

CAPITAL AREA REGIONAL TOLLING AUTHORITY

Board of Directors



Thursday, December 19, 2024, at 12:00 PM
SACOG Board Room, 1415 L Street, Suite 300, Sacramento, CA 95814

Consistent with California Government Code Section 54953 a meeting of the board will be held in person.

Attend or watch

- Attend the meeting at the location noted above
- Watch on CARTA's [YouTube channel](#) where the meeting will be streamed. If you do not see the live broadcast, indicated by the red "live" icon, refresh your browser.

Provide public comment – Note: No public comment will be taken by telephone or through YouTube. Comments will be taken on the item at the time it is taken up by the board. Members of the public can participate in the meeting via written or verbal comments as described below:

- ***In-person:***

Public comment may be made in person at the meeting location. You will have 3:00 minutes to speak, unless a different time is set by the Chair. Please complete a speaker form and provide it to the clerk. If attending at an alternative meeting location, please inform an agency official in attendance that you request to speak.

- ***Written comments***

May be submitted via email to the clerk at rtadevich@sacog.org. Comments requested to be read at the meeting will be limited to 250 words. Comments requested to be distributed to the board members will be shared with members if they are received at least 24 hours prior to the meeting. Otherwise, they will be shared after the meeting. Any writings or documents provided to a majority of this board regarding any item on this agenda (other than writings legally exempt from public disclosure) are available on CARTA's website.

Agenda Timing: Time durations are estimates only. Action may be taken on any item on this agenda. The board may take up any agenda item at any time, regardless of the order listed.

Accessibility and Title VI: CARTA provides access to all agenda and meeting materials online at www.captollauthority.org. Additionally, interested persons can sign up for email notifications at www.captollauthority.org/about. CARTA provides modification or accommodation, auxiliary aids or services, including receiving this agenda and attachments in an alternative format accommodation in order to participate in this meeting. CARTA also provides services/accommodations to individuals who are limited-English proficient who wish to address agency matters. For accommodations or translations assistance, please call (916) 321-9000, or for TDD/TTY dial 711, or email at contact@captollauthority.org. We require three working days' notice to accommodate your request.

La CARTA puede proveer asistencia/facilitar la comunicación a las personas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la agencia. Para asistencia, por favor llame al

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Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Message from the Clerk: In compliance with California Government Code Section 54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Board of Directors \$100. Compensation rates for these meetings are set pursuant to the Bylaws for the Capital Area Regional Tolling Authority adopted in August 2024.

Pledge of Allegiance

Roll Call: Directors Aceves, Chapman, Desmond, Early, Villegas and Ex-Officio Members Click, Deloria and Guerra

Public Communications: Any person wishing to address the committee on any item not on the agenda may do so at this time. After ten minutes of testimony, any additional testimony will be heard following the action items.

Disclosures:

Directors will disclose any item in which they have a conflict of interest under state law, and acknowledge whether they will recuse from that item. Among other state laws, the Levine Act may require recusal on items involving a contract or entitlement where a campaign donor is a participant.

Consent:

1. Approve Minutes of the October 17, 2024, Board Meeting

Information:

2. CARTA Toll Program Workplan and Policy Development
3. Funding and Staffing CARTA for Fiscal Year 2025-2026 and Beyond
4. 2025 Board Schedule

Receive and File:

5. Fiscal Year 2024-2025 Quarterly Financial Report
6. Yolo 80 Project Update
7. US 50 Project Update
8. Sac-5 Managed Lanes Project Update
9. Cap City Corridor (State Route 51) Project Update

Other Matters

Adjournment

The next meeting of CARTA will be held on Thursday, February 20, 2025, at 12:00 PM in the SACOG Board Room, 1415 L Street, Suite 300, Sacramento, CA.

This agenda and attachments are available on CARTA's website at www.captollauthority.org. CARTA is accessible to the disabled. As required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof, a person who requires a modification or accommodation, auxiliary aids or services in order to participate in a public meeting,

including receiving this agenda and attachments in an alternative format, should contact CARTA by phone at (916) 321-9000, email contact@captollauthority.org or in person as soon as possible and preferably at least 72 hours prior to the meeting. Parking is available at 15th and K Streets. For information take transit to a meeting, go to [google.com/maps](https://www.google.com/maps).



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 1

Approve Minutes of the October 17, 2024, Board Meeting

Prepared By: Robert Tadevich, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

Staff recommend approval of the minutes as submitted.

Background:

The board met on October 17, 2024.

Discussion:

Each meeting the board is asked to approve the minutes (Attachment A) from the previous meeting.



CARTA Board of Directors

Draft Action Minutes

The CARTA Board of Directors met in person on October 17, 2024, at 12:00 p.m. at the CARTA office, 1415 L Street, Suite 300, Sacramento, CA.

Call to Order: Chair Villegas called the meeting to order at 12:02 p.m.

Present: Directors Aceves, Chapman, Suen (for Desmond), Vice Chair Early, Chair Villegas and Ex-Officio Members Click and Guerra

Absent: Ex-Officio Member Deloria

Public Communications: None

Consent: It was moved, seconded (Early/Suen) and passed by unanimous vote that the following Consent items be approved:

1. Minutes of the August 1, 2024, Board Meeting
2. 2025 Board Meeting Schedule

*Director Suen abstained from item 1, Minutes of the August 1, 2024, Board Meeting.

Action:

3. Caltrans Services Memorandum

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD ACCEPT THE CALTRANS SERVICES MEMORANDUM;**
- (2) THE BOARD DIRECT STAFF TO SEEK ACCEPTANCE OF THE MEMORANDUM FROM THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) AND THE YOLO TRANSPORTATION DISTRICT (YOLOTD)**

4. Regional Tolling Equity Study

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD DIRECT STAFF TO APPLY FOR A CALTRANS STRATEGIC PARTNERSHIPS PLANNING GRANT TO FUND A REGIONAL TOLL EQUITY STUDY;**

(2) THE BOARD DIRECT STAFF TO SEEK SACOG’S APPROVAL TO SUBMIT THE APPLICATION ON CARTA’S BEHALF

Information:

5. Caltrans District 3 Draft Managed Lanes System Plan Update

The board received and reviewed this report, presented by Bruno Costa, Caltrans District 3 Staff.

Public comments were provided by:

Autumn Bernstein, YTD, in support of increased coordination between CARTA staff and local agencies.

Kevin Bewsey, Sacramento Transportation Authority, in support of alignment between CARTA and local, regional, and state agencies.

6. Comparing SACOG’s Blueprint and Caltrans’ Managed Lanes System Plan

The board received and reviewed this report, presented by Kathleen Hanley, SACOG Staff.

Public comment was provided by Dan Allison, a citizen, in support of toll lanes.

Adjournment: The meeting was adjourned at 1:28 p.m.

Approved by:

James Corless
Secretary

Approved by:

Oscar Villegas
Board Chair



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 2

CARTA Toll Program Workplan and Policy Development
Toll & Other Managed Lanes System Review Memorandum

Prepared By: Sam Soules, HNTB

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At the May 23, 2024, meeting, the Board directed staff to release an RFP for Toll Lane Program Development. HNTB Corporation (and subconsultants Drago Vantage LLC and Kuester Consulting LLC) were selected for the contract and began work in late September. Under the contract, the consultant team will prepare a workplan that identifies the actions needed to prepare CARTA to begin collecting tolls in 2028, upon the construction of the Yolo 80 Managed Lanes Project. The workplan will describe each action required, indicate CARTA and its partners' role in those actions, the potential cost of those actions, and potential funding sources for those actions.

The first major deliverable in HNTB's scope of work is to develop a "Toll and Other Managed Lanes System Review Memorandum" that reviews and analyzes existing documents in the region related to tolling. The purpose of the memo is to strengthen the CARTA Board Directors' and partners' shared understanding of the current program status and future vision for regional managed lane deployment, based on existing documentation. It summarizes existing managed lanes plans and projects, roles and abilities, and provides recommended actions. That memo is being presented to the Board today. Staff presented an earlier version of this memorandum to the CARTA Technical Advisory Committee (TAC) at their December 5, 2024, meeting.

Discussion:

Initial decisions will need to be made quickly for Yolo I-80 Phase 1 but can be revised in the future, if needed. CARTA should choose flexible, low-risk options where possible. The HNTB team and CARTA staff will analyze items requiring direction, vet them with the CARTA TAC, and bring options to the CARTA Board for direction. That direction will be documented in a decision log.

The Toll and Other Managed Lanes System Review memo (Attachment A) has three sections:

1. Existing managed lane plans and projects within the CARTA region;

2. Planned roles and responsibilities for authorizing, managing, implementing, and funding the managed lane program; and
3. Key actions needed to develop a regional managed lanes network.

The memo notes that smooth execution of the initial managed lane project (Yolo 80) is important to build credibility and recommends seeking guidance from those with managed lane implementation experience. As a managed lane operator, the CARTA Board will need to balance several potentially competing objectives:

- Reducing traffic congestion,
- Providing reliable travel times,
- Generating revenue,
- Encouraging carpooling and public transit,
- Improving overall mobility, and
- Enhancing equity.

In balancing the above objectives, the CARTA Board will need to address trade-offs, such as:

- **Risk** - how much is tolerable and who bears it?
- **Control** – does CARTA prefer to own systems to ensure maximum independence and control or leverage external systems, lowering delivery risk but constraining choices?
- **Financial Policies** – does CARTA prefer to make upfront investments or incur costs on a per-transaction basis? Is the Board willing to streamline policies and minimize complexity and focus on cost-effectiveness?

The memo recommends that CARTA move quickly on time-sensitive decisions related to:

- Policy
 - Regional toll system implementation goals
- Financing/net revenue
 - Funding strategy
 - Implementation strategy (Concept of Operations)
- Contracting
 - Strategy for staffing and resourcing

The next steps in the consultant workplan are to develop a linear and documented roadmap that meets the Yolo 80 schedule. Four (4) TAC workshops are being scheduled to build CARTA's knowledge and inform decision-making. Key decisions are being maintained in a decision log. The final output of this work will be a detailed Implementation Workplan, scheduled for delivery in Summer 2025.



Capital Area Regional Tolling Authority
(CARTA)

Consultant Services for Toll Program Workplan and
Policy Development

**Toll and Other Managed Lanes System Review
Memorandum**

FINAL

December 2024

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1. Introduction

This memo provides background and context for the CARTA Toll Program Implementation Work Plan.

The purpose of this memo is to strengthen the CARTA Board members' and partners' shared understanding of the current status and future vision for regional managed lane deployment, based on existing documentation. A full list of all documents reviewed is located in *Attachment A: List of Documents Reviewed for Background and Context*.

Implementing and operating a managed lanes network is a significant undertaking. CARTA's plans for phased implementation of lanes and involvement of multiple partners adds further complexity. CARTA has done exemplary work to secure tolling authority for Phase 1 of the Yolo I-80 project and set the stage for a regional managed lane network. This memo identifies the many tasks CARTA and partners must now complete to begin lane operations and expand the network.

The biggest risk CARTA faces today is the lack of a regional Concept of Operations thoroughly vetted by all partners. CARTA will need to decide as soon as possible whether to continue relying on the Yolo I-80 Concept of Operations or consider other approaches before partners complete further work related to roadway design. Decisions about continuous lane access or buffered lane access impact civil design (which is expensive and time-consuming to change), signage requirements (which require digital communications networks and are expensive), and toll tag requirements and enforcement.

This memo covers three main areas:

1. Existing managed lane plans and projects within the CARTA region.
2. Planned roles and responsibilities for authorizing, managing, implementing, and funding the managed lane program.
3. Key actions needed to develop a regional managed lanes network.

Each section includes findings and recommended actions, with an emphasis on areas that will require CARTA's involvement to ensure effective and efficient implementation. Where applicable, statewide context and lessons learned from other managed lane deployments are also provided.

2. Existing Managed Lanes Plans and Projects

2.1. CARTA Overview and Key Considerations

CARTA was established to ensure effective and efficient implementation of a regional managed lane network while maintaining political and customer support for the program. Like all tolling programs, CARTA must balance several interconnected considerations in both implementation and operations:

1. **Safety:** Ensuring safe lane design and appropriate ingress/egress points to protect both managed lane and general-purpose lane drivers.
2. **Revenue Collection:** Developing systems and processes to record lane transactions, transfer them to the back office, manage accounts, and enforce violation policies. These factors influence the robustness and accuracy of revenue collection.
3. **Lane Performance:** Maintaining federally mandated speeds of at least 45 mph and setting vehicle occupancy policies to prevent under- or over-utilization of the managed lanes.
4. **Customer Experience:** Establishing clear policies and processes that are easy for customers to understand and follow.

To succeed, a tolling program must excel in all areas, often making trade-offs to align with program goals. Examples of balancing conflicting priorities are outlined below:

- A toll operator with bond funding obligations will need to prioritize revenue collection. The toll operator may also wish to constrain pricing or provide a positive customer experience by minimizing violation fees, thereby reducing the revenue collected.
- Open access lanes offer drivers choice by allowing them to access that lane anywhere along the corridor, but drivers weaving out of the lane to avoid toll points can create safety issues and ultimately results in leakage.
- Installing changeable message signs every mile may maximize drivers' understanding of the current toll, but also significantly increases infrastructure costs for construction and maintenance.
- Optimal lane performance requires a toll tag and account, usually with a pre-paid balance. This creates potential barriers for low-income users and thereby compromising equitable access to the lanes.

When properly contemplated, goals serve as clear outcomes that deliver on the project's purpose. With goals as a compass, policy and operational decisions can be deliberated in a way that addresses the natural tension between, for example, collecting enough revenue to pay debt obligations while making toll rates affordable. Another example would be offering occupancy-based discounts to use a lane that must still manage congestion to a minimum of 45 mph during peak times. Once goals are set, CARTA will have a shared framework in which to discuss how decisions work towards or against each one.

Using that framework of goals, CARTA will turn towards *how* the goals are met through policies and operations, starting with the Concept of Operations (ConOps, colloquially). These documents build off the goals that meet the project's purpose by defining high-level requirements and needs, which inform the design, development, and delivery. Further, they support and document decision-making by articulating the operational context, constraints, and expectations.

Express Lane Goals and Mission Statements

CARTA's peer agencies typically have similar goals including:

- **Reducing Traffic Congestion:** By charging a toll, express lanes aim to manage demand and keep traffic flowing smoothly, even during peak hours
- **Providing Reliable Travel Times:** The dynamic pricing adjusts based on real-time traffic conditions, ensuring that those who use the lanes can expect consistent and predictable travel times
- **Generating Revenue:** The tolls collected are often used to fund transportation infrastructure projects, maintenance, and improvements
- **Encouraging Carpooling and Public Transit:** High-occupancy vehicles (HOVs) and public transit often receive discounts or can use the lanes for free, promoting more efficient use of road space
- **Improving Overall Mobility:** By alleviating congestion in general-purpose lanes, express lanes can enhance the overall efficiency of the transportation network
- **Enhancing Equity:** Some programs offer toll discounts or credits to low-income users or those who use public transit, aiming to make the benefits of express lanes accessible to a broader population

Sample mission and vision statements include:

- **The Toll Roads, Orange County** - Implement and operate a highway network of congestion free travel alternatives with a focus on customer service, innovation and self-reliant financial approaches, while considering regional transportation needs and opportunities.
- **State Road and Tollway Authority, Georgia** - Connecting people, jobs and communities through integrated mobility options and innovative solutions.
- **E-470 Public Highway Authority, Aurora, Colorado** - MISSION: We improve your journey through safety, service, stewardship and reliability. VISION: Providing exceptional mobility solutions by connecting people and embracing transformative opportunities.

The content of the ConOps breaks down further into formal, board-adopted policies and business requirements, the latter of which has more detail and more flexibility on how daily operations are carried out. System requirements and standard operating procedures then address the really specific details on the systems, people, and processes that ultimately deliver a fully functioning program in the operational environment.

Figure 1 illustrates how tolling program goals are operationalized through planning documents with this increasing levels of detail. Decisions over time will define how CARTA functions as an organization and with respect to its partners and customers. It is helpful as this new agency is established for Board members to consider their organization's highest priorities and aspirations to guide the many increasingly detailed decisions to come.

Figure 1: Toll Program Planning Documents

Goals	<ul style="list-style-type: none">•Examples of Content: CARTA will operate managed lanes to improve mobility in line with Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) strategies. CARTA will be customer-focused, setting policies and practices that are easy to understand and comply with.•Responsibility: CARTA•Status: Not started
Concept of Operations	<ul style="list-style-type: none">•Examples of Content: Approach to managed lane implementation, roles/responsibilities, funding strategy, staffing/contracting strategy, average speed performance threshold to inform pricing model.•Responsibility: CARTA•Status: Written for Yolo 80, not started for CARTA
Tolling Policies	<ul style="list-style-type: none">•Examples of Content: Changes to toll rate and toll setting procedures, establishing min/max tolls (if dynamic pricing), type and level of discounts offered, policies concerning potential surcharges for license plate tolling and violations for non-payment.•Responsibility: CARTA, Caltrans for HOV eligibility, California Air Resources Board (CARB) for Clean Air Vehicle (CAV) designations.•Status: Not started
Business Rules	<ul style="list-style-type: none">•Examples of Content: Rules for how discounts are applied under various scenarios.•Responsibility: CARTA•Status: Not started
System Requirements	<ul style="list-style-type: none">•Examples of Content: Specifications for how systems will be designed, implemented, and operated.•Responsibility: CARTA•Status: Not started
Standard Operating Procedures	<ul style="list-style-type: none">•Examples of Content: Detailed procedures for call answering, mailing invoices and violations to customers, and responding to incidents in lanes.•Responsibility: CARTA/Contractors•Status: Not started

2.2. Submitted Managed Lane Plans

The Capitol Region currently has approved Planning Study Reports (PSR) for six segments of the proposed managed lanes network (see *Attachment B: Project Study Documents for Capital Area Managed Lane Projects*), with approval dates ranging from as early as May 2002 to December 2022. For the purposes of the forthcoming *Toll Program Implementation Plan*, the engineering data in these plans is not critical. Many of these initial project submittals are now dated and specific details have likely changed, particularly given that most of these studies were completed before the COVID pandemic. Supplemental information will be needed for studies completed prior to 2019.

For the development of the Implementation Plan, the information in these preliminary study documents is largely redundant and less relevant compared to Yolo TD's proposed Concept of Operations for the I-80 Phase 1 managed lane project.

2.3. Yolo I-80 Concept of Operations

The Yolo I-80 Phase 1 project introduces a high-occupancy toll lane in each direction from Richards Boulevard on I-80 to the Highway 50 interchange in the eastbound direction and from the US 50 interchange to Mace Boulevard in the westbound direction. *Attachment C: Reference Maps* provides a map of the Yolo 80 Managed Lanes Project. The Phase 1 project, now underway, spans approximately 17 centerline miles and is planned to go live in 2028. It is part of the fully deployed managed lanes network envisioned in the 2025 SACOG Blueprint. The complete CARTA network is planned to be delivered in phases, with milestones set for 2035, 2050, and beyond 2050, as shown in *Figure 3: Draft 2025 SACOG Blueprint Express Lane Network*. Currently, CARTA has secured California Transportation Commission (CTC) approval for Phase 1 only; approval for subsequent project phases will be pursued by CARTA in the future.

A phased approach to managed lane implementation offers the advantage of allowing CARTA and its partner agencies to add projects as needs arise and funding becomes available. Additionally, it provides an opportunity to learn from each phase as the lane network expands. However, a challenge of this approach is that CARTA will need to make decisions about implementing, building, and operating smaller sections of the managed lane network with limited knowledge of the full network's future requirements. The requirement for Yolo I-80 Phase I to be operational by 2028 adds urgency to the need for CARTA to consider whether the proposed Concept of Operations should be expanded to the regional network. If CARTA later determines revisions to the Concept of Operations are required, making such changes will likely involve change orders to contracts, amendments to agreements, and investment in customer education.

The Yolo I-80 project is currently slated to operate as an open-access facility based on the Concept of Operations outlined in the Yolo TD application to the California Transportation Commission (CTC). This Concept of Operations includes several key decisions, such as:

1. Vehicles with three or more occupants will use the lane free of charge, while those with fewer occupants will pay a toll to use the lane.
2. The lane design will be open access, allowing drivers to enter and exit at any location along the lane.
3. Vehicle occupancy verification will be done using switchable tags, with enforcement conducted by the California Highway Patrol (CHP).

These decisions are crucial as they affect safety, revenue collection, lane performance (including revenue recovery), and the overall customer experience. CARTA will need to review and either adopt this approach or propose modifications for the remainder of the managed lane network.

In southern California, HOV lanes were historically buffered – that is, separated from non-HOV, general purpose lanes by a physical barrier. When the Bay Area contemplated building an Express Lanes network, MTC staff, Caltrans, and consultants considered open and buffered options and held a series of workshops to determine lane design. They determined that there was insufficient space for buffered lanes in some locations, that lanes separated by attenuators had operational challenges, and that open access lanes were more customer-friendly and allowed maximum flexibility for drivers to exit at interchanges. To support discounts based on vehicle occupancy, the Bay Area requires switchable toll tags (a relatively more expensive form of tag) that drivers use to indicate the number of passengers in their vehicle.

Yolo I-80 is designed to be an open access facility without any striping or buffers to limit access to the lane. Some open access facilities are not performing relative to general purpose lanes and not meeting the federal mandate of ensuring 45 mph speeds 90% of the time during peak periods. FHWA's regulatory authority includes enforcement of this requirement; if the standard is not achieved, they are able to require remediation on projects in active operations. This highlights the importance of designing a facility for lane performance. For this reason, Southern California is buffer separating every facility to ensure they provide a speed differential.

Today, open access lanes with drivers self-declaring occupancy are coming under scrutiny. In an open access environment, drivers can show themselves as HOVs while in the lane and then jump out of a lane at enforcement locations. Many programs in the US are experiencing this issue with “cheaters” in their lanes. For example, the San Mateo County JPA analyzed mis-declared occupancy (when a driver sets their toll tag to declare two or three occupants when they are in fact driving solo) and the potential revenue loss on that facility. Some estimates were as much as \$12,000 daily and are therefore considering revisions to occupancy discount policies, eligibility requirements, and verification

methods. Variable pricing based on levels of congestion is not as effective as once hoped. Furthermore, research with drivers indicates that complicated business rules and congestion-based pricing strategies yield poor return. Many drivers do not use lanes because they are confused. Many drivers who routinely use lanes do so irrespective of price.

2.4. Traffic and Revenue Studies

Three Traffic and Revenue (T&R) studies for Yolo I-80 Phase one have been completed. These planning-level studies were conducted to industry standards. Nevertheless, updated and more detailed Traffic and Revenue Studies will be required. Future studies should include a more sophisticated estimation of roadway costs and more refined estimates of leakage (due to occupancy violations, image losses, or failure to pay.) Investment-grade studies will be required if CARTA pursues bond financing from the market or Transportation Infrastructure Finance and Innovation Act (TIFIA) funding from US DOT. Decisions regarding system implementation, tolling policies, staffing, and discount programs—many of which are yet to be determined—will significantly impact revenue projections. Numerous policy decisions must still be made, and each one will affect both costs and revenues. As a result, the traffic and revenue analysis conducted to date should be viewed primarily as a screening-level assessment, narrowing the range of feasible options. As such, the current figures should be viewed as advisory at this stage.

Attachment D: Toll Revenue and Toll Program Cost Considerations provides additional details about factors influencing toll lane program costs and revenues.

2.5. Funding and Expenditure Plans

The Yolo I-80 project has a funding plan for Phase 1 through construction, which relies on a combination of federal, state, and local funds. However, funding plans for the other proposed segments are not yet established. The Yolo I-80 CTC Application for Toll Facility includes a toll revenue expenditure plan, in compliance with State law, outlining that CARTA will determine toll revenue uses in a waterfall hierarchy structure for allocation. Revenues will be allocated to the following:

- Debt service, operations and maintenance, rehabilitation, and replacement, VMT mitigation projects, and the establishment of reserve funds.
- Planned reserves must be utilized for the toll facility for operations and maintenance, emergency purposes, and highway resilience.
- Thereafter, excess net revenues may be used toward programs and capital projects within the corridor but outside the toll facility (Yolo 80 Corridor Improvements Project Phase 1, CTC Application for Toll Facility, page 47.)

This expenditure plan is tentative and was developed to meet the requirements of the CTC application. The final expenditure plan is at the discretion of the CARTA Board and is anticipated to be reviewed in late 2026.

2.6. Findings and Recommended Actions

The following table provides an overview of the main findings from the review of existing managed lanes plan and projects in the Capital region. Each finding corresponds to a recommended action to address issues raised.

Table 1: Findings and Recommended Actions – Existing Plans and Projects

#	Finding	Recommended Action
2.6.1	CARTA is planning a regional managed lane network, and Yolo TD and Caltrans are moving quickly to deploy Yolo I-80 by 2028. These two initiatives will occasionally be in tension. CARTA may need to revisit decisions made now as new information, such as lessons learned by other operators, technological developments, or cost considerations, emerges.	The formation of CARTA and this Managed Lane Implementation Roadmap Project marks an important first step in organizing and reconciling the actions underway and planned. Yolo TD and CARTA provided a Concept of Operations for the design and delivery of their initial managed lane. CARTA should reassess these decisions. CARTA should also develop and maintain a regional Concept of Operations to direct future projects.
2.6.2	Approaches to tolling and managed lanes in California are evolving, and CARTA must stay informed about related initiatives, including Statewide Road User Charging, CTOC, BAIFA, and Solano managed lanes.	CARTA should join the California Toll Operators Committee (CTOC) and continue actively coordinating with BAIFA and Solano County. Additionally, CARTA could consider engaging with other Bay Area operators. This will allow CARTA to leverage lessons learned, ensure consistency in customer experience, and address potential disparities in the region. CARTA should also stay engaged in understanding the direction the Legislature is going in regard to Road User Charges.
2.6.3	CARTA needs to be prepared for updated findings that may differ from the initial Project Study Report and Traffic and Revenue studies.	CARTA should seek more detailed estimates of managed lane deployment costs, which will depend on system procurement choices, tolling policies, staffing plans, and other factors.
2.6.4	Funding plans for future CARTA managed lane segments beyond Yolo I-80 are not yet available. There are a variety of financing methods (bonds, loans, TIFIA, etc.) that could be part of CARTA's funding solution, and it requires expertise in financing that is not currently available on CARTA staff or scoped for consultants.	CARTA should develop a program budget and engage the CARTA Board in creating a funding plan for the regional network. This will help ensure sustainable financial support for future phases.
2.6.5	The Yolo I-80 Phase 1 project is under a very tight schedule. The CTC application (page 26) shows Yolo TD/Caltrans	CARTA should adopt a revised, more realistic schedule. CARTA may need to adopt two schedules: one for initial Yolo I-

#	Finding	Recommended Action
	beginning civil construction in October 2024, but work onsite will begin after the winter. CARTA is shown as adopting a toll ordinance in January 2025 and executing agreements with Caltrans by June 2025. Meeting these deadlines is unlikely.	80 operations and a second for implementation of the remainder of the program.
2.6.6	In the Bay Area, managed lane operators are concerned about drivers who avoid tolls by choosing to switch tags to 3+ mode for free trips when they have fewer than three people in the vehicle. There is substantial concern on how “mis-declared” occupancy compromises the purpose of express lanes, and what this could mean for the future viability of the lanes. The current Concept of Operations for I-80 Phase 1 is the same and will likely face similar challenges.	CARTA should remain flexible and open to making changes to the regional Concept of Operations based on lessons learned by peer agencies or through experiences operating Yolo I-80.

3. Roles and Abilities

CARTA was established to facilitate collaboration in the development of toll projects within the region. The key purpose of creating CARTA is summarized in the Joint Exercise of Powers Agreement, which states: “Transportation corridors serve constituents and customers from all areas of the region and beyond, and thus having a regional tolling authority governed by partner agencies from throughout the region will enable implementation of toll lanes in a manner that is consistent, equitable, innovative, collaborative, and economical” (Joint Exercise of Powers Agreement for CARTA, pg. 2).

The CARTA JPA Agreement outlines the agency's abilities, which include:

- Planning, designing, financing, constructing, owning, and managing the Joint Facilities.
- Entering into and managing contracts.
- Overseeing operations.
- Making policy decisions related to toll lane operations.
- Issuing and repaying indebtedness, among other activities.

However, CARTA has not formally documented its responsibilities, particularly in relation to project sponsors, member agencies, and contractors. Actions necessary to implement and operate the managed lane network are detailed in *Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment*. CARTA will

need to execute these actions in coordination with partners but, it must maintain a strong leadership role to ensure accountability and effective coordination.¹

As a result of the JPA agreement, CARTA is designated as the lead agency for nearly all future actions. The only tasks that project sponsors will lead are local, corridor-focused activities such as:

- Secure funding for design, environmental, and capital work.
- Developing, submitting, and securing Caltrans' approval of Project Initiation Documents (PID) and Project Study Reports (PSR).
- Civil work: environmental design, right-of-way, and construction of lanes.
- Meeting criteria for formal hand-off of project to CARTA.

CARTA staff have defined four key work categories: administrative, executive, coordination, and project work. Staffing needs will evolve over time as projects progress through the planning, delivery, and operations phases. CARTA and project sponsors must agree on responsibilities for each phase, particularly during program delivery, to prevent gaps that could introduce risk.

Staffing requirements will change as the program transitions from the planning to delivery phase(s) to operations. Given the phased approach to implementing the managed lane network, project delivery phases could last up to a decade or more depending on the size and the availability funding each project. During each delivery phase, significant coordination will be required among CARTA, project sponsors, and Caltrans D3 to avoid overlapping efforts and ensure smooth progress into active operations. A phased, corridor-by-corridor approach necessitates fluctuating resources. While each delivery phase may be ten years long, CARTA will only require delivery staff when nearing the opening of new facilities.

In the roles and responsibilities matrix, CARTA is listed as solely responsible for liability and maintenance of the managed lane network. If this is indeed the case, CARTA staff must be actively involved in all other phases of work to ensure they are fully prepared for their responsibilities.

3.1. Findings and Recommended Actions

As described above, CARTA's role in the development of the managed lane network will be significant. In addition to the action identified in the roles and responsibilities matrix (*Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment*), the following table distills how CARTA can manage these responsibilities through concrete actions.

¹ Note: The HNTB team will review Attachment E with the CARTA Technical Advisory Committee (TAC) and revise it as necessary based on their input.

Table 2: Findings and Recommended Actions - Roles and Abilities

#	Finding	Recommended Action
3.1.1	CARTA should develop a goal statement to guide trade-off discussions as the Board formulates policies and tactics for managed lane implementation.	Develop and adopt a goal statement that includes specific goals for key elements including safety, revenue collection, lane performance, and customer experience. These areas are critical to CARTA's success.
3.1.2	CARTA's work will require substantial engagement from both voting and non-voting Board members, as decisions made now will have lasting implications.	CARTA should consider strengthening JPA provisions on Board engagement, possibly by amending the JPA agreement to include more detailed requirements for meeting frequency and attendance. To tackle the numerous initial decisions CARTA requires, the Board could consider meeting for longer durations or for day-long workshops, more frequently, and/or committing to attending in person and not sending alternates.
3.1.3	As with any board, members may have potential organizational or financial conflicts of interest.	CARTA should prioritize hiring legal support to protect the organization from potential risks associated with conflicts of interest and be available to provide counsel for circumstances that may require recusal because individual interest(s) conflict with one's approval authority.
3.1.4	Planning, funding, deploying, and coordinating managed lane operations with multiple partner agencies will require substantial staff support.	CARTA requires a staffing plan and must decide whether to fill positions through existing partner agencies or by hiring consultants. These discussions are already underway with the CARTA TAC.
3.1.5	Project sponsors are responsible for securing funding for capital delivery, securing project approvals, and for lane construction. They will then work with CARTA to incorporate the corridors into the regional managed lanes network.	To ensure a smooth transition, CARTA and partner agencies should develop a formal hand-off procedure including a set of criteria for project completion. They should also define an inspection process for confirming that conditions have been met. CARTA should be actively engaged in partners' work to ensure alignment, effective execution, and sufficient preparation for hand-off.
3.1.6	Caltrans District 3 has offered to provide services to CARTA to expedite implementation and support the operation of managed lanes. Even in the presence of institutional knowledge of managed lanes, without individuals who have firsthand	To ensure all parties share assumptions about the scope of work, CARTA would benefit from requesting Caltrans to develop more detailed plans for their review and approval. CARTA should allow sufficient lead time to evaluate these

#	Finding	Recommended Action
	experience in constructing, integrating, and operating express lanes, there is a risk of not getting it right in this new operating environment.	plans, assess their adequacy, and determine whether additional contractor support is needed. CARTA would also benefit from a facilitated discussion with peer agencies to understand how experienced staff support can build institutional knowledge by leveraging their collective years of accumulated lessons.
3.1.7	CARTA will be responsible for maintaining the managed lane network and will rely on Caltrans for the same level of maintenance activities that would typically be provided for carpool lanes.	CARTA should establish a maintenance plan, informed by professionals who can objectively inform maintenance standards. CARTA should then negotiate and document Caltrans' commitment and determine how to fill any gaps. This is a new and non-standard arrangement for Caltrans relative to managed lanes and will necessarily have some trial and error with potential cost and schedule risk.
3.1.8	Reliable funding sources are essential for executing CARTA's program work.	CARTA should continue pursuing federal, state, and local funding sources. Partner agencies may need to contribute funds to keep the regional work moving, and partner agencies are expected to secure funding for construction. Additionally, bonding or public-private partnership (PPP) options should be explored. It would be in CARTA's best interest to maintain full control over the funding process for regional work, and partner agencies may want to enter into agreements with CARTA to pool funding at the regional level. This could enhance purchasing leverage and improve bonding capacity.
3.1.9	Caltrans's commitment memo includes cost estimates for the use of Transportation Management Center (TMC) services, maintenance services, engineering services, access to the communication network, and expedited permitting and approvals, all contingent on specific forthcoming agreements.	CARTA should seek alternative quotes, assess the capacity of various services, and determine how to assign activities to Caltrans, partner agencies, or third parties based on cost efficiency, resource readiness, and allocation of risk. Additionally, CARTA and Caltrans could seek peer input from other Caltrans districts that have experience operating managed lanes to understand alternate models, and the benefits and pitfalls of what they have experienced in the past.

4. Key Actions Required to Deploy a Regional Managed Lane Network

Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment summarizes the key actions required for the deployment of the regional managed lanes network. This list includes 17 items each of which are substantial in scope. These actions must be completed by 2028 to enable CARTA to collect tolls on the initial Yolo I-80 Phase 1 segment. The stakes are high: because Yolo I-80 will be the first managed lane segment in the region implementation must be well-executed to establish credibility with drivers. As a new agency, CARTA's Board and partner agencies should seek guidance from peers and consultants with experience in managed lane delivery and operations to ensure a full understanding of these actions and to leverage lessons learned. As the network expands, these actions may need to be revisited or adjusted to accommodate growing toll transaction volume.

The procurement of lane systems and back-office systems is a complex process that requires not only technical support but also contracting, legal, and significant lead time. This process typically takes about 18 months for procurement and up to two years for design and implementation. Negotiating with other tolling entities for such services may introduce efficiencies but, particularly when forming new agreements, can also present risks. These risks require contracting and legal expertise to address. A positive example of contracting with an established tolling entity is the San Bernardino County Transportation Authority's (SBCTA) agreement with the Transportation Corridor Authority for customer service and payment processing services. This approach mitigates schedule risk by leveraging an existing back-office system, allowing SBCTA to pay on a per-transaction basis instead of making a substantial upfront investment in hiring staff, conducting a complex procurement process, and purchasing, designing, and testing a new system. However, replicating a similar approach for CARTA would still require significant contracting and legal expertise, as well as lead time to execute such an agreement effectively.

4.1. Findings and Recommended Actions

As the CARTA Board makes decisions on how to execute tasks related to the managed lane network, members will face trade-offs concerning risk, control, policies, and costs. Each organization will approach these factors differently, and these considerations must be carefully weighed. These considerations and associated recommended actions are described in Table 3.

Table 3: Findings and Recommended Actions - Deploying a Regional Managed Lane Network

#	Finding	Recommended Action
4.1.1	To execute the required actions within the set timeframe, the CARTA Board must be prepared to make substantial decisions quickly, particularly in areas such as	The Program Implementation Plan will help prioritize these decisions and actions, and Board members should be prepared to dedicate significant time and energy to addressing them. To meet the 2028 operations timeframe, CARTA will need to select the lowest-risk options that align

#	Finding	Recommended Action
	staffing, administration, funding, procurement, and operations.	<p>with their goals, understanding that these decisions can be revisited in the future. Operational experience may help refine these longer-term decisions. CARTA should prioritize 4.1.2 options that allow for flexibility and adjustment based on evolving experience. CARTA should prioritize focus in three of the 17 areas identified in Attachment E:</p> <ol style="list-style-type: none"> 1. Plan for civil work on Yolo I-80 and what level of flexibility current plans support; 2. Analyzing the Yolo I-80 Concept of Operations to determine its applicability across the CARTA managed lane network, and; 3. Setting goals, funding plans, staffing plans, and procurement strategies.
4.1.2	CARTA will need to make numerous hiring and contracting decisions promptly.	CARTA should consider prioritizing the hiring of contracting and human resources staff to ensure timely onboarding of resources needed to support the program.

5. Next Steps

This deliverable supports the decision-making required during the workplan development phase. Recommendations for the timing and sequencing of the actions identified above will be addressed in the workplan, based on the outcomes of upcoming workshops with the CARTA TAC.

Attachment A: List of Documents Reviewed for Background and Context

1. [Joint Exercise of Powers Agreement for Capital Area Regional Tolling Authority](#)
2. [Staff Memo: Implementing Deputy Directive 34-R2](#)
3. Yolo 80 PID/PSR, *Provided by Caltrans*
4. Yolo 80 Corridor Improvement Project, *See Section 5.A of CTC Application*
5. Project Study Report-Project Development Support (PSR-PDS) to Request Programming for Capital Support. Sacramento County on Route 5 FROM: 0.3 North of Land Park UP (24-0226) TO: The Sacramento River Br (22-0025), *Provided by Caltrans*
6. Draft Project Report to Authorize Public Release of the Draft Environmental Document. On Route Sac-5 Between 1.2 miles south of Route 5/50 Interchange and 0.3 miles south of the Yolo County Line, *Provided by Caltrans*
7. Draft Traffic and Revenue Report. I-5 Managed Lanes Project, 2021, *Provided by Caltrans*
8. Sac 5 Funding Plan, *See Section 8 of the Draft Project Report (#5) and Section 11 of the Sac 5 PSR-PDS (#4)*
9. SR 99 Funding Plan, *See Section 11 of the Project Study Report- Project Development Support (PSR-PDS) to Request Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.XX.075.651 STIP. In Sacramento County on Route SR 99/SR 51 between Dillard Road to Oak Park Separation on 99 and on SR 51 from Oak Park Separation to 0.1 mile north of Exposition Blvd OC)*
10. Deputy Directive No. DD43-R2, *Provided by Caltrans*
11. Implementing Deputy Directive 43-R2 Memorandum, *Provided by Caltrans*
12. California Back Office, *Various*
13. Applicable State Laws, *Various*
14. [Yolo 80 Corridor Improvement Project – Phase 1 Request for Approval of Tolling Application, Resolution 6-24-1](#)
15. [Caltrans Guidance on Induced Travel, HOT Lanes and VMT](#)
16. [California Transportation Commission Toll Facilities Program AB 194 Guidance](#)
17. [Sacramento Council of Governments Metropolitan Transportation Plan Sustainable Communities Strategy](#)
18. [Bay Area Toll Authority Resolution No. 52](#)
19. [Caltrans SB 743 Implementation Resources- Latest Guidance](#)
20. [Caltrans SB 743 at 10: The Environmental Effects of Traffic](#)
21. [Metropolitan Transportation Commission Next Generation Bay Area Freeways Study](#)
22. [Superior Court of California for the County of Alameda – Verified Petition for Writ of mandate; Complaint for Declaratory and Injunctive Relief. Center for Biological Diversity, Natural Resources Deference Council, Inc.; and Planning and Conservation League v. California Department of Transportation](#)
23. [California Air Resources Board’s Detailed Comments on the Yolo 80 Corridor Improvements Project](#)

24. [California Transportation Commission Application for Toll Facility. Yolo 80 Corridor Improvements Project, Phase 1](#)
25. [Yolo Corridor Improvements Project Final Environmental Impact Report/Environmental Assessment with Finding of No Significant Impact](#)
26. [Metropolitan Transportation Commission, Bay Area Managed Lanes Implementation Plan](#)
27. [2023 Caltrans State Highway System Management Plan](#)
28. [2018 California High-Occupancy Vehicle Facilities Degradation Report and Action Plan](#)
29. [Yolo Transportation District Board Communication – Yolo 80 Managed lanes Update, Grant Application, and Ad Hoc Committee](#)
30. Caltrans District 3 2005 Supplemental Project Study Report for Median Lanes & Auxiliary Lanes on Interstate 80, *Provided by Caltrans*
31. Project Study Report for Project Development Support (PDS) on Route 80 in Sacramento County, From Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station, 2002, *Provided by Caltrans*
32. Project Study Report – Project Development Support (PSR-PDS) (Corridor Improvements) on Route 51, In Sacramento City and between J Street and Just North of Arden Way, *Provided by Caltrans*
33. Project Study Report-Project Development Support (PSR-PDS) to Request for Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.xx.075.651 STIP, *Provided by Caltrans*

Attachment B: Project Study Documents for Capital Area Managed Lane Projects

Document Name	Project Corridor	Approval Date	Project Sponsor	Partners
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase)	On Solano 80/Yolo 80/Yolo 50/Sacramento 50/Sacramento 80 between Kidwell Road in Solano and US50/I-5 Interchange & I-80/West El Camino Interchange	September 2019	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • MTC • Caltrans District 4 • Solano Transportation Authority • Sacramento Transportation Authority • Yolo County
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase)	On Route I-5 from 0.3 North of Land Park UP (24-0226) to the Sacramento River Br (22-0025)	September 2019	Caltrans District 3	<ul style="list-style-type: none"> • Sacramento Regional Transit • Sacramento County • Yuba-Sutter Transit • City of Sacramento • City of West Sacramento • Sacramento Metropolitan Air Quality Management District (SMAQMD) • Sacramento International Airport • SACOG
Supplemental Project Study Report (PSR) (Add Two Median HOV Lanes)	On Route 80 in Sacramento County, from Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station	November 2005	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • Sacramento Transportation Authority • City of Sacramento • Sacramento County

Document Name	Project Corridor	Approval Date	Project Sponsor	Partners
Project Study Report for Project Development Support (PDS) Median Lanes and Auxiliary Lanes - HB-5 Program	On Route 80 in Sacramento County from Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station	May 2002	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • STA • City of Sacramento • Sacramento County
Project Study Report – Project Development Support (PSR-PDS) (Corridor Improvements)	On Route 51, in Sacramento City and between J Street and just North of Arden Way	June 2017	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • City of Sacramento • Sacramento County • Sacramento Regional Transit • Walk Sacramento • Sacramento Area Bicycle Advocates • Sacramento Metropolitan Air Quality Management District
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.XX.075.651 STIP	On Route SR 99/SR 51 between Dillard Rd to Oak Park Separation on SR 99 and SR 51 from Oak Park Separation to 0.1 mile north of Exposition Blvd OC	December 2022	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • FHWA • eTran • California Trucking Association • STA • City of Sacramento • County of Sacramento • City of Elk Grove • Sacramento Regional Transit • SMAQMD

Attachment C: Reference Maps

Figure 2: Yolo 80 Managed Lanes, Phase 1

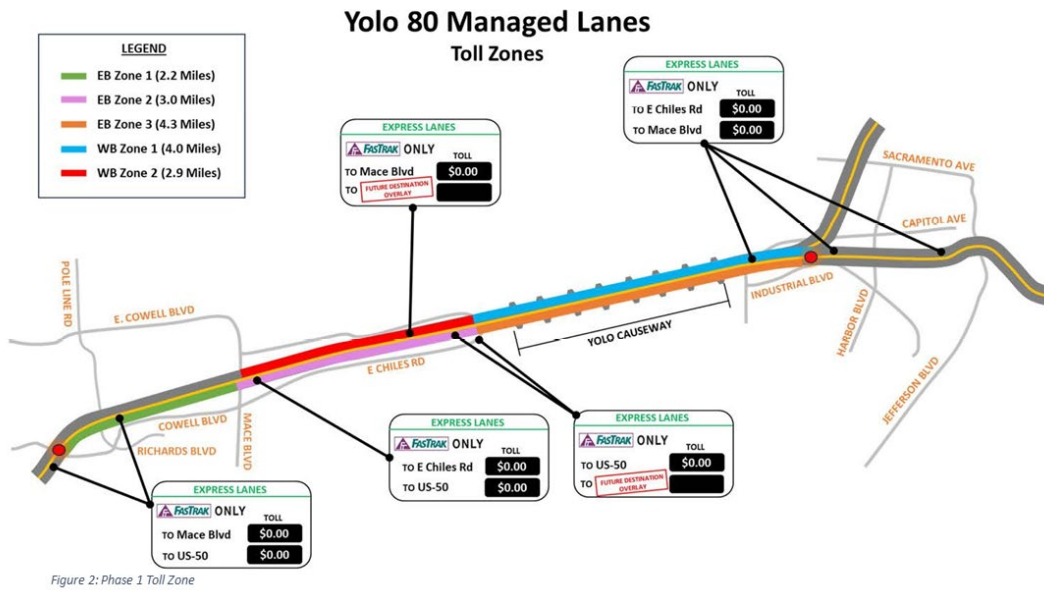
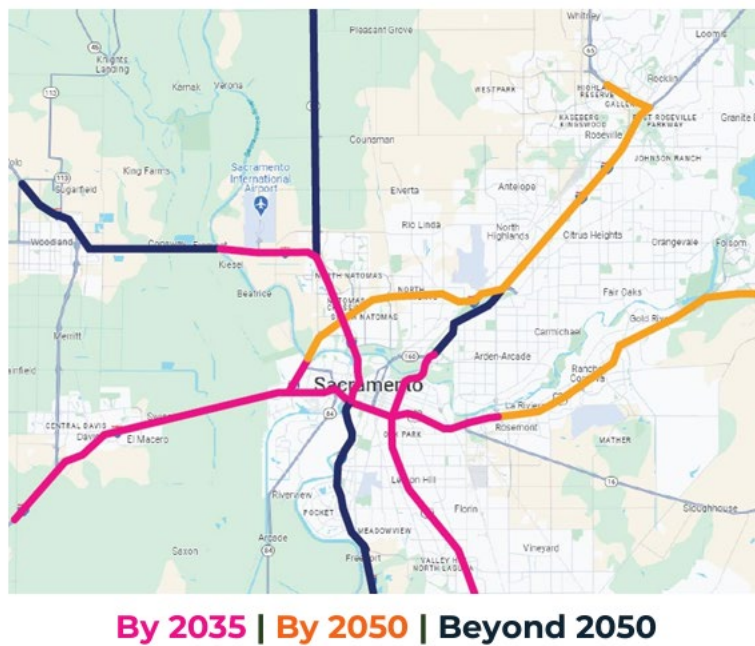


Figure 3: Draft 2025 SACOG Blueprint Express Lane Network



Attachment D: Toll Revenue and Toll Program Cost Considerations

Traffic and revenue (T&R) estimates are subject to considerable uncertainty, and the reports completed for CARTA-managed lane segments to date do not account for several factors that could cause the actual net revenue to differ significantly from the forecasts. Below are examples of revenue-related and cost-related factors that will need closer scrutiny in the future:

TOLL REVENUE TOPICS

- **Gross revenue and toll policy:** Gross revenue will be closely tied to toll policy decisions. One key question not addressed is whether vehicles will be allowed to use the facility without a valid transponder.
 - If the answer is "yes," roadway usage will likely increase, but revenue may decrease since CARTA will likely only collect revenue from about 50% of non-transponder transactions in the lane.
 - If the answer is "yes," it will also be important to set the toll rate appropriately for non-transponder users. Many facilities charge non-transponder users twice the transponder rate.
 - If the answer is "no," strict enforcement will be necessary. This will likely require CHP involvement and technological enforcement methods such as video or image review.
- **Toll lane violations:** The T&R Report explicitly excluded revenue estimates from toll lane violations, which was appropriate. Rating agencies typically do not factor in revenue projections from violations.
- **Revenue per vehicle-mile comparison:** The studies could have included a high-level comparison of their T&R projections with actual revenue from other regional facilities. A useful metric is comparing "revenue per vehicle-mile" to similar facilities with comparable HOV policies. Significant deviations in this metric should be explored to understand their cause (e.g., lower traffic volumes during peak hours).
- **Leakage assessment:** The leakage assessment in the T&R documents was minimal. The high-level estimate reduced projected revenue by 10%, which is overly optimistic, particularly for Alternative 5, where all vehicles are charged. In programs offering free or discounted trips for HOVs, "occupancy violators" (e.g., SOVs with a valid transponder set to HOV mode) will likely increase leakage beyond 10%. Additionally, the proposed "open access" facility could result in lost toll revenue from vehicles that avoid toll points, a potential issue not discussed in the T&R study.

OPERATING COST TOPICS

- **Operations and Maintenance (O&M) cost estimation:** The T&R reports estimated O&M costs on a per lane-mile basis, which may be acceptable for estimating roadway infrastructure costs but is overly simplistic for a toll facility.
- **Toll operations costs:** Typically, program managers separate O&M costs into roadway costs and toll operations costs. Future analyses should include a more

detailed assessment of toll operations costs, which are influenced by the following questions and considerations:

- **Toll system layout:** Will the system use many gantries or just a few? Fewer gantries may reduce costs by lowering transaction volumes, but more gantries could generate additional revenue by reducing toll evasion.
- **Toll policy:** If video customers are allowed, additional costs will arise for image review and invoicing.
- **Rate structure:** Will users be charged a flat fee, or will they be charged per mile? If per-mile, CARTA will need to include costs for trip-matching, which involves tracking vehicles through the lanes.
- **Vehicle Occupancy Detection (VOD):** If CARTA implements an HOV policy, the agency will need to invest in VOD systems, which incur both upfront capital and ongoing operational costs for image review and enforcement of violators.
- **Simplified assumptions:** The T&R reports assumed consistent O&M costs across all alternatives, which was overly simplistic. O&M costs are closely tied to transaction volume and revenue collected, both of which will vary significantly between alternatives.

Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment

This roles and responsibilities matrix is provided to list tasks required for CARTA to begin managed lane operations. It identifies the lead for each task and how responsibility for tasks is documented (“form of agreement.”) The HNTB team will review this matrix with the CARTA TAC and complete outstanding “TBD” information as the workplan progresses.

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
1	Set goals, establish funding plans, determine staffing and procurement strategies	Policy and administrative work to support managed lanes deployment and operation.	CARTA	CARTA Joint Powers Agreement	TBD	TBD	TBD
2	Establish Concept of Operations, tolling policies, business rules, system requirements, and standard operating procedures (SOPs)	Plans with increasing level of detail for how managed lanes network will operate.	CARTA	CARTA Joint Powers Agreement	TBD	TBD	TBD
3	Develop, submit, and secure Caltrans’ approval of Project Initiation Documents and Project Study Reports	Caltrans requires projects to be scoped prior to approval for funding.	Project sponsor	N/A	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
4	Civil work: environmental, design, right of way, and construction.	Prepare for managed lane implementation, (roadway, striping, barriers, electrical, signage, etc.)	Project sponsor	TBD	TBD	TBD	TBD
	Maintenance of managed lanes	Maintenance of managed lane	CARTA	Maintenance Agreement with Caltrans	Caltrans / Contractor	N/A	TBD
5	Encroachment permits and lane closures	Required to access the State Highway System.	Project sponsor	N/A after approval from Caltrans	TBD	TBD	TBD
6	Communications network	Required to move transactions from lane system to back office.	CARTA	Contracts with Caltrans (and contractors, if required)	TBD	TBD	TBD
7	Lane system procurement, implementation, & maintenance	Required to capture transactions from vehicles in lanes.	CARTA	Contracts with lane system contractor	TBD	TBD	TBD
8	Toll system integrator procurement, implementation, & maintenance	Manages all aspects of toll transactions sent from toll lane: processing customer data, matching	CARTA	Contracts with integrator	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
		transactions to accounts, calculating tolls, generating invoices, handling inquiries, managing account details, enforcing violations, and generating financial reports.					
9	Customer service center procurement, implementation, & maintenance	Provides call answering and account management.	CARTA	Contracts with Customer Service Center provider	TBD	TBD	TBD
10	Monitor lane performance, respond to incidents	Monitor, document, and resolve incidents to properly adjust accounts.	CARTA	CARTA under agreement with Caltrans	Caltrans or Contractor	TBD	TBD
11	Contract for and continued operation of lane monitoring and enforcement	Execute enforcement contract with CHP.	CARTA	CARTA to execute agreement with CHP	TBD	TBD	TBD
12	Develop excess revenue expenditure plan	Excess revenue is that which remains after maintenance, debt service (if	CARTA	CARTA	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
		applicable), and operational expenses.					
13	Develop signage plan, implement signs	Plan for sign placement and content, procurement, installation.	CARTA	CARTA	TBD	TBD	TBD
14	Toll tag purchase and distribution	Tag procurement, maintenance of inventory, development of tag vendor distribution network.	CARTA	CARTA	TBD	TBD	TBD
15	Develop marketing and communications for customers	Advance and ongoing communication campaign about lanes, website.	CARTA	CARTA	TBD	TBD	TBD
16	Implement equity and discount programs	Plans and programs to mitigate disparate impacts.	CARTA	CARTA	TBD	TBD	TBD
17	Execute VMT mitigation strategies	Plans and programs to mitigate VMT increases.	Project Sponsor	Implementing agreements between Project Sponsor and	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
				entities implementing mitigation			

Toll and Other Managed Lanes System Review

Board of Directors
19 December 2024
Item 2



Consulting Services for Toll Workplan and Policy Development



Task 1: Project Management and Mobilization

Task Lead and Project Manager: Sam Soules



Task 2: Toll and Other Managed Lanes System Review

Task Lead: Carol Kuester



Task 3: Implementation Workplan

Task Lead: Will Allen, PE, PTOE



Task 4: Near-Term Policy Development and Management

Task Lead: Theresa Weekes, CPA



Task 5: Staffing Support

Task Lead: Sabrina Drago, PE

Agenda

1. Toll and Other Managed Lanes System Review
2. Project Scope and Forthcoming Board Tasks

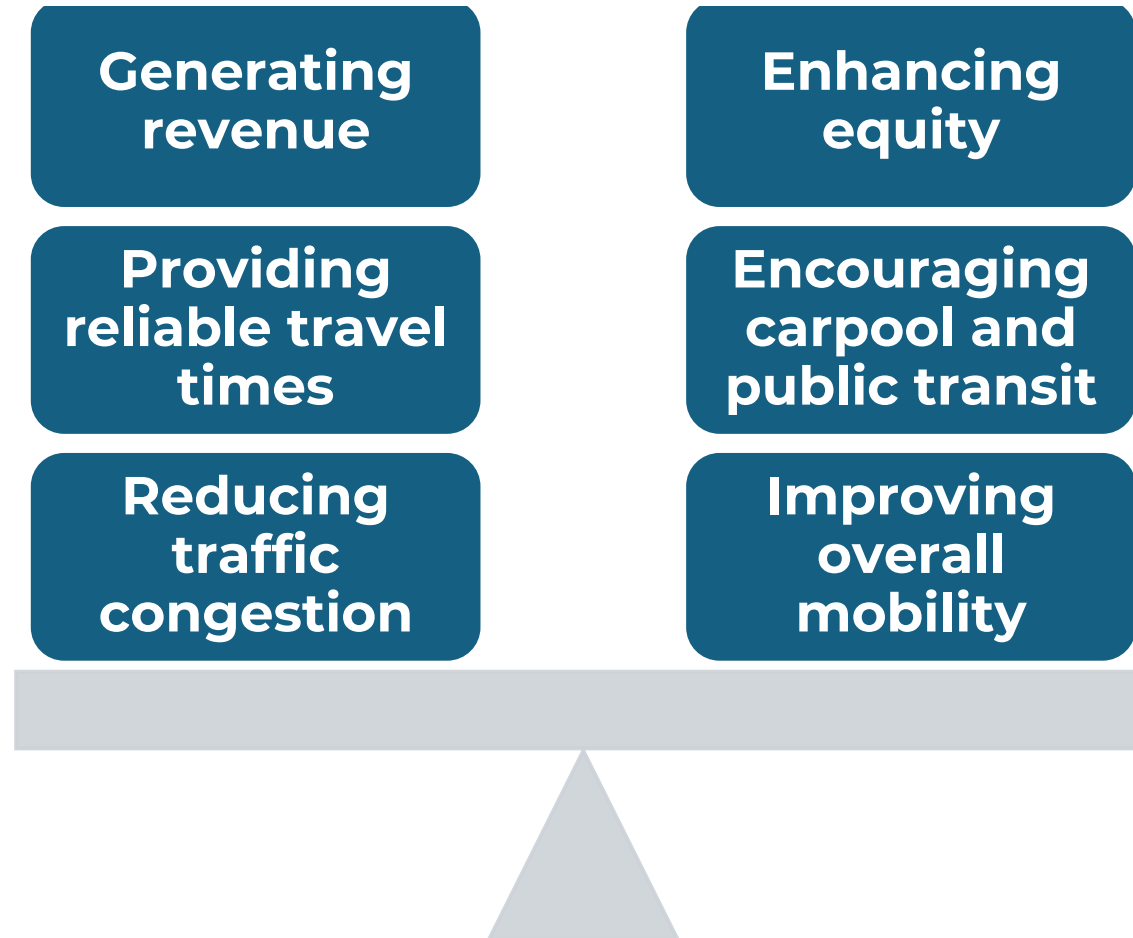
Toll and Other Managed Lanes System Review

- **Review and assess** existing project documents
- **Summarize:**
 1. Existing Managed Lanes Plans and Projects
 2. Roles & Responsibilities
 3. Actions to Deploy a Managed Lanes Network

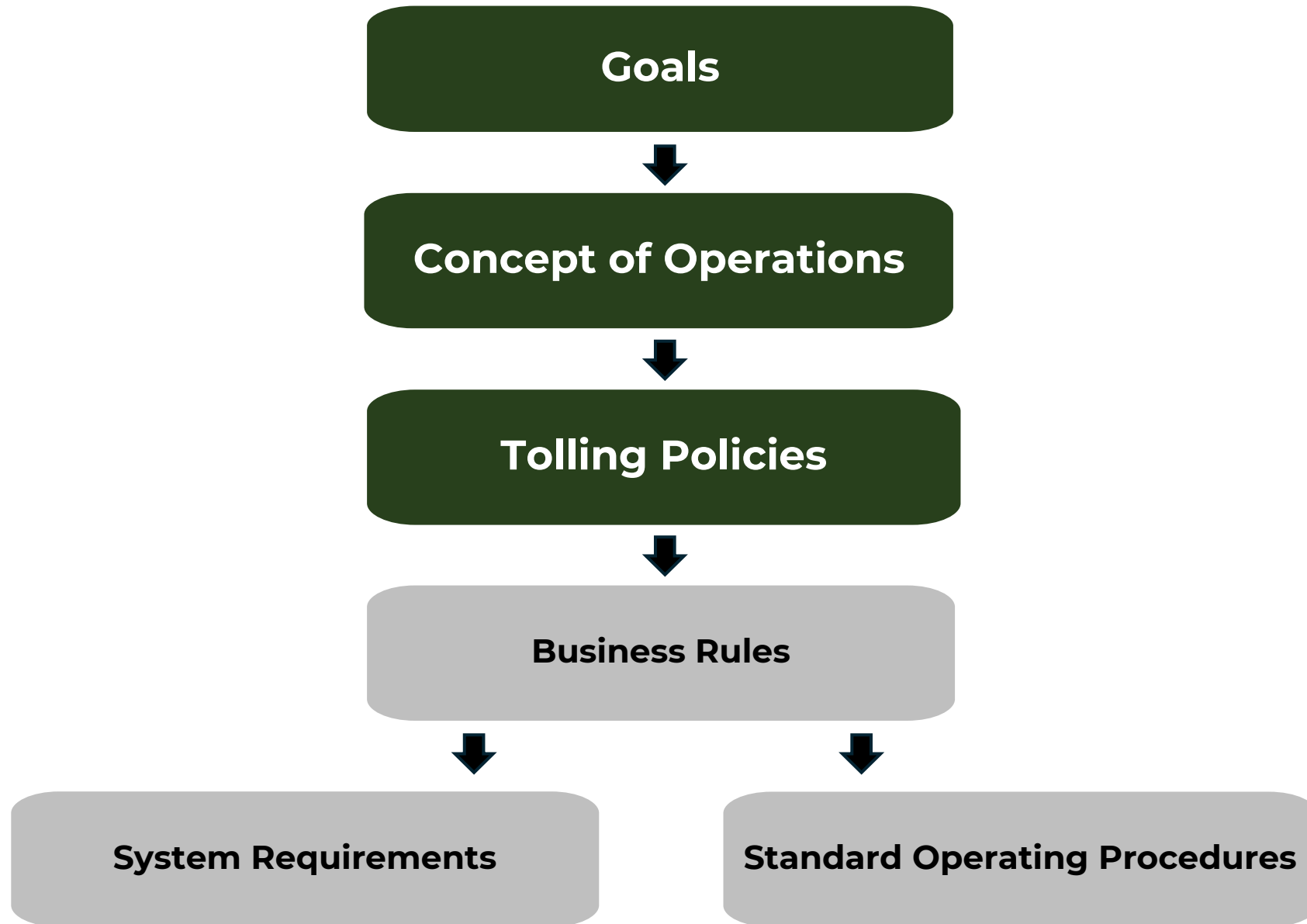
CARTA's Mission

- CARTA's Mission:
 - 1. Facilitate implementation** of a regional managed lanes network
 2. Maintain **political and public support** for **sustainable operations**
- Mission and goals to be formalized in early 2025

Toll Operations Objectives



Toll Program Planning Documents



Board Approval

Staff Responsibility

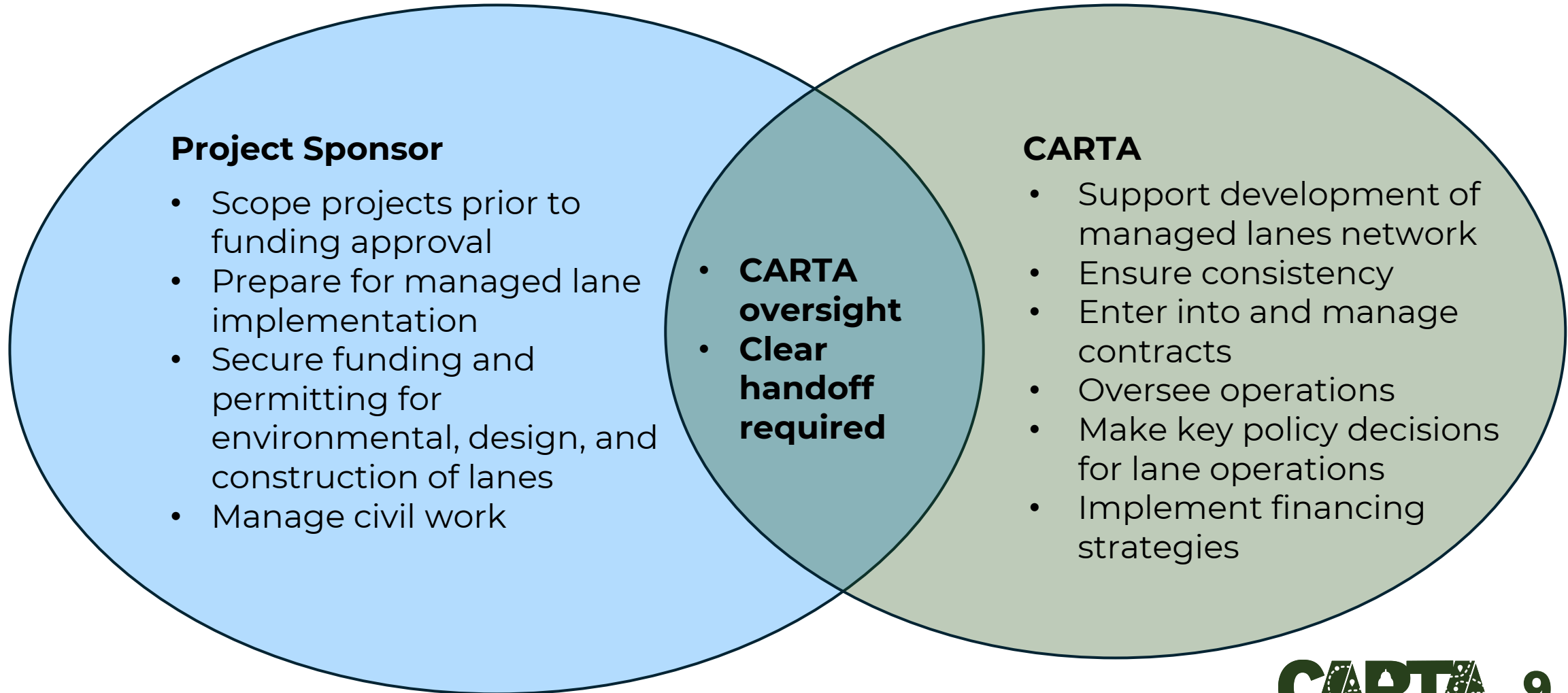
Roles & Abilities

The **System Review Memorandum** lists 17 tasks required for toll implementation and operations

For each task, the following will be identified:

- Lead agency
- Form of agreement (e.g., contract or interagency agreement)
- Technical provider
- Party responsible for operations and maintenance
- Funding source

Roles & Abilities



Where Board Direction is Needed

- **Trade-off discussions** could include:
 - Risk – how much and who bears it?
 - Control – e.g., own systems or leverage external?
 - Cost and funding – e.g., upfront investments vs. per-transaction, where does money come from and flow to?
 - Timing – how should CARTA prioritize actions?
- Staff and HNTB consultant team will bring options for Board direction
- Smooth execution crucial to building credibility

Findings and Recommendations

Goals:

- Adopt a **goal statement** to guide decisions

Staffing & Resourcing:

- Establish a **staffing plan**
- Develop formal **hand-off and inspection processes**, actively engage in partners' work to ensure alignment
- **Evaluate proposed service agreements** with Caltrans to inform contracting needs

Findings and Recommendations

- Implementation:
 - **Refine cost estimates** for managed lane deployment
 - Develop a **sustainable funding plan** for the regional network
 - Develop a **regional Concept of Operations (ConOps)** to direct implementation strategy
 - Revisit and potentially revise the **implementation schedule**

Implementation Workplan

- CARTA staff and the HNTB team will bring key policy decisions to this Board for action in 2025.
- Those decisions will be the basis for the implementation workplan.



Project Scope & Forthcoming Tasks

Consulting Services for Toll Workplan and Policy Development

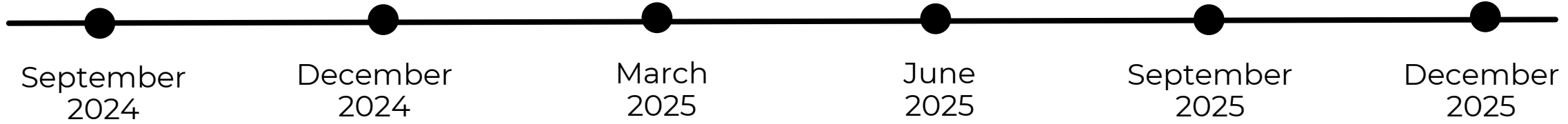
Ongoing Project Management

System Review

Implementation Workplan

Near-Term Policy Development

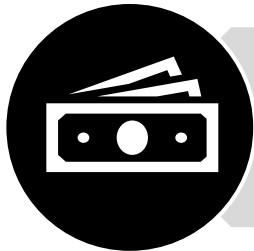
Ongoing Staffing Support



Toll Policies Requiring Board Decisions



Policy



Financing/Net Revenue



Contracting

Next Steps

- Build CARTA's knowledge through a series of **four TAC (Executive Director) workshops.**
 - December – January
- Propose timing and sequencing of key actions, using 2025 and 2028 as bookends
- Goal: a detailed and feasible **Implementation Workplan.**

What to Expect in 2025

- Ten intensive board meetings, with dense information and requests for direction/action
- Demands for your time from your TAC member (Executive Director)
- Greater focus on upfront investments than on revenue expenditure
- A need for creativity and flexibility as all work to deliver a great deal of work in a short timeframe



Capital Area Regional Tolling Authority

captollauthority.com | khanley@sacog.org



CAPITAL AREA REGIONAL TOLLING AUTHORITY

Board of Directors



Thursday, December 19, 2024, at 12:00 PM
SACOG Board Room, 1415 L Street, Suite 300, Sacramento, CA 95814

Consistent with California Government Code Section 54953 a meeting of the board will be held in person.

Attend or watch

- Attend the meeting at the location noted above
- Watch on CARTA's [YouTube channel](#) where the meeting will be streamed. If you do not see the live broadcast, indicated by the red "live" icon, refresh your browser.

Provide public comment – Note: No public comment will be taken by telephone or through YouTube. Comments will be taken on the item at the time it is taken up by the board. Members of the public can participate in the meeting via written or verbal comments as described below:

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Public comment may be made in person at the meeting location. You will have 3:00 minutes to speak, unless a different time is set by the Chair. Please complete a speaker form and provide it to the clerk. If attending at an alternative meeting location, please inform an agency official in attendance that you request to speak.

- ***Written comments***

May be submitted via email to the clerk at rtadevich@sacog.org. Comments requested to be read at the meeting will be limited to 250 words. Comments requested to be distributed to the board members will be shared with members if they are received at least 24 hours prior to the meeting. Otherwise, they will be shared after the meeting. Any writings or documents provided to a majority of this board regarding any item on this agenda (other than writings legally exempt from public disclosure) are available on CARTA's website.

Agenda Timing: Time durations are estimates only. Action may be taken on any item on this agenda. The board may take up any agenda item at any time, regardless of the order listed.

Accessibility and Title VI: CARTA provides access to all agenda and meeting materials online at www.captollauthority.org. Additionally, interested persons can sign up for email notifications at www.captollauthority.org/about. CARTA provides modification or accommodation, auxiliary aids or services, including receiving this agenda and attachments in an alternative format accommodation in order to participate in this meeting. CARTA also provides services/accommodations to individuals who are limited-English proficient who wish to address agency matters. For accommodations or translations assistance, please call (916) 321-9000, or for TDD/TTY dial 711, or email at contact@captollauthority.org. We require three working days' notice to accommodate your request.

La CARTA puede proveer asistencia/facilitar la comunicación a las personas y los individuos con conocimiento limitado del inglés quienes quieran dirigirse a la agencia. Para asistencia, por favor llame al

número 916.321.9000 o para TDD/TTY llame al número 711, o email a contact@captollauthority.org.
Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Message from the Clerk: In compliance with California Government Code Section 54952.3, the Clerk hereby announces that the compensation for legislative body members attending the following simultaneous or serial meetings is: Board of Directors \$100. Compensation rates for these meetings are set pursuant to the Bylaws for the Capital Area Regional Tolling Authority adopted in August 2024.

Pledge of Allegiance

Roll Call: Directors Aceves, Chapman, Desmond, Early, Villegas and Ex-Officio Members Click, Deloria and Guerra

Public Communications: Any person wishing to address the committee on any item not on the agenda may do so at this time. After ten minutes of testimony, any additional testimony will be heard following the action items.

Disclosures:

Directors will disclose any item in which they have a conflict of interest under state law, and acknowledge whether they will recuse from that item. Among other state laws, the Levine Act may require recusal on items involving a contract or entitlement where a campaign donor is a participant.

Consent:

1. Approve Minutes of the October 17, 2024, Board Meeting

Information:

2. CARTA Toll Program Workplan and Policy Development
3. Funding and Staffing CARTA for Fiscal Year 2025-2026 and Beyond
4. 2025 Board Schedule

Receive and File:

5. Fiscal Year 2024-2025 Quarterly Financial Report
6. Yolo 80 Project Update
7. US 50 Project Update
8. Sac-5 Managed Lanes Project Update
9. Cap City Corridor (State Route 51) Project Update

Other Matters

Adjournment

The next meeting of CARTA will be held on Thursday, February 20, 2025, at 12:00 PM in the SACOG Board Room, 1415 L Street, Suite 300, Sacramento, CA.

This agenda and attachments are available on CARTA's website at www.captollauthority.org. CARTA is accessible to the disabled. As required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof, a person who requires a modification or accommodation, auxiliary aids or services in order to participate in a public meeting,

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Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 1

Approve Minutes of the October 17, 2024, Board Meeting

Prepared By: Robert Tadevich, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

Staff recommend approval of the minutes as submitted.

Background:

The board met on October 17, 2024.

Discussion:

Each meeting the board is asked to approve the minutes (Attachment A) from the previous meeting.



CARTA Board of Directors

Draft Action Minutes

The CARTA Board of Directors met in person on October 17, 2024, at 12:00 p.m. at the CARTA office, 1415 L Street, Suite 300, Sacramento, CA.

Call to Order: Chair Villegas called the meeting to order at 12:02 p.m.

Present: Directors Aceves, Chapman, Suen (for Desmond), Vice Chair Early, Chair Villegas and Ex-Officio Members Click and Guerra

Absent: Ex-Officio Member Deloria

Public Communications: None

Consent: It was moved, seconded (Early/Suen) and passed by unanimous vote that the following Consent items be approved:

1. Minutes of the August 1, 2024, Board Meeting
2. 2025 Board Meeting Schedule

*Director Suen abstained from item 1, Minutes of the August 1, 2024, Board Meeting.

Action:

3. Caltrans Services Memorandum

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD ACCEPT THE CALTRANS SERVICES MEMORANDUM;**
- (2) THE BOARD DIRECT STAFF TO SEEK ACCEPTANCE OF THE MEMORANDUM FROM THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) AND THE YOLO TRANSPORTATION DISTRICT (YOLOTD)**

4. Regional Tolling Equity Study

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD DIRECT STAFF TO APPLY FOR A CALTRANS STRATEGIC PARTNERSHIPS PLANNING GRANT TO FUND A REGIONAL TOLL EQUITY STUDY;**

(2) THE BOARD DIRECT STAFF TO SEEK SACOG’S APPROVAL TO SUBMIT THE APPLICATION ON CARTA’S BEHALF

Information:

5. Caltrans District 3 Draft Managed Lanes System Plan Update

The board received and reviewed this report, presented by Bruno Costa, Caltrans District 3 Staff.

Public comments were provided by:

Autumn Bernstein, YTD, in support of increased coordination between CARTA staff and local agencies.

Kevin Bewsey, Sacramento Transportation Authority, in support of alignment between CARTA and local, regional, and state agencies.

6. Comparing SACOG’s Blueprint and Caltrans’ Managed Lanes System Plan

The board received and reviewed this report, presented by Kathleen Hanley, SACOG Staff.

Public comment was provided by Dan Allison, a citizen, in support of toll lanes.

Adjournment: The meeting was adjourned at 1:28 p.m.

Approved by:

James Corless
Secretary

Approved by:

Oscar Villegas
Board Chair



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 2

CARTA Toll Program Workplan and Policy Development
Toll & Other Managed Lanes System Review Memorandum

Prepared By: Sam Soules, HNTB

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At the May 23, 2024, meeting, the Board directed staff to release an RFP for Toll Lane Program Development. HNTB Corporation (and subconsultants Drago Vantage LLC and Kuester Consulting LLC) were selected for the contract and began work in late September. Under the contract, the consultant team will prepare a workplan that identifies the actions needed to prepare CARTA to begin collecting tolls in 2028, upon the construction of the Yolo 80 Managed Lanes Project. The workplan will describe each action required, indicate CARTA and its partners' role in those actions, the potential cost of those actions, and potential funding sources for those actions.

The first major deliverable in HNTB's scope of work is to develop a "Toll and Other Managed Lanes System Review Memorandum" that reviews and analyzes existing documents in the region related to tolling. The purpose of the memo is to strengthen the CARTA Board Directors' and partners' shared understanding of the current program status and future vision for regional managed lane deployment, based on existing documentation. It summarizes existing managed lanes plans and projects, roles and abilities, and provides recommended actions. That memo is being presented to the Board today. Staff presented an earlier version of this memorandum to the CARTA Technical Advisory Committee (TAC) at their December 5, 2024, meeting.

Discussion:

Initial decisions will need to be made quickly for Yolo I-80 Phase 1 but can be revised in the future, if needed. CARTA should choose flexible, low-risk options where possible. The HNTB team and CARTA staff will analyze items requiring direction, vet them with the CARTA TAC, and bring options to the CARTA Board for direction. That direction will be documented in a decision log.

The Toll and Other Managed Lanes System Review memo (Attachment A) has three sections:

1. Existing managed lane plans and projects within the CARTA region;

2. Planned roles and responsibilities for authorizing, managing, implementing, and funding the managed lane program; and
3. Key actions needed to develop a regional managed lanes network.

The memo notes that smooth execution of the initial managed lane project (Yolo 80) is important to build credibility and recommends seeking guidance from those with managed lane implementation experience. As a managed lane operator, the CARTA Board will need to balance several potentially competing objectives:

- Reducing traffic congestion,
- Providing reliable travel times,
- Generating revenue,
- Encouraging carpooling and public transit,
- Improving overall mobility, and
- Enhancing equity.

In balancing the above objectives, the CARTA Board will need to address trade-offs, such as:

- **Risk** - how much is tolerable and who bears it?
- **Control** – does CARTA prefer to own systems to ensure maximum independence and control or leverage external systems, lowering delivery risk but constraining choices?
- **Financial Policies** – does CARTA prefer to make upfront investments or incur costs on a per-transaction basis? Is the Board willing to streamline policies and minimize complexity and focus on cost-effectiveness?

The memo recommends that CARTA move quickly on time-sensitive decisions related to:

- Policy
 - Regional toll system implementation goals
- Financing/net revenue
 - Funding strategy
 - Implementation strategy (Concept of Operations)
- Contracting
 - Strategy for staffing and resourcing

The next steps in the consultant workplan are to develop a linear and documented roadmap that meets the Yolo 80 schedule. Four (4) TAC workshops are being scheduled to build CARTA's knowledge and inform decision-making. Key decisions are being maintained in a decision log. The final output of this work will be a detailed Implementation Workplan, scheduled for delivery in Summer 2025.

Toll and Other Managed Lanes System Review

Board of Directors
19 December 2024
Item 2



Consulting Services for Toll Workplan and Policy Development



Task 1: Project Management and Mobilization

Task Lead and Project Manager: Sam Soules



Task 2: Toll and Other Managed Lanes System Review

Task Lead: Carol Kuester



Task 3: Implementation Workplan

Task Lead: Will Allen, PE, PTOE



Task 4: Near-Term Policy Development and Management

Task Lead: Theresa Weekes, CPA



Task 5: Staffing Support

Task Lead: Sabrina Drago, PE

Agenda

1. Toll and Other Managed Lanes System Review
2. Project Scope and Forthcoming Board Tasks

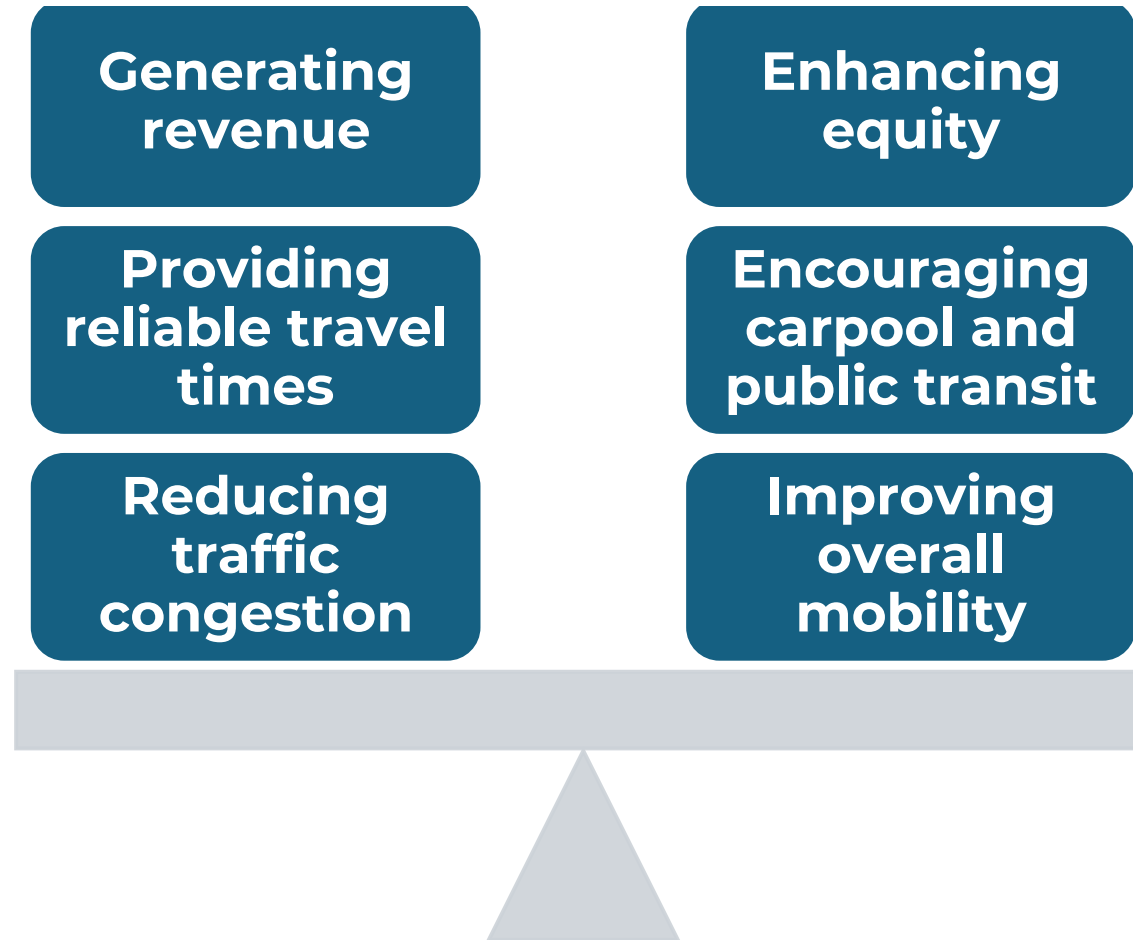
Toll and Other Managed Lanes System Review

- **Review and assess** existing project documents
- **Summarize:**
 1. Existing Managed Lanes Plans and Projects
 2. Roles & Responsibilities
 3. Actions to Deploy a Managed Lanes Network

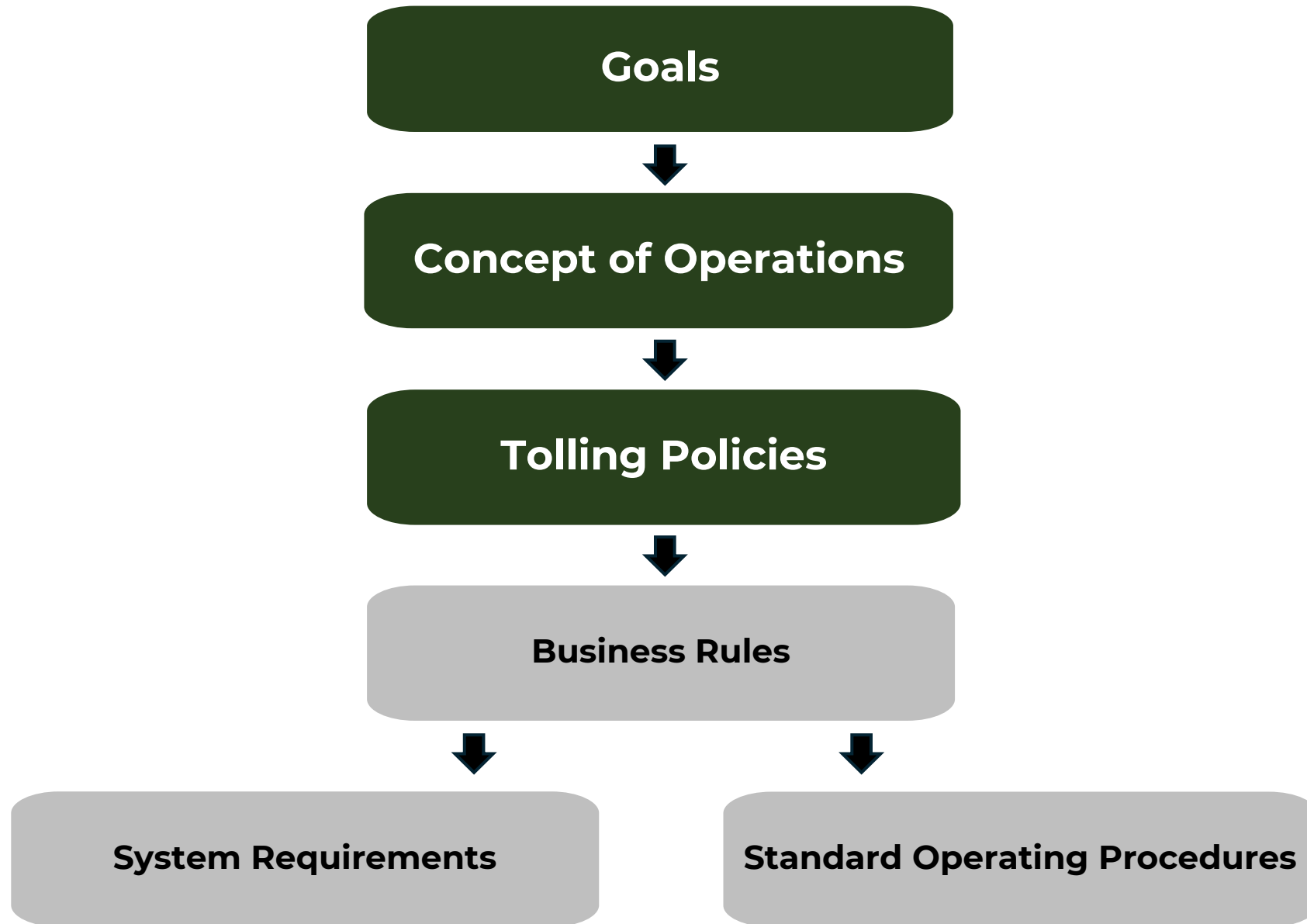
CARTA's Mission

- CARTA's Mission:
 - 1. Facilitate implementation** of a regional managed lanes network
 2. Maintain **political and public support** for **sustainable operations**
- Mission and goals to be formalized in early 2025

Toll Operations Objectives



Toll Program Planning Documents



Board Approval

Staff Responsibility

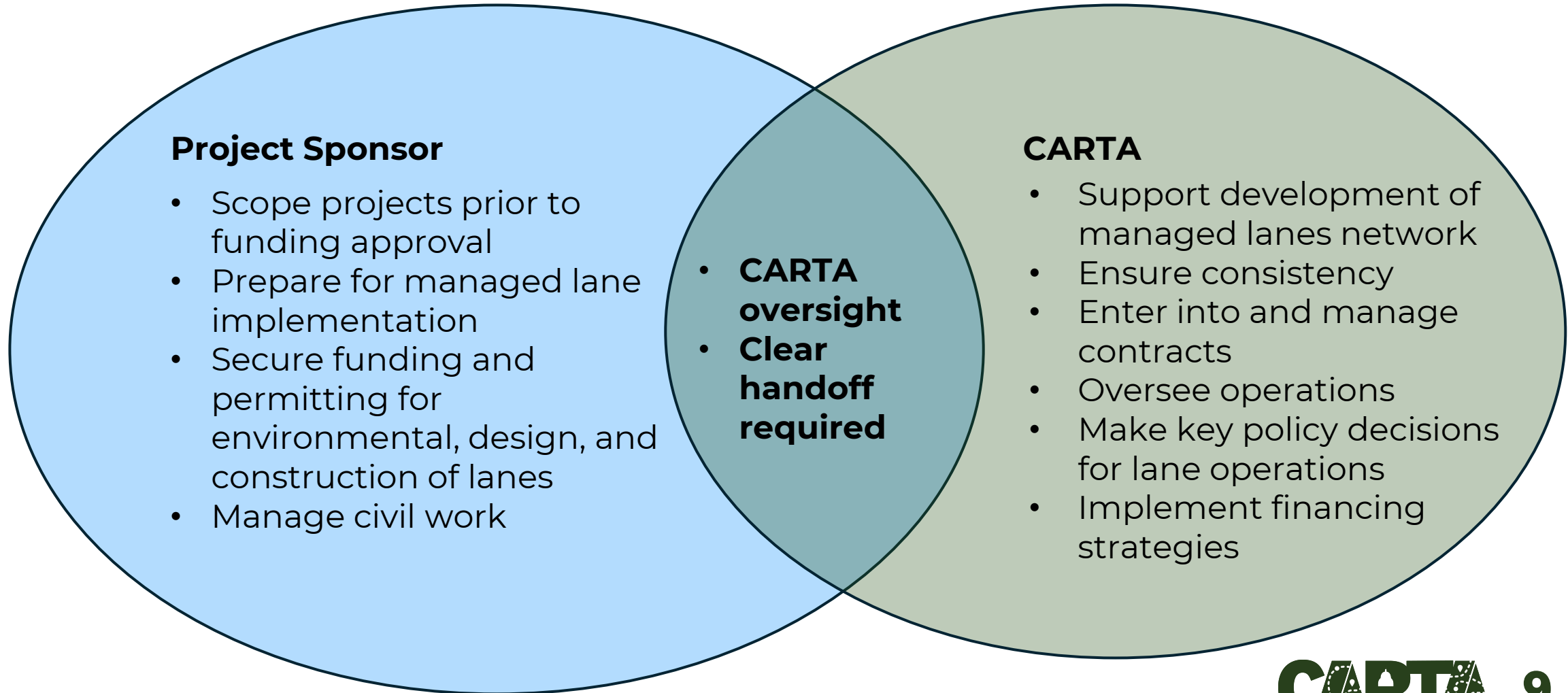
Roles & Abilities

The **System Review Memorandum** lists 17 tasks required for toll implementation and operations

For each task, the following will be identified:

- Lead agency
- Form of agreement (e.g., contract or interagency agreement)
- Technical provider
- Party responsible for operations and maintenance
- Funding source

Roles & Abilities



Where Board Direction is Needed

- **Trade-off discussions** could include:
 - Risk – how much and who bears it?
 - Control – e.g., own systems or leverage external?
 - Cost and funding – e.g., upfront investments vs. per-transaction, where does money come from and flow to?
 - Timing – how should CARTA prioritize actions?
- Staff and HNTB consultant team will bring options for Board direction
- Smooth execution crucial to building credibility

Findings and Recommendations

Goals:

- Adopt a **goal statement** to guide decisions

Staffing & Resourcing:

- Establish a **staffing plan**
- Develop formal **hand-off and inspection processes**, actively engage in partners' work to ensure alignment
- **Evaluate proposed service agreements** with Caltrans to inform contracting needs

Findings and Recommendations

- Implementation:
 - **Refine cost estimates** for managed lane deployment
 - Develop a **sustainable funding plan** for the regional network
 - Develop a **regional Concept of Operations (ConOps)** to direct implementation strategy
 - Revisit and potentially revise the **implementation schedule**

Implementation Workplan

- CARTA staff and the HNTB team will bring key policy decisions to this Board for action in 2025.
- Those decisions will be the basis for the implementation workplan.



Project Scope & Forthcoming Tasks

Consulting Services for Toll Workplan and Policy Development

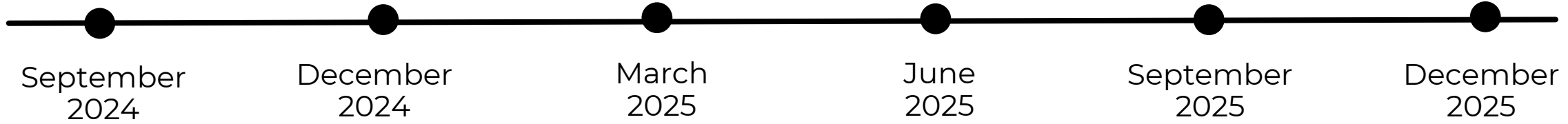
Ongoing Project Management

System Review

Implementation Workplan

Near-Term Policy Development

Ongoing Staffing Support



Toll Policies Requiring Board Decisions



Policy



Financing/Net Revenue



Contracting

Next Steps

- Build CARTA's knowledge through a series of **four TAC (Executive Director) workshops.**
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- Ten intensive board meetings, with dense information and requests for direction/action
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Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 3

Funding and Staffing CARTA for Fiscal Year 2025-2026 and Beyond

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

To support the successful delivery of the Yolo 80 Managed Lanes Project, SACOG loaned CARTA \$1,300,000 to cover its Fiscal Year (FY) 2024-2025 operating costs, including consulting services to develop a workplan for CARTA. SACOG also agreed to staff CARTA for FY 2024-2025.

As budget development for FY 2025-2026 begins, CARTA will need to make decisions about how it is staffed and funded in both FY 2025-2026 and beyond. CARTA's consultants, HNTB, will be defining multiyear workplan and budget needs for CARTA, but it will not be ready until after a budget needs to be adopted and it is not a funding plan for how CARTA will fund its operations for the next several years.

The executive directors of CARTA's current and future member agencies (SACOG, Yolo Transportation District, Caltrans, El Dorado County Transportation Commission, Sacramento Transportation Authority, and Placer County Transportation Planning Agency) for the CARTA Technical Advisory Committee (TAC). The TAC meets monthly and reviews CARTA staff and consultant work.

Discussion:

Staffing

CARTA's primary activities for FY 2024-2025 are focused around establishing CARTA as a legal and financial entity, setting goals, developing a multiyear workplan and budget, establishing initial toll policy and business rules. These activities overlap well with SACOG staff's experience in transportation policy, accounting, procurement, and consensus building. As CARTA moves forward, its activities will transition into project delivery and direct service provision. SACOG staff do not have expertise in this kind of work. Furthermore, while CARTA pays for SACOG's expenses to administer CARTA, the current arrangement limits SACOG staff capacity for other efforts.

Staff have begun discussions with CARTA's current and future member agencies on how CARTA should be staffed both in FY 2026 and beyond. Most partners agree that, ultimately, CARTA will

likely need its own Executive Director and an independent staffing solution. SACOG staff is recommending that program staff transitions begin sometime in FY 2026, but SACOG remains a committed partner and wants to work with the other members of CARTA on when that transition should happen and whether there should be an interim staffing structure first. In partnership with the TAC, staff have developed two high-level staffing options:

TAC Leadership: In this option, CARTA's day-to-day staffing is led by a Program Manager/Administrator, who is either hired staff or a consultant. This mid-level position oversees consultant contracts and finance staff, and receives direction from the CARTA Board and in coordination with the TAC. While this option has lower staffing costs, it requires heavy commitment from the TAC to oversee the Program Manager/Administrator's work and bridge guidance from the Board.

Executive Director: In this option, CARTA hires its own Executive Director, who oversees consultants and finance staff, and reports directly to the CARTA Board. The CARTA TAC advises the Executive Director. While this option has the highest staffing cost, it gives CARTA independent leadership and gets right to the staffing structure CARTA likely needs long term.

Staff will be returning in February to request board action on a staffing option. This early action is prerequisite for the development of the FY 2025-2026 budget, which will come before the board in March or April. Staff requests feedback from the Board on these staffing options and direction on any additional analysis or information that would help the Board make these decisions in 2025.

Funding

While HNTB is developing a more detailed forecast of expenditures for CARTA, staff estimate that CARTA will require \$5-\$10 million in unidentified revenues to cover its operating expenses until toll revenue can begin to cover it. CARTA's initial voting members: SACOG, Caltrans, and Yolo Transportation District are working together to identify a source for this funding. It will likely take into next fiscal year to secure this funding, so CARTA will need to secure a source of funding to continue covering operating expenses. Staff estimate the minimum operating budget for FY 2025-2026 is \$1,300,000 - \$1,500,000. As demonstrated in the FY 2024-2025 Quarterly Financial Report (Item 4), there is likely to be a small carryover from SACOG's initial loan into next fiscal year.

SACOG's Managed Fund, where the initial loan came from, is a potential source for baseline costs through fiscal year 2026 but cannot cover CARTA's long-term operating expenses. Additionally, that fund is intended to support projects across the region. A second loan to CARTA would require SACOG Board approval. Staff would like direction from the CARTA Board on whether to pursue an additional loan from SACOG or prioritize other funding sources.

Staffing and Funding CARTA in Fiscal Year 2025–2026 and Beyond

Board of Directors
19 December 2024
Item 3



Presentation Agenda

Background / Context

- How is CARTA currently staffed and managed

- Why CARTA needs a staffing change

Staffing Options and Tradeoffs

- Staffing structures

- Timing for transition

Funding Need

Discussion

How roles currently sit



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
- Executive management
- Program and project management, participation in managed lane project steering committees



CARTA voting member

- CARTA packet review and comment
- Influence via voting members on CARTA board



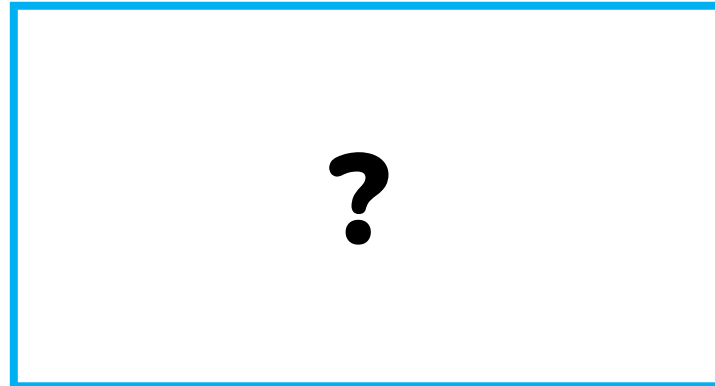
CARTA TAC

- Policy direction and deliverable review
- Influence via TAC meetings
- Influence via non-voting members on CARTA board
- Participation in managed lane project steering committees

Why CARTA needs a change

- SACOG's lack of expertise in project delivery and operations
- CARTA's toll on staff resources and the opportunity cost of staff time
- Confusion on SACOG's role in CARTA and tolling

Where we'd like to go



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
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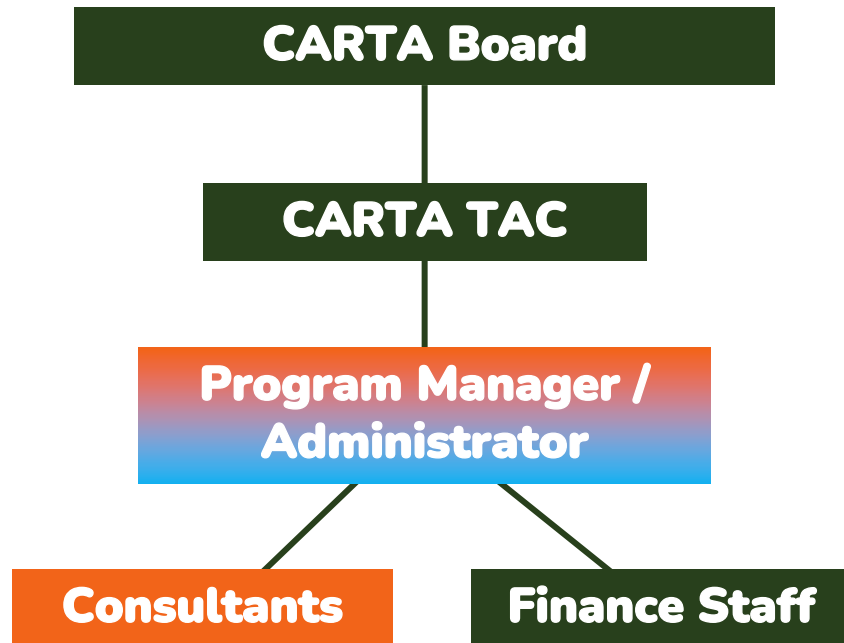


CARTA TAC

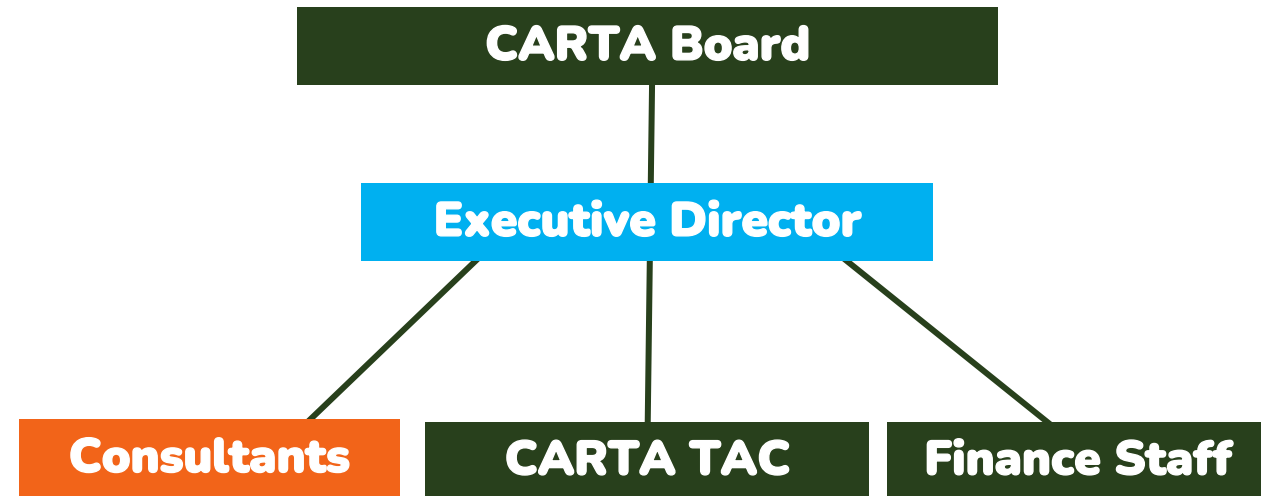
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Staffing Structures

Option 1: TAC Leadership



Option 2: Executive Director



 CARTA funded, employed elsewhere

 CARTA employee

 Consultant

Staffing Structures

Option 1: TAC Leadership

- Lower staffing costs
- Requires vigilant oversight from TAC
- If consultant PM, concern with conflict of interest
- If staff PM, concern of who will manage / oversee them

Option 2: Executive Director

- Higher staffing costs
- Independent leadership for CARTA
- Likely CARTA's ultimate staffing need
- Potential for CARTA to “drift away” from member agencies

Transition timing

SACOG staffing

New staffing solution



Transition timing

SACOG staffing

New staffing solution



Transition timing

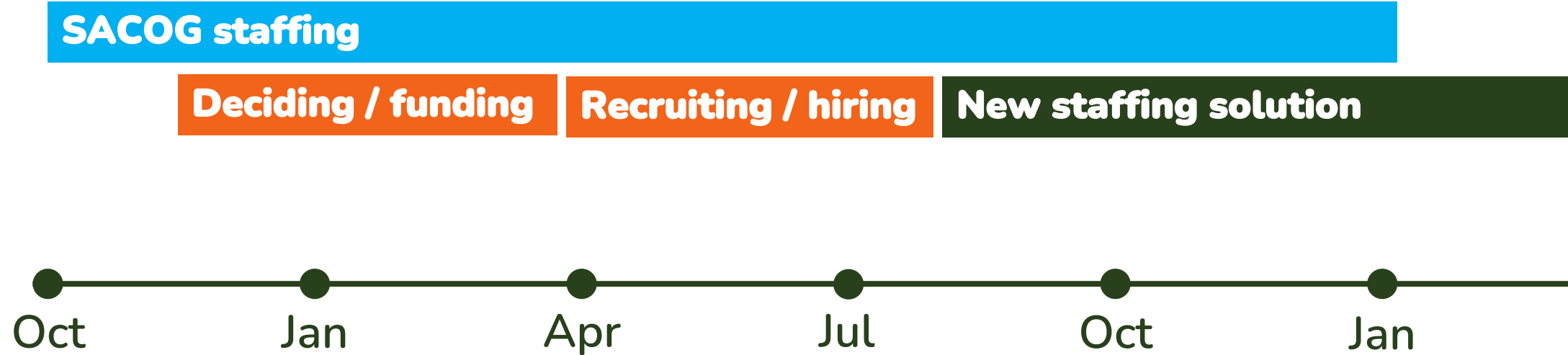
SACOG staffing

Recruiting / hiring

New staffing solution



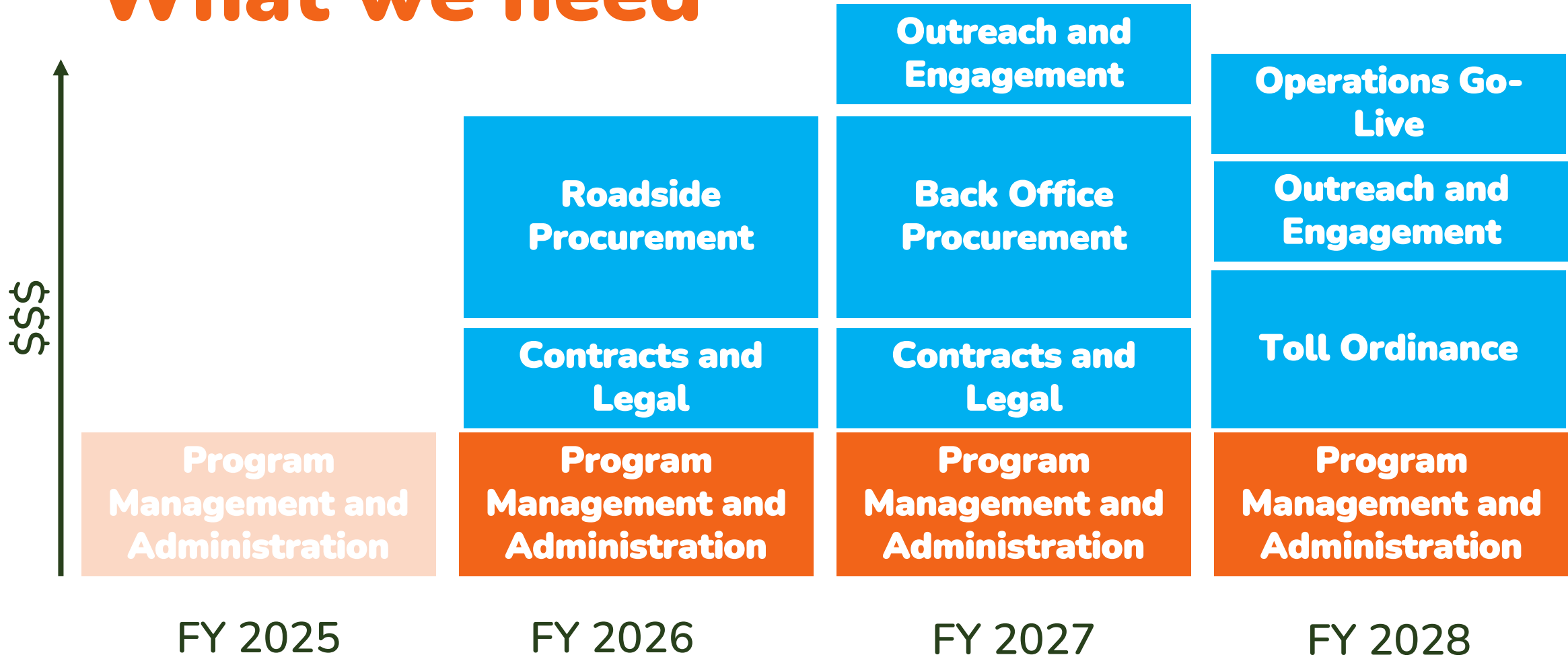
Transition timing



Funding need



What we need



Short-term focus



Discussion

Which staffing option are you leaning towards?
What information would be helpful to make this decision next year?



Capital Area Regional Tolling Authority

captollauthority.com | khanley@sacog.org



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 4

2025 Board Schedule

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At their October 17, 2024, meeting, the CARTA Board approved a 2025 board meeting schedule with six meetings in 2026: February, April, June, August, October, and December.

Discussion:

Since the approval of the original 2025 meeting schedule, staff have been working with CARTA's tolling consultants to develop a workplan for 2025. Through this process, staff have determined that the CARTA board will need more than six meetings in 2025 to make a series of important toll policy decisions. Staff are looking to add meetings in March, May, September, and November.

Given election turnover, staff also anticipate that some appointments to the CARTA Board may change for 2025. Each CARTA member agency has the autonomy to make appointments to the CARTA board using its own process. Staff expect Yolo Transportation District, Sacramento Transportation Authority, and SACOG to make their appointments in January 2025. Once those appointments are made, the CARTA clerk will work with the board members to schedule board meetings for 2025. Because board members from YoloTD and STA may not serve on the SACOG board, staff are considering "uncoupling" the CARTA board meetings from SACOG board and committee days.

Attachment A provides a look-ahead of anticipated items for CARTA Board meetings in 2025. This schedule is subject to change.

Staff will return to the CARTA board in February with an updated 2025 meeting schedule for the board to consider. No action is requested as part of this item.



2025 CARTA Board Meeting Look-Ahead

February

- Agency mission and goals (action)
- Staffing structure (action)
- Tolling 101 presentation (information)
- Yolo 80 Roadside Design Tradeoffs (information)
- Operations funding options (information)

March

- Operations funding for FY 2025-2026 (action)
- Toll pricing and Discounts presentation (information)

April (Offsite at Caltrans Transportation Management Center in Rancho Cordova)

- Staffing structure (action)
- Yolo 80 Traffic and Revenue Study Update (information)
- Toll Technology and Interoperability presentation (information)

May

- Yolo 80 Concept of Operations (action)
- Draft FY 2025-2026 Budget (information)
- Draft CARTA Multi-Year Workplan (information)

June

- Final FY 2025-2026 Budget (action)
- Final CARTA Multi-Year Workplan (action)
- Staffing Recruitment or Request for Proposals (action)
- Interstate 5 Managed Lanes Project Overview (information)

August

- Yolo 80 Roadside Toll System Request for Proposals (action)
- Toll Finance and Revenue Waterfall presentation (information)

September

- Multiyear Operations Budget Options (information)
- Back Office presentation (information)

October

- Multiyear Operations Budget Options (action)
- Draft Toll Policy Resolution (information)

November

- Staffing Recruitment or Request for Proposals Update (information)

December

- Final Toll Policy Resolution (action)
- Tolling 101 Workshop (information)
- Operations funding options (information)



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 5

Fiscal Year 2024-2025 Quarterly Financial Report

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

The CARTA Board of Directors adopts an annual operating budget. The Board adopted the original Fiscal Year (FY) 2024-2025 Budget at their May 23, 2024, meeting. As Board has designated SACOG as CARTA's administering agency for FY 2024-2025, CARTA's budget is developed and maintained by SACOG staff.

Discussion:

The Quarter 1 Financial Report (Attachment A) compares the FY 2024-2025 adopted Budget, which was approved by the Board in May, to actual expenditures from July 1st to September 30th. As of September 30th, CARTA has spent \$101,101, or 8% of its \$1,300,000 budget. These expenses are split nearly evenly between costs for SACOG to staff CARTA and insurance.

CARTA has received all of its projected revenue: a \$1,300,000 loan from the SACOG Managed Fund. If CARTA expenses in FY 2024-2025 are less than \$1,300,000, the remaining loan balance will be available for CARTA to budget as revenue in its FY 2025-2026 Budget.

CAPITAL AREA REGIONAL TOLLING AUTHORITY
Q1 FINANCIAL REPORT
Budget-to-Actual (Unaudited)

REVENUES:	BUDGET <i>Adopted May 2024</i>	ACTUAL <i>July-Sept 2024</i>	ACTUAL % <i>July-Sept 2024</i>	REMAINING <i>Budget vs. Actual</i>
Local				
Loan from SACOG Managed Fund	\$ 1,300,000	\$ 1,300,000	100%	\$ -
Subtotal - Local Revenues	\$ 1,300,000	\$ 1,300,000	100%	\$ -
TOTAL REVENUES	\$ 1,300,000	\$ 1,300,000	100%	\$ -
EXPENDITURES:				
Administration:				
Administrative Staff Costs	\$ 87,529	\$ 16,366	19%	\$ 71,163
General Counsel	\$ 71,666	\$ -	0%	\$ 71,666
Contracts Counsel	\$ 50,000	\$ -	0%	\$ 50,000
Public Outreach / Education	\$ 60,000	\$ -	0%	\$ 60,000
Insurance	\$ 50,000	\$ 43,218	86%	\$ 6,782
Audits	\$ 50,000	\$ -	0%	\$ 50,000
Website and Software	\$ 5,000	\$ 710	14%	\$ 4,290
Meetings	\$ 10,000	\$ 455	5%	\$ 9,545
Subtotal - Administration Expenditures	\$ 384,195	\$ 60,750	16%	\$ 323,445
Toll Program				
Transportation Staff Costs	\$ 215,805	\$ 40,351	19%	\$ 175,454
Consulting Services: Toll Lanes Program Development	\$ 700,000	\$ -	0%	\$ 700,000
Subtotal - Toll Program Expenditures	\$ 915,805	\$ 40,351	4%	\$ 875,454
TOTAL EXPENDITURES	\$ 1,300,000	\$ 101,101	8%	\$ 1,198,899



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 6

Yolo 80 Project Update

Prepared By: Gurtej Bhattal, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The Yolo 80 Corridor Improvements Project (Yolo 80) will add one high-occupancy toll (HOT 3+) lane to Interstate 80 (I-80) between Davis and West Sacramento. The project completed its environmental documents and final design May 2024 and has awarded the construction contract to De Silva Gates in the amount of \$124,800,000. For more detailed information about the project, including project documents, please visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i80-corridor-improvements>.

Discussion:

Caltrans opened bids on July 31, 2024, and awarded the contract to De Silva Gates on September 27, 2024. Given the timing of contract execution, Caltrans expects the contractor will elect to start construction work in early 2025, after the rainy season. The project is anticipated to take 370 working days and is therefore likely to finish construction in late 2026 or early 2027. This means that the physical tolling infrastructure will likely be fully constructed before CARTA is ready to collect tolls.

Two lawsuits have been filed against the project by (1) the National Resource Defense Council, Planning and Conservation League, and Center for Biological Diversity; and (2) the Sierra Club and Environmental Council of Sacramento. Both are in the process and further updates will be provided as appropriate.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 7

US 50 Project Update

Prepared By: Soka Soka, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The US 50 Multimodal Corridor Enhancement & Rehabilitation Project will add carpool, or High-Occupancy Vehicle (HOV), lanes in each direction on U.S. Highway 50 from Interstate 5 to east of Watt Avenue, construct sound walls from Stockton Blvd to 65th Street, and incorporate Intelligent Transportation System (ITS) elements into the HOV system. The project completed its environmental documents in May 2017. The project was combined with the State Highway Operation and Protection Program (SHOPP) project to rehabilitate the highway assets and is utilizing a Design Build project delivery method. The total combined Construction Capital funds of \$368,900,000 were allocated in March 2019. The Design-Build contract was awarded in April 2020, to Flatiron West Inc. for a total Construction Capital cost of \$397,790,000 with 925 Working Days. Additional funds were allocated in December 2023 and October 2024. Currently the total Construction Capital Cost is \$455,730,500.

For more detailed information about the project, including project documents, please visit <https://www.fix50.com/> or <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-us-50-hov-lane-0h08u>.

Discussion:

Currently, the project is 87% complete. Below is a list of activities on the project in the past couple of months.

- Structure construction completed.
- Coordination with City of Sacramento on adjacent projects, parking impacts and utility work.
- The contractor working on the final design package i.e., Local Roads Plans.

- Roadway construction: Pavement Demo and off hauling, Install Electrical elements, work on drainage, traffic staging.

The project has experienced significant delays due to late execution of Construction and Maintenance (C&M) Agreement from Union Pacific Railroad (UPRR). The State has realized 242 working day schedule impact from the delay. Design-Build contractor disagrees with the State on the level of the impact. The contractor has filed dispute and the issue is following its process.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 8

Sac-5 Managed Lanes Project Update

Prepared By: Jess Avila, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The project proposes to construct managed lanes in both directions on Interstate 5 (I-5) in Sacramento County from I-5/US 50 Interchange to Sacramento River Bridge (Br. No. 22-0025). Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion. For more information on the project, visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i5-managed-lanes-project>.

Discussion:

The project is currently in the environmental phase where nine managed lane options (including no-build) are being studied to determine environmental impacts. The build options include construction of an additional lane to accommodate High Occupancy Vehicle (HOV), High Occupancy Toll (HOT), Express, Transit Only, and Dual HOT (where 1 existing GP lane is converted to HOT) managed lanes and an option to convert 1 existing GP lane to HOV lane. The target to complete the environmental documents (CEQA/NEPA) is November 2025.

The total project cost is estimated to be between \$450 million and \$500 million depending on the managed lane option chosen. Total project cost estimates assume \$50 million for vehicle miles traveled (VMT) mitigation. There is \$69.4 million of available funding for the project. To date, \$11.44 million has been spent on the environmental phase of the project. Available funding has been made possible by SACOG flexible funding rounds and STA. STA funding is primarily in future years for construction of the project.

The funding strategy is to apply for qualifying local, state and federal grants.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 9

Cap City Corridor (State Route 51) Project Update

Prepared By: Andrew Huang, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The Cap City Corridor Improvements Project proposes to construct managed lanes in both directions on State Route 51 (SR 51) between N Street to El Camino Avenue Overcrossing in Sacramento County. Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion.

Discussion:

Caltrans is continuing its preliminary design and environmental studies to clear the Cap City Corridor project, coordinate with exterior agencies for input, and analyze multiple alternatives to complete the initial Project Approval and Environmental Document phase. The project targeting to complete its environmental documents in June 2026 and has a targeted design completion date of February 2029. Currently the total project cost is estimated between \$450 million to \$550 million depending on the managed lane option chosen and includes \$50,000,000 for VMT mitigation.

When grant opportunities are available the Caltrans team intends to apply for funding where applicable to fund the project.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 1

Approve Minutes of the October 17, 2024, Board Meeting

Prepared By: Robert Tadevich, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

Staff recommend approval of the minutes as submitted.

Background:

The board met on October 17, 2024.

Discussion:

Each meeting the board is asked to approve the minutes (Attachment A) from the previous meeting.



CARTA Board of Directors

Draft Action Minutes

The CARTA Board of Directors met in person on October 17, 2024, at 12:00 p.m. at the CARTA office, 1415 L Street, Suite 300, Sacramento, CA.

Call to Order: Chair Villegas called the meeting to order at 12:02 p.m.

Present: Directors Aceves, Chapman, Suen (for Desmond), Vice Chair Early, Chair Villegas and Ex-Officio Members Click and Guerra

Absent: Ex-Officio Member Deloria

Public Communications: None

Consent: It was moved, seconded (Early/Suen) and passed by unanimous vote that the following Consent items be approved:

1. Minutes of the August 1, 2024, Board Meeting
2. 2025 Board Meeting Schedule

*Director Suen abstained from item 1, Minutes of the August 1, 2024, Board Meeting.

Action:

3. Caltrans Services Memorandum

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD ACCEPT THE CALTRANS SERVICES MEMORANDUM;**
- (2) THE BOARD DIRECT STAFF TO SEEK ACCEPTANCE OF THE MEMORANDUM FROM THE SACRAMENTO AREA COUNCIL OF GOVERNMENTS (SACOG) AND THE YOLO TRANSPORTATION DISTRICT (YOLOTD)**

4. Regional Tolling Equity Study

Kathleen Hanley, SACOG Staff, presented the report. It was moved, seconded (Early/Suen) and passed by unanimous vote that:

- (1) THE BOARD DIRECT STAFF TO APPLY FOR A CALTRANS STRATEGIC PARTNERSHIPS PLANNING GRANT TO FUND A REGIONAL TOLL EQUITY STUDY;**

(2) THE BOARD DIRECT STAFF TO SEEK SACOG’S APPROVAL TO SUBMIT THE APPLICATION ON CARTA’S BEHALF

Information:

5. Caltrans District 3 Draft Managed Lanes System Plan Update

The board received and reviewed this report, presented by Bruno Costa, Caltrans District 3 Staff.

Public comments were provided by:

Autumn Bernstein, YTD, in support of increased coordination between CARTA staff and local agencies.

Kevin Bewsey, Sacramento Transportation Authority, in support of alignment between CARTA and local, regional, and state agencies.

6. Comparing SACOG’s Blueprint and Caltrans’ Managed Lanes System Plan

The board received and reviewed this report, presented by Kathleen Hanley, SACOG Staff.

Public comment was provided by Dan Allison, a citizen, in support of toll lanes.

Adjournment: The meeting was adjourned at 1:28 p.m.

Approved by:

James Corless
Secretary

Approved by:

Oscar Villegas
Board Chair



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 2

CARTA Toll Program Workplan and Policy Development
Toll & Other Managed Lanes System Review Memorandum

Prepared By: Sam Soules, HNTB

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At the May 23, 2024, meeting, the Board directed staff to release an RFP for Toll Lane Program Development. HNTB Corporation (and subconsultants Drago Vantage LLC and Kuester Consulting LLC) were selected for the contract and began work in late September. Under the contract, the consultant team will prepare a workplan that identifies the actions needed to prepare CARTA to begin collecting tolls in 2028, upon the construction of the Yolo 80 Managed Lanes Project. The workplan will describe each action required, indicate CARTA and its partners' role in those actions, the potential cost of those actions, and potential funding sources for those actions.

The first major deliverable in HNTB's scope of work is to develop a "Toll and Other Managed Lanes System Review Memorandum" that reviews and analyzes existing documents in the region related to tolling. The purpose of the memo is to strengthen the CARTA Board Directors' and partners' shared understanding of the current program status and future vision for regional managed lane deployment, based on existing documentation. It summarizes existing managed lanes plans and projects, roles and abilities, and provides recommended actions. That memo is being presented to the Board today. Staff presented an earlier version of this memorandum to the CARTA Technical Advisory Committee (TAC) at their December 5, 2024, meeting.

Discussion:

Initial decisions will need to be made quickly for Yolo I-80 Phase 1 but can be revised in the future, if needed. CARTA should choose flexible, low-risk options where possible. The HNTB team and CARTA staff will analyze items requiring direction, vet them with the CARTA TAC, and bring options to the CARTA Board for direction. That direction will be documented in a decision log.

The Toll and Other Managed Lanes System Review memo (Attachment A) has three sections:

1. Existing managed lane plans and projects within the CARTA region;

2. Planned roles and responsibilities for authorizing, managing, implementing, and funding the managed lane program; and
3. Key actions needed to develop a regional managed lanes network.

The memo notes that smooth execution of the initial managed lane project (Yolo 80) is important to build credibility and recommends seeking guidance from those with managed lane implementation experience. As a managed lane operator, the CARTA Board will need to balance several potentially competing objectives:

- Reducing traffic congestion,
- Providing reliable travel times,
- Generating revenue,
- Encouraging carpooling and public transit,
- Improving overall mobility, and
- Enhancing equity.

In balancing the above objectives, the CARTA Board will need to address trade-offs, such as:

- **Risk** - how much is tolerable and who bears it?
- **Control** – does CARTA prefer to own systems to ensure maximum independence and control or leverage external systems, lowering delivery risk but constraining choices?
- **Financial Policies** – does CARTA prefer to make upfront investments or incur costs on a per-transaction basis? Is the Board willing to streamline policies and minimize complexity and focus on cost-effectiveness?

The memo recommends that CARTA move quickly on time-sensitive decisions related to:

- Policy
 - Regional toll system implementation goals
- Financing/net revenue
 - Funding strategy
 - Implementation strategy (Concept of Operations)
- Contracting
 - Strategy for staffing and resourcing

The next steps in the consultant workplan are to develop a linear and documented roadmap that meets the Yolo 80 schedule. Four (4) TAC workshops are being scheduled to build CARTA's knowledge and inform decision-making. Key decisions are being maintained in a decision log. The final output of this work will be a detailed Implementation Workplan, scheduled for delivery in Summer 2025.



Capital Area Regional Tolling Authority
(CARTA)

Consultant Services for Toll Program Workplan and
Policy Development

**Toll and Other Managed Lanes System Review
Memorandum**

FINAL

December 2024

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1. Introduction

This memo provides background and context for the CARTA Toll Program Implementation Work Plan.

The purpose of this memo is to strengthen the CARTA Board members' and partners' shared understanding of the current status and future vision for regional managed lane deployment, based on existing documentation. A full list of all documents reviewed is located in *Attachment A: List of Documents Reviewed for Background and Context*.

Implementing and operating a managed lanes network is a significant undertaking. CARTA's plans for phased implementation of lanes and involvement of multiple partners adds further complexity. CARTA has done exemplary work to secure tolling authority for Phase 1 of the Yolo I-80 project and set the stage for a regional managed lane network. This memo identifies the many tasks CARTA and partners must now complete to begin lane operations and expand the network.

The biggest risk CARTA faces today is the lack of a regional Concept of Operations thoroughly vetted by all partners. CARTA will need to decide as soon as possible whether to continue relying on the Yolo I-80 Concept of Operations or consider other approaches before partners complete further work related to roadway design. Decisions about continuous lane access or buffered lane access impact civil design (which is expensive and time-consuming to change), signage requirements (which require digital communications networks and are expensive), and toll tag requirements and enforcement.

This memo covers three main areas:

1. Existing managed lane plans and projects within the CARTA region.
2. Planned roles and responsibilities for authorizing, managing, implementing, and funding the managed lane program.
3. Key actions needed to develop a regional managed lanes network.

Each section includes findings and recommended actions, with an emphasis on areas that will require CARTA's involvement to ensure effective and efficient implementation. Where applicable, statewide context and lessons learned from other managed lane deployments are also provided.

2. Existing Managed Lanes Plans and Projects

2.1. CARTA Overview and Key Considerations

CARTA was established to ensure effective and efficient implementation of a regional managed lane network while maintaining political and customer support for the program. Like all tolling programs, CARTA must balance several interconnected considerations in both implementation and operations:

1. **Safety:** Ensuring safe lane design and appropriate ingress/egress points to protect both managed lane and general-purpose lane drivers.
2. **Revenue Collection:** Developing systems and processes to record lane transactions, transfer them to the back office, manage accounts, and enforce violation policies. These factors influence the robustness and accuracy of revenue collection.
3. **Lane Performance:** Maintaining federally mandated speeds of at least 45 mph and setting vehicle occupancy policies to prevent under- or over-utilization of the managed lanes.
4. **Customer Experience:** Establishing clear policies and processes that are easy for customers to understand and follow.

To succeed, a tolling program must excel in all areas, often making trade-offs to align with program goals. Examples of balancing conflicting priorities are outlined below:

- A toll operator with bond funding obligations will need to prioritize revenue collection. The toll operator may also wish to constrain pricing or provide a positive customer experience by minimizing violation fees, thereby reducing the revenue collected.
- Open access lanes offer drivers choice by allowing them to access that lane anywhere along the corridor, but drivers weaving out of the lane to avoid toll points can create safety issues and ultimately results in leakage.
- Installing changeable message signs every mile may maximize drivers' understanding of the current toll, but also significantly increases infrastructure costs for construction and maintenance.
- Optimal lane performance requires a toll tag and account, usually with a pre-paid balance. This creates potential barriers for low-income users and thereby compromising equitable access to the lanes.

When properly contemplated, goals serve as clear outcomes that deliver on the project's purpose. With goals as a compass, policy and operational decisions can be deliberated in a way that addresses the natural tension between, for example, collecting enough revenue to pay debt obligations while making toll rates affordable. Another example would be offering occupancy-based discounts to use a lane that must still manage congestion to a minimum of 45 mph during peak times. Once goals are set, CARTA will have a shared framework in which to discuss how decisions work towards or against each one.

Using that framework of goals, CARTA will turn towards *how* the goals are met through policies and operations, starting with the Concept of Operations (ConOps, colloquially). These documents build off the goals that meet the project's purpose by defining high-level requirements and needs, which inform the design, development, and delivery. Further, they support and document decision-making by articulating the operational context, constraints, and expectations.

Express Lane Goals and Mission Statements

CARTA's peer agencies typically have similar goals including:

- **Reducing Traffic Congestion:** By charging a toll, express lanes aim to manage demand and keep traffic flowing smoothly, even during peak hours
- **Providing Reliable Travel Times:** The dynamic pricing adjusts based on real-time traffic conditions, ensuring that those who use the lanes can expect consistent and predictable travel times
- **Generating Revenue:** The tolls collected are often used to fund transportation infrastructure projects, maintenance, and improvements
- **Encouraging Carpooling and Public Transit:** High-occupancy vehicles (HOVs) and public transit often receive discounts or can use the lanes for free, promoting more efficient use of road space
- **Improving Overall Mobility:** By alleviating congestion in general-purpose lanes, express lanes can enhance the overall efficiency of the transportation network
- **Enhancing Equity:** Some programs offer toll discounts or credits to low-income users or those who use public transit, aiming to make the benefits of express lanes accessible to a broader population

Sample mission and vision statements include:

- **The Toll Roads, Orange County** - Implement and operate a highway network of congestion free travel alternatives with a focus on customer service, innovation and self-reliant financial approaches, while considering regional transportation needs and opportunities.
- **State Road and Tollway Authority, Georgia** - Connecting people, jobs and communities through integrated mobility options and innovative solutions.
- **E-470 Public Highway Authority, Aurora, Colorado** - MISSION: We improve your journey through safety, service, stewardship and reliability. VISION: Providing exceptional mobility solutions by connecting people and embracing transformative opportunities.

The content of the ConOps breaks down further into formal, board-adopted policies and business requirements, the latter of which has more detail and more flexibility on how daily operations are carried out. System requirements and standard operating procedures then address the really specific details on the systems, people, and processes that ultimately deliver a fully functioning program in the operational environment.

Figure 1 illustrates how tolling program goals are operationalized through planning documents with this increasing levels of detail. Decisions over time will define how CARTA functions as an organization and with respect to its partners and customers. It is helpful as this new agency is established for Board members to consider their organization's highest priorities and aspirations to guide the many increasingly detailed decisions to come.

Figure 1: Toll Program Planning Documents

Goals	<ul style="list-style-type: none">•Examples of Content: CARTA will operate managed lanes to improve mobility in line with Regional Transportation Plan/Sustainable Communities Strategy (RTP/SCS) strategies. CARTA will be customer-focused, setting policies and practices that are easy to understand and comply with.•Responsibility: CARTA•Status: Not started
Concept of Operations	<ul style="list-style-type: none">•Examples of Content: Approach to managed lane implementation, roles/responsibilities, funding strategy, staffing/contracting strategy, average speed performance threshold to inform pricing model.•Responsibility: CARTA•Status: Written for Yolo 80, not started for CARTA
Tolling Policies	<ul style="list-style-type: none">•Examples of Content: Changes to toll rate and toll setting procedures, establishing min/max tolls (if dynamic pricing), type and level of discounts offered, policies concerning potential surcharges for license plate tolling and violations for non-payment.•Responsibility: CARTA, Caltrans for HOV eligibility, California Air Resources Board (CARB) for Clean Air Vehicle (CAV) designations.•Status: Not started
Business Rules	<ul style="list-style-type: none">•Examples of Content: Rules for how discounts are applied under various scenarios.•Responsibility: CARTA•Status: Not started
System Requirements	<ul style="list-style-type: none">•Examples of Content: Specifications for how systems will be designed, implemented, and operated.•Responsibility: CARTA•Status: Not started
Standard Operating Procedures	<ul style="list-style-type: none">•Examples of Content: Detailed procedures for call answering, mailing invoices and violations to customers, and responding to incidents in lanes.•Responsibility: CARTA/Contractors•Status: Not started

2.2. Submitted Managed Lane Plans

The Capitol Region currently has approved Planning Study Reports (PSR) for six segments of the proposed managed lanes network (see *Attachment B: Project Study Documents for Capital Area Managed Lane Projects*), with approval dates ranging from as early as May 2002 to December 2022. For the purposes of the forthcoming *Toll Program Implementation Plan*, the engineering data in these plans is not critical. Many of these initial project submittals are now dated and specific details have likely changed, particularly given that most of these studies were completed before the COVID pandemic. Supplemental information will be needed for studies completed prior to 2019.

For the development of the Implementation Plan, the information in these preliminary study documents is largely redundant and less relevant compared to Yolo TD's proposed Concept of Operations for the I-80 Phase 1 managed lane project.

2.3. Yolo I-80 Concept of Operations

The Yolo I-80 Phase 1 project introduces a high-occupancy toll lane in each direction from Richards Boulevard on I-80 to the Highway 50 interchange in the eastbound direction and from the US 50 interchange to Mace Boulevard in the westbound direction. *Attachment C: Reference Maps* provides a map of the Yolo 80 Managed Lanes Project. The Phase 1 project, now underway, spans approximately 17 centerline miles and is planned to go live in 2028. It is part of the fully deployed managed lanes network envisioned in the 2025 SACOG Blueprint. The complete CARTA network is planned to be delivered in phases, with milestones set for 2035, 2050, and beyond 2050, as shown in *Figure 3: Draft 2025 SACOG Blueprint Express Lane Network*. Currently, CARTA has secured California Transportation Commission (CTC) approval for Phase 1 only; approval for subsequent project phases will be pursued by CARTA in the future.

A phased approach to managed lane implementation offers the advantage of allowing CARTA and its partner agencies to add projects as needs arise and funding becomes available. Additionally, it provides an opportunity to learn from each phase as the lane network expands. However, a challenge of this approach is that CARTA will need to make decisions about implementing, building, and operating smaller sections of the managed lane network with limited knowledge of the full network's future requirements. The requirement for Yolo I-80 Phase I to be operational by 2028 adds urgency to the need for CARTA to consider whether the proposed Concept of Operations should be expanded to the regional network. If CARTA later determines revisions to the Concept of Operations are required, making such changes will likely involve change orders to contracts, amendments to agreements, and investment in customer education.

The Yolo I-80 project is currently slated to operate as an open-access facility based on the Concept of Operations outlined in the Yolo TD application to the California Transportation Commission (CTC). This Concept of Operations includes several key decisions, such as:

1. Vehicles with three or more occupants will use the lane free of charge, while those with fewer occupants will pay a toll to use the lane.
2. The lane design will be open access, allowing drivers to enter and exit at any location along the lane.
3. Vehicle occupancy verification will be done using switchable tags, with enforcement conducted by the California Highway Patrol (CHP).

These decisions are crucial as they affect safety, revenue collection, lane performance (including revenue recovery), and the overall customer experience. CARTA will need to review and either adopt this approach or propose modifications for the remainder of the managed lane network.

In southern California, HOV lanes were historically buffered – that is, separated from non-HOV, general purpose lanes by a physical barrier. When the Bay Area contemplated building an Express Lanes network, MTC staff, Caltrans, and consultants considered open and buffered options and held a series of workshops to determine lane design. They determined that there was insufficient space for buffered lanes in some locations, that lanes separated by attenuators had operational challenges, and that open access lanes were more customer-friendly and allowed maximum flexibility for drivers to exit at interchanges. To support discounts based on vehicle occupancy, the Bay Area requires switchable toll tags (a relatively more expensive form of tag) that drivers use to indicate the number of passengers in their vehicle.

Yolo I-80 is designed to be an open access facility without any striping or buffers to limit access to the lane. Some open access facilities are not performing relative to general purpose lanes and not meeting the federal mandate of ensuring 45 mph speeds 90% of the time during peak periods. FHWA's regulatory authority includes enforcement of this requirement; if the standard is not achieved, they are able to require remediation on projects in active operations. This highlights the importance of designing a facility for lane performance. For this reason, Southern California is buffer separating every facility to ensure they provide a speed differential.

Today, open access lanes with drivers self-declaring occupancy are coming under scrutiny. In an open access environment, drivers can show themselves as HOVs while in the lane and then jump out of a lane at enforcement locations. Many programs in the US are experiencing this issue with “cheaters” in their lanes. For example, the San Mateo County JPA analyzed mis-declared occupancy (when a driver sets their toll tag to declare two or three occupants when they are in fact driving solo) and the potential revenue loss on that facility. Some estimates were as much as \$12,000 daily and are therefore considering revisions to occupancy discount policies, eligibility requirements, and verification

methods. Variable pricing based on levels of congestion is not as effective as once hoped. Furthermore, research with drivers indicates that complicated business rules and congestion-based pricing strategies yield poor return. Many drivers do not use lanes because they are confused. Many drivers who routinely use lanes do so irrespective of price.

2.4. Traffic and Revenue Studies

Three Traffic and Revenue (T&R) studies for Yolo I-80 Phase one have been completed. These planning-level studies were conducted to industry standards. Nevertheless, updated and more detailed Traffic and Revenue Studies will be required. Future studies should include a more sophisticated estimation of roadway costs and more refined estimates of leakage (due to occupancy violations, image losses, or failure to pay.) Investment-grade studies will be required if CARTA pursues bond financing from the market or Transportation Infrastructure Finance and Innovation Act (TIFIA) funding from US DOT. Decisions regarding system implementation, tolling policies, staffing, and discount programs—many of which are yet to be determined—will significantly impact revenue projections. Numerous policy decisions must still be made, and each one will affect both costs and revenues. As a result, the traffic and revenue analysis conducted to date should be viewed primarily as a screening-level assessment, narrowing the range of feasible options. As such, the current figures should be viewed as advisory at this stage.

Attachment D: Toll Revenue and Toll Program Cost Considerations provides additional details about factors influencing toll lane program costs and revenues.

2.5. Funding and Expenditure Plans

The Yolo I-80 project has a funding plan for Phase 1 through construction, which relies on a combination of federal, state, and local funds. However, funding plans for the other proposed segments are not yet established. The Yolo I-80 CTC Application for Toll Facility includes a toll revenue expenditure plan, in compliance with State law, outlining that CARTA will determine toll revenue uses in a waterfall hierarchy structure for allocation. Revenues will be allocated to the following:

- Debt service, operations and maintenance, rehabilitation, and replacement, VMT mitigation projects, and the establishment of reserve funds.
- Planned reserves must be utilized for the toll facility for operations and maintenance, emergency purposes, and highway resilience.
- Thereafter, excess net revenues may be used toward programs and capital projects within the corridor but outside the toll facility (Yolo 80 Corridor Improvements Project Phase 1, CTC Application for Toll Facility, page 47.)

This expenditure plan is tentative and was developed to meet the requirements of the CTC application. The final expenditure plan is at the discretion of the CARTA Board and is anticipated to be reviewed in late 2026.

2.6. Findings and Recommended Actions

The following table provides an overview of the main findings from the review of existing managed lanes plan and projects in the Capital region. Each finding corresponds to a recommended action to address issues raised.

Table 1: Findings and Recommended Actions – Existing Plans and Projects

#	Finding	Recommended Action
2.6.1	CARTA is planning a regional managed lane network, and Yolo TD and Caltrans are moving quickly to deploy Yolo I-80 by 2028. These two initiatives will occasionally be in tension. CARTA may need to revisit decisions made now as new information, such as lessons learned by other operators, technological developments, or cost considerations, emerges.	The formation of CARTA and this Managed Lane Implementation Roadmap Project marks an important first step in organizing and reconciling the actions underway and planned. Yolo TD and CARTA provided a Concept of Operations for the design and delivery of their initial managed lane. CARTA should reassess these decisions. CARTA should also develop and maintain a regional Concept of Operations to direct future projects.
2.6.2	Approaches to tolling and managed lanes in California are evolving, and CARTA must stay informed about related initiatives, including Statewide Road User Charging, CTOC, BAIFA, and Solano managed lanes.	CARTA should join the California Toll Operators Committee (CTOC) and continue actively coordinating with BAIFA and Solano County. Additionally, CARTA could consider engaging with other Bay Area operators. This will allow CARTA to leverage lessons learned, ensure consistency in customer experience, and address potential disparities in the region. CARTA should also stay engaged in understanding the direction the Legislature is going in regard to Road User Charges.
2.6.3	CARTA needs to be prepared for updated findings that may differ from the initial Project Study Report and Traffic and Revenue studies.	CARTA should seek more detailed estimates of managed lane deployment costs, which will depend on system procurement choices, tolling policies, staffing plans, and other factors.
2.6.4	Funding plans for future CARTA managed lane segments beyond Yolo I-80 are not yet available. There are a variety of financing methods (bonds, loans, TIFIA, etc.) that could be part of CARTA's funding solution, and it requires expertise in financing that is not currently available on CARTA staff or scoped for consultants.	CARTA should develop a program budget and engage the CARTA Board in creating a funding plan for the regional network. This will help ensure sustainable financial support for future phases.
2.6.5	The Yolo I-80 Phase 1 project is under a very tight schedule. The CTC application (page 26) shows Yolo TD/Caltrans	CARTA should adopt a revised, more realistic schedule. CARTA may need to adopt two schedules: one for initial Yolo I-

#	Finding	Recommended Action
	beginning civil construction in October 2024, but work onsite will begin after the winter. CARTA is shown as adopting a toll ordinance in January 2025 and executing agreements with Caltrans by June 2025. Meeting these deadlines is unlikely.	80 operations and a second for implementation of the remainder of the program.
2.6.6	In the Bay Area, managed lane operators are concerned about drivers who avoid tolls by choosing to switch tags to 3+ mode for free trips when they have fewer than three people in the vehicle. There is substantial concern on how “mis-declared” occupancy compromises the purpose of express lanes, and what this could mean for the future viability of the lanes. The current Concept of Operations for I-80 Phase 1 is the same and will likely face similar challenges.	CARTA should remain flexible and open to making changes to the regional Concept of Operations based on lessons learned by peer agencies or through experiences operating Yolo I-80.

3. Roles and Abilities

CARTA was established to facilitate collaboration in the development of toll projects within the region. The key purpose of creating CARTA is summarized in the Joint Exercise of Powers Agreement, which states: “Transportation corridors serve constituents and customers from all areas of the region and beyond, and thus having a regional tolling authority governed by partner agencies from throughout the region will enable implementation of toll lanes in a manner that is consistent, equitable, innovative, collaborative, and economical” (Joint Exercise of Powers Agreement for CARTA, pg. 2).

The CARTA JPA Agreement outlines the agency's abilities, which include:

- Planning, designing, financing, constructing, owning, and managing the Joint Facilities.
- Entering into and managing contracts.
- Overseeing operations.
- Making policy decisions related to toll lane operations.
- Issuing and repaying indebtedness, among other activities.

However, CARTA has not formally documented its responsibilities, particularly in relation to project sponsors, member agencies, and contractors. Actions necessary to implement and operate the managed lane network are detailed in *Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment*. CARTA will

need to execute these actions in coordination with partners but, it must maintain a strong leadership role to ensure accountability and effective coordination.¹

As a result of the JPA agreement, CARTA is designated as the lead agency for nearly all future actions. The only tasks that project sponsors will lead are local, corridor-focused activities such as:

- Secure funding for design, environmental, and capital work.
- Developing, submitting, and securing Caltrans' approval of Project Initiation Documents (PID) and Project Study Reports (PSR).
- Civil work: environmental design, right-of-way, and construction of lanes.
- Meeting criteria for formal hand-off of project to CARTA.

CARTA staff have defined four key work categories: administrative, executive, coordination, and project work. Staffing needs will evolve over time as projects progress through the planning, delivery, and operations phases. CARTA and project sponsors must agree on responsibilities for each phase, particularly during program delivery, to prevent gaps that could introduce risk.

Staffing requirements will change as the program transitions from the planning to delivery phase(s) to operations. Given the phased approach to implementing the managed lane network, project delivery phases could last up to a decade or more depending on the size and the availability funding each project. During each delivery phase, significant coordination will be required among CARTA, project sponsors, and Caltrans D3 to avoid overlapping efforts and ensure smooth progress into active operations. A phased, corridor-by-corridor approach necessitates fluctuating resources. While each delivery phase may be ten years long, CARTA will only require delivery staff when nearing the opening of new facilities.

In the roles and responsibilities matrix, CARTA is listed as solely responsible for liability and maintenance of the managed lane network. If this is indeed the case, CARTA staff must be actively involved in all other phases of work to ensure they are fully prepared for their responsibilities.

3.1. Findings and Recommended Actions

As described above, CARTA's role in the development of the managed lane network will be significant. In addition to the action identified in the roles and responsibilities matrix (*Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment*), the following table distills how CARTA can manage these responsibilities through concrete actions.

¹ Note: The HNTB team will review Attachment E with the CARTA Technical Advisory Committee (TAC) and revise it as necessary based on their input.

Table 2: Findings and Recommended Actions - Roles and Abilities

#	Finding	Recommended Action
3.1.1	CARTA should develop a goal statement to guide trade-off discussions as the Board formulates policies and tactics for managed lane implementation.	Develop and adopt a goal statement that includes specific goals for key elements including safety, revenue collection, lane performance, and customer experience. These areas are critical to CARTA's success.
3.1.2	CARTA's work will require substantial engagement from both voting and non-voting Board members, as decisions made now will have lasting implications.	CARTA should consider strengthening JPA provisions on Board engagement, possibly by amending the JPA agreement to include more detailed requirements for meeting frequency and attendance. To tackle the numerous initial decisions CARTA requires, the Board could consider meeting for longer durations or for day-long workshops, more frequently, and/or committing to attending in person and not sending alternates.
3.1.3	As with any board, members may have potential organizational or financial conflicts of interest.	CARTA should prioritize hiring legal support to protect the organization from potential risks associated with conflicts of interest and be available to provide counsel for circumstances that may require recusal because individual interest(s) conflict with one's approval authority.
3.1.4	Planning, funding, deploying, and coordinating managed lane operations with multiple partner agencies will require substantial staff support.	CARTA requires a staffing plan and must decide whether to fill positions through existing partner agencies or by hiring consultants. These discussions are already underway with the CARTA TAC.
3.1.5	Project sponsors are responsible for securing funding for capital delivery, securing project approvals, and for lane construction. They will then work with CARTA to incorporate the corridors into the regional managed lanes network.	To ensure a smooth transition, CARTA and partner agencies should develop a formal hand-off procedure including a set of criteria for project completion. They should also define an inspection process for confirming that conditions have been met. CARTA should be actively engaged in partners' work to ensure alignment, effective execution, and sufficient preparation for hand-off.
3.1.6	Caltrans District 3 has offered to provide services to CARTA to expedite implementation and support the operation of managed lanes. Even in the presence of institutional knowledge of managed lanes, without individuals who have firsthand	To ensure all parties share assumptions about the scope of work, CARTA would benefit from requesting Caltrans to develop more detailed plans for their review and approval. CARTA should allow sufficient lead time to evaluate these

#	Finding	Recommended Action
	experience in constructing, integrating, and operating express lanes, there is a risk of not getting it right in this new operating environment.	plans, assess their adequacy, and determine whether additional contractor support is needed. CARTA would also benefit from a facilitated discussion with peer agencies to understand how experienced staff support can build institutional knowledge by leveraging their collective years of accumulated lessons.
3.1.7	CARTA will be responsible for maintaining the managed lane network and will rely on Caltrans for the same level of maintenance activities that would typically be provided for carpool lanes.	CARTA should establish a maintenance plan, informed by professionals who can objectively inform maintenance standards. CARTA should then negotiate and document Caltrans' commitment and determine how to fill any gaps. This is a new and non-standard arrangement for Caltrans relative to managed lanes and will necessarily have some trial and error with potential cost and schedule risk.
3.1.8	Reliable funding sources are essential for executing CARTA's program work.	CARTA should continue pursuing federal, state, and local funding sources. Partner agencies may need to contribute funds to keep the regional work moving, and partner agencies are expected to secure funding for construction. Additionally, bonding or public-private partnership (PPP) options should be explored. It would be in CARTA's best interest to maintain full control over the funding process for regional work, and partner agencies may want to enter into agreements with CARTA to pool funding at the regional level. This could enhance purchasing leverage and improve bonding capacity.
3.1.9	Caltrans's commitment memo includes cost estimates for the use of Transportation Management Center (TMC) services, maintenance services, engineering services, access to the communication network, and expedited permitting and approvals, all contingent on specific forthcoming agreements.	CARTA should seek alternative quotes, assess the capacity of various services, and determine how to assign activities to Caltrans, partner agencies, or third parties based on cost efficiency, resource readiness, and allocation of risk. Additionally, CARTA and Caltrans could seek peer input from other Caltrans districts that have experience operating managed lanes to understand alternate models, and the benefits and pitfalls of what they have experienced in the past.

4. Key Actions Required to Deploy a Regional Managed Lane Network

Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment summarizes the key actions required for the deployment of the regional managed lanes network. This list includes 17 items each of which are substantial in scope. These actions must be completed by 2028 to enable CARTA to collect tolls on the initial Yolo I-80 Phase 1 segment. The stakes are high: because Yolo I-80 will be the first managed lane segment in the region implementation must be well-executed to establish credibility with drivers. As a new agency, CARTA's Board and partner agencies should seek guidance from peers and consultants with experience in managed lane delivery and operations to ensure a full understanding of these actions and to leverage lessons learned. As the network expands, these actions may need to be revisited or adjusted to accommodate growing toll transaction volume.

The procurement of lane systems and back-office systems is a complex process that requires not only technical support but also contracting, legal, and significant lead time. This process typically takes about 18 months for procurement and up to two years for design and implementation. Negotiating with other tolling entities for such services may introduce efficiencies but, particularly when forming new agreements, can also present risks. These risks require contracting and legal expertise to address. A positive example of contracting with an established tolling entity is the San Bernardino County Transportation Authority's (SBCTA) agreement with the Transportation Corridor Authority for customer service and payment processing services. This approach mitigates schedule risk by leveraging an existing back-office system, allowing SBCTA to pay on a per-transaction basis instead of making a substantial upfront investment in hiring staff, conducting a complex procurement process, and purchasing, designing, and testing a new system. However, replicating a similar approach for CARTA would still require significant contracting and legal expertise, as well as lead time to execute such an agreement effectively.

4.1. Findings and Recommended Actions

As the CARTA Board makes decisions on how to execute tasks related to the managed lane network, members will face trade-offs concerning risk, control, policies, and costs. Each organization will approach these factors differently, and these considerations must be carefully weighed. These considerations and associated recommended actions are described in Table 3.

Table 3: Findings and Recommended Actions - Deploying a Regional Managed Lane Network

#	Finding	Recommended Action
4.1.1	To execute the required actions within the set timeframe, the CARTA Board must be prepared to make substantial decisions quickly, particularly in areas such as	The Program Implementation Plan will help prioritize these decisions and actions, and Board members should be prepared to dedicate significant time and energy to addressing them. To meet the 2028 operations timeframe, CARTA will need to select the lowest-risk options that align

#	Finding	Recommended Action
	staffing, administration, funding, procurement, and operations.	<p>with their goals, understanding that these decisions can be revisited in the future. Operational experience may help refine these longer-term decisions. CARTA should prioritize 4.1.2 options that allow for flexibility and adjustment based on evolving experience. CARTA should prioritize focus in three of the 17 areas identified in Attachment E:</p> <ol style="list-style-type: none"> 1. Plan for civil work on Yolo I-80 and what level of flexibility current plans support; 2. Analyzing the Yolo I-80 Concept of Operations to determine its applicability across the CARTA managed lane network, and; 3. Setting goals, funding plans, staffing plans, and procurement strategies.
4.1.2	CARTA will need to make numerous hiring and contracting decisions promptly.	CARTA should consider prioritizing the hiring of contracting and human resources staff to ensure timely onboarding of resources needed to support the program.

5. Next Steps

This deliverable supports the decision-making required during the workplan development phase. Recommendations for the timing and sequencing of the actions identified above will be addressed in the workplan, based on the outcomes of upcoming workshops with the CARTA TAC.

Attachment A: List of Documents Reviewed for Background and Context

1. [Joint Exercise of Powers Agreement for Capital Area Regional Tolling Authority](#)
2. [Staff Memo: Implementing Deputy Directive 34-R2](#)
3. Yolo 80 PID/PSR, *Provided by Caltrans*
4. Yolo 80 Corridor Improvement Project, *See Section 5.A of CTC Application*
5. Project Study Report-Project Development Support (PSR-PDS) to Request Programming for Capital Support. Sacramento County on Route 5 FROM: 0.3 North of Land Park UP (24-0226) TO: The Sacramento River Br (22-0025), *Provided by Caltrans*
6. Draft Project Report to Authorize Public Release of the Draft Environmental Document. On Route Sac-5 Between 1.2 miles south of Route 5/50 Interchange and 0.3 miles south of the Yolo County Line, *Provided by Caltrans*
7. Draft Traffic and Revenue Report. I-5 Managed Lanes Project, 2021, *Provided by Caltrans*
8. Sac 5 Funding Plan, *See Section 8 of the Draft Project Report (#5) and Section 11 of the Sac 5 PSR-PDS (#4)*
9. SR 99 Funding Plan, *See Section 11 of the Project Study Report- Project Development Support (PSR-PDS) to Request Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.XX.075.651 STIP. In Sacramento County on Route SR 99/SR 51 between Dillard Road to Oak Park Separation on 99 and on SR 51 from Oak Park Separation to 0.1 mile north of Exposition Blvd OC)*
10. Deputy Directive No. DD43-R2, *Provided by Caltrans*
11. Implementing Deputy Directive 43-R2 Memorandum, *Provided by Caltrans*
12. California Back Office, *Various*
13. Applicable State Laws, *Various*
14. [Yolo 80 Corridor Improvement Project – Phase 1 Request for Approval of Tolling Application, Resolution 6-24-1](#)
15. [Caltrans Guidance on Induced Travel, HOT Lanes and VMT](#)
16. [California Transportation Commission Toll Facilities Program AB 194 Guidance](#)
17. [Sacramento Council of Governments Metropolitan Transportation Plan Sustainable Communities Strategy](#)
18. [Bay Area Toll Authority Resolution No. 52](#)
19. [Caltrans SB 743 Implementation Resources- Latest Guidance](#)
20. [Caltrans SB 743 at 10: The Environmental Effects of Traffic](#)
21. [Metropolitan Transportation Commission Next Generation Bay Area Freeways Study](#)
22. [Superior Court of California for the County of Alameda – Verified Petition for Writ of mandate; Complaint for Declaratory and Injunctive Relief. Center for Biological Diversity, Natural Resources Deference Council, Inc.; and Planning and Conservation League v. California Department of Transportation](#)
23. [California Air Resources Board’s Detailed Comments on the Yolo 80 Corridor Improvements Project](#)

24. [California Transportation Commission Application for Toll Facility. Yolo 80 Corridor Improvements Project, Phase 1](#)
25. [Yolo Corridor Improvements Project Final Environmental Impact Report/Environmental Assessment with Finding of No Significant Impact](#)
26. [Metropolitan Transportation Commission, Bay Area Managed Lanes Implementation Plan](#)
27. [2023 Caltrans State Highway System Management Plan](#)
28. [2018 California High-Occupancy Vehicle Facilities Degradation Report and Action Plan](#)
29. [Yolo Transportation District Board Communication – Yolo 80 Managed lanes Update, Grant Application, and Ad Hoc Committee](#)
30. Caltrans District 3 2005 Supplemental Project Study Report for Median Lanes & Auxiliary Lanes on Interstate 80, *Provided by Caltrans*
31. Project Study Report for Project Development Support (PDS) on Route 80 in Sacramento County, From Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station, 2002, *Provided by Caltrans*
32. Project Study Report – Project Development Support (PSR-PDS) (Corridor Improvements) on Route 51, In Sacramento City and between J Street and Just North of Arden Way, *Provided by Caltrans*
33. Project Study Report-Project Development Support (PSR-PDS) to Request for Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.xx.075.651 STIP, *Provided by Caltrans*

Attachment B: Project Study Documents for Capital Area Managed Lane Projects

Document Name	Project Corridor	Approval Date	Project Sponsor	Partners
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase)	On Solano 80/Yolo 80/Yolo 50/Sacramento 50/Sacramento 80 between Kidwell Road in Solano and US50/I-5 Interchange & I-80/West El Camino Interchange	September 2019	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • MTC • Caltrans District 4 • Solano Transportation Authority • Sacramento Transportation Authority • Yolo County
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase)	On Route I-5 from 0.3 North of Land Park UP (24-0226) to the Sacramento River Br (22-0025)	September 2019	Caltrans District 3	<ul style="list-style-type: none"> • Sacramento Regional Transit • Sacramento County • Yuba-Sutter Transit • City of Sacramento • City of West Sacramento • Sacramento Metropolitan Air Quality Management District (SMAQMD) • Sacramento International Airport • SACOG
Supplemental Project Study Report (PSR) (Add Two Median HOV Lanes)	On Route 80 in Sacramento County, from Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station	November 2005	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • Sacramento Transportation Authority • City of Sacramento • Sacramento County

Document Name	Project Corridor	Approval Date	Project Sponsor	Partners
Project Study Report for Project Development Support (PDS) Median Lanes and Auxiliary Lanes - HB-5 Program	On Route 80 in Sacramento County from Sacramento River Bridge & Overhead to Sacramento Regional Transit Light Rail Station	May 2002	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • STA • City of Sacramento • Sacramento County
Project Study Report – Project Development Support (PSR-PDS) (Corridor Improvements)	On Route 51, in Sacramento City and between J Street and just North of Arden Way	June 2017	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • City of Sacramento • Sacramento County • Sacramento Regional Transit • Walk Sacramento • Sacramento Area Bicycle Advocates • Sacramento Metropolitan Air Quality Management District
PSR-PDS to Request Programming for Capital Support (Project Approval and Environmental Document Phase) in the 20.XX.075.651 STIP	On Route SR 99/SR 51 between Dillard Rd to Oak Park Separation on SR 99 and SR 51 from Oak Park Separation to 0.1 mile north of Exposition Blvd OC	December 2022	Caltrans District 3	<ul style="list-style-type: none"> • SACOG • FHWA • eTran • California Trucking Association • STA • City of Sacramento • County of Sacramento • City of Elk Grove • Sacramento Regional Transit • SMAQMD

Attachment C: Reference Maps

Figure 2: Yolo 80 Managed Lanes, Phase 1

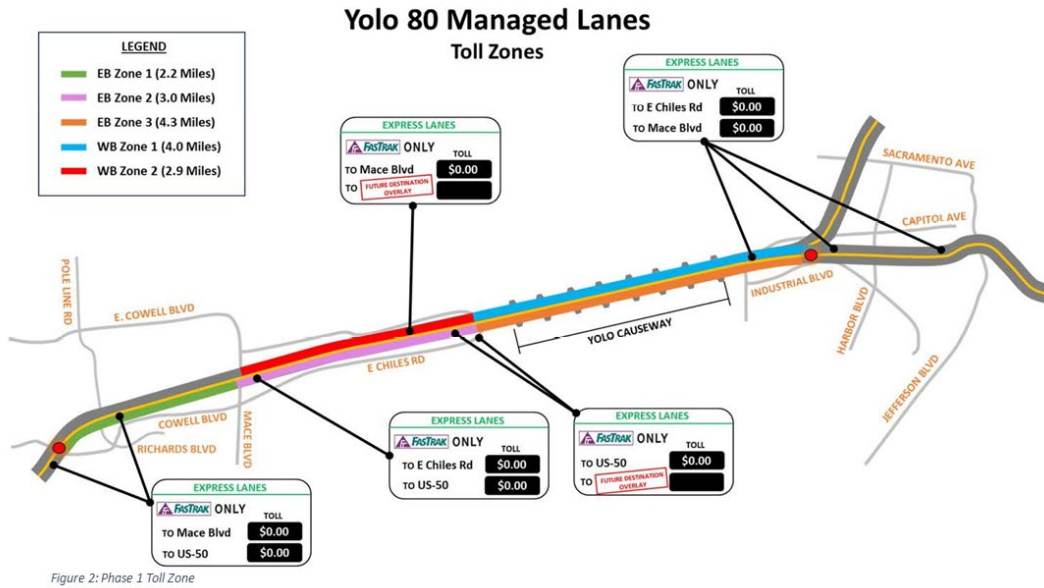
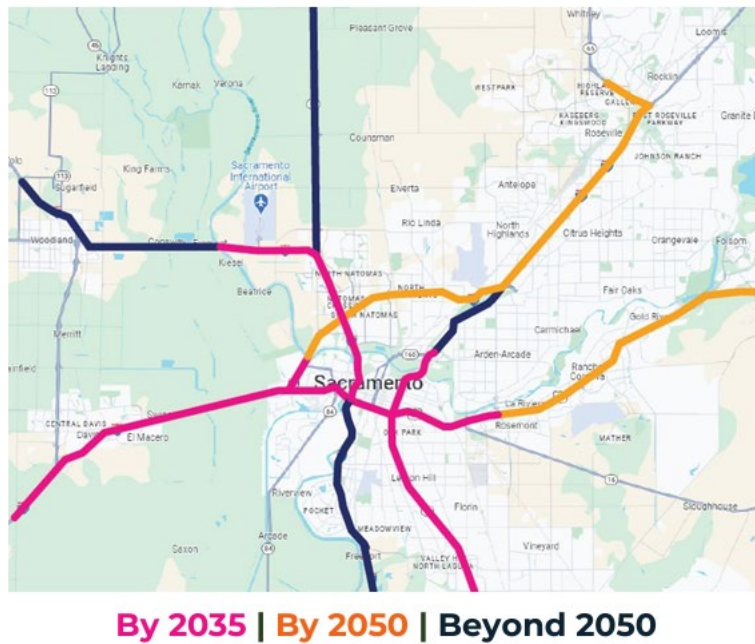


Figure 3: Draft 2025 SACOG Blueprint Express Lane Network



Attachment D: Toll Revenue and Toll Program Cost Considerations

Traffic and revenue (T&R) estimates are subject to considerable uncertainty, and the reports completed for CARTA-managed lane segments to date do not account for several factors that could cause the actual net revenue to differ significantly from the forecasts. Below are examples of revenue-related and cost-related factors that will need closer scrutiny in the future:

TOLL REVENUE TOPICS

- **Gross revenue and toll policy:** Gross revenue will be closely tied to toll policy decisions. One key question not addressed is whether vehicles will be allowed to use the facility without a valid transponder.
 - If the answer is "yes," roadway usage will likely increase, but revenue may decrease since CARTA will likely only collect revenue from about 50% of non-transponder transactions in the lane.
 - If the answer is "yes," it will also be important to set the toll rate appropriately for non-transponder users. Many facilities charge non-transponder users twice the transponder rate.
 - If the answer is "no," strict enforcement will be necessary. This will likely require CHP involvement and technological enforcement methods such as video or image review.
- **Toll lane violations:** The T&R Report explicitly excluded revenue estimates from toll lane violations, which was appropriate. Rating agencies typically do not factor in revenue projections from violations.
- **Revenue per vehicle-mile comparison:** The studies could have included a high-level comparison of their T&R projections with actual revenue from other regional facilities. A useful metric is comparing "revenue per vehicle-mile" to similar facilities with comparable HOV policies. Significant deviations in this metric should be explored to understand their cause (e.g., lower traffic volumes during peak hours).
- **Leakage assessment:** The leakage assessment in the T&R documents was minimal. The high-level estimate reduced projected revenue by 10%, which is overly optimistic, particularly for Alternative 5, where all vehicles are charged. In programs offering free or discounted trips for HOVs, "occupancy violators" (e.g., SOVs with a valid transponder set to HOV mode) will likely increase leakage beyond 10%. Additionally, the proposed "open access" facility could result in lost toll revenue from vehicles that avoid toll points, a potential issue not discussed in the T&R study.

OPERATING COST TOPICS

- **Operations and Maintenance (O&M) cost estimation:** The T&R reports estimated O&M costs on a per lane-mile basis, which may be acceptable for estimating roadway infrastructure costs but is overly simplistic for a toll facility.
- **Toll operations costs:** Typically, program managers separate O&M costs into roadway costs and toll operations costs. Future analyses should include a more

detailed assessment of toll operations costs, which are influenced by the following questions and considerations:

- **Toll system layout:** Will the system use many gantries or just a few? Fewer gantries may reduce costs by lowering transaction volumes, but more gantries could generate additional revenue by reducing toll evasion.
- **Toll policy:** If video customers are allowed, additional costs will arise for image review and invoicing.
- **Rate structure:** Will users be charged a flat fee, or will they be charged per mile? If per-mile, CARTA will need to include costs for trip-matching, which involves tracking vehicles through the lanes.
- **Vehicle Occupancy Detection (VOD):** If CARTA implements an HOV policy, the agency will need to invest in VOD systems, which incur both upfront capital and ongoing operational costs for image review and enforcement of violators.
- **Simplified assumptions:** The T&R reports assumed consistent O&M costs across all alternatives, which was overly simplistic. O&M costs are closely tied to transaction volume and revenue collected, both of which will vary significantly between alternatives.

Attachment E: Roles and Responsibilities and Key Actions for Regional Managed Lanes Deployment

This roles and responsibilities matrix is provided to list tasks required for CARTA to begin managed lane operations. It identifies the lead for each task and how responsibility for tasks is documented (“form of agreement.”) The HNTB team will review this matrix with the CARTA TAC and complete outstanding “TBD” information as the workplan progresses.

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
1	Set goals, establish funding plans, determine staffing and procurement strategies	Policy and administrative work to support managed lanes deployment and operation.	CARTA	CARTA Joint Powers Agreement	TBD	TBD	TBD
2	Establish Concept of Operations, tolling policies, business rules, system requirements, and standard operating procedures (SOPs)	Plans with increasing level of detail for how managed lanes network will operate.	CARTA	CARTA Joint Powers Agreement	TBD	TBD	TBD
3	Develop, submit, and secure Caltrans’ approval of Project Initiation Documents and Project Study Reports	Caltrans requires projects to be scoped prior to approval for funding.	Project sponsor	N/A	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
4	Civil work: environmental, design, right of way, and construction.	Prepare for managed lane implementation, (roadway, striping, barriers, electrical, signage, etc.)	Project sponsor	TBD	TBD	TBD	TBD
	Maintenance of managed lanes	Maintenance of managed lane	CARTA	Maintenance Agreement with Caltrans	Caltrans / Contractor	N/A	TBD
5	Encroachment permits and lane closures	Required to access the State Highway System.	Project sponsor	N/A after approval from Caltrans	TBD	TBD	TBD
6	Communications network	Required to move transactions from lane system to back office.	CARTA	Contracts with Caltrans (and contractors, if required)	TBD	TBD	TBD
7	Lane system procurement, implementation, & maintenance	Required to capture transactions from vehicles in lanes.	CARTA	Contracts with lane system contractor	TBD	TBD	TBD
8	Toll system integrator procurement, implementation, & maintenance	Manages all aspects of toll transactions sent from toll lane: processing customer data, matching	CARTA	Contracts with integrator	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
		transactions to accounts, calculating tolls, generating invoices, handling inquiries, managing account details, enforcing violations, and generating financial reports.					
9	Customer service center procurement, implementation, & maintenance	Provides call answering and account management.	CARTA	Contracts with Customer Service Center provider	TBD	TBD	TBD
10	Monitor lane performance, respond to incidents	Monitor, document, and resolve incidents to properly adjust accounts.	CARTA	CARTA under agreement with Caltrans	Caltrans or Contractor	TBD	TBD
11	Contract for and continued operation of lane monitoring and enforcement	Execute enforcement contract with CHP.	CARTA	CARTA to execute agreement with CHP	TBD	TBD	TBD
12	Develop excess revenue expenditure plan	Excess revenue is that which remains after maintenance, debt service (if	CARTA	CARTA	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
		applicable), and operational expenses.					
13	Develop signage plan, implement signs	Plan for sign placement and content, procurement, installation.	CARTA	CARTA	TBD	TBD	TBD
14	Toll tag purchase and distribution	Tag procurement, maintenance of inventory, development of tag vendor distribution network.	CARTA	CARTA	TBD	TBD	TBD
15	Develop marketing and communications for customers	Advance and ongoing communication campaign about lanes, website.	CARTA	CARTA	TBD	TBD	TBD
16	Implement equity and discount programs	Plans and programs to mitigate disparate impacts.	CARTA	CARTA	TBD	TBD	TBD
17	Execute VMT mitigation strategies	Plans and programs to mitigate VMT increases.	Project Sponsor	Implementing agreements between Project Sponsor and	TBD	TBD	TBD

	Responsibility/ Task	General Description	Authority/Lead	Form of Agreement	Technical Provider (Plan/Design & Deliver/Install)	Party Responsible for Maintenance and Liability	Capital and Operating Funding Required, Funding Source
				entities implementing mitigation			

Toll and Other Managed Lanes System Review

Board of Directors
19 December 2024
Item 2



Consulting Services for Toll Workplan and Policy Development



Task 1: Project Management and Mobilization

Task Lead and Project Manager: Sam Soules



Task 2: Toll and Other Managed Lanes System Review

Task Lead: Carol Kuester



Task 3: Implementation Workplan

Task Lead: Will Allen, PE, PTOE



Task 4: Near-Term Policy Development and Management

Task Lead: Theresa Weekes, CPA



Task 5: Staffing Support

Task Lead: Sabrina Drago, PE

Agenda

1. Toll and Other Managed Lanes System Review
2. Project Scope and Forthcoming Board Tasks

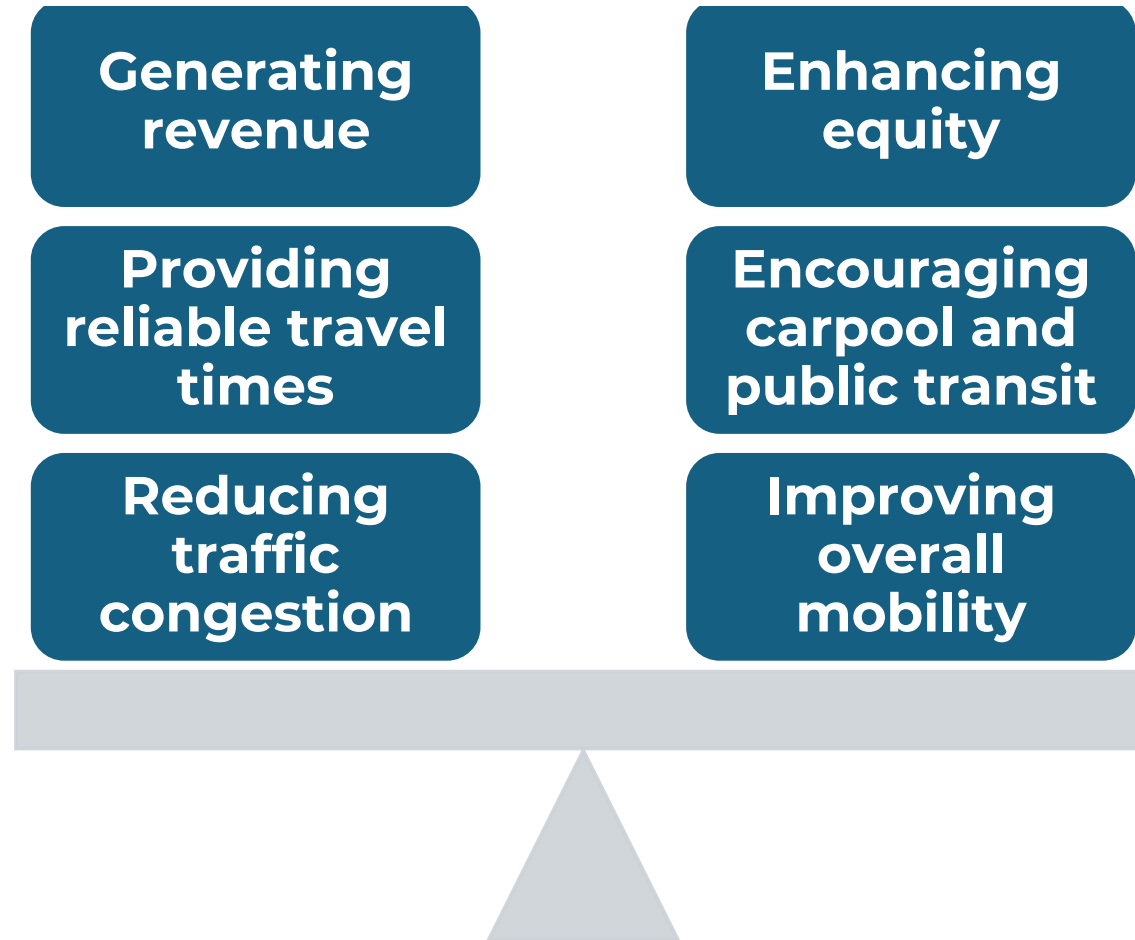
Toll and Other Managed Lanes System Review

- **Review and assess** existing project documents
- **Summarize:**
 1. Existing Managed Lanes Plans and Projects
 2. Roles & Responsibilities
 3. Actions to Deploy a Managed Lanes Network

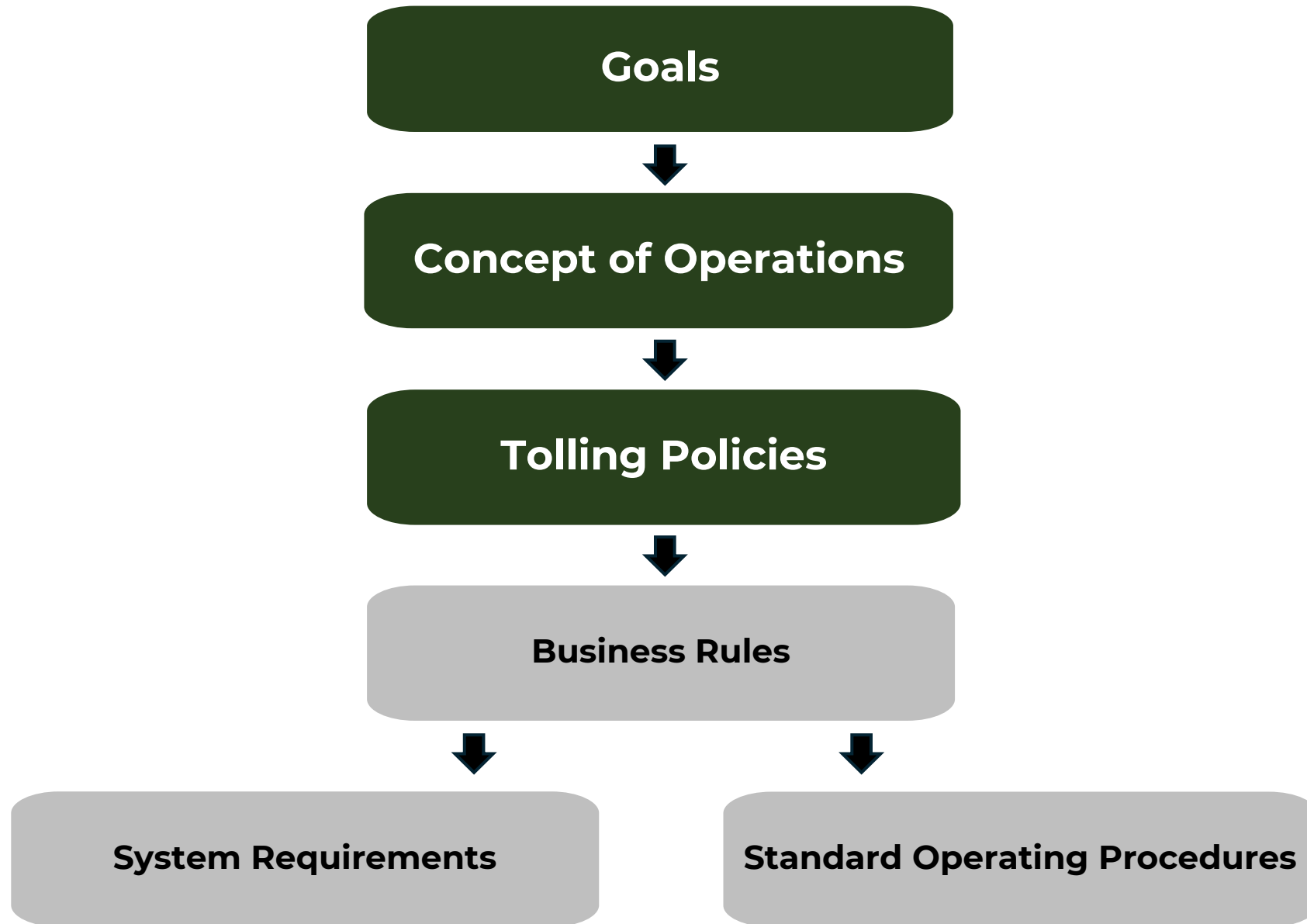
CARTA's Mission

- CARTA's Mission:
 - 1. Facilitate implementation** of a regional managed lanes network
 2. Maintain **political and public support** for **sustainable operations**
- Mission and goals to be formalized in early 2025

Toll Operations Objectives



Toll Program Planning Documents



Board Approval

Staff Responsibility

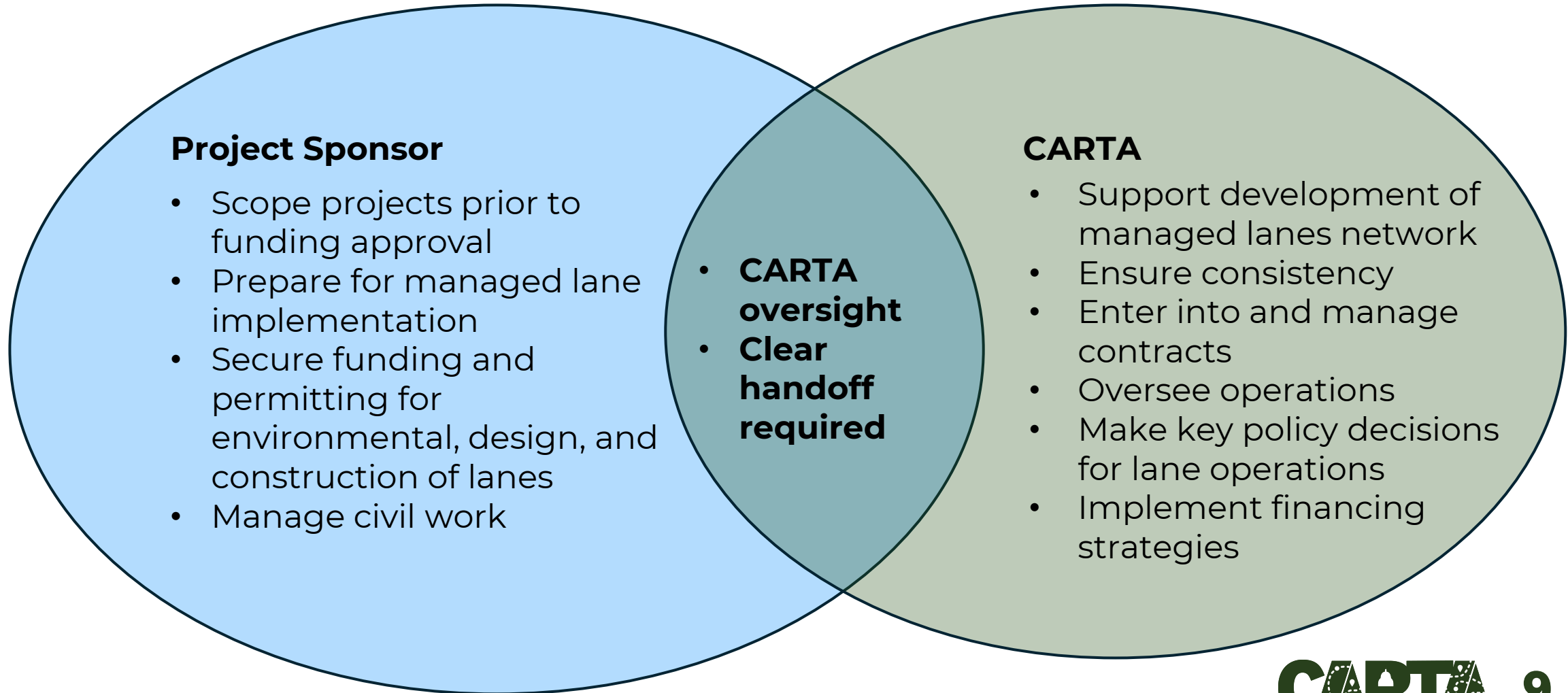
Roles & Abilities

The **System Review Memorandum** lists 17 tasks required for toll implementation and operations

For each task, the following will be identified:

- Lead agency
- Form of agreement (e.g., contract or interagency agreement)
- Technical provider
- Party responsible for operations and maintenance
- Funding source

Roles & Abilities



Where Board Direction is Needed

- **Trade-off discussions** could include:
 - Risk – how much and who bears it?
 - Control – e.g., own systems or leverage external?
 - Cost and funding – e.g., upfront investments vs. per-transaction, where does money come from and flow to?
 - Timing – how should CARTA prioritize actions?
- Staff and HNTB consultant team will bring options for Board direction
- Smooth execution crucial to building credibility

Findings and Recommendations

Goals:

- Adopt a **goal statement** to guide decisions

Staffing & Resourcing:

- Establish a **staffing plan**
- Develop formal **hand-off and inspection processes**, actively engage in partners' work to ensure alignment
- **Evaluate proposed service agreements** with Caltrans to inform contracting needs

Findings and Recommendations

- Implementation:
 - **Refine cost estimates** for managed lane deployment
 - Develop a **sustainable funding plan** for the regional network
 - Develop a **regional Concept of Operations (ConOps)** to direct implementation strategy
 - Revisit and potentially revise the **implementation schedule**

Implementation Workplan

- CARTA staff and the HNTB team will bring key policy decisions to this Board for action in 2025.
- Those decisions will be the basis for the implementation workplan.



Project Scope & Forthcoming Tasks

Consulting Services for Toll Workplan and Policy Development

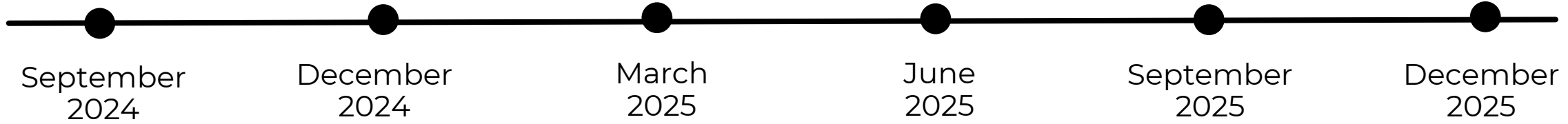
Ongoing Project Management

System Review

Implementation Workplan

Near-Term Policy Development

Ongoing Staffing Support



Toll Policies Requiring Board Decisions



Policy



Financing/Net Revenue



Contracting

Next Steps

- Build CARTA's knowledge through a series of **four TAC (Executive Director) workshops.**
 - December – January
- Propose timing and sequencing of key actions, using 2025 and 2028 as bookends
- Goal: a detailed and feasible **Implementation Workplan.**

What to Expect in 2025

- Ten intensive board meetings, with dense information and requests for direction/action
- Demands for your time from your TAC member (Executive Director)
- Greater focus on upfront investments than on revenue expenditure
- A need for creativity and flexibility as all work to deliver a great deal of work in a short timeframe



Capital Area Regional Tolling Authority

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Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 3

Funding and Staffing CARTA for Fiscal Year 2025-2026 and Beyond

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

To support the successful delivery of the Yolo 80 Managed Lanes Project, SACOG loaned CARTA \$1,300,000 to cover its Fiscal Year (FY) 2024-2025 operating costs, including consulting services to develop a workplan for CARTA. SACOG also agreed to staff CARTA for FY 2024-2025.

As budget development for FY 2025-2026 begins, CARTA will need to make decisions about how it is staffed and funded in both FY 2025-2026 and beyond. CARTA's consultants, HNTB, will be defining multiyear workplan and budget needs for CARTA, but it will not be ready until after a budget needs to be adopted and it is not a funding plan for how CARTA will fund its operations for the next several years.

The executive directors of CARTA's current and future member agencies (SACOG, Yolo Transportation District, Caltrans, El Dorado County Transportation Commission, Sacramento Transportation Authority, and Placer County Transportation Planning Agency) for the CARTA Technical Advisory Committee (TAC). The TAC meets monthly and reviews CARTA staff and consultant work.

Discussion:

Staffing

CARTA's primary activities for FY 2024-2025 are focused around establishing CARTA as a legal and financial entity, setting goals, developing a multiyear workplan and budget, establishing initial toll policy and business rules. These activities overlap well with SACOG staff's experience in transportation policy, accounting, procurement, and consensus building. As CARTA moves forward, its activities will transition into project delivery and direct service provision. SACOG staff do not have expertise in this kind of work. Furthermore, while CARTA pays for SACOG's expenses to administer CARTA, the current arrangement limits SACOG staff capacity for other efforts.

Staff have begun discussions with CARTA's current and future member agencies on how CARTA should be staffed both in FY 2026 and beyond. Most partners agree that, ultimately, CARTA will

likely need its own Executive Director and an independent staffing solution. SACOG staff is recommending that program staff transitions begin sometime in FY 2026, but SACOG remains a committed partner and wants to work with the other members of CARTA on when that transition should happen and whether there should be an interim staffing structure first. In partnership with the TAC, staff have developed two high-level staffing options:

TAC Leadership: In this option, CARTA's day-to-day staffing is led by a Program Manager/Administrator, who is either hired staff or a consultant. This mid-level position oversees consultant contracts and finance staff, and receives direction from the CARTA Board and in coordination with the TAC. While this option has lower staffing costs, it requires heavy commitment from the TAC to oversee the Program Manager/Administrator's work and bridge guidance from the Board.

Executive Director: In this option, CARTA hires its own Executive Director, who oversees consultants and finance staff, and reports directly to the CARTA Board. The CARTA TAC advises the Executive Director. While this option has the highest staffing cost, it gives CARTA independent leadership and gets right to the staffing structure CARTA likely needs long term.

Staff will be returning in February to request board action on a staffing option. This early action is prerequisite for the development of the FY 2025-2026 budget, which will come before the board in March or April. Staff requests feedback from the Board on these staffing options and direction on any additional analysis or information that would help the Board make these decisions in 2025.

Funding

While HNTB is developing a more detailed forecast of expenditures for CARTA, staff estimate that CARTA will require \$5-\$10 million in unidentified revenues to cover its operating expenses until toll revenue can begin to cover it. CARTA's initial voting members: SACOG, Caltrans, and Yolo Transportation District are working together to identify a source for this funding. It will likely take into next fiscal year to secure this funding, so CARTA will need to secure a source of funding to continue covering operating expenses. Staff estimate the minimum operating budget for FY 2025-2026 is \$1,300,000 - \$1,500,000. As demonstrated in the FY 2024-2025 Quarterly Financial Report (Item 4), there is likely to be a small carryover from SACOG's initial loan into next fiscal year.

SACOG's Managed Fund, where the initial loan came from, is a potential source for baseline costs through fiscal year 2026 but cannot cover CARTA's long-term operating expenses. Additionally, that fund is intended to support projects across the region. A second loan to CARTA would require SACOG Board approval. Staff would like direction from the CARTA Board on whether to pursue an additional loan from SACOG or prioritize other funding sources.

Staffing and Funding CARTA in Fiscal Year 2025–2026 and Beyond

Board of Directors
19 December 2024
Item 3



Presentation Agenda

Background / Context

- How is CARTA currently staffed and managed

- Why CARTA needs a staffing change

Staffing Options and Tradeoffs

- Staffing structures

- Timing for transition

Funding Need

Discussion

How roles currently sit



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
- Executive management
- Program and project management, participation in managed lane project steering committees



CARTA voting member

- CARTA packet review and comment
- Influence via voting members on CARTA board



CARTA TAC

- Policy direction and deliverable review
- Influence via TAC meetings
- Influence via non-voting members on CARTA board
- Participation in managed lane project steering committees

Why CARTA needs a change

- SACOG's lack of expertise in project delivery and operations
- CARTA's toll on staff resources and the opportunity cost of staff time
- Confusion on SACOG's role in CARTA and tolling

Where we'd like to go



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
- Executive management
- Program and project management, participation in managed lane project steering committees



CARTA voting member

- CARTA packet review and comment
- Influence via voting members on CARTA board

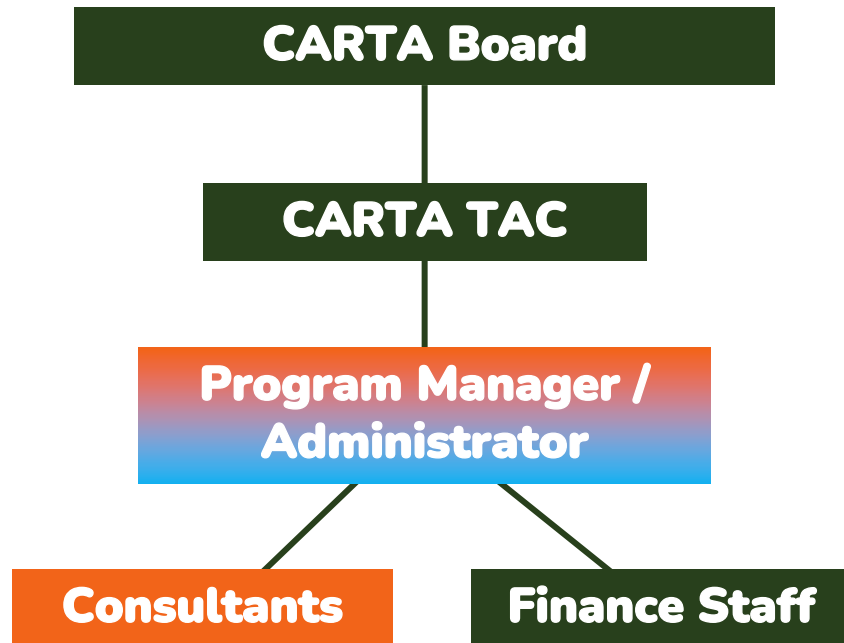


CARTA TAC

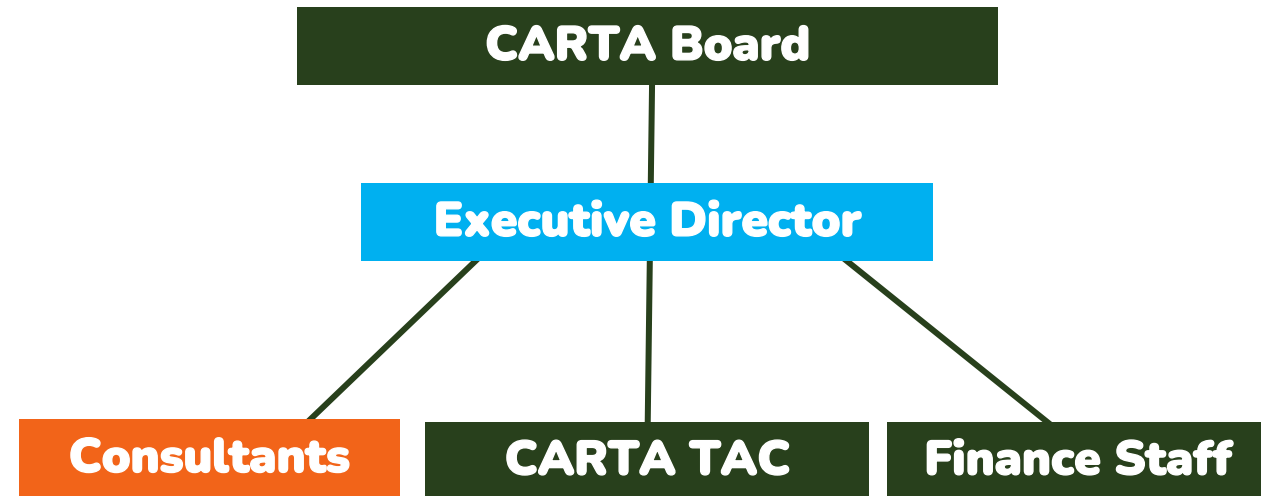
- Policy direction and deliverable review
- Influence via TAC meetings
- Influence via non-voting members on CARTA board
- Participation in managed lane project steering committees

Staffing Structures

Option 1: TAC Leadership



Option 2: Executive Director



■ CARTA funded, employed elsewhere

■ CARTA employee

■ Consultant

Staffing Structures

Option 1: TAC Leadership

- Lower staffing costs
- Requires vigilant oversight from TAC
- If consultant PM, concern with conflict of interest
- If staff PM, concern of who will manage / oversee them

Option 2: Executive Director

- Higher staffing costs
- Independent leadership for CARTA
- Likely CARTA's ultimate staffing need
- Potential for CARTA to “drift away” from member agencies

Transition timing

SACOG staffing

New staffing solution



Transition timing

SACOG staffing

New staffing solution



Transition timing

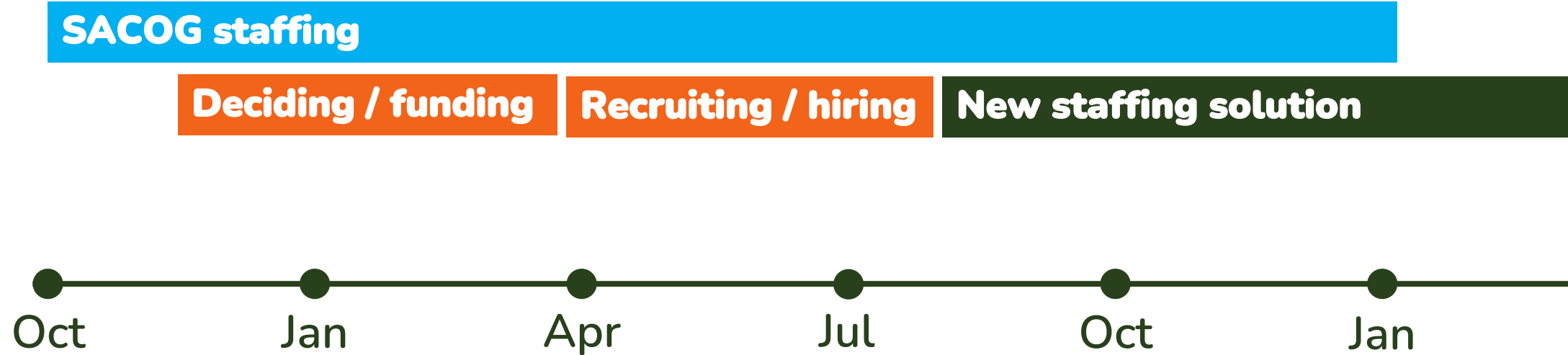
SACOG staffing

Recruiting / hiring

New staffing solution



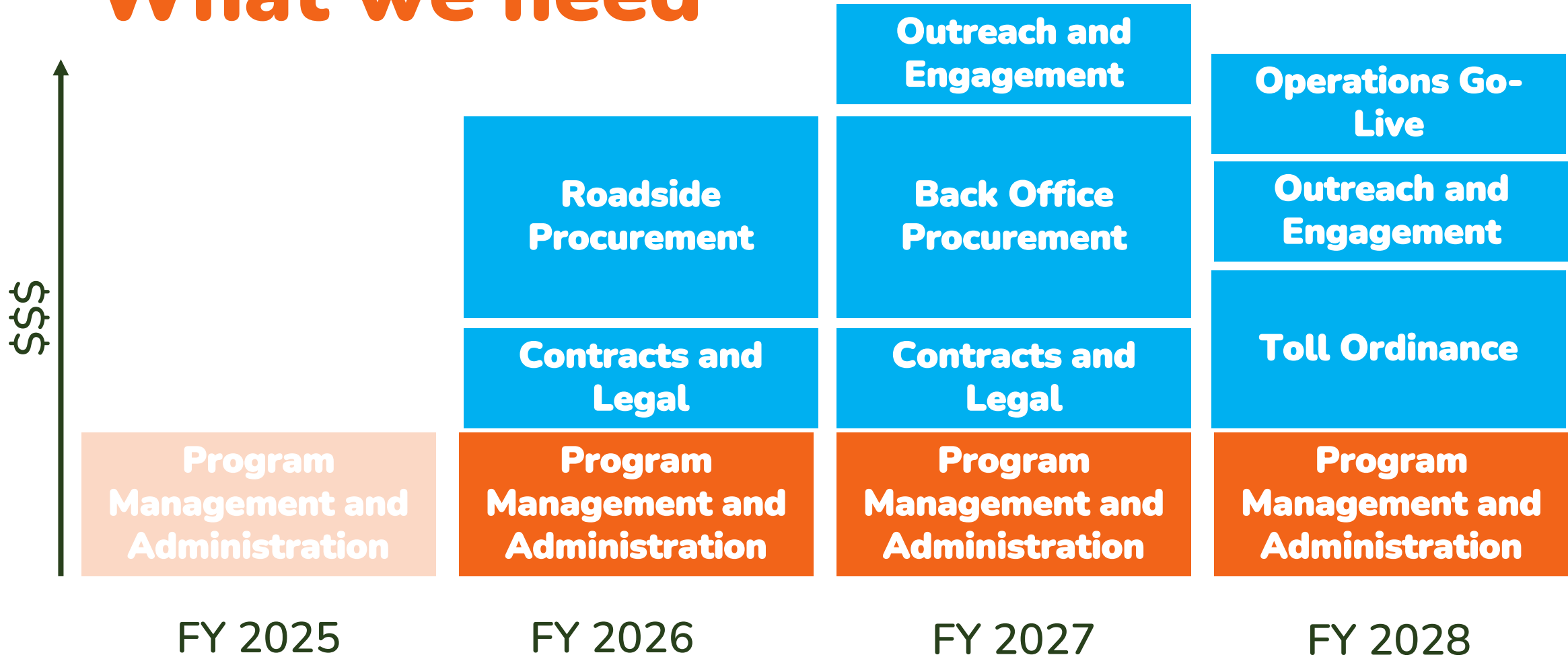
Transition timing



Funding need



What we need



Short-term focus



Discussion

Which staffing option are you leaning towards?
What information would be helpful to make this decision next year?



Capital Area Regional Tolling Authority

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Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 4

2025 Board Schedule

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At their October 17, 2024, meeting, the CARTA Board approved a 2025 board meeting schedule with six meetings in 2026: February, April, June, August, October, and December.

Discussion:

Since the approval of the original 2025 meeting schedule, staff have been working with CARTA's tolling consultants to develop a workplan for 2025. Through this process, staff have determined that the CARTA board will need more than six meetings in 2025 to make a series of important toll policy decisions. Staff are looking to add meetings in March, May, September, and November.

Given election turnover, staff also anticipate that some appointments to the CARTA Board may change for 2025. Each CARTA member agency has the autonomy to make appointments to the CARTA board using its own process. Staff expect Yolo Transportation District, Sacramento Transportation Authority, and SACOG to make their appointments in January 2025. Once those appointments are made, the CARTA clerk will work with the board members to schedule board meetings for 2025. Because board members from YoloTD and STA may not serve on the SACOG board, staff are considering "uncoupling" the CARTA board meetings from SACOG board and committee days.

Attachment A provides a look-ahead of anticipated items for CARTA Board meetings in 2025. This schedule is subject to change.

Staff will return to the CARTA board in February with an updated 2025 meeting schedule for the board to consider. No action is requested as part of this item.



2025 CARTA Board Meeting Look-Ahead

February

- Agency mission and goals (action)
- Staffing structure (action)
- Tolling 101 presentation (information)
- Yolo 80 Roadside Design Tradeoffs (information)
- Operations funding options (information)

March

- Operations funding for FY 2025-2026 (action)
- Toll pricing and Discounts presentation (information)

April (Offsite at Caltrans Transportation Management Center in Rancho Cordova)

- Staffing structure (action)
- Yolo 80 Traffic and Revenue Study Update (information)
- Toll Technology and Interoperability presentation (information)

May

- Yolo 80 Concept of Operations (action)
- Draft FY 2025-2026 Budget (information)
- Draft CARTA Multi-Year Workplan (information)

June

- Final FY 2025-2026 Budget (action)
- Final CARTA Multi-Year Workplan (action)
- Staffing Recruitment or Request for Proposals (action)
- Interstate 5 Managed Lanes Project Overview (information)

August

- Yolo 80 Roadside Toll System Request for Proposals (action)
- Toll Finance and Revenue Waterfall presentation (information)

September

- Multiyear Operations Budget Options (information)
- Back Office presentation (information)

October

- Multiyear Operations Budget Options (action)
- Draft Toll Policy Resolution (information)

November

- Staffing Recruitment or Request for Proposals Update (information)

December

- Final Toll Policy Resolution (action)
- Tolling 101 Workshop (information)
- Operations funding options (information)



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 5

Fiscal Year 2024-2025 Quarterly Financial Report

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

The CARTA Board of Directors adopts an annual operating budget. The Board adopted the original Fiscal Year (FY) 2024-2025 Budget at their May 23, 2024, meeting. As Board has designated SACOG as CARTA's administering agency for FY 2024-2025, CARTA's budget is developed and maintained by SACOG staff.

Discussion:

The Quarter 1 Financial Report (Attachment A) compares the FY 2024-2025 adopted Budget, which was approved by the Board in May, to actual expenditures from July 1st to September 30th. As of September 30th, CARTA has spent \$101,101, or 8% of its \$1,300,000 budget. These expenses are split nearly evenly between costs for SACOG to staff CARTA and insurance.

CARTA has received all of its projected revenue: a \$1,300,000 loan from the SACOG Managed Fund. If CARTA expenses in FY 2024-2025 are less than \$1,300,000, the remaining loan balance will be available for CARTA to budget as revenue in its FY 2025-2026 Budget.

CAPITAL AREA REGIONAL TOLLING AUTHORITY
Q1 FINANCIAL REPORT
Budget-to-Actual (Unaudited)

REVENUES:	BUDGET <i>Adopted May 2024</i>	ACTUAL <i>July-Sept 2024</i>	ACTUAL % <i>July-Sept 2024</i>	REMAINING <i>Budget vs. Actual</i>
Local				
Loan from SACOG Managed Fund	\$ 1,300,000	\$ 1,300,000	100%	\$ -
Subtotal - Local Revenues	\$ 1,300,000	\$ 1,300,000	100%	\$ -
TOTAL REVENUES	\$ 1,300,000	\$ 1,300,000	100%	\$ -
EXPENDITURES:				
Administration:				
Administrative Staff Costs	\$ 87,529	\$ 16,366	19%	\$ 71,163
General Counsel	\$ 71,666	\$ -	0%	\$ 71,666
Contracts Counsel	\$ 50,000	\$ -	0%	\$ 50,000
Public Outreach / Education	\$ 60,000	\$ -	0%	\$ 60,000
Insurance	\$ 50,000	\$ 43,218	86%	\$ 6,782
Audits	\$ 50,000	\$ -	0%	\$ 50,000
Website and Software	\$ 5,000	\$ 710	14%	\$ 4,290
Meetings	\$ 10,000	\$ 455	5%	\$ 9,545
Subtotal - Administration Expenditures	\$ 384,195	\$ 60,750	16%	\$ 323,445
Toll Program				
Transportation Staff Costs	\$ 215,805	\$ 40,351	19%	\$ 175,454
Consulting Services: Toll Lanes Program Development	\$ 700,000	\$ -	0%	\$ 700,000
Subtotal - Toll Program Expenditures	\$ 915,805	\$ 40,351	4%	\$ 875,454
TOTAL EXPENDITURES	\$ 1,300,000	\$ 101,101	8%	\$ 1,198,899



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 6

Yolo 80 Project Update

Prepared By: Gurtej Bhattal, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The Yolo 80 Corridor Improvements Project (Yolo 80) will add one high-occupancy toll (HOT 3+) lane to Interstate 80 (I-80) between Davis and West Sacramento. The project completed its environmental documents and final design May 2024 and has awarded the construction contract to De Silva Gates in the amount of \$124,800,000. For more detailed information about the project, including project documents, please visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i80-corridor-improvements>.

Discussion:

Caltrans opened bids on July 31, 2024, and awarded the contract to De Silva Gates on September 27, 2024. Given the timing of contract execution, Caltrans expects the contractor will elect to start construction work in early 2025, after the rainy season. The project is anticipated to take 370 working days and is therefore likely to finish construction in late 2026 or early 2027. This means that the physical tolling infrastructure will likely be fully constructed before CARTA is ready to collect tolls.

Two lawsuits have been filed against the project by (1) the National Resource Defense Council, Planning and Conservation League, and Center for Biological Diversity; and (2) the Sierra Club and Environmental Council of Sacramento. Both are in the process and further updates will be provided as appropriate.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 7

US 50 Project Update

Prepared By: Soka Soka, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The US 50 Multimodal Corridor Enhancement & Rehabilitation Project will add carpool, or High-Occupancy Vehicle (HOV), lanes in each direction on U.S. Highway 50 from Interstate 5 to east of Watt Avenue, construct sound walls from Stockton Blvd to 65th Street, and incorporate Intelligent Transportation System (ITS) elements into the HOV system. The project completed its environmental documents in May 2017. The project was combined with the State Highway Operation and Protection Program (SHOPP) project to rehabilitate the highway assets and is utilizing a Design Build project delivery method. The total combined Construction Capital funds of \$368,900,000 were allocated in March 2019. The Design-Build contract was awarded in April 2020, to Flatiron West Inc. for a total Construction Capital cost of \$397,790,000 with 925 Working Days. Additional funds were allocated in December 2023 and October 2024. Currently the total Construction Capital Cost is \$455,730,500.

For more detailed information about the project, including project documents, please visit <https://www.fix50.com/> or <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-us-50-hov-lane-0h08u>.

Discussion:

Currently, the project is 87% complete. Below is a list of activities on the project in the past couple of months.

- Structure construction completed.
- Coordination with City of Sacramento on adjacent projects, parking impacts and utility work.
- The contractor working on the final design package i.e., Local Roads Plans.

- Roadway construction: Pavement Demo and off hauling, Install Electrical elements, work on drainage, traffic staging.

The project has experienced significant delays due to late execution of Construction and Maintenance (C&M) Agreement from Union Pacific Railroad (UPRR). The State has realized 242 working day schedule impact from the delay. Design-Build contractor disagrees with the State on the level of the impact. The contractor has filed dispute and the issue is following its process.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 8

Sac-5 Managed Lanes Project Update

Prepared By: Jess Avila, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The project proposes to construct managed lanes in both directions on Interstate 5 (I-5) in Sacramento County from I-5/US 50 Interchange to Sacramento River Bridge (Br. No. 22-0025). Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion. For more information on the project, visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i5-managed-lanes-project>.

Discussion:

The project is currently in the environmental phase where nine managed lane options (including no-build) are being studied to determine environmental impacts. The build options include construction of an additional lane to accommodate High Occupancy Vehicle (HOV), High Occupancy Toll (HOT), Express, Transit Only, and Dual HOT (where 1 existing GP lane is converted to HOT) managed lanes and an option to convert 1 existing GP lane to HOV lane. The target to complete the environmental documents (CEQA/NEPA) is November 2025.

The total project cost is estimated to be between \$450 million and \$500 million depending on the managed lane option chosen. Total project cost estimates assume \$50 million for vehicle miles traveled (VMT) mitigation. There is \$69.4 million of available funding for the project. To date, \$11.44 million has been spent on the environmental phase of the project. Available funding has been made possible by SACOG flexible funding rounds and STA. STA funding is primarily in future years for construction of the project.

The funding strategy is to apply for qualifying local, state and federal grants.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 9

Cap City Corridor (State Route 51) Project Update

Prepared By: Andrew Huang, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The Cap City Corridor Improvements Project proposes to construct managed lanes in both directions on State Route 51 (SR 51) between N Street to El Camino Avenue Overcrossing in Sacramento County. Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion.

Discussion:

Caltrans is continuing its preliminary design and environmental studies to clear the Cap City Corridor project, coordinate with exterior agencies for input, and analyze multiple alternatives to complete the initial Project Approval and Environmental Document phase. The project targeting to complete its environmental documents in June 2026 and has a targeted design completion date of February 2029. Currently the total project cost is estimated between \$450 million to \$550 million depending on the managed lane option chosen and includes \$50,000,000 for VMT mitigation.

When grant opportunities are available the Caltrans team intends to apply for funding where applicable to fund the project.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 3

Funding and Staffing CARTA for Fiscal Year 2025-2026 and Beyond

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

To support the successful delivery of the Yolo 80 Managed Lanes Project, SACOG loaned CARTA \$1,300,000 to cover its Fiscal Year (FY) 2024-2025 operating costs, including consulting services to develop a workplan for CARTA. SACOG also agreed to staff CARTA for FY 2024-2025.

As budget development for FY 2025-2026 begins, CARTA will need to make decisions about how it is staffed and funded in both FY 2025-2026 and beyond. CARTA's consultants, HNTB, will be defining multiyear workplan and budget needs for CARTA, but it will not be ready until after a budget needs to be adopted and it is not a funding plan for how CARTA will fund its operations for the next several years.

The executive directors of CARTA's current and future member agencies (SACOG, Yolo Transportation District, Caltrans, El Dorado County Transportation Commission, Sacramento Transportation Authority, and Placer County Transportation Planning Agency) for the CARTA Technical Advisory Committee (TAC). The TAC meets monthly and reviews CARTA staff and consultant work.

Discussion:

Staffing

CARTA's primary activities for FY 2024-2025 are focused around establishing CARTA as a legal and financial entity, setting goals, developing a multiyear workplan and budget, establishing initial toll policy and business rules. These activities overlap well with SACOG staff's experience in transportation policy, accounting, procurement, and consensus building. As CARTA moves forward, its activities will transition into project delivery and direct service provision. SACOG staff do not have expertise in this kind of work. Furthermore, while CARTA pays for SACOG's expenses to administer CARTA, the current arrangement limits SACOG staff capacity for other efforts.

Staff have begun discussions with CARTA's current and future member agencies on how CARTA should be staffed both in FY 2026 and beyond. Most partners agree that, ultimately, CARTA will

likely need its own Executive Director and an independent staffing solution. SACOG staff is recommending that program staff transitions begin sometime in FY 2026, but SACOG remains a committed partner and wants to work with the other members of CARTA on when that transition should happen and whether there should be an interim staffing structure first. In partnership with the TAC, staff have developed two high-level staffing options:

TAC Leadership: In this option, CARTA's day-to-day staffing is led by a Program Manager/Administrator, who is either hired staff or a consultant. This mid-level position oversees consultant contracts and finance staff, and receives direction from the CARTA Board and in coordination with the TAC. While this option has lower staffing costs, it requires heavy commitment from the TAC to oversee the Program Manager/Administrator's work and bridge guidance from the Board.

Executive Director: In this option, CARTA hires its own Executive Director, who oversees consultants and finance staff, and reports directly to the CARTA Board. The CARTA TAC advises the Executive Director. While this option has the highest staffing cost, it gives CARTA independent leadership and gets right to the staffing structure CARTA likely needs long term.

Staff will be returning in February to request board action on a staffing option. This early action is prerequisite for the development of the FY 2025-2026 budget, which will come before the board in March or April. Staff requests feedback from the Board on these staffing options and direction on any additional analysis or information that would help the Board make these decisions in 2025.

Funding

While HNTB is developing a more detailed forecast of expenditures for CARTA, staff estimate that CARTA will require \$5-\$10 million in unidentified revenues to cover its operating expenses until toll revenue can begin to cover it. CARTA's initial voting members: SACOG, Caltrans, and Yolo Transportation District are working together to identify a source for this funding. It will likely take into next fiscal year to secure this funding, so CARTA will need to secure a source of funding to continue covering operating expenses. Staff estimate the minimum operating budget for FY 2025-2026 is \$1,300,000 - \$1,500,000. As demonstrated in the FY 2024-2025 Quarterly Financial Report (Item 4), there is likely to be a small carryover from SACOG's initial loan into next fiscal year.

SACOG's Managed Fund, where the initial loan came from, is a potential source for baseline costs through fiscal year 2026 but cannot cover CARTA's long-term operating expenses. Additionally, that fund is intended to support projects across the region. A second loan to CARTA would require SACOG Board approval. Staff would like direction from the CARTA Board on whether to pursue an additional loan from SACOG or prioritize other funding sources.

Staffing and Funding CARTA in Fiscal Year 2025–2026 and Beyond

Board of Directors
19 December 2024
Item 3



Presentation Agenda

Background / Context

- How is CARTA currently staffed and managed

- Why CARTA needs a staffing change

Staffing Options and Tradeoffs

- Staffing structures

- Timing for transition

Funding Need

Discussion

How roles currently sit



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
- Executive management
- Program and project management, participation in managed lane project steering committees



CARTA voting member

- CARTA packet review and comment
- Influence via voting members on CARTA board



CARTA TAC

- Policy direction and deliverable review
- Influence via TAC meetings
- Influence via non-voting members on CARTA board
- Participation in managed lane project steering committees

Why CARTA needs a change

- SACOG's lack of expertise in project delivery and operations
- CARTA's toll on staff resources and the opportunity cost of staff time
- Confusion on SACOG's role in CARTA and tolling

Where we'd like to go



CARTA administration

- Budget, accounting, procurement, legal
- Staff reports, partner coordination, board meetings
- Executive management
- Program and project management, participation in managed lane project steering committees



CARTA voting member

- CARTA packet review and comment
- Influence via voting members on CARTA board

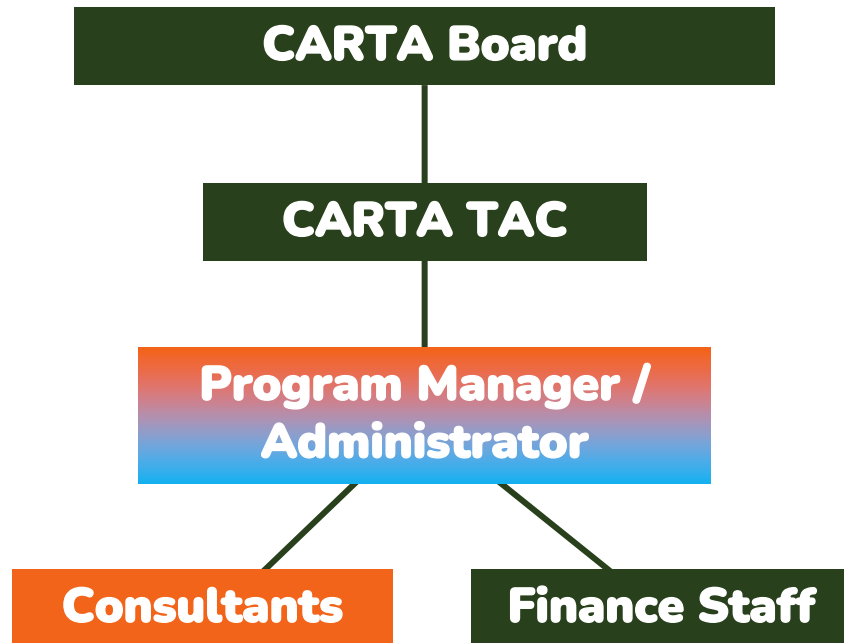


CARTA TAC

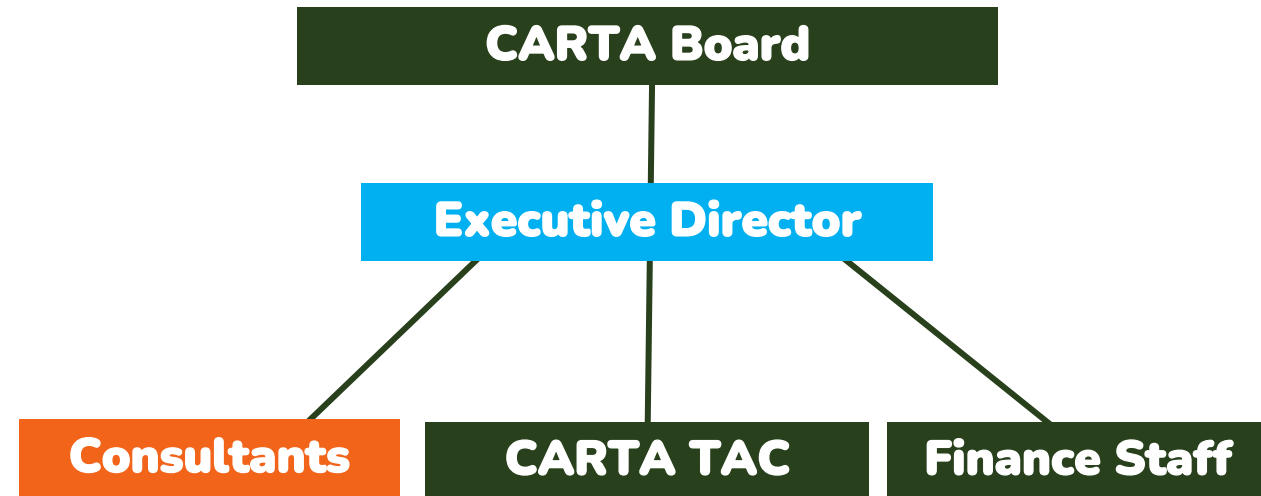
- Policy direction and deliverable review
- Influence via TAC meetings
- Influence via non-voting members on CARTA board
- Participation in managed lane project steering committees

Staffing Structures

Option 1: TAC Leadership



Option 2: Executive Director



 CARTA funded, employed elsewhere

 CARTA employee

 Consultant

Staffing Structures

Option 1: TAC Leadership

- Lower staffing costs
- Requires vigilant oversight from TAC
- If consultant PM, concern with conflict of interest
- If staff PM, concern of who will manage / oversee them

Option 2: Executive Director

- Higher staffing costs
- Independent leadership for CARTA
- Likely CARTA's ultimate staffing need
- Potential for CARTA to “drift away” from member agencies

Transition timing

SACOG staffing

New staffing solution



Transition timing

SACOG staffing

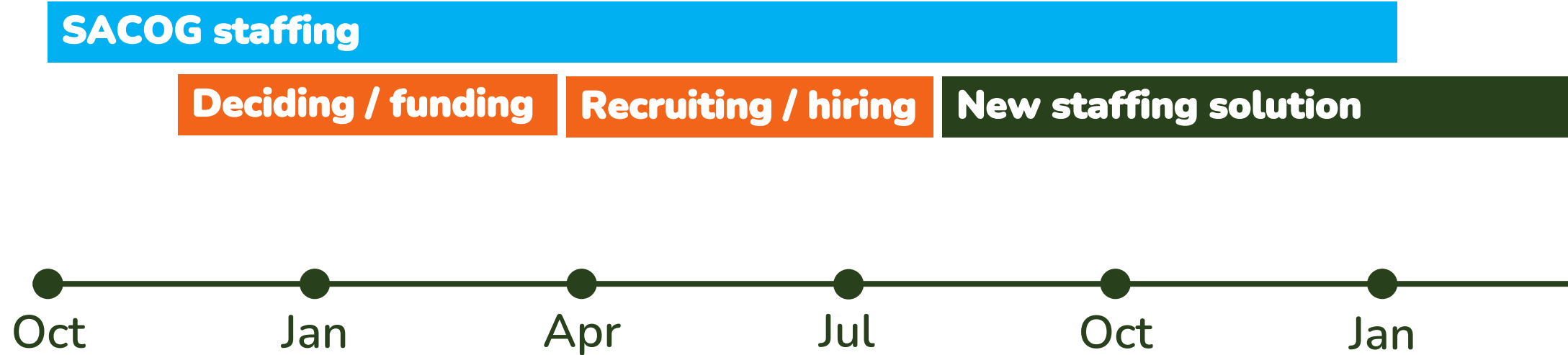
New staffing solution



Transition timing



Transition timing



Funding need



What we need



Short-term focus



Discussion

Which staffing option are you leaning towards?
What information would be helpful to make this decision next year?



Capital Area Regional Tolling Authority

captollauthority.com | khanley@sacog.org



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 4

2025 Board Schedule

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

At their October 17, 2024, meeting, the CARTA Board approved a 2025 board meeting schedule with six meetings in 2026: February, April, June, August, October, and December.

Discussion:

Since the approval of the original 2025 meeting schedule, staff have been working with CARTA's tolling consultants to develop a workplan for 2025. Through this process, staff have determined that the CARTA board will need more than six meetings in 2025 to make a series of important toll policy decisions. Staff are looking to add meetings in March, May, September, and November.

Given election turnover, staff also anticipate that some appointments to the CARTA Board may change for 2025. Each CARTA member agency has the autonomy to make appointments to the CARTA board using its own process. Staff expect Yolo Transportation District, Sacramento Transportation Authority, and SACOG to make their appointments in January 2025. Once those appointments are made, the CARTA clerk will work with the board members to schedule board meetings for 2025. Because board members from YoloTD and STA may not serve on the SACOG board, staff are considering "uncoupling" the CARTA board meetings from SACOG board and committee days.

Attachment A provides a look-ahead of anticipated items for CARTA Board meetings in 2025. This schedule is subject to change.

Staff will return to the CARTA board in February with an updated 2025 meeting schedule for the board to consider. No action is requested as part of this item.



2025 CARTA Board Meeting Look-Ahead

February

- Agency mission and goals (action)
- Staffing structure (action)
- Tolling 101 presentation (information)
- Yolo 80 Roadside Design Tradeoffs (information)
- Operations funding options (information)

March

- Operations funding for FY 2025-2026 (action)
- Toll pricing and Discounts presentation (information)

April (Offsite at Caltrans Transportation Management Center in Rancho Cordova)

- Staffing structure (action)
- Yolo 80 Traffic and Revenue Study Update (information)
- Toll Technology and Interoperability presentation (information)

May

- Yolo 80 Concept of Operations (action)
- Draft FY 2025-2026 Budget (information)
- Draft CARTA Multi-Year Workplan (information)

June

- Final FY 2025-2026 Budget (action)
- Final CARTA Multi-Year Workplan (action)
- Staffing Recruitment or Request for Proposals (action)
- Interstate 5 Managed Lanes Project Overview (information)

August

- Yolo 80 Roadside Toll System Request for Proposals (action)
- Toll Finance and Revenue Waterfall presentation (information)

September

- Multiyear Operations Budget Options (information)
- Back Office presentation (information)

October

- Multiyear Operations Budget Options (action)
- Draft Toll Policy Resolution (information)

November

- Staffing Recruitment or Request for Proposals Update (information)

December

- Final Toll Policy Resolution (action)
- Tolling 101 Workshop (information)
- Operations funding options (information)



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 5

Fiscal Year 2024-2025 Quarterly Financial Report

Prepared By: Kathleen Hanley, Sacramento Area Council of Governments

Attachments: Yes

Recommendation:

None; this item is for information only.

Background:

The CARTA Board of Directors adopts an annual operating budget. The Board adopted the original Fiscal Year (FY) 2024-2025 Budget at their May 23, 2024, meeting. As Board has designated SACOG as CARTA's administering agency for FY 2024-2025, CARTA's budget is developed and maintained by SACOG staff.

Discussion:

The Quarter 1 Financial Report (Attachment A) compares the FY 2024-2025 adopted Budget, which was approved by the Board in May, to actual expenditures from July 1st to September 30th. As of September 30th, CARTA has spent \$101,101, or 8% of its \$1,300,000 budget. These expenses are split nearly evenly between costs for SACOG to staff CARTA and insurance.

CARTA has received all of its projected revenue: a \$1,300,000 loan from the SACOG Managed Fund. If CARTA expenses in FY 2024-2025 are less than \$1,300,000, the remaining loan balance will be available for CARTA to budget as revenue in its FY 2025-2026 Budget.

CAPITAL AREA REGIONAL TOLLING AUTHORITY
Q1 FINANCIAL REPORT
Budget-to-Actual (Unaudited)

REVENUES:	BUDGET <i>Adopted May 2024</i>	ACTUAL <i>July-Sept 2024</i>	ACTUAL % <i>July-Sept 2024</i>	REMAINING <i>Budget vs. Actual</i>
Local				
Loan from SACOG Managed Fund	\$ 1,300,000	\$ 1,300,000	100%	\$ -
Subtotal - Local Revenues	\$ 1,300,000	\$ 1,300,000	100%	\$ -
TOTAL REVENUES	\$ 1,300,000	\$ 1,300,000	100%	\$ -
EXPENDITURES:				
Administration:				
Administrative Staff Costs	\$ 87,529	\$ 16,366	19%	\$ 71,163
General Counsel	\$ 71,666	\$ -	0%	\$ 71,666
Contracts Counsel	\$ 50,000	\$ -	0%	\$ 50,000
Public Outreach / Education	\$ 60,000	\$ -	0%	\$ 60,000
Insurance	\$ 50,000	\$ 43,218	86%	\$ 6,782
Audits	\$ 50,000	\$ -	0%	\$ 50,000
Website and Software	\$ 5,000	\$ 710	14%	\$ 4,290
Meetings	\$ 10,000	\$ 455	5%	\$ 9,545
Subtotal - Administration Expenditures	\$ 384,195	\$ 60,750	16%	\$ 323,445
Toll Program				
Transportation Staff Costs	\$ 215,805	\$ 40,351	19%	\$ 175,454
Consulting Services: Toll Lanes Program Development	\$ 700,000	\$ -	0%	\$ 700,000
Subtotal - Toll Program Expenditures	\$ 915,805	\$ 40,351	4%	\$ 875,454
TOTAL EXPENDITURES	\$ 1,300,000	\$ 101,101	8%	\$ 1,198,899



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 6

Yolo 80 Project Update

Prepared By: Gurtej Bhattal, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The Yolo 80 Corridor Improvements Project (Yolo 80) will add one high-occupancy toll (HOT 3+) lane to Interstate 80 (I-80) between Davis and West Sacramento. The project completed its environmental documents and final design May 2024 and has awarded the construction contract to De Silva Gates in the amount of \$124,800,000. For more detailed information about the project, including project documents, please visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i80-corridor-improvements>.

Discussion:

Caltrans opened bids on July 31, 2024, and awarded the contract to De Silva Gates on September 27, 2024. Given the timing of contract execution, Caltrans expects the contractor will elect to start construction work in early 2025, after the rainy season. The project is anticipated to take 370 working days and is therefore likely to finish construction in late 2026 or early 2027. This means that the physical tolling infrastructure will likely be fully constructed before CARTA is ready to collect tolls.

Two lawsuits have been filed against the project by (1) the National Resource Defense Council, Planning and Conservation League, and Center for Biological Diversity; and (2) the Sierra Club and Environmental Council of Sacramento. Both are in the process and further updates will be provided as appropriate.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 7

US 50 Project Update

Prepared By: Soka Soka, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project. For real-time travel information, including lane closures and detours, please visit roads.dot.ca.gov.

The US 50 Multimodal Corridor Enhancement & Rehabilitation Project will add carpool, or High-Occupancy Vehicle (HOV), lanes in each direction on U.S. Highway 50 from Interstate 5 to east of Watt Avenue, construct sound walls from Stockton Blvd to 65th Street, and incorporate Intelligent Transportation System (ITS) elements into the HOV system. The project completed its environmental documents in May 2017. The project was combined with the State Highway Operation and Protection Program (SHOPP) project to rehabilitate the highway assets and is utilizing a Design Build project delivery method. The total combined Construction Capital funds of \$368,900,000 were allocated in March 2019. The Design-Build contract was awarded in April 2020, to Flatiron West Inc. for a total Construction Capital cost of \$397,790,000 with 925 Working Days. Additional funds were allocated in December 2023 and October 2024. Currently the total Construction Capital Cost is \$455,730,500.

For more detailed information about the project, including project documents, please visit <https://www.fix50.com/> or <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-us-50-hov-lane-0h08u>.

Discussion:

Currently, the project is 87% complete. Below is a list of activities on the project in the past couple of months.

- Structure construction completed.
- Coordination with City of Sacramento on adjacent projects, parking impacts and utility work.
- The contractor working on the final design package i.e., Local Roads Plans.

- Roadway construction: Pavement Demo and off hauling, Install Electrical elements, work on drainage, traffic staging.

The project has experienced significant delays due to late execution of Construction and Maintenance (C&M) Agreement from Union Pacific Railroad (UPRR). The State has realized 242 working day schedule impact from the delay. Design-Build contractor disagrees with the State on the level of the impact. The contractor has filed dispute and the issue is following its process.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 8

Sac-5 Managed Lanes Project Update

Prepared By: Jess Avila, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The project proposes to construct managed lanes in both directions on Interstate 5 (I-5) in Sacramento County from I-5/US 50 Interchange to Sacramento River Bridge (Br. No. 22-0025). Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion. For more information on the project, visit <https://dot.ca.gov/caltrans-near-me/district-3/d3-projects/d3-i5-managed-lanes-project>.

Discussion:

The project is currently in the environmental phase where nine managed lane options (including no-build) are being studied to determine environmental impacts. The build options include construction of an additional lane to accommodate High Occupancy Vehicle (HOV), High Occupancy Toll (HOT), Express, Transit Only, and Dual HOT (where 1 existing GP lane is converted to HOT) managed lanes and an option to convert 1 existing GP lane to HOV lane. The target to complete the environmental documents (CEQA/NEPA) is November 2025.

The total project cost is estimated to be between \$450 million and \$500 million depending on the managed lane option chosen. Total project cost estimates assume \$50 million for vehicle miles traveled (VMT) mitigation. There is \$69.4 million of available funding for the project. To date, \$11.44 million has been spent on the environmental phase of the project. Available funding has been made possible by SACOG flexible funding rounds and STA. STA funding is primarily in future years for construction of the project.

The funding strategy is to apply for qualifying local, state and federal grants.



Capital Area Regional Tolling Authority

Meeting Date: December 19, 2024

Agenda Item: 9

Cap City Corridor (State Route 51) Project Update

Prepared By: Andrew Huang, Caltrans District 3

Attachments: No

Recommendation:

None; this item is for information only.

Background:

As outlined in the Caltrans Services Memorandum, Caltrans is committed to providing updates on the status of active managed lanes projects at each CARTA board meeting. These updates are intended to be high-level and track the overall progress of the project.

The Cap City Corridor Improvements Project proposes to construct managed lanes in both directions on State Route 51 (SR 51) between N Street to El Camino Avenue Overcrossing in Sacramento County. Intelligent Transportation System (ITS) infrastructure will also be added to actively manage recurrent and non-recurrent congestion.

Discussion:

Caltrans is continuing its preliminary design and environmental studies to clear the Cap City Corridor project, coordinate with exterior agencies for input, and analyze multiple alternatives to complete the initial Project Approval and Environmental Document phase. The project targeting to complete its environmental documents in June 2026 and has a targeted design completion date of February 2029. Currently the total project cost is estimated between \$450 million to \$550 million depending on the managed lane option chosen and includes \$50,000,000 for VMT mitigation.

When grant opportunities are available the Caltrans team intends to apply for funding where applicable to fund the project.