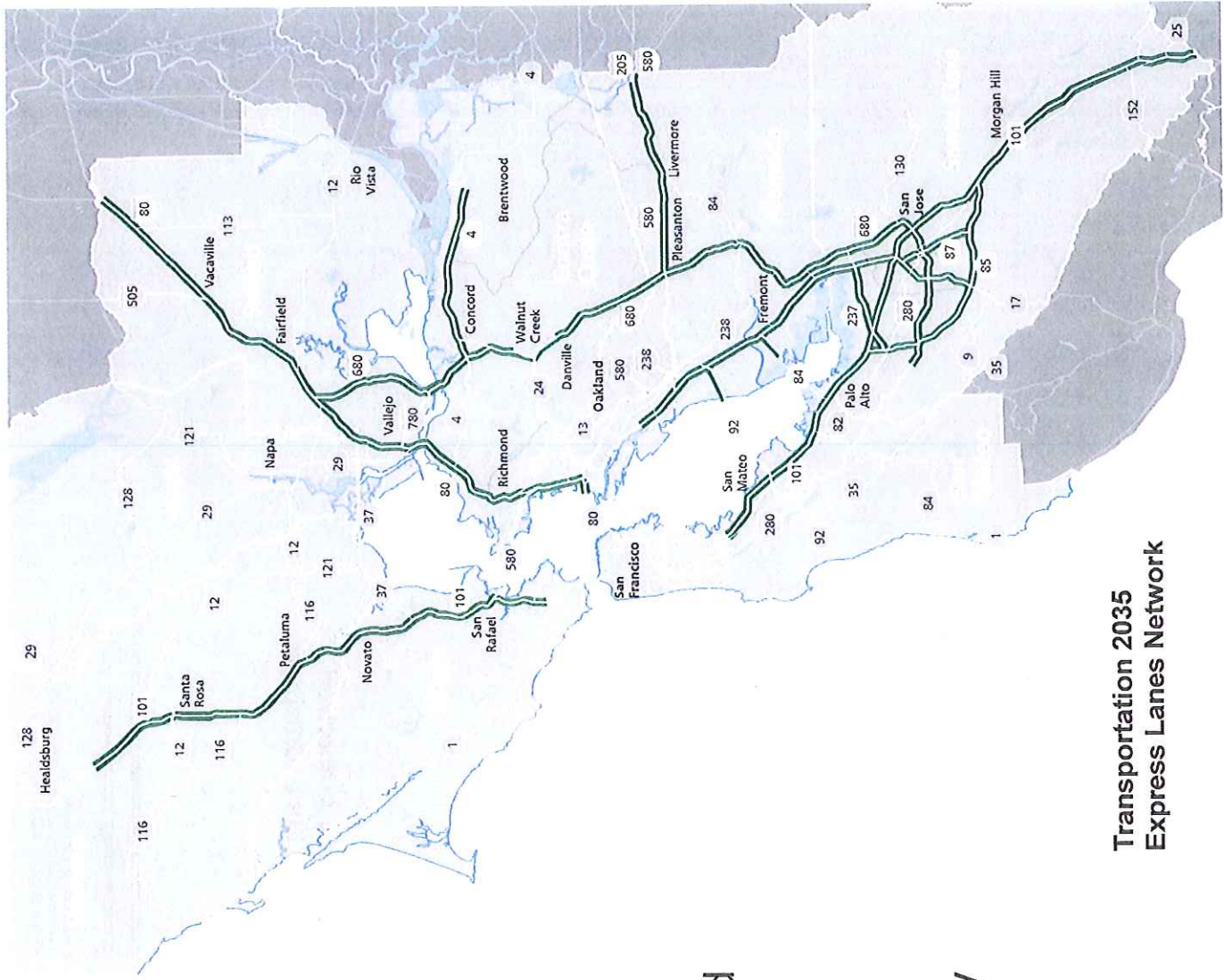
September 1, 2011

T-2035 Express Lane Network

- Complete the HOV lane system
- Use freeway capacity more efficiently
- Offer travel options
- Cooperation with CMAAs and Caltrans

800 miles total

- ✓ 500 miles of converted HOV lanes
- ✓ 300 miles of new lanes

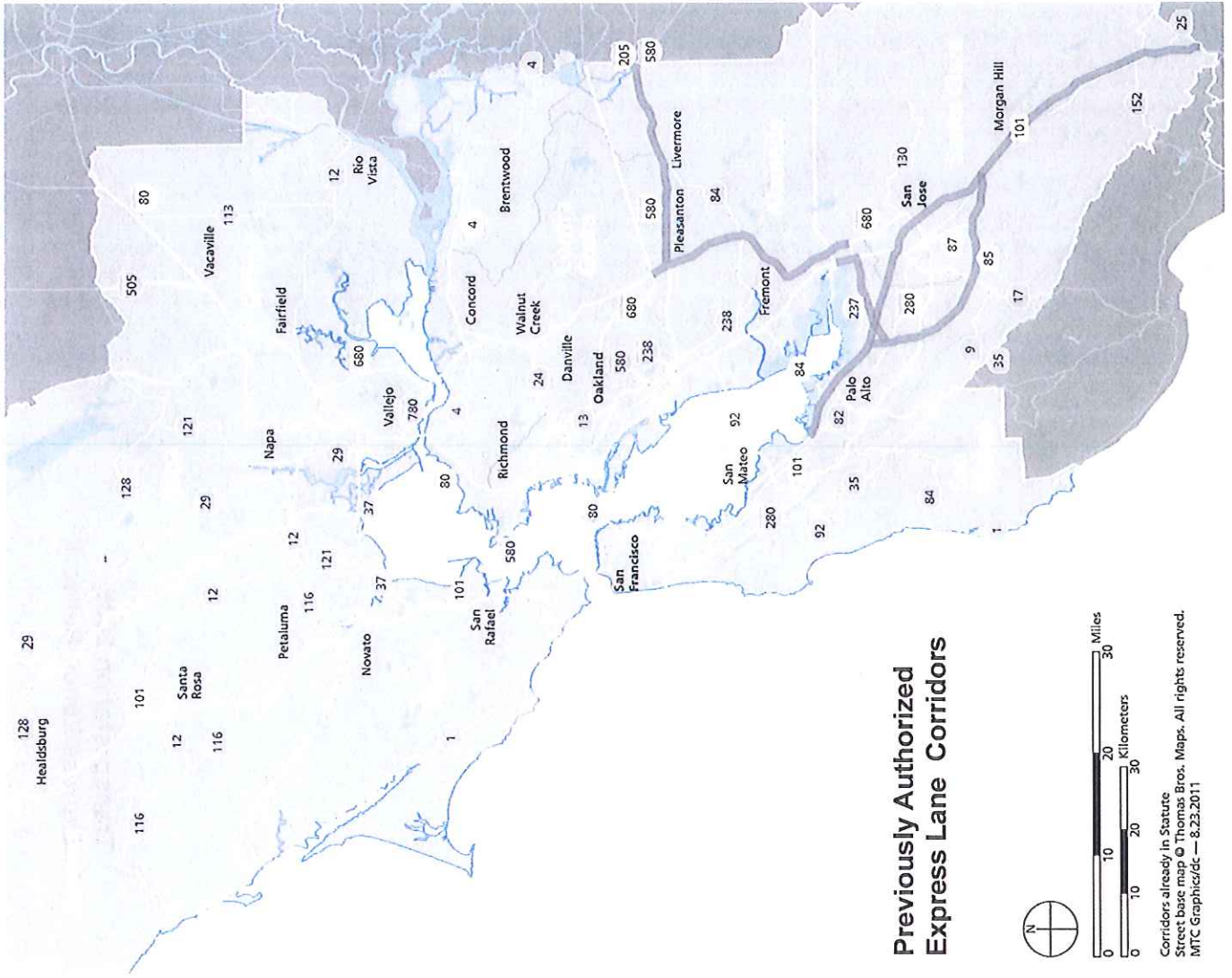


Transportation 2035
Express Lanes Network

Previously Authorized Corridors

280 miles

- ✓ Ala-680 SB Sunol Grade already in operation
- ✓ 237/880 operational early 2012

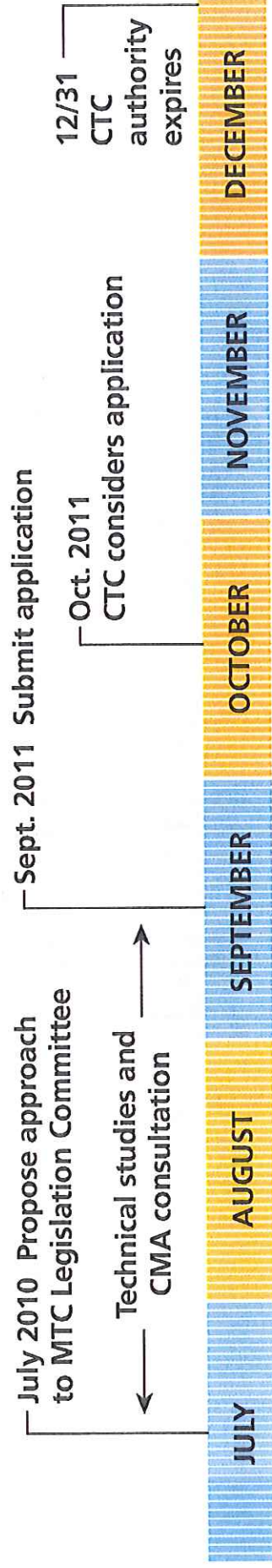


Previously Authorized Express Lane Corridors

Corridors already in Stature
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 MTC Graphics/dc — 8.23.2011

Current Approach

- Seek authorization from the CTC for a smaller regional network under existing law (S&H Code §149.7)
- Application demonstrates feasibility but does not commit region to specific tolling policies, phasing, financing or project delivery
- Already authorized express lanes could become part of the network through negotiated agreements
- Work with Caltrans to prepare application and develop “realistic delivery” approach
- Update costs and revenues to reflect current conditions



Application to CTC

- Provides basis for CTC to grant authority for express lanes not authorized under current law
- Demonstrates feasibility based on reasonable assumptions
- Does not commit region to specific tolling policies, phasing, financing or project delivery
- Components
 - Project study report (PSR), signed by Caltrans
 - Caltrans independent finding on operational impacts
 - Financial feasibility analysis
 - Discussion of impacts (mobility, multi-modal, environmental, economic)
 - Demonstration of local support

Authority Requested in CTC Application

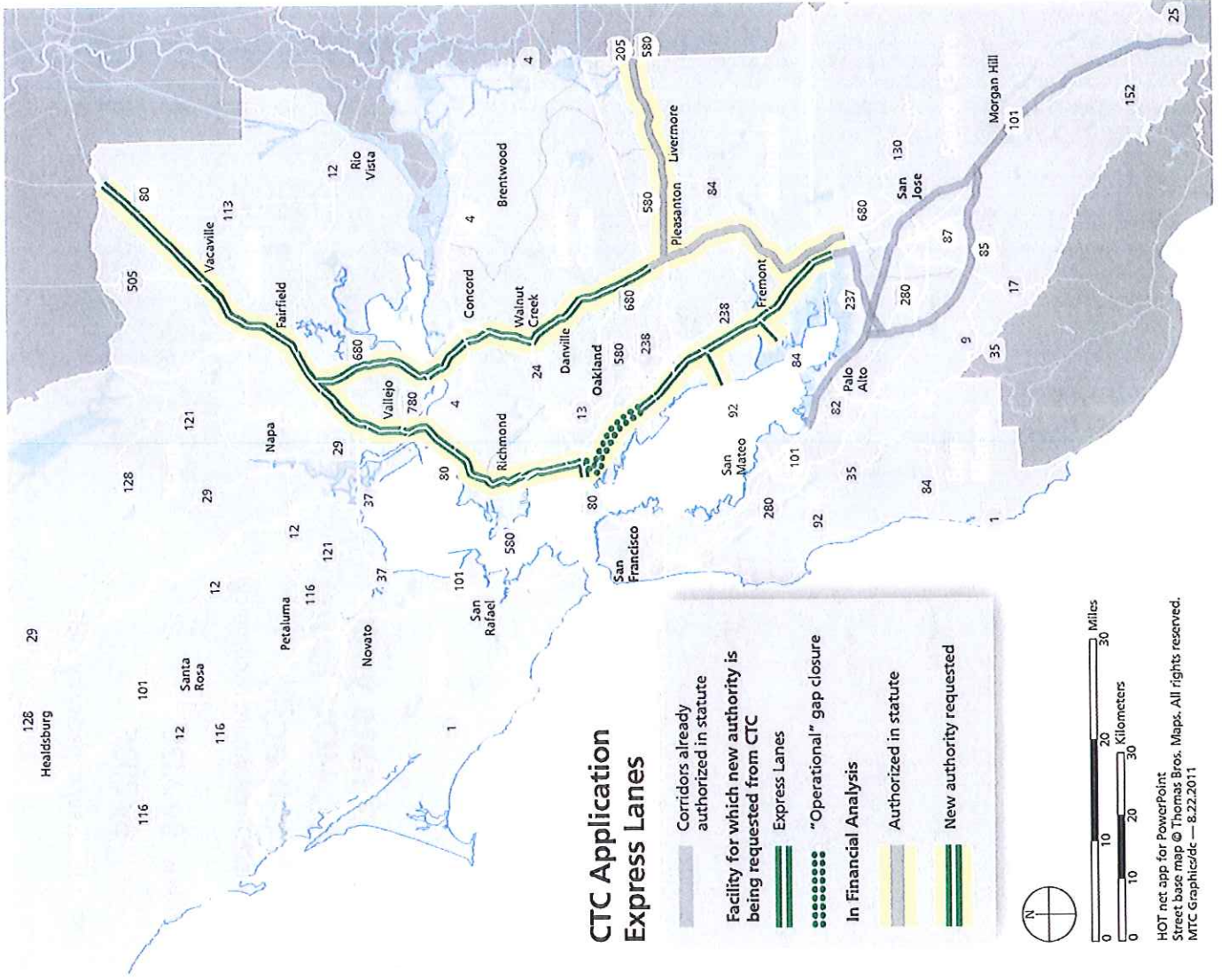
New Authority for 290-mile* Facility

- ✓ 150 miles of converted HOV lanes
- ✓ 120 miles of new lanes
- ✓ 20 miles of operational gap closures (no tolling)

Financial Analysis

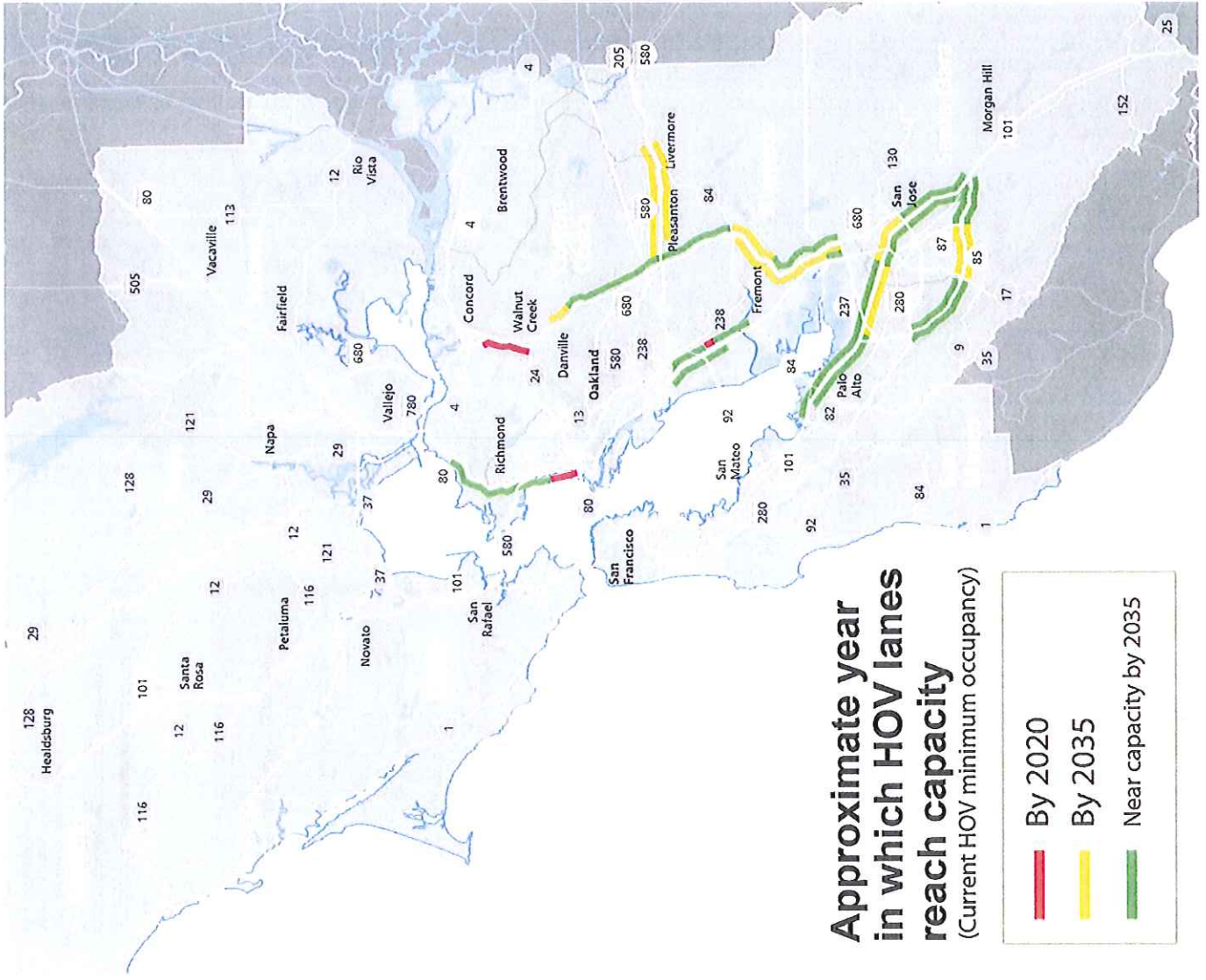
Includes facility plus previously authorized lanes in Alameda County, subject to agreement (70 miles)

* Directional miles



HOT net app for PowerPoint
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When do HOV lanes fill?

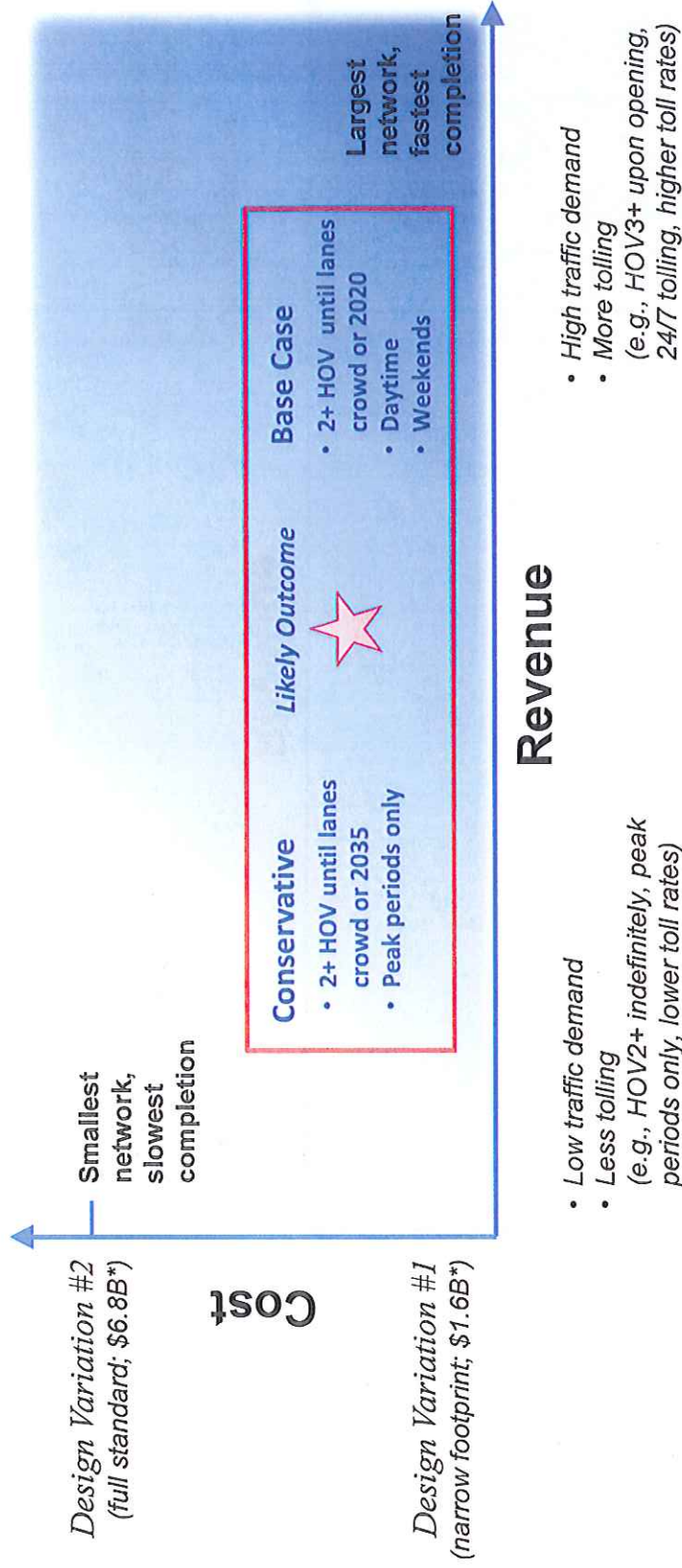


Financial Feasibility Envelope



* Costs in 2010\$

“Bookends” for Financial Analysis in Application



- Financial analysis cases, expressed as tolling policy scenarios, provide an envelope for variations in other factors including costs and financing terms.
- Implementation of specific tolling policies would be subject to future MTC Commission actions, in consultation with regional partners.
- Emphasizes need to contain costs within Caltrans design assumptions.

* Costs in 2010\$

Financial Summary

	Base Case	Conservative Case
Express Lane Toll Revenue	6,500	4,400
Debt Proceeds (Bonds/TIFIA)	2,100	2,400
Local Funding	100	100
Grant Funding	400	800
Capital Costs	(3,000)	(3,600)
Operations, Maintenance and Rehabilitation	(1,500)	(1,300)
Debt Service	(3,400)	(2,300)
Other*	100	100
Potential Net Revenue**	1,300	600

* Net amount including financing fees, reserves funding/releases and interest income

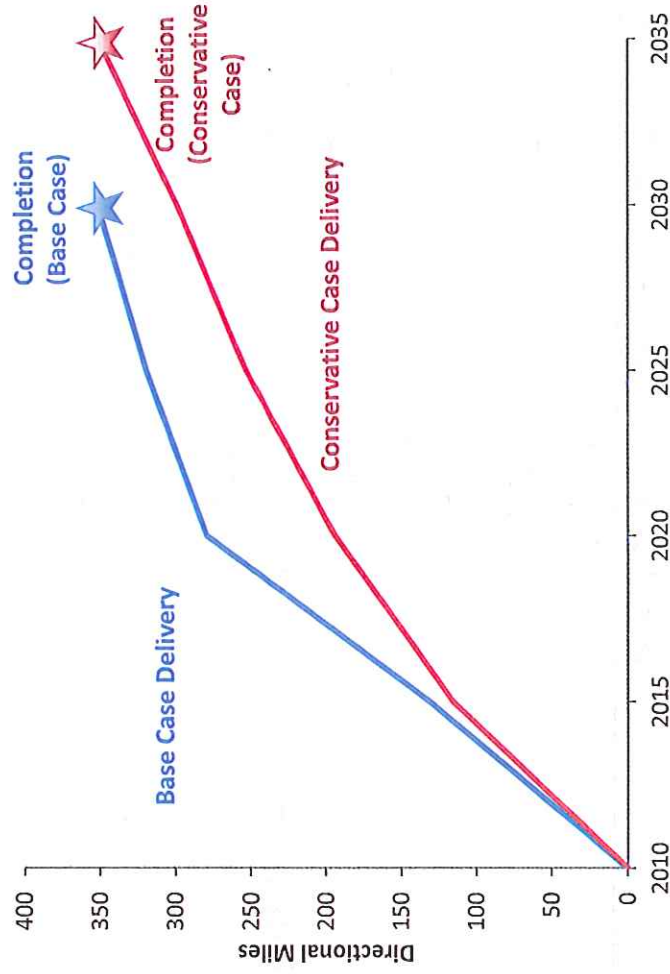
** These at-risk surpluses emerge in the later years (after completion of the Network), and due to their bottom-line nature, are highly sensitive to variations in toll policy, revenue, cost, schedule and financing assumptions.

Network Phasing

Phasing approach in financial analysis prioritizes segments based on financial feasibility, subject to operational considerations.

In general,

1. Conversions, first
2. Then gap closures
3. Then extensions and direct connectors

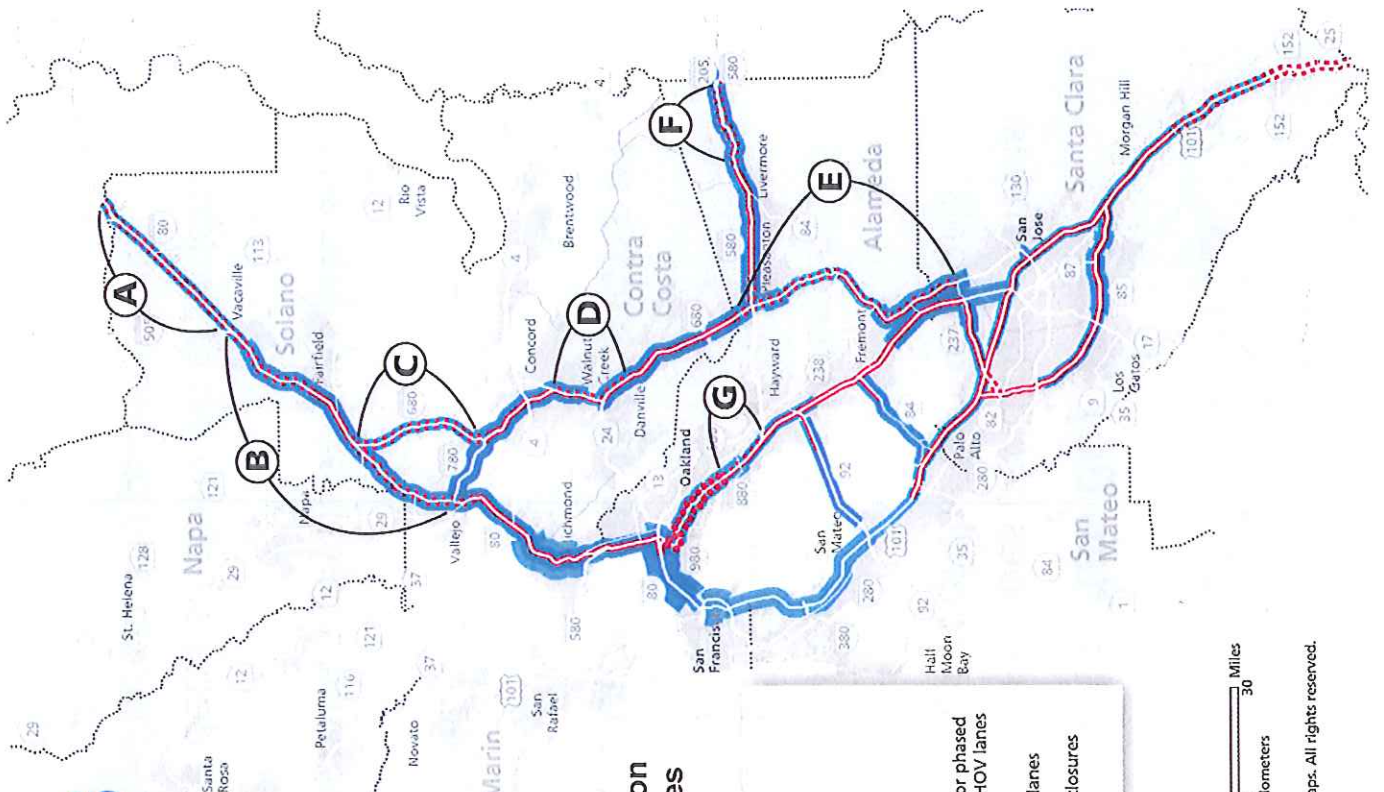


Questions and Considerations

1. **How does the CTC application relate to Plan Bay Area?**
 - The CTC application establishes feasibility but does not dictate what is included in Plan Bay Area, which is the subject of the Commission's trade-off discussions later this year.
 - The Express Lanes Network is subject to performance assessment to show how the network meets the 10 adopted Plan Bay Area targets; staff will present preliminary results on September 9.
2. **Will there be net revenue to invest in transit operations or other projects?**
 - It is too early, given the level of study to date, to count on net revenues.
 - The net revenue projected in this financial analysis accrues late and should be considered at-risk surplus.
 - If net revenue is projected after more detailed study, an expenditure plan will be developed based on consultation and public input.

Benefits to Bus Riders from Gap Closures

Route	Peak Hour Bus Trips (current service)	Bus Rider Hours Saved
A. I-80 Yolo County to I-505	4	90
B. I-80 I-505 to Carquinez Bridge	40	840
C. I-680 Gold Hill Rd. to I-780	4	50
D. I-680 Route 242 to North Main St.	40	70
E. I-680 Alcosta Blvd. to SR 237	4	80
F. I-580 Greenville to San Joaquin County	40	360
G. I-880 Hegenberger to Lewelling	30	90
TOTAL		1,580

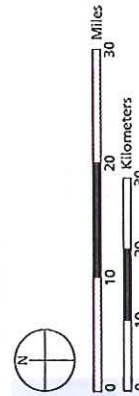


Bus Service on Express Lanes System

Daily Express Bus Trips

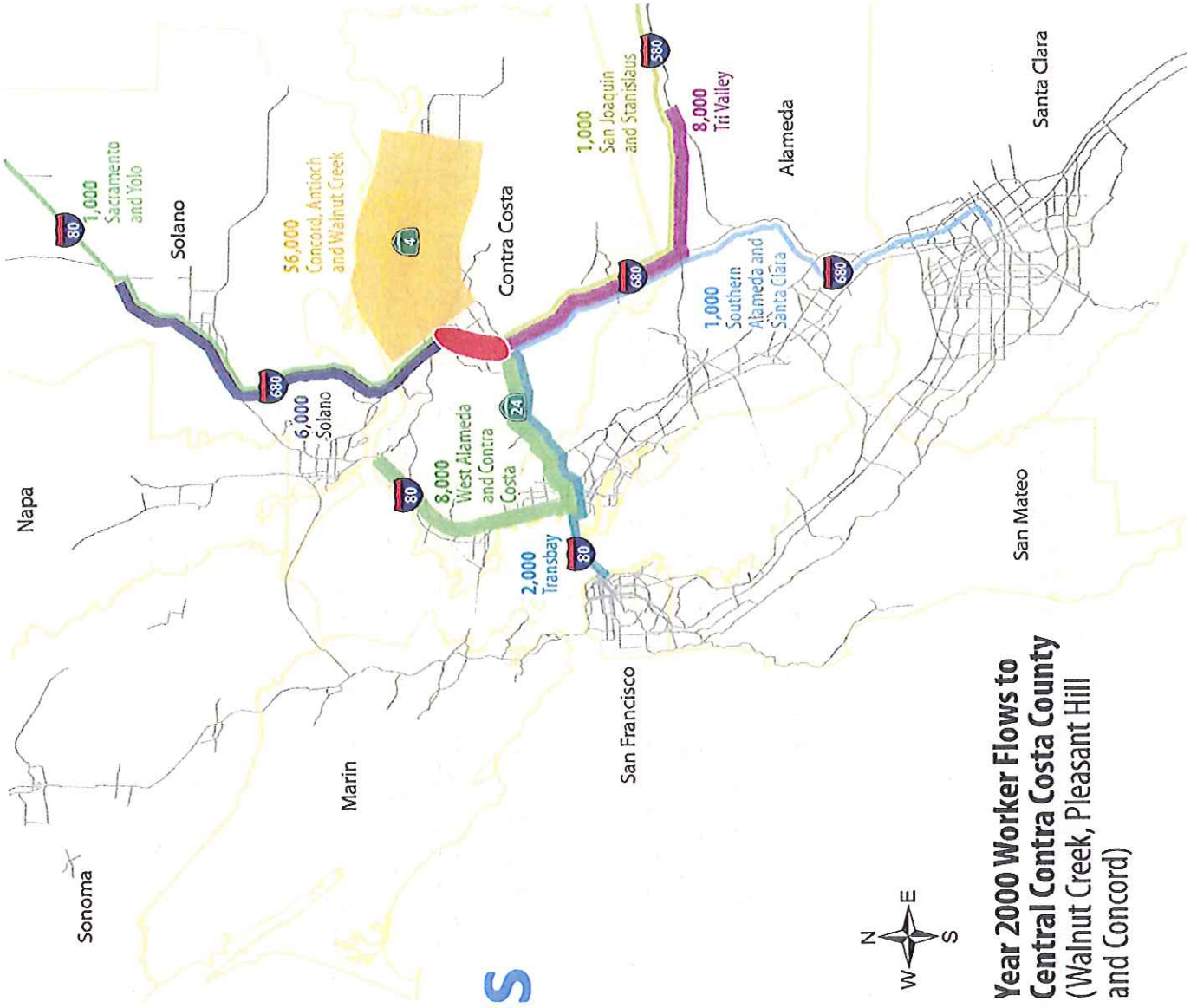
- Fewer than 20
- 20-200
- More than 200

— Convert existing, or phased and fully funded HOV lanes to express lanes
⋯ Add new express lanes
⋯⋯ Operational gap closures



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Regional Network Serves Regional Trips



Year 2000 Worker Flows to Central Contra Costa County (Walnut Creek, Pleasant Hill and Concord)



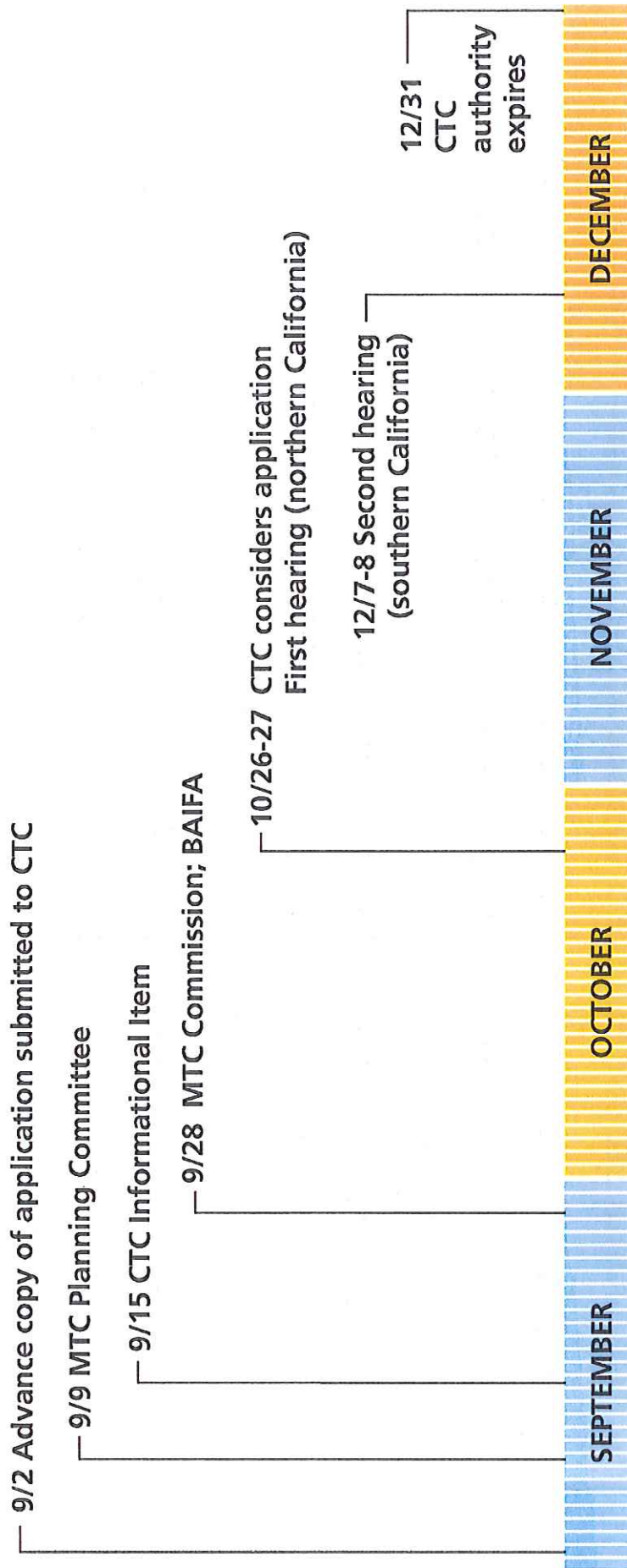
Questions and Considerations, cont.

3. **Is financial feasibility dependent on increasing HOV occupancy requirements?**
 - The financial analysis demonstrates the Network is still feasible if increases in HOV occupancy requirements are deferred until 2035, except in the cases where lanes crowd with HOVs before then, but could be completed sooner if occupancy requirements are increased in 2020.
4. **Do local jurisdictions support the application?**
 - The affected CMAs will consider letters of support in September. MTC staff is working with CMA staff to identify and address any concerns. (The staff memo and presentation address concerns arising to date.)
5. **How will other agencies have input to future planning, implementation and operations?**
 - Policies will be established for public input and consultation.

Getting Authority is Just the First Step

- Additional steps required to establish the network include:
 - Conduct detailed analysis of revenue, toll policy and financing;
 - Assign project development responsibilities and explore delivery approaches;
 - Develop project-level engineering and environmental documentation for each construction segment; and
 - Coordinate on system operations.
- Policies will be established for public input and consultation with Caltrans, CHP, and the CMAs prior to making major policy decisions including:
 - phasing and design;
 - project development;
 - operations, including toll policies; and
 - and other corridor improvements.

Schedule for CTC Approval





Administration and Projects Committee Meeting **STAFF REPORT**

Meeting Date: September 1, 2011

Subject	Letter of Support for the Metropolitan Transportation Commission (MTC) Application to the California Transportation Commission (CTC) regarding the Bay Area Express Lane Network.
Summary of Issues	Staff seeks authorization for the Contra Costa Transportation Authority (Authority) Chair to sign a letter acknowledging the Authority's support of MTC's application to the CTC for the Bay Area Express Lane Network. The application includes both I-80 and I-680 for in Contra Costa as part of the Bay Area Express Lane Network scope and financial plan. Authority and MTC staff will present major points from the application at the APC meeting.
Recommendations	Approve staff recommendation that authorizes the Authority Chair to sign the attached letter to the CTC Chair, Dario Frommer.
Financial Implications	None at this time. However, as each project of the Bay Area Express Lane Network is developed, there will be detailed analysis of operational and environmental impacts specific to that project, and an analysis of projected costs and revenue potential. Ultimately, development of the Bay Area Express Lane Network could provide resources to fund other capital projects, transit operations or other transportation purposes.
Options	Reject the expression of support for the Bay Area Express Lane Network. It is unclear to staff if MTC would be able to proceed with the application, as written, without Authority support.
Attachments	<ul style="list-style-type: none"> A. Bay Area Express Lane Network Fact Sheet B. Draft Authority Letter of Support C. Letter from SWAT, dated July 25, 2011 D. Letter from WCCTAC, dated August 22, 2011
Changes from Committee	

Background

NOTE: MTC plans to release the final application for the Bay Area Express Lane Network to the public on September 2, 2011. The following discussion is based on draft application and other supplemental information provided by MTC to Authority staff. MTC and Authority staff will provide updated information at the APC and Planning Committee meetings. The discussion at the Authority's September 21, 2011 Board meeting will be based on information contained in the final application. Any changes from the information presented herein will be highlighted at the Authority's Board meeting.

MTC, Caltrans and Congestion Management Agencies (CMAs) are cooperating to plan a 570 lane mile Bay Area Express Lane Network (see Attachment A – Bay Area Express Lane Network). MTC plans to submit an application to the CTC seeking authority to implement express lanes (also known as High Occupancy Toll, or HOT lanes) for approximately 290 miles of the overall network not already authorized through existing legislation. The CTC has limited-term authority under Streets and Highways Code Section 149.7 to approve HOT lane proposals. This CTC authority to analyze and approve proposals expires on December 31, 2011. However, implementation of approved proposals can continue for the time period needed.

HOT lanes allow non-carpool travelers to use excess capacity in the High Occupancy Vehicle (HOV) network for a fee. Non-carpool travelers are vehicles that with passengers below the legal carpool occupancy level, i.e., single occupancy vehicles on corridors where 2 or more passengers constitute a legal carpool (HOV 2+) or single or dual-occupancy vehicles where 3 or more passengers constitute a legal carpool (HOV 3+). Legal carpools and transit would continue to use the HOT lanes for free. The rate of this fee (or toll) changes in real-time based on demand called congestion pricing. When demand is down, prices are low. As demand increases, there is less excess capacity to sell. The toll increases to discourage additional non-carpool vehicles from entering the HOT lane.

The application is consistent with the region's adopted long-range *Transportation 2035 Plan for the San Francisco Bay Area (Transportation 2035)*, which envisions an integrated, seamless system of HOV and HOT lanes in the Bay Area. The benefits for carpools and express busses envisioned in *Transportation 2035* have not been realized as the HOV network has many gaps and unconstructed segments. In addition, certain segments of the HOV network are under-utilized while the adjacent general-purpose lanes experience recurrent congestion.

The purpose of the MTC proposal is to use revenue generated from HOT lane operations to accelerate completion of the Bay Area HOV network, thus improving the reliability for carpools and express buses. Travelers in the general purpose lanes could also benefit as non-carpool vehicles move out of these lanes into HOT lanes. Net revenue over the costs to build, operate and maintain the express lane network could potentially be used to improve transit service or fund other capital projects.

As stated in the application, project goals include:

- **Connectivity:** Use HOT lane toll revenues to close gaps within the existing HOV lane system to increase travel time savings for carpools and buses.
- **Efficiency:** Optimize throughput on freeway corridors to better meet current and future traffic demands, using excess capacity in the existing HOV system.
- **Reliability:** Provide a reliable, congestion-free transportation option.

Alameda and Santa Clara counties have existing legislation that authorizes approximately 280 miles of HOT lanes. The MTC application seeks authorization for an additional 290 miles of HOT lanes including both I-80 and I-680 throughout their entire lengths in Contra Costa and Solano counties, as well as I-880

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in Alameda County. HOV lanes currently exist along approximately 340 miles of the 570 mile HOT lane network. In these segments, the existing HOV lane will be converted to HOT lanes over time. Each conversion project will be accomplished through a capital project development project with defined scope and separate environmental clearance. This has already occurred on southbound I-680 over the Sunol Grade in Alameda and Santa Clara counties to implement the Bay Area's first HOT lane. HOV conversion projects are currently underway on I-580 in Alameda County, and US 101, SR 85 and SR 237 in Santa Clara County. Another 210 miles of the 570 mile HOT lane network will be implemented by widening the freeway for HOT lanes, again in segments over time using the project development process. The final 20 miles of the network are gaps that will be managed through operational improvements until feasible solutions are found to close these gaps. This includes the northbound I-680 gap through Walnut Creek. The total estimated cost to implement the entire HOT lane network is between \$3 billion and \$3.6 billion, depending on the speed of implementation.

MTC and its consultant team performed a range of financial analysis based on different operational characteristics. The main operational variables are the hours of operations (7/24, week-day only, peak-period only, etc.) and HOV occupancy. The application contains two potential operating scenarios identified as the "base case" and the "conservative case."

- The base case assumes continuous HOT lane operation throughout the day and conversion of HOV occupancy level to HOV 3+ in 2020. The base case would generate revenue to complete most of the network by 2025.
- The conservative case would see HOT lane operations limited to peak periods only and current HOV occupancy levels continuing until the HOV lanes fill up or 2035, whichever occurs first. The conservative case results in network completion by 2035.

The financial analysis used in the application demonstrates that the HOT lane network is feasible based on reasonable assumption. The financial plan approach recognizes that there is a continuum of possible outcomes to ultimately be determined by variables including tolling policies, refined implementation and operation costs, outside funding, financing terms, etc., that cannot be fully defined for a project of this size and complexity. It should be noted that while the financial analysis outlines several operational variables, the application does not commit the Bay Area to any specific operational policies. Of interest to Contra Costa, the assumed maximum HOV occupancy level is HOV 3+, even along I-80 in Contra Costa which already has a 3 or more occupancy level for a legal carpool. Also, the financial analysis assumes all net revenue will be used to finance the implement of the HOT lane network. In reality, it is understood that a portion of the net revenue may need to be used for transit assistance or other capital projects to engender local and political support to implement.

MTC and its consultant team have been coordinating with Authority staff over the last several months to provide updates on the project application and solicit input for policy decisions. Caltrans concurrently developed a Project Study Report that will accompany the application when it is submitted to the CTC. Over this same time period, Authority staff has hosted two tours of the existing Alameda 680 Express Lane facility and discussed the proposal with Regional Transportation Planning Committees. Deputy Executive Director Ross Chittenden made presentations to SWAT on June 6, TRANSPLAN on June 9, and WCCTAC on July 22. The discussions at SWAT and TRANSPLAN were INFORMATIONAL ONLY.

Attachment C is the letter from SWAT summarizing their discussion, suggestions and concerns. The matter was an ACTION ITEM for WWCTAC. WCCTAC voted to send a letter to the Authority voicing their "Do not support" position and specific items of concern regarding HOT lane operations on I-80 (see Attachment D). Mr. Chittenden will also provide an update on the HOT lane application at the September 8 TRANSPAC meeting.

Policy Considerations

As stated earlier, the application, if approved by the CTC, does not commit the Bay Area or any individual CMA to operational policies. Major policy matters such as HOV occupancy levels, tolling rates, hours of operation and revenue sharing will be developed cooperatively over time by MTC, Caltrans and affected CMAs. All parties agree that implementation requires collaboration among these regional agencies as well as with local jurisdictions. The implementation for each segment of the Bay Area Express Lane Network will include a project-specific environmental document including all necessary technical studies.

In response to AB 744 (prior MTC-sponsored legislation) and information in the draft application, The Authority and the RTPCs have expressed concerns and established principles for HOT lanes in Contra Costa. Most of the Authority's principles such as maximizing capacity and throughput, no conversion of general purpose lanes, no displacement of HOV users to benefit HOT users, etc., are embedded in the MTC application. However, a few specific points of concern exist that must be addressed prior to implementation. These concerns are included in the draft letter of support (Attachment B):

- **Governance structure:** Important policy decisions are needed for both region-wide and corridor-specific implementation. CCTA, as the Congestion Management Agency (CMA) for Contra Costa, should be involved with our partners at MTC, Caltrans and other Bay Area CMAs in the development of the governance structure that affects Contra Costa corridors and residents.
- **Financing options and start-up costs:** The MTC application includes estimated costs needed to implement and operate the express lane network, and discusses financing options in limited detail. It is assumed that bridge toll funding (where applicable), undefined grants and other regional funding will be used to initiate the implementation of the network. In the letter from SWAT (Attachment C), it was suggested that funds available for the 680 HOV gap closure project should not be redirected to implement HOT lanes. A more defined financing plan and start-up costs need to be identified early in the implementation effort.
- **Use of net revenue (revenue in excess of operating costs):** The Authority previously adopted a principle that HOT lane implementation should benefit residents and travelers along tolled corridors, and that excess revenue should be used for transit assistance or other capital projects. In addition, the cost to implement HOT lanes in Contra Costa is much lower when compared to Alameda and Solano counties due to the fact that most of the HOT lane implementation is through conversion of existing HOV lanes as opposed to freeway widening. The financial analysis and build-out schedule in the MTC application assumes that all net revenue is used for implementation costs and debt service through the build-out period. In other words, excess net revenues from corridors in Contra Costa could be used to build outlying segments of the HOT

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lane network in Alameda and Solano counties prior to funding transit assistance or capital project in Contra Costa. As previously stated, the financial analysis in the application does not commit the Bay Area to this outcome. Using all net revenue to build-out the network completes the Bay Area Regional Express Network maximizes net revenue sooner, while redirecting some net revenue for other purposes slows down implementation and pushes maximum net revenue farther into the future.

- HOV occupancy level: During review of AB 744, The Authority adopted a principle to "limit HOV occupancy to no more than 1 above existing levels." The MTC application meets this principle. As previously mentioned, the financial model assumes that HOV occupancy will NOT increase above the existing 3-plus on I-80. Both the "base case" and the "conservative case" financial models assume HOV levels will increase on I-680, but on different timelines.
- The Authority and local involvement in implementation: Most importantly, The Authority and its affected jurisdictions need to be involved in the continued planning and implementation of the express lane network. This includes participation in operational policy decisions and the development of project development roles for corridors within Contra Costa.

The limited time available to obtain authority from the CTC and the enormity of the Bay Area Express Lane Network precludes the ability to resolve all policy matters at this time. However, Authority staff understands and expects that the Authority, both through its involvement at staff level and through participation on the MTC Commission, will be continuously involved in the development of operational and tolling policies and in specific project implementation in Contra Costa. Additionally, many of the specific concerns and questions expressed by the Authority and the RTPCs can only be answered through additional detailed traffic analysis and revenue studies. Staff will monitor development and participate in the development of project-specific technical studies.

Authority staff believes that the Bay Area Express Lane Network, as described in the MTC application, poses a significant opportunity to accelerate completion of the HOV system in Contra Costa and to generate revenue to supplement Measure J and other traditional funding streams. Implementation of the network and individual segments of the network must be accomplished through a public environmental clearance process and other project development activities that must include the Authority and local jurisdictions. For this reason, Authority staff believes that there is minimal, if any, risk in the CTC's approval of MTC's application. For these reasons, staff recommends support of MTC's application and urges authorization for the Authority Chair to sign Attachment B, Letter of Support.

Bay Area Express Lanes Network

Background

MTC intends to submit an application for a public partnership for High Occupancy Toll Lanes, also called Express Lanes, to the California Transportation Commission (CTC) in September 2011 for approval at the October meeting. The application is consistent with the region's adopted long-range Transportation 2035 Plan, which envisions an integrated, seamless system of express lanes in the Bay Area.

The application is in accordance with Section 149.7 of the Streets and Highways Code (AB 1467, 2006). It includes an approved programmatic PSR and a Letter of Finding by the California Department of Transportation (Caltrans) assessing operational impacts and certifying the application is consistent with state highway system requirements.

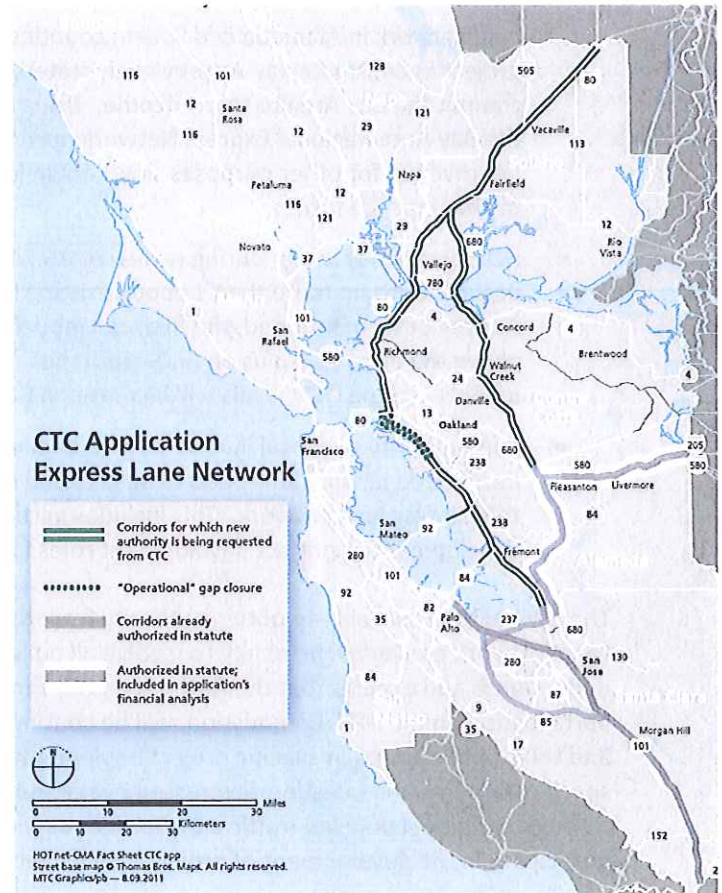
Project Goals

Bay Area highway congestion is consistently among the worst in the nation, regional travel is slow and unreliable. The carpool lane system is fragmented by gaps that can't be closed for many decades due to lack of funds, making carpooling and transit less effective. Project goals include:

- **Connectivity:** Use express lane toll revenues to close gaps within the existing HOV lane system to increase travel time savings for carpools and buses.
- **Efficiency:** Optimize throughput on freeway corridors to better meet current and future traffic demands, using excess capacity in the existing HOV system.
- **Reliability:** Provide a reliable, congestion-free transportation option.

The Bay Area Express Lanes System

The application seeks CTC authority to implement Express Lanes on three routes: I-80 in Alameda, Contra Costa and Solano counties, I-880 in Alameda County, and I-680 in Solano and Contra Costa counties. In the near term, mobility and connectivity through the northern section of I-880 through Oakland, where there is no existing HOV lane, would be addressed through operational strategies. These corridors will complement ex-



	Miles Total	Miles Previously Authorized	Miles of New Authority
Convert existing HOV Lanes to Express Lanes*	340	190	150
Widen existing freeways to create Express Lanes	210	90	120
Operational gap closure	20	0	20
Total	570	280	290

*includes the existing I-680 Sunol Express Lanes

press lanes authorized under existing statute in Alameda and Santa Clara counties: I-680, I-580, Route 237/I-880 interchange, and U.S. 101/Route 85.

MTC, Caltrans and county Congestion Management Agencies are committed to seamless operation of the previously and newly authorized express lanes as a single system.

(Continued)

Elements of Application

The application outlines possible phasing, tolling and financing approaches in order to demonstrate financial and operational feasibility under a range of conditions. It does not, however, commit the region to specific policies.

Operational Assessment: The Express Lane Network will make optimum use of available capacity within the existing HOV lanes and within the new Express Lanes. This utilization along with improved transit reliability within the Network corridors will improve the operation of the Bay Area's freeways.

Costs: Costs to design, construct, implement and operate the segments of the Network were developed by segment, taking into account improvements that ensure safety, operation, and cost containment. The total capital cost ranges from \$3 billion to \$3.6 billion (in year of expenditure dollars), depending on the speed of implementation.

Schedule: The network includes two types of projects: 1) conversion of existing HOV lanes and 2) construction of new lanes. The application envisions an expedited 4-year process for the conversion projects and an expedited 6-year process for the new lanes. In financial analysis scenarios described below, conversion projects generally precede construction of new lanes.

Financial Analysis: The financial analysis includes the I-680 and I-580 authorized corridors, reflecting Alameda County Transportation Commission's expressed interest in entering into an agreement with MTC. The route 237/880 and U.S. 101/Route 85 projects are assumed to remain financially independent.

To demonstrate financial feasibility, the analysis explores two scenarios that bookend a range of possible outcomes:

Base Case – Shows the bulk of the network could be completed by 2025 (with one last segment in 2030) with higher revenue from higher traffic demand, tolling throughout the day (e.g. 6 AM to 7 PM), and increasing HOV occupancy requirements to HOV3+ as the network becomes more connected in 2020.

Conservative Case – Shows that the network could be completed by 2035, under more conservative revenue assumptions, such as limiting tolling to peak periods and maintaining current HOV occupancy requirements until carpool lanes fill up or 2035, whichever comes first.

While it is too early to determine the actual toll rates, the analysis demonstrates financial feasibility based on toll rates in the range of \$0.14 per mile to \$1.00 per mile in 2020. These rates are comparable to current rates on the I-680 Express Lanes (average peak period toll of \$3 for 14 miles) and State Route 91 Express Lanes in Orange County (\$10 for 10 miles).

What Comes Next?

MTC will consider this application at the September 9 meeting of the Planning Committee and September 28 meeting of the full Commission. The CTC will consider MTC's application at its meeting on October 26-27. The CTC's ability to authorize new express lanes projects expires on December 31, 2011.

Upon approval, MTC and its regional partners, including Caltrans and the CMAAs, will undertake the following steps to establish the network:

- Conduct detailed analysis of traffic, toll policy, revenue and financing options.
- Assign project development responsibilities.
- Develop a project-specific Project Study Report for each construction project, followed by a Project Report and environmental documentation, including required companion studies
- Determine a method of project delivery for each segment.
- Coordinate on operating policies.

Key Dates for Application

September 9 — MTC Planning Committee

September 28 — MTC Full Commission

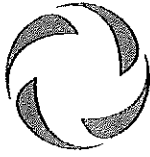
October 26/27 — California Transportation Commission



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August 2011



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September 22, 2011

Mr. Dario Frommer, Chair
 California Transportation Commission
 1120 N Street, Room 2221 (MS-52)
 Sacramento, CA 95814

Dear Chairman Frommer and Commissioners:

The Contra Costa Transportation Authority (Authority), acting as the Congestion Management Agency (CMA) for Contra Costa County, is writing in support of the application by the Metropolitan Transportation Commission (MTC) for authority to implement the Bay Area Express Lane Network and urges the California Transportation Commission (Commission) to make a finding of eligibility under Streets & Highway Code Section 149.7. The Authority acted at their meeting on September 21, 2011 to affirm this support.

The express lanes network is a component of the *Transportation 2035 Plan for the San Francisco Bay Area*, the long-range transportation plan for the Bay Area. This request before the Commission represents the culmination of significant efforts to define and study the technical and financial feasibility of moving forward with the express lanes network. High Occupancy Vehicle (HOV) lanes are already an essential part of the regional transportation system, but they could be even more extensive and make a greater contribution to regional mobility, if they were to reach their full potential. Currently, the HOV lanes are a "patchwork" rather than a network. The implementation of the network for which MTC is seeking authority on behalf of the region would be a powerful tool for management of the freeway system. It would yield the following benefits:

- **Capacity Enhancement/System Performance.** Current underutilization of HOV lanes creates the opportunity to balance the usage of all lanes and increase vehicle and person throughput, as a result of careful real-time pricing strategies. Overall system performance can be improved by a more extensive HOV/express lane network that can be fine-tuned through pricing.
- **Connectivity.** Additional HOV lanes would be constructed to close gaps and permit longer contiguous trips on the lanes than are currently possible or foreseeable under current funding circumstances. The network will become a much more attractive and efficient mobility option for travelers when gaps are closed.
- **Travel Time Savings.** Offering travelers the option of using the express lane provides an opportunity to save travel time, especially on those occasions when being on time is of great value to the user.
- **Reliability.** In addition to time savings, reliability is an important value to users. If predictability can be assured, experience with express lanes in other regions has shown

Mr. Dario Frommer
 September 22, 2011
 Page 2

that users will pay the toll, even at times when there is not significant congestion on the adjacent general purpose lanes.

- **Bus Transit improvement.** Substantially enhanced connectivity and improved reliability will make express bus travel much more attractive and thereby lead to increased ridership. This will lead to reduced congestion, energy consumption and air emissions.

Of course, each segment of the express lane network has its own special characteristics. As each project of the network is developed, we understand that there will be detailed analysis of operational and environmental impacts specific to that project. The Authority, as well as affected jurisdictions in Contra Costa, expects to participate in the project development process for those corridors within our county.

CCTA's support for the Bay Area Express Lane Network is predicated on the understanding that the following concerns will be addressed prior to implementation:

- **Governance structure:** Important policy decisions are needed for both region-wide and corridor-specific implementation. CCTA, as the CMA for Contra Costa, should be involved with our partners at MTC, Caltrans and other Bay Area CMAs in the development of the governance structure that affects Contra Costa corridors and residents.
- **Financing options:** The MTC application includes costs needed to implement and operate the express lane network, and discusses financing options in limited detail. A more defined financing plan needs to be identified.
- **Start-up costs:** Contra Costa Measure J's expenditure plan includes funding to construct HOV lanes along I-680. These funds cannot be redirected to implement HOT lanes. Rather, these funds should be supplemented from the network financial plan for this purpose.
- **Use of net revenue:** CCTA believes that HOT lane implementation should benefit residents and travelers along tolled corridors, and that excess revenue should be used for transit assistance or other capital projects.
- **CCTA and local involvement in implementation:** Most importantly, CCTA and its affected jurisdictions need to be involved in the continued planning and implementation of the express lane network. This includes participation in operational policy decisions and the development of project development roles for corridors within Contra Costa.

We are pleased to give wholehearted support and endorsement to the MTC application to seek authorization of the Bay Area Express Lane Network. We urge Commission approval of the application.

Sincerely,

David E. Durant
 Chair



SWAT

Attachment C

Danville • Lafayette • Moraga • Orinda • San Ramon & the County of Contra Costa

July 25, 2011

Ross A. Chittenden
Deputy Executive Director, Projects
Contra Costa Transportation Authority
2999 Oak Road, Suite 100
Walnut Creek, CA 94597

RE: Initial Comments on the Proposed Bay Area Express Lane Network

Dear Mr. Chittenden:

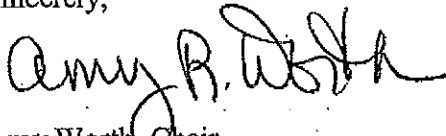
At their June 6, 2011 meeting, the Southwest Area Transportation Committee (SWAT) discussed at length the proposed Bay Area Express Lane "Backbone" Network as is currently being developed by the Metropolitan Transportation Commission (MTC) and California Department of Transportation (Caltrans), and as it relates to the SWAT sub region. SWAT understands that MTC and Caltrans are seeking initial support from the Contra Costa Transportation Authority ("Authority") for the development of such a network. Based upon the presentation and information provided at the June 6th meeting, SWAT is forwarding the following comments and concerns for the Authority's consideration:

- Several questions and inquiries were raised in regards to the operating technologies of High Occupancy Toll (HOT) lanes;
- Inquiries were raised in regards to the effect of Express Lanes on transit operations and service;
- It was presented that express lanes have been identified as a "proven tool for managing traffic". Committee members had questions as to how this has been measured, or quantified through studies, in arriving at this conclusion;
- Concerns whether there is sufficient excess capacity to "sell" and sustain proposed HOT lanes, as proposed, throughout the region;
- Concerns regarding the business model upon which the system is proposed to be built upon. With an estimated 50% administrative overhead, it would appear to be an inefficient and unjust method of taxation;
- It was stated that the business model only works with an increase in the required vehicle occupancy for carpoolers, and as such there were concerns with how this would impact the utilization of HOV lanes, and whether HOT lanes would achieve the intended goal of higher vehicular occupancy or alternative transportation modes;
- There were general concerns regarding operating costs and the sustainability of Express Lanes;
- Concerns that funds required to install HOT lanes may shift funds away from projects that could be used to complete high-priority HOV gap closures, and which have been identified in congestion mitigation strategies such as the State Route 24 Corridor System Management Plan/Freeway Performance Initiative Study;

- Concerns were raised regarding defined ingress/egress points of HOT lanes; and it was stressed that a continuous access network should be considered rather than defined ingress/egress points of access;
- SWAT would strongly advocate for the construction and completion of all identified HOV gap closures before supporting the construction of HOT lanes.

Thank you for your consideration and opportunity to comment on this matter. If you should have any questions or comments, please contact Andy Dillard, SWAT Administrator, at (925) 314-3384, oradillard@danville.ca.gov

Sincerely,



Amy Worth, Chair
Southwest Area Transportation Committee
Contra Costa County, CA

Cc: Randell H. Iwasaki, CCTA Executive Director
SWAT; SWAT TAC; Christina Atienza, WCCTAC; Barbara Neustadter,
TRANSPAC; John Cunningham, TRANSPLAN; Danice Rosenbohm, CCTA



August 22, 2011

El Cerrito

Mr. Ross Chittenden
Deputy Executive Director, Projects
Contra Costa Transportation Authority
2999 Oak Road, Suite 100
Walnut Creek, CA 94597

Hercules

RE: WCCTAC Comments on Proposed Bay Area Express Lane Network

Pinole

Dear Mr. Chittenden:

Richmond

Thank you for your July 22 presentation on MTC's proposed backbone network application to the CTC and on the basis for CCTA staff's preliminary recommendation to provide conditional support for MTC's application. The Board has taken a "Do Not Support" position due to the application's insufficient emphasis on: transit, use of revenues for operations, lack of local control of revenues, and lack of a business plan that actually demonstrates net revenues within a short enough period of time to allow meaningful consideration of the proposal. Specific concerns raised by Board members are as follows:

San Pablo

1. The benefits to west County of HOT lanes on I-80 are unclear due to insufficient detail on how revenues would be collected and spent, as well as who has control over the revenues.

Contra Costa
County

2. The investment costs and actual time when a HOT lane on I-80 would start generating revenues are unclear. It appears to be very far out into the future before any revenues may become available for other uses, for which funding is needed now.

AC Transit

3. Funding for bus operations is a priority in west County. The proposal is unclear whether the revenues would be used for bus or rail or transit operating or capital.

BART

4. The proposal appears to primarily benefit those who are already advantaged. It would increase the number of people who can use the highway conveniently, while creating detrimental impacts in terms of greenhouse gas emissions and social equity. The only way to offset these undesirable consequences is to dedicate all or an overwhelming majority of revenues to transit.

WestCAT

5. Conclusions from the I-680 experience do not necessarily translate to I-80. There is none to limited transit service along I-680, whereas I-80 is transit-rich. I-680 experiences limited congestion, whereas I-80 is severely congested, even in our presently strapped economy.

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Ph: 510.215.3035 ~ Fx: 510.235.7059 ~ www.wcctac.org

6. For most of the day, the existing HOV lanes on I-80 are well-utilized by transit and carpools, and the general purpose lanes are severely congested. Access and utility of the HOV lanes for transit and carpools should not be impeded to make room for HOT lane users. There's also none to limited shoulder width next to the HOV lanes, so enforcement of HOT lanes would cause safety hazards or additional congestion.

The Board is receptive to further dialogue if these questions/concerns are addressed; however, at this time, it is not supportive of MTC's application.

Sincerely,



Christina M. Atienza
Executive Director

cc: Barbara Neustadter, TRANSPAC
John Cunningham, TRANSPLAN
Andy Dillard, SWAT



METROPOLITAN
TRANSPORTATION
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FACT SHEET

AB 744 (Torrico) – Authorize a Bay Area Express Lane Network to Deliver Congestion Relief and Public Transit Funding with No New Taxes

Status:

- Assembly Appropriations Committee Hearing: August 17th
- Assembly Transportation Committee: 12-1
- Assembly Appropriations Committee: 13-4
- Assembly Floor: 58-18
- Senate Transportation and Housing Committee: 6-1

Problem

Bay Area highway congestion is among the worst in the nation; regional travel is slow and unreliable. The carpool lane system, which has been under construction for over 30 years, is fragmented by gaps that can't be closed for many decades due to lack of funds. These gaps significantly reduce the travel time savings available to carpoolers and bus riders using the lanes.

Solution

AB 744 authorizes the Bay Area Toll Authority (BATA) — MTC's affiliate agency that currently administers toll revenue from the region's seven toll bridges — to develop, operate and maintain a seamless, regionally managed Express Lane Network in the Bay Area.

Currently, the Bay Area is authorized to develop and implement only a handful of express lane projects in Alameda and Santa Clara counties. The first such projects, on Interstates 580 and 680, are now under construction.

Key features of the Express Lane Network proposed in the region's long-range transportation plan include:

- Conversion of 500 miles of existing or fully funded HOV lanes to express lanes.
- Construction of 300 miles of new express lanes (180 miles of gap-closure; 120 miles of outward expansion).
- Qualifying carpools and buses use network free of charge; non-carpools pay toll (collected electronically).
- Maintains free-flowing traffic for carpools, buses and toll payers by adjusting tolls as congestion rises and falls.

- Toll revenue pays for construction, operation, maintenance and enforcement, with remaining net revenue available for additional transportation improvements, including public transit, in network corridors.

Result

- Completes funding and construction of 800-mile network of congestion-free lanes for carpools, buses and toll-payers decades earlier than possible with existing funds.
- Provides a reliable, congestion-free transportation option.
- Improves time-savings for carpoolers and bus riders by closing gaps in carpool network.
- Boosts worker productivity by \$100 billion by reducing wasteful freeway delay.
- Reduces greenhouse gas emissions by 7 percent, resulting in a savings of 10 million metric tons through 2050 (vs. traditional HOV lane approach).
- Yields an estimated \$6 billion in net revenues that can be used for public transit and other corridor improvements.

AB 744 (Torrico) Supporters

- Alameda County Congestion Management Agency
- American Automobile Association (AAA), Northern California, Nevada & Utah
- Bay Area Council
- California Transit Association
- California Transportation Commission
- Contra Costa Council
- Contra Costa Transportation Authority
- San Francisco Chamber of Commerce
- Santa Clara Valley Transportation Authority
- Silicon Valley Leadership Group
- Solano Transportation Authority

FREQUENTLY ASKED QUESTIONS

How much will it cost to drive in an express lane?

To keep express lane traffic flowing freely, toll rates will adjust every few minutes to balance supply and demand. But the rate you pay won't change once you've entered the express lane. Toll rates will be low during the off-peak and higher during the commute hours. Nationwide, toll roads charge between 30 cents and 95 cents per mile.

Aren't these just "Lexus lanes" for the very rich?

No. Around the country, high-income people account for just 25 percent of express lane customers. Most are lower- and middle-income drivers. A Cal Poly San Luis Obispo study of the State Route 91 express lanes in Orange County found usage to be more closely tied to current travel conditions and trip needs than to income.

How much will the network cost?

BATA estimates a \$7.6 billion cost to build, finance, operate and maintain the Bay Area's Express Lane Network over the next 25 years. This is based on a rapid delivery design that relies upon existing right of way to reduce costs and environmental impact.

How much money is generated?

Toll revenues are expected to total \$13.7 billion over 25 years. After construction, operation and maintenance costs, the remaining \$6.1 billion in net revenue would be available to finance additional improvements in the express lane corridors. The bill requires that at least 95 percent of net revenue be reinvested in the corridor from which it was generated and prioritizes these funds for cost-effective public transit improvements.

A collaborative approach

AB 744 creates a framework for collaboration and partnership in development of the network. It establishes BATA as the lead agency to plan, finance, and manage the network, but provides that phasing plans, system design and operational policies will be developed through an interagency oversight committee consisting of Caltrans, CHP, county-based congestion management agencies and BATA staff. Expenditure plans for use of net revenue will be developed through a bottom-up process in each individual travel corridor, led by county congestion management agencies.

