

Bay Area Toll Authority

Oversight Committee

April 10, 2024

Agenda Item 4e-24-0373

Bay Area Toll Authority (BATA) Resolution No. 169, Revised – FY 2023-24 Operating and Capital Budgets Amendment No. 2

Subject:

Bay Area Toll Authority (BATA) Fiscal Year (FY) 2023-24 Operating and Capital Budgets Amendment 2.

Background:

Staff requests that BATA Resolution No. 169, Revised, which amends FY 2023-24 BATA Operating and Capital Budgets, be referred to the Authority for approval. The proposed amendment increases total operating expenses and transfers by \$17 million, resulting in an equivalent reduction of \$17 million in the operating surplus. Total operating revenue remains budgeted at \$1,072 million, including \$894 million of general toll revenue. Total operating expense and transfers are \$1,060 million. The operating surplus of \$12 million will be transferred to the operating reserve.

The proposed amendment establishes a new BATA Other Capital Projects budget for projects where BATA serves as the project sponsor. This budget includes \$10 million for I-580 Richmond Parkway Interchange Operational Improvements and Cutting Blvd Transit Priority, both funded by Regional Measure 3 funds. The FY 2023-24 BATA Rehabilitation Program budget remains at \$185 million and the other capital programs do not have amendments.

Operating Budget Amendments:

Amendments to the operating budget are proposed as follows:

- \$1.0 million additional expense for the regional customer service center's (RCSC) toll processing expenses from Conduent State and Local Solutions, Inc. (Conduent)
- \$245 thousand net increase in other administration expenses for business insurance allocation costs
- \$200 thousand increase in transfer to MTC for capital projects funded by BATA
- \$15.6 million of carryover expenses from prior year unpaid invoices for Conduent's RCSC operating expenses

The budget is balanced as presented, with a projected operating surplus of \$28.6 million, reduced from \$29.2 million in the adopted FY 2023-24 budget. The operating budget schedule is attached (Attachment A) and is summarized below (in thousands).

	<u>FY 2023-24</u> <u>Amendment No. 1</u>	<u>Change</u>	<u>FY 2023-24</u> <u>Amendment No. 2</u>
Toll Revenue			
RM1	\$ 542,600		\$ 542,600
RM2	117,400		117,400
RM3	233,600		233,600
Violation	26,000		26,000
Other	1,680		1,680
Interest	62,117		62,117
Reimbursement	17,920		17,920
Rebate for BABS*	<u>70,339</u>		<u>70,339</u>
Total Revenue	\$1,071,656		\$1,071,656
Operating Expenses			
Caltrans	\$ 11,690		\$ 11,690
FasTrak	109,660	\$ 15,600	126,260
Admin/Other	44,692	245	44,937
Debt Service	546,105		546,105
RM2	49,202		49,202
RM3	228,928		228,928
Transfers	38,190	200	38,390
Extraordinary	<u>14,627</u>		<u>14,627</u>
Total Expenses	<u>\$1,043,094</u>	<u>\$ 17,045</u>	<u>\$1,060,139</u>
Operating Surplus	\$ 28,562	(\$ 17,045)	\$ 11,517

*Build for America Bonds

Capital Budget Amendment:

The proposed amendment establishes a new FY 2023-24 BATA Other Capital Projects budget for projects where BATA serves as the project sponsor, as shown in Attachment B of Resolution No. 169, Revised.

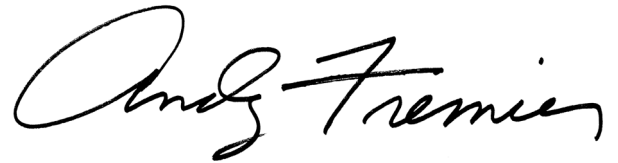
- \$10 million for two new capital projects funded by Regional Measure 3 with BATA as the project sponsor. The projects are I-580 Richmond Parkway Interchange Operational Improvements and Cutting Blvd Transit Priority.

Recommendations:

Staff recommends referral of Resolution No. 169, Revised, amending the FY 2023-24 BATA Toll Bridge Operating and Capital Budgets, to the Authority for approval.

Attachments:

- BATA Resolution No. 169, Revised, FY 2023-24 BATA Toll Bridge Operating and Capital Budget Amendment No. 2

A handwritten signature in black ink, reading "Andrew B. Fremier". The signature is written in a cursive, flowing style.

Andrew B. Fremier