

INTER OFFICE MEMO

To: Administration and Finance Committee

Date: 04/25/2024

From: Amber Johnson, Chief Financial Officer

Reviewed by: WC.

SUBJECT: Regional Measure 3 (RM3) – FY 2023-24

Background:

Regional Measure 3 (RM3) raised tolls on the Bay Area's state-owned bridges starting in 2019. Following the dismissal of legal challenges in January 2023, the Metropolitan Transportation Commission (MTC) began allocating funds to eligible projects identified in the RM3 Expenditure Plan, which included funding for express bus services in the nine bay area counties, with project selection determined by MTC. For fiscal year 2023-24, MTC has allocated \$22,630 in RM3 operating revenues to be utilized on express bus services.

RM3 Funding Request:

The RM3 policies and procedures guidelines require each recipient agency to submit a funding request package that includes a Board-adopted resolution that affirms the funds will be spent in compliance with the RM3 Expenditure Plan. Typically, the Authority brings one authorizing resolution for the group of major funding sources that are administered by MTC: Transportation Development Act (TDA), State Transit Assistance (STA) and Regional Measure 2 (RM2) funds. However, since legal challenges prevented fiscal year 2023-24 RM3 funds from being allocated in a timely manner, a separate resolution is now required to obtain these funds. The Authority's legal counsel is drafting the resolution to be presented at the full Board of Directors meeting this month. A sample version is attached for reference.

Going forward, RM3 will be included in this one authorizing resolution, and a separate resolution will not be necessary. The fiscal year 2024-25 resolution including TDA, STA, RM2 and RM3 funding sources was approved by the Board last month.

Financial Implications:

Adoption of the resolution will permit the Authority to receive \$22,630 in RM3 operating revenues.

Recommendation:

Staff recommends that the A&F Committee support the adoption of an authorizing resolution for FY 2023-24 RM3 funds.

Action Requested:

Staff requests that the A&F Committee forward a recommendation to the Board of Directors to approve the FY 2023-24 Regional Measure 3 Operating Board Resolution.

Attachments:

None.