



**STATE ROUTE (SR) 37 POLICY COMMITTEE**

**9:30 a.m., Thursday, July 7, 2016  
Farragut Student Union Ballroom  
Touro University California  
1750 Club Drive, Mare Island  
Vallejo, CA 94592**

**MEETING AGENDA**

**1. Call to Order and Introductions**

Chairperson, Mayor Osby Davis,  
City of Vallejo

**2. Opportunity for Public Comment**

**3. Approve May 5, 2016 SR 37 Policy Committee Meeting Minutes  
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Janet Adams, STA

**4. Information Item:**

**A. SR 37 Corridor Financial Opportunities Analysis Consultant Introduction**  
Presentation from Project Finance Advisory Ltd. (PFAL) on the scope, schedule and objectives of the analysis.

Robert Guerrero, STA  
Jose Luis Moscovich, PFAL

**5. Action Item:**

**A. United Bridge Partners (UBP) Unsolicited Proposal Response Letter  
Recommendation:**

Janet Adams, STA  
James Cameron, SCTA

Approve the following:

1. Authorize the SR 37 Executive Steering Committee to submit questions for United Bridge Partner's unsolicited proposal as included in Attachment B;
2. Authorize the SR 37 Executive Steering Committee to forward the United Bridge Partner's unsolicited proposal to Caltrans for their review and comment.

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**SR 37 Policy Committee Members:**

**Solano Elected Officials**

Chair Person Osby Davis, Mayor City of Vallejo  
Jim Spering, MTC Commissioner  
Erin Hannigan, Solano County Board of Supervisor

**Sonoma Elected Officials**

Vice- Chair David Rabbitt, Sonoma County Board of Supervisor  
Jake Mackenzie, MTC Commissioner  
Susan Gorin, Sonoma County Board of Supervisor

**Marin Elected Officials**

Steve Kinsey, MTC Commissioner  
Judy Arnold, Marin County Board of Supervisor  
Stephanie Moulton-Peters, Councilmember, City of Mill Valley

**Napa Elected Officials**

Mark Luce, MTC Commissioner  
Keith Caldwell, Napa County Board of Supervisor  
Leon Garcia, Mayor City of American Canyon

**B. SR 37 Project Initiation Document (PID)  
Funding Request**

Daryl Halls, STA

Recommendation:

Authorized the SR 37 Executive Steering Committee to submit a formal funding request to the Metropolitan Transportation Commission for a SR 37 Project Initiation Document.

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**6. Committee Comments**

Committee Members

**7. Future Topics**

A. SR 37 Corridor Needs by County

(Presentation: SR 37 Project Leadership Team)

B. SR 37 Passenger Rail Option

(Guest Speaker: David McCrossan, Menzies and McCrossan, LLC)

**8. Adjournment**

The next **SR 37 Policy Committee Meeting** is scheduled for **Thursday, September 1, 2016, 9:30 a.m.**



**State Route (SR) 37 Policy Committee Meeting Minutes  
 9:30 a.m., Thursday, May 5, 2016  
 Novato City Hall  
 901 Sherman  
 Novato, CA**

**MEETING MINUTES**

**1. Call to Order/Introductions:**

Committee Chairperson, Mayor Osby Davis, called the SR 37 Policy Committee Meeting to Order at approximately 9:35 a.m.

**POLICY COMMITTEE**

**MEMBERS PRESENT:**

Osby Davis, Chairperson	Mayor, City of Vallejo
Susan Gorin	Sonoma County Board of Supervisors
Keith Caldwell	Napa County Board of Supervisor
Leon Garcia	Mayor, City of American Canyon
Erin Hannigan	Solano County Board of Supervisors
Jim Spering	MTC Commissioner, Solano County Board of Supervisors
Steve Kinsey	MTC Commissioner, Marin County Board of Supervisors
Mark Luce	MTC Commissioner, Napa County Board of Supervisors
Jake Mackenzie	MTC Commissioner, City Council, Rohnert Park
Stephanie Moulton-Peters	Councilmember, City of Mill Valley
Elizabeth Patterson	Mayor, City of Benicia (Alternate Member)

**EXECUTIVE DIRECTORS**

**PRESENT:**

Daryl Halls	STA
Kate Miller	NVTA
Nick Nguyen for	TAM
Dianne Steinhauser	
Suzanne Smith	SCTA

**OTHERS PRESENT:**

Anthony Adams	STA
Janet Adams	STA
James Cameron	STA
Alana Capozzi	Marin Economic Forum
Don Cliver	Novato Chamber
Rick Coates	Friends of SMART
Jim Cordeiro	Marin Economic Forum
Michael Cowen	KPMG
Bernadette Curry	Solano County Counsel
Mike Davis	ICF International

Theodore Deutz	United Bridge Partners
Ed Diffendal	United Bridge Partners
Pam Drew	City of Novato
Pat Eklund	City of Novato
Linda Figg	Figg Bridge
Jean Finney	Caltrans, District 4
Andrew Fremier	BATA
Gary Giacomini	United Bridge Partners
Robert Guerrero	STA
Tim Howard	Berg Holdings
Susan Klassen	County of Sonoma DPW
Liam Kelly	KPMG
Bryant Jenkins	Sperry Capital
George McCown	United Bridge Partners
Dan McElhinney	Caltrans, District 4
Debbie McQuillein	SCTA
Linda Meckel	SMART
Cynthia Murray	North Bay Leadership
Steve Pace	Sonoma Raceway
Isaac Pearlman	BCDC
Logan Pitts	Assembly Member Dodd
Kate Powers	Marin Conservation League
Austin Pulsifer	United Bridge Partners
Danielle Schmitz	NVTA
Randy Scott	Big O Tire Petaluma
Fraser Shilling	UC Davis
Coy Smith	Novato Chamber, Marriott Intl.
Brian Swedberg	Novato Chamber
Russ Thompson	City of Novato
Justin Vandver	AECOM
Joy Villafranco	AECOM
Phil Vermeulen	United Bridge Partners
David Yatabe	City of Vallejo
Michael Lewis	
David Oster	
Janice Cader-Thompson	
Rick Fraites	

**2. Opportunity for Public Comment:**

Rick Coates encouraged the Policy Committee to consider alternatives to building roads in considerations of the greenhouse gases that vehicles emit. Instead he encouraged the Policy Committee to consider transit, specifically SMART through the corridor.

**3. Approval of the March 3, 2016 Meeting Minutes**

On a motion by Sonoma Supervisor Jake Mackenzie and a second by Solano Supervisor Erin Hannigan, the SR 37 Policy Committee approved the March 3, 2016 meeting minutes.

#### 4. **Presentations:**

##### A. **SR 37 UC Davis Sea Level Rise Study**

Dr. Fraser Shilling, UC Davis Road Ecology Center, presented the State Route 37 Integrated Traffic, Infrastructure and Sea Level Rise (SLR) Analysis Report. The presentation provided an overview of the projected 36" SLR (at a rate of 3-6"/year), likely timeframe of this rise in conjunction with El Nino events, King Tides and significant 100-year storm events. Subsequently he presented the impacts of these events on the 37 corridor, with focus on the most vulnerable areas. Joy Villafranco, AECOM presented the adaptive vertical solutions for these impacts. The adaptive solutions provided options in each of the three reaches with costs for each option. The options were for a berm or levee system for the highway, a box-girder bridge structure or a slab-bridge system. The cost estimates are preliminary, include contingency and support costs that range between \$1,260 to \$3,840 Million. Details of the Analysis and all reports can be found at [www.hw37.ucdavis.edu](http://www.hw37.ucdavis.edu).

Committee Member Mackenzie inquired about the assumption on the existing roadbed once the new bridge is built. Dr. Fraser stated that this issue needs further analysis and discussion as the existing facility could be used as a future public access, it currently is a levee to the removal would have an immediate impact on the adjacent lands that needs to be studied, and that it could also be left to nature and slowly returned to a natural state.

Committee Member Spring asked if the bridge and berm limits would be adjusted as a mix and match. Dr. Frazer replied absolutely, the work by AECOM provides a cost estimate for understanding the differences in the built approaches. However, the berm may likely have more long term maintenance costs if the fill is not lightweight cellular concrete.

Committee Member Moulton-Peters inquired about the size of the footprint of a fill. Joy, AECOM stated that the footprint is based on the side slope assumption and the height of a fill. They assumed 4:1 side slopes.

Committee Member Garcia asked if the geotechnical conditions will affect the cost of a causeway, Joy, AECOM stated that they did have some geotechnical data from the recent marsh restorations, but that they will need to do more detailed field studies during the environmental phase to fully understand the depth of the rock formation.

Alternate Committee Member Patterson commented that they need to consider the life cycle cost benefits of the restoration to the life cycle cost of the levee maintenance.

Committee Member Gorin inquired about the long term viability of the current marsh restoration that is happening by the Sonoma Land Trust. Dr. Frazer stated that the Sea Level Rise predictions will have a negative impact of the current marshes.

Committee Member Caldwell stated that with the current erosion of the levees, he has concerns on the liability of long term maintenance of additional levees and asked that team work with Ducks Unlimited and USFWS as we move ahead to insure coordination and best practices are used as these folds have working knowledge of the area.

Committee Member Davis inquired if the assumptions in SLR of 12" and 24" were combined with the settlement of the existing roadway with making the recommendations. Dr. Frazer replied that no this detailed was not considered in their study as they didn't have the data on the maintenance efforts on the route.

Committee Member Hannigan asked of holding areas for the water could be done where the water would be held back and contained. Dr. Frazer responded that the SLR is a long term issue which means a permanent solution is needed that could be maintained and relied on considering the large public investment.

**B. Perspective on Financing Options**

**I. Bay Area Toll Authority (BATA) Financing and Toll Administration**

Andrew Fremier, BATA, provided a presentation on the history/background of BATA, with details on the timeline, authority and obligations they have. This includes Regional Measure (RM) 1 and RM 2. He also provided information on their operations of FAST TRACK, including contracting with other public agencies in the Bay Area for toll collection. Additionally, he detailed their financial history of managing funds.

Committee Member Kinsey stated that current transportation improvements take too long to deliver, as asked if there was some near term operational improvements that can be made, like the Columbus Day Initiative. Mr. Fremier responded that potentially, like with minor widening and a reversible lane with a moveable barrier.

Committee Member Spring asked if privatized, could BATA have a relationship with the private firm for toll collection. Mr. Fremier responded, yes, they do currently have agreements with public agencies for toll collection, so an agreement would need to be put in place to detail the relationship.

Committee Member Caldwell asked if BATA could issue new debt to build transportation investments. Mr. Fremier said currently they can only issue debt for toll bridges, possibly legislation could be tweaked to allow them to issue new debt for public projects.

Committee Member Spring asked if BATA could invest in the SR 37 project. Mr. Fremier stated that yes, they recently did this on the Transbay Terminal Project.

Committee Member Mackenzie asked about the possibility of new toll hike that could be used for SR 37. Mr. Fremier stated that there are conversations going on in the Bay Area about this potential.

**II. Full Privatization Financing Option**

Mr. Diffendal and Ms. Figg of United Bridge Partners (UBP) detailed their proposal to fully privatize Reach B area of SR 37. Of the SR 37 corridor, their proposal is focused on the 2-lanes section. Their proposal is to expand this Reach B to a 4-lane tolled facility that includes the construction of a bike/pedestrian facility. The proposal is to build an initial new 2-lane parallel causeway which would serve as the eastbound direction and convert this existing 2-lane roadway into the new westbound lanes. Then by 2040 replace the existing roadway to a 2-lane causeway. The UBP would use their funds to environmentally clear and permit the project, construct the improvements. Then charge the users a toll that would be no higher than the bay area toll rate. UBP recognizes the need to modify legislation. The proposed process is that Caltrans would relinquish a portion of SR 37 to a two-county JPA and the JPA would vacate the facility as outlined into an agreement with UBP. To begin the process with UBP, the JPA and UBP would enter into a Letter of Interest. UBP did distribute a binder to the Policy Committee with more information.

Committee Member Garcia asked what the toll rate would be. UBP states it has not been determined, but that it would not exceed the current rate of the bay area tolls. Committee Member Garcia followed up with, what would the low income community toll rate be. UBP stated that they are open to a modified toll rate for low income, and the details of the administration would be handled. It could be from a pre-paid Fast Track, then a discounted rate. The key will be to agree on who should be considered and how to minimize fraud.

Committee Member Spring had several questions. They were; once the facility is built, what would the role of the JPA Board be. Response, the JPA role would monitor and have oversight of the terms of the agreement, insure Caltrans oversight during construction, and monitoring programs such as low income and environmental fund programs. Follow-up by Committee Member Spring; on the transfer of the land to UBP, why use vacation of the lands vs long term lease. Response, UBP would be open to a long term lease if it was in the 100-year time frame.

Committee Member Spring asked what is the downside of considering this proposal now. Executive Director Smith replied, that staff would need the direction to do so. Executive Director Halls asked about the legislative hurdles and limitations first before considering the proposal along with having Caltrans at the table to provide input. Further Committee Member Spring asked if staff can return with information on if we can consider an exclusive negotiation; if not let; move ahead with a public process. Spring asked if this would be placed on the next agenda for discussion.

Committee Member Moulton-Peters asked what about the SLR issues on Reach A. Response was, this area was not part of the proposal, so that this area would make sense for public investment.

Committee Member Mackenzie commented that Reach A work needs to be a focus and move ahead as well.

Committee Member Luce asked if the UC Davis study concerns with foundation risk was considered in the proposal with regard to foundation depth. Response was this was considered and included in the proposal.

Committee Member Kinsey asked is this proposal being presented at the local level and why not do a P3 for Reach A.

Committee Member Hannigan asked if the UC Davis costs are in the ballpark as UBP estimates. Response was the UC Davis costs include additional costs like escalations and contingencies.

Committee Member Spring stated he would like to see the ultimate roadway built immediately not waiting for 2040. Further he stated that a 3-laned facility with a reversible lane should be considered.

Committee Member Osby stated that the infrastructure needs in Vallejo must be considered.

Committee Member Spring asked why not do a 4 county JPA, as he sees it as a way to show full local support for the project. Response, a 4-county JPA would work, they had just focused on the legal necessity of having at least the 2 counties in the JPA.

**5. Information Items:**

**A. SR 37 Corridor Financial Analysis Status**

Janet Adams provided an update to the Committee on the RFP for financial analysis services. Staff received 4 proposals with 3 firms short listed for interviews on May 6th. Staff expects to have this resource on board in the next couple of weeks.

**B. SR 37 White Paper**

Daryl Halls stated that the SR 37 White Paper has been completed and he provided a copy of each Committee Member. This Paper provides an overview of the corridor problems along with facts about the corridor.

**C. Potential Corridor Tours**

Daryl Halls discussed the options for the Committee to go visit the two relevant corridors in California that are similar to the SR 37 corridor. These are the SR 156 corridor in Monterey that Caltrans spoke to the Committee about in January 2016 and the SR 91 corridor in Riverside county that is currently under construction.

**6. Committee Comments:**

None Provided.

**7. Future Topics**

**A. SR 37 Passenger Rail Option**

(Guest Speaker: David McCrossan, Menzies and McCrossan, LLC)

**B. SR Corridor Financial Opportunities Case Studies Presentation**

**8. Next Meeting – Thursday, July 7, 2016, 9:30 a.m., Solano County – Farragut Student Union Ballroom - Touro University California - 1750 Club Drive, Mare Island, Vallejo**



DATE: June 28, 2016  
TO: SR 37 Policy Committee  
FROM: Janet Adams, STA Deputy Director/Director of Projects  
James Cameron, SCTA Director of Projects and Programming  
RE: United Bridge Partners (UBP) Unsolicited Proposal Response Letter

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**Background:**

United Bridge Partners (UBP), a joint venture private finance and infrastructure firm, provided the SR 37 Policy Committee members an unsolicited proposal to finance and construction improvements on the State Route 37 (SR 37) corridor. The proposal conceptually focuses on SR 37 facility financing and improvements in two phases from the SR 121 interchange in Sonoma County to the Mare Island interchange in Solano County. The first phase is proposed to construct two new additional elevated lanes in the eastbound direction and converting the existing facility to two lanes in the westbound direction. The second phase would elevate the two lanes in the westbound direction by 2040 or depending on the impact created by sea level rise. The unsolicited proposal from UBP would require a relinquishment of the corridor to them in order to initiate their improvements to the corridor.

The complete UBP SR 37 Unsolicited Proposal provided to the SR 37 Policy Committee at their May 5, 2016 meeting includes six sections:

1. Proposal Summary
2. Proposed Schedule
3. Legal Steps for Implementation
4. Endorsement Letters
5. Information About United Bridge Partners
6. Examples of UBP financed projects

Attachment A includes a copy of sections 1 through 3 of the unsolicited proposal. The complete unsolicited proposal with all sections can be downloaded at:

<https://drive.google.com/file/d/0B2DiXZWI6HagYVlKTKx3dEVndjQ/view?usp=sharing>

**Discussion:**

Although there has been discussions of potential corridor financial opportunities, this is the first time a private group has approached the SR 37 Policy Committee with a financial proposal for the financing improvements to the 37corridor.

The SR 37 Project Leadership Team (PLT) and SR 37 Executive Steering Committee (ESC) reviewed the unsolicited proposal and developed a list of questions for UBP and the SR 37 Policy Committee to consider. The SR 37 PLT and ESC consists of technical staff and executive directors, respectively, from each of the four participating county transportation authorities. In addition, Project Finance Advisory LTD (PFAL) consultants and legal counsels from the Solano Transportation Authority and Sonoma County Transportation Authority also reviewed the proposal and provided their input on the draft questions. The review and questions have been combined into one set of questions in response to the UBP proposal. The questions have been grouped into the topic areas of corridor improvements, financial decisions, project scheduling, and environmental process.

The SR 37 ESC is recommending the SR 37 Policy Committee authorize the SR 37 ESC to submit questions in response to UBP’s unsolicited proposal as included in Attachment B. It is anticipated that further discussions will be needed with UBP and Caltrans to complete an assessment of the proposal. Staff is also recommending a copy of UBP’s proposal be forwarded to Caltrans for their review and comment.

UBP’s proposal has raised multiple policy questions related to how proposals should be evaluated and what the roles and responsibilities are for the SR 37 Policy Committee. These overall policy questions are included for review and future discussion by the Policy Committee as Attachment C.

**Financial Impact**

None at this time.

**Recommendation:**

Approve the following:

1. Authorize the SR 37 Executive Steering Committee to submit questions for United Bridge Partner’s unsolicited proposal as included in Attachment B;
2. Authorize the SR 37 Executive Steering Committee to forward the United Bridge Partner’s unsolicited proposal to Caltrans for their review and comment.

Attachments: A. Sections 1 through 3 of United Bridge Partners Unsolicited Proposal  
B. Questions for United Bridge Partners Unsolicited Proposal dated May 5, 2016  
C. SR 37 Policy Committee Overall Private and Public Financial Policy Questions



**Proposal for State Route (SR) 37 Expansion Project  
Environmentally Sensitive Bridges & Roadway**

*Built in Harmony with Nature*

# PROPOSAL FOR THE STATE ROAD (SR) 37 EXPANSION PROJECT

This proposal from United Bridge Partners (UBP) to the SR 37 Policy Committee provides a unique solution to achieving a much needed transportation project using only private funds, without any public money. We propose to provide to the community a four (4) lane SR 37 between the intersections of Highway 121 and Mare Island with intersection improvements at both ends. This Expansion Project, which is in Solano and Sonoma Counties, will more than double the capacity of the existing facility.

The plan for design and construction will preserve the environment and be a model of sustainability that protects this vital corridor from sea level rise. UBP will take full responsibility for all aspects required in achieving the Project including environmental clearances, permitting, design, construction, financing, maintenance, inspections and operations. There will be no costs or risks for any local or state government.

UBP will use local labor, local materials, create new jobs, and provide ongoing resources for environmental initiatives that will benefit the quality of life for the people of the North Bay Area. The vision is to open to traffic in 5 years from when UBP starts.

Included here is a summary of the key features of this special proposal that presents a new way to achieve transportation needs – one that reflects the values of the community, enhances mobility and recognizes that there are not enough public funds to build the bridges and highways that connect us.

## The Project

The nine (9) mile section of SR 37 between the intersection of Highway 121 and Mare Island is currently a bridge and highway system that is only two (2) lanes but connects to four (4) lanes on each

side. This significant constraint to daily traffic just gets worse when there is an accident. Besides the capacity deficiency, the intersection arrangement at Highway 121 creates additional bottlenecks on a daily basis. The mission is to fix it all.

UBP proposes to build two (2) new lanes for eastbound traffic including:

- 1 Safety shoulders,
- 2 A dedicated bike lane separated from vehicle traffic by a permanent barrier,
- 3 Maintain all existing connections to property owners along the route,
- 4 Elevated bridge and roadway to address future sea level rise and potential flooding,
- 5 Crossing over the railroad,
- 6 Built parallel, and off line, from the existing facility so traffic keeps moving during construction without interruption,
- 7 Meet all local, state and federal design requirements, including the latest in seismic design criteria,
- 8 Over 150 year life

Once the new two (2) eastbound lanes are built, the existing two (2) lanes will be converted to two (2) lanes in the westbound direction, removing the existing barrier down the middle of the highway. This will be the quickest way to achieve four (4) lanes of capacity in the short-term. Concurrent with this initial construction will be the reconfiguration of the intersection at 121 for free flowing traffic, and enhancements to the Mare Island connection. At Highway 121 this will mean detailed traffic studies and building fly-overs.

With four (4) lanes fully open, UBP will be responsible for inspecting, maintaining and operating the entire facility – the new lanes, existing lanes, and intersections. During operations

UBP will be planning for the future long-term solution to the corridor. The plan will be to replace the existing two (2) lane bridges and highway with a new facility next to the existing westbound lanes and remove the original lanes. This will address sea level rise for the length of this corridor. We are committed to this long-term, second stage of construction, which is anticipated by at least 2040, however actual conditions on sea level rise could trigger this sooner.

The new SR 37 facility will be composed of a significant length of bridge along with roadway positioned to best suit the environmental conditions of the area.

### Preserving the Environment

UBP has examined the natural environment of the SR 37 corridor, consulted with environmental specialists and regulatory experts, and have developed a proposed solution that preserves and protects the environmental quality. Beyond this, our plan is to actually improve the environment with this Project, as a model of sustainability and environmental enhancement. This will be one of the great Project benefits that the community can be proud of.

Bridges will be used for a significant portion of the alignment. FIGG Bridge Group, a partner in UBP, pioneered a bridge building technique in the United States for building bridges completely from the top so that no equipment is needed at the ground level during construction. This technique was first used on the Blue Ridge Parkway Viaduct around Grandfather Mountain in North Carolina, a national park and beautiful landscape, completed in 1983. The Blue Ridge Parkway Viaduct received the Presidential Award from the President of the United States through the National Endowment for the Arts. Only five (5) of these awards have

ever been given for bridges and FIGG bridges have received three (3). Additionally FIGG's 360 awards for sustainable, innovative, economical, and aesthetically pleasing bridges will be a resource for a remarkable Project.

The Project will have a long bridge that will cross over the railroad on the west of SR 37 near Highway 121 and then extend for approximately three (3) miles using a precast concrete "build from the top" bridge structure. Designed for the latest seismic criteria and for low maintenance, this new bridge will allow openness for the environmental needs on the west side of the alignment and be positioned above the elevation needs for sea level rise.

The construction of the new facility will use local materials, local labor and be built by local contractors who are especially qualified in environmentally sensitive bridge and roadway construction.

### Proposed Schedule

The next section of this proposal provides UBP's proposed schedule of key steps to have the Project opened in 5 years from beginning of Project development. The Project will begin with CEQA, the State of California environmental review of the Project details and how it will be accomplished. After CEQA is completed, the permitting will be achieved, then design and construction as a turnkey program for efficiency of schedule and operations. Design and construction can be achieved in 30 months. UBP is prepared to fully fund CEQA and all aspects of the project development after signing a Letter of Intent with Solano and Sonoma Counties in a Joint Powers Authority (JPA). Details on the Legal Steps for Implementation of the Project are summarized in the section following the proposed schedule information.

## United Bridge Partners Funding

UBP provides 100% private infrastructure financing exclusively for transportation projects with significant bridges. The purpose is to get bridge projects built without using any local, state or federal money. There is simply not enough public money to get our needed infrastructure built in the United States. UBP has set out to make a difference for communities who need infrastructure built in a responsible, value-based approach that enhances the quality of life. It is a long-term responsibility of creating, building, and caring for the transportation facility using private funds.

The SR 37 Expansion Project will be funded by long-term infrastructure investment to be paid back over time by user fees (tolls) charged on the bridge. These user fees will be implemented as follows:

- 1 Lowest possible rate that provides for the annual operations, maintenance, and payback of the facility, as well as future stages of construction,
- 2 Will stay within rates of other bridge facilities in the North Bay Area,
- 3 All electronic tolling using FasTrak and working closely with the MTC to operate the FasTrak program for the facility,
- 4 Electronic tolling in one direction like other area bridges,
- 5 All emergency vehicles (fire, ambulance, police, and emergency evacuations) will travel free,
- 6 Van pool options and other subsidies for low income users will be paid for by UBP,
- 7 Create partnerships with local businesses to offer bridge users discount coupons based on the number of trips taken on the bridge. This program promotes shopping with local businesses.

Additionally, the Project will provide for on-going financial support to environmental initiatives through the creation of a special fund that can maximize funding opportunities for various environmental programs dedicated to restoration and other environmental projects benefiting the San Pablo Bay region. A portion of toll revenues will be contributed to the fund. This fund can also be used to get matching federal funds that currently cannot be obtained due to a lack of funding resources.

## United Bridge Partners Assurances

United Bridge Partners is committed to constructing and operating the facility to provide assurance to the community of completion and operation. We will guarantee that the Project is completed in a prespecified time frame and remains open or the facility reverts back to the original owners free of charge.

We are committed to making a difference in every community we serve, setting an example of good citizenship and neighborly responsibility.

## Endorsements

We have shared these ideas in this proposal over the past couple of years with many people and received a lot of encouragement from people who understand that a solution for SR37 is needed now. Endorsements have been received from environmental interests, construction labor unions, area businesses, and residents. Some of the written endorsements from these groups can be found in a separate section of this proposal.

## Next Steps

This proposal for the SR37 Expansion Project is intended as a summary of key features of the Project and how they can be successfully achieved by UBP without any funding from local, state or federal funds. In the next steps UBP proposes to work out specific terms of a Letter of Intent (LOI), which would be the basis of a future Acquisition and Development

Agreement, between Solano and Sonoma Counties (Formed under a Joint Powers Authority- JPA) and UBP. We already have similar agreements with other communities that we can start with. The terms of a LOI would address all commitments and items of interest to the Counties.

### In Summary,

## The key benefits of this proposal for the SR37 Expansion Project include:

- ✓ Achieves the quickest, lowest cost, longest life facility that preserves the environment
- ✓ All existing connections along the route to property owners will be maintained
- ✓ Improvements for free flowing mobility at each end of the nine (9) mile facility will be enhanced - SR 37 at Highway 121 and SR 37 at Mare Island
- ✓ Open to traffic in 30 months from beginning of construction
- ✓ No financial risk to local community or state
- ✓ Use only private funding – no local, state or federal money
- ✓ Built using local labor, local materials and providing local economic stimulus
- ✓ Environmentally sensitive construction technique with bridges built from above
- ✓ Bridge/roadway elevations will address future sea level rise and potential flooding
- ✓ Build two (2) new lanes eastbound with shoulders and a protected bicycle lane. Convert existing highway to two (2) lanes westbound and replace with a new facility by 2040 or sooner if required by sea level rise.

- ✓ Designed and built to achieve state and federal requirements with project specific sustainability goals
- ✓ Project will provide for on-going financial support to environmental initiatives to enhance the quality of life in the Bay Area.
- ✓ User friendly all electronic tolling using FasTrak and working closely with MTC to operate the facility.
- ✓ User fees (tolls) will be charged one-way and at a level no higher than other toll bridges in the Bay Area.
- ✓ Sustainable, eco-friendly, high strength, redundant and safe bridge
- ✓ Provide crossing for emergency vehicles at no cost to state or surrounding municipalities (fire, police, ambulance, and mandatory evacuations)
- ✓ Over 150 year life

***United Bridge Partners is ready to serve your communities and set a model of success in California for enhancing and caring for transportation without public funds. We look forward to discussing this innovative solution with you.***

# Proposed Schedule

The schedule for the SR 37 Expansion Project is based on providing 100% private funding from the very beginning of the environmental studies through construction, annual routine maintenance, and operation – giving complete care for the facility to ensure reliability for all users.

Following a Letter of Intent (LOI) that authorizes United Bridge Partners (UBP) to proceed with the plan, UBP will fund the project in its entirety. This allows for the fastest approach to getting the 9 miles of SR 37 Expansion through the environmental processes and built in the next 5 years. There will be no local, state, or federal funding.

The five (5) key steps from the start of the project concept to opening to traffic are given below. Once the collaborative fundamentals of Step 1 are achieved with the Letter of Intent (LOI), outlining the basics of responsibilities, UBP will process every aspect of construction, every bit of the cost to maintain, inspect, operate, and care for the SR 37 corridor following local, state, and federal standards without using any public funds.

The proposed schedule on the following page gives the general time frames for these key steps from concept through construction completion and open to traffic. This addresses the requirements of CEQA, permitting, design, and everything needed to achieve requirements of a transportation project in California. We are committed to achieving this project using local labor, local materials, local expertise, and creating new jobs during and after opening the facility.

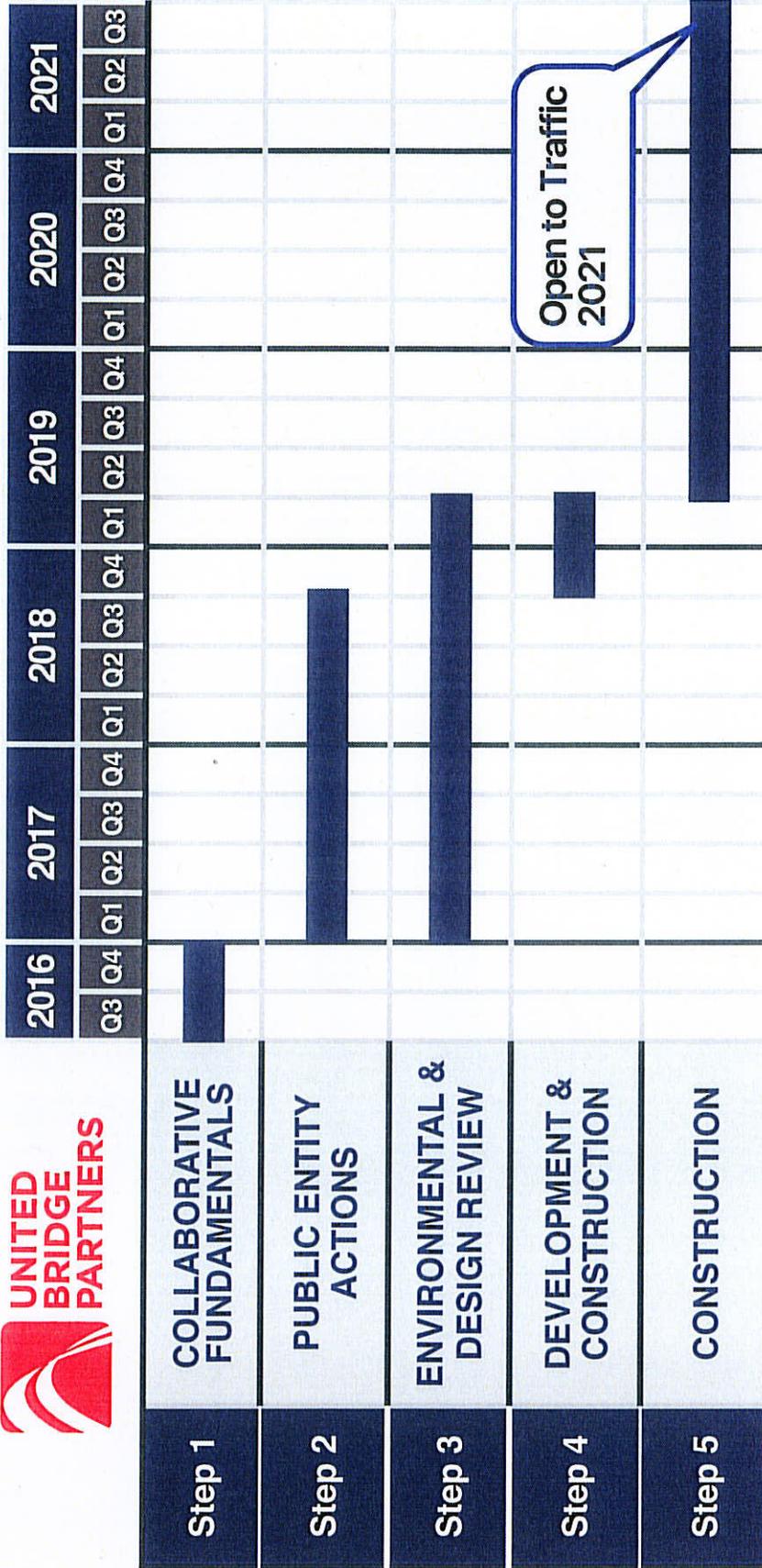
## Key Steps from Concept through Construction Completion

<b>Step 1</b>	<b>COLLABORATIVE FUNDAMENTALS</b>	<b>Establish collaborative and cooperative agreements:</b> a) Establish Joint Powers Authority (JPA) b) Letter of Intent between JPA and UBP defines terms and conditions c) Cooperative agreement between UBP and CalTrans
<b>Step 2</b>	<b>PUBLIC ENTITY ACTIONS</b>	<b>Public agency and legislative actions:</b> a) CalTrans clarifies and defines process to allow transfer of SR 37 responsibility and management to JPA and UBP b) State legislature approves transfer to JPA c) State legislature extends tolling authority to SR 37/UBP d) JPA manages transfer process to UBP e) JPA transfers final management of SR 37 to UBP
<b>Step 3</b>	<b>ENVIRONMENTAL &amp; DESIGN REVIEW</b>	<b>Accelerated review:</b> a) CEQA environmental review b) Construction and design permitting
<b>Step 4</b>	<b>DEVELOPMENT &amp; CONSTRUCTION</b>	<b>Launch to completion in 30 months:</b> a) Financing complete b) Construction begins
<b>Step 5</b>	<b>CONSTRUCTION</b>	<b>Design Build in 30 months</b>



# SR 37 Expansion Project - Proposed Schedule

## Private Funding Accelerates the Schedule



# Legal Steps for Implementation

Creating a new bridge and roadway system for SR 37 using only private funding and with no risk to local or state governments is a new idea for California. While United Bridge Partners (UBP) has achieved local and state agreements with private funding for new bridges in Virginia and Indiana the legal process in each case has been somewhat different. After presenting this private funding concept to CalTrans it was recommended that we bring on board a knowledgeable California law firm to research and outline the steps of how a project like this can be achieved. UBP hired Hanson Bridgett to do this research and analyze each step of the process along with determining what decisions and authority is required along the way. These steps are summarized below and follow the key steps in the section of this proposal on the proposed schedule.

## STEP 1 – COLLABORATIVE FUNDAMENTALS

### **A) Establish Joint Powers Authority (JPA)**

Under existing California law a State Road can be transferred to a County. Since the 9 mile, SR 37 Project is in the jurisdiction of both Solano County and Sonoma County it would be more efficient for Solano and Sonoma Counties to form a Joint Powers Authority (JPA) so that a single transfer of the SR 37 Project can take place in one transaction from the State. JPA's are a common, government collaborative method for jointly handling projects and a JPA document can be drafted quickly. The JPA can serve several functions: 1 – Accept the SR 37 transfer of property and then transfer by Agreement to UBP, 2 – Monitor compliance of the Agreement with UBP.

### **B) Letter of Intent (LOI) Between JPA and UBP Defines Terms and Conditions**

A Letter of Intent (LOI) between the JPA and UBP would define the terms and conditions for implementation of the SR 37 Project. This would address the JPA's interests and formulate the requirements from concept through construction, maintenance and beyond. Examples of other UBP private bridge agreements signed with local and state governments in Virginia and Indiana can serve as guides. The LOI would include the specific commitments of this proposal, written assurances, and other elements of interest to the JPA. With the LOI in place UBP will be able to fully fund the environmental process and other important steps for environmental approval, permitting, design etc. solely with private funding. The LOI would state that any final agreement would be conditioned upon successful completion of the environmental process and any mitigation/conditions from the CEQA process.

### **C) Cooperative Agreement Between UBP and Caltrans**

UBP will work with Caltrans on a cooperative agreement that provides for Caltrans to sponsor the transfer of the SR 37 Project property to the JPA. The Streets and Highway Code, as well established Caltrans procedures, describe the process by which Caltrans can transfer a portion of the State Highway System. This process traditionally requires legislative action.

## **STEP 2 – PUBLIC ENTITY ACTIONS**

Because legislative action is required the legislation can also address such refinements as transferring to a JPA instead of just one county, allow the JPA to transfer responsibility to private responsibility for the public interest, authorize collection of tolls and enforcement provisions or such items as may be needed as determined in the cooperative agreement with Caltrans.

## **SUMMARY OF KEY LEGAL ELEMENTS IN THE AGREEMENT PROCESS**

With these key elements of the Step 1 Collaborative Fundamentals and Step 2 – Public Entity Actions, the overall process to allow the accomplishment of SR 37 with private funding would be as follows:

1. Formation of the JPA
2. Enter into an LOI between JPA and UBP
3. Start environmental review process funded by UBP
4. Adopt Legislation adjustments to facilitate the transfer based on Cooperative Agreement with Caltrans
5. Environmental clearance achieved
6. JPA and UBP enter into final Acquisition and Development Agreement based on the terms in the LOI.
7. Caltrans completes the relinquishment/ transfer procedures to the JPA.

8. JPA receives SR 37 property and transfers at the same time to UBP so responsibility of the new and existing highway is privately funded at all times.

9. Construction begins and the new facility is open in 30 months.

Hanson Bridgett will work through all aspects of the legal process to ensure that this approach runs smoothly for all local and state stakeholders.

## Memorandum

**TO:** SR 37 Policy Committee  
**FROM:** Steven D. Miller  
**DATE:** May 3, 2016  
**RE:** **United Bridge Partners**

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Hanson Bridgett has been hired by United Bridge Partners to analyze and prepare the legal steps needed to implement the SR 37 Expansion Project. The summary of key steps given in this proposal reflect the path that we have outlined as part of our services. The legal path is based on California law and will involve many important details that we are happy to discuss with the Policy Committee at any time. We believe that United Bridge Partners' private funding proposal for SR 37 could be successful if the steps outlined are followed and achieved.

Sincerely,



Steven Miller

SDM:amb

**Questions for United Bridge Partners Unsolicited Proposal Received May 5, 2016  
July 1, 2016**

**Legal/General Policy Questions**

1. California P3 legislation that requires that a P3 meet one or more specific objectives:
  - a. Improve travel times or reduce vehicle hours of delay.
  - b. Improve transportation operation or safety.
  - c. Provide quantifiable air quality benefits.
  - d. Meet a forecasted demand of transportation.

Has UBP contemplated whether or not their proposal would be considered a P3, and if so, which of these objectives are met under their proposal?

2. Procedurally, Caltrans has indicated that a defined and fleshed out project must be developed before Caltrans would consider financing and funding solutions. Is there an opportunity to see and understand what level of planning, studies and assumptions UBP has made to comply with the state's and region's transportation and land use objectives?
  - a. If not: How does UBP envision fast tracking this process?
3. UBP does not recognize California Transportation Commission and FHWA in the approval process, does UBP proposal consider this? Are any federal funds used to purchase the right of way? If so, does UBP consider FHWA appraisals and cost to purchase the facility?
4. Who will perform any condemnation if any is required? What has UBP assumed for easements and potential condemnation of rights for rail facilities at SR121/SR37 intersection, flooding easements and ROW throughout the corridor? Relinquishment of property access rights? What is proposed to ensure future rail track improvements at the SR 121/SR37 interchange are not precluded to address sea level rise (e.g. elevation of flyover)? Will existing access be maintained for adjoining landowners both eastbound and westbound?
5. The JPA would have an oversight committee – what types of information would UBP be willing to disclose:
  - a. Financial statements of the organization?
  - b. Estimated and actual revenue/costs for construction, profit, and financing/managing the facility?
  - c. Are they willing to cap revenues and lower tolls as needed?
6. Why is a JPA needed? Can Caltrans relinquish the ROW directly to UBP?
  - a. Has UBP spoken to Caltrans about sponsoring legislation to relinquish the facility directly to a private entity?
7. Is it envisioned that the JPA will include only Sonoma and Solano Counties? What about Marin and Napa?

**Schedule:**

1. Where in the proposed schedule would Right of Way Clearance occur (Railroad agreement, Utility Relocation and Land Acquisitions)?

2. The legislative and relinquishment process takes a considerable amount of time regardless of the issue. How does this process realistically fit into UBP project timeline?
3. Since UBP acknowledges in its proposal that the environmental hurdle must first be overcome, what assumptions has UBP made to anticipate an aggressive 2 year environmental clearance process?
4. What appropriate incentives or commitments (e.g. Liquidated Damages) will UBP adopt to ensure delivery in a timely manner which would be in the best interest of the public?

### **Proposal Evaluation and Approval Process**

1. Does UBP intend to maintain the right to toll the facility in both directions in the future?
2. Has UBP engaged in discussions with the Professional Engineers in California Government (PECG) and/or how does UBP intend to resource the project's design and construction?
3. How will UBP ensure it will maintain the needs of the public service (e.g. level of service, adding new lanes to minimize congestion etc.) in perpetuity?
4. Would UBP seek compensation and/or veto rights for new or changed access to the alignment?
5. UBP expects the JPA to "transfer the process" and "final management" in Step 2, does this mean "transfer the assets"? Would UBP consider the "transfer of assets" only if they are successful in reaching financial close i.e. Step 4?

### **Corridor Improvements**

1. Does UBP specifically intend to meet Caltrans design standards and what level of Caltrans oversight is anticipated (i.e. during design and construction phases)?
2. Is the new flyover at SR 121/SR 37 included in the relinquished area? If not, the project schedule needs to consider Caltrans oversight.
3. Will the flyover at SR121/SR 37 intersection and the Mare Island Interchange enhancements be considered for Phase 2 staging?
4. Proposal specifically states, "Concurrent with this initial construction will be reconfiguration of the intersection at 121 for free flowing traffic, and enhancements to Mare Island connection." What enhancements at Mare Island interchange are anticipated as part of the project?
5. What are the metrics used to assess sea level rise in regards to when Phase 2 will be initiated for construction? How will the existing facility be replaced if sea-level rise occurs quicker than the anticipated 2040 date?
6. Aside from the bike lanes proposed, what other modes of transportation are being conceived as part of this proposal, such as rail, bus transit, and pedestrian?
7. What is the vision for the existing facility after Phase 2 is completed? Will the existing berm/levee be removed as part of the project or will it remain? How will the biological and ecological improvements claimed by the project be achieved for the area if the existing 2-lane highway levee is to remain until 2040?
8. What level of authority does UBP desire for the existing and adjacent facilities east and west of the project area (i.e. Segments A and C)? Has UBP taken into account the risk of sea-level rise to Segment A and the existing two lanes of Segment B?

9. The project proposes a class 1 facility which doesn't connect to anything at the west and east ends of the project, will UBP consider upgrading bike facilities to make a complete connection? Staging areas?
10. Request UBP provide cross section assumptions for all phases of the project.
11. How does the UBP proposal fit with the overall solution to solve the problems with the entire SR 37 alignment? Would UBP consider improving the entire SR 37 alignment as currently contemplated?

### **Financial**

1. What is the traffic revenue being assumed by this proposal? What role will the public agencies play in this assumption?
2. What expectation would UBP have of state or local agencies in the event that Segment A or Segment B become inoperable or traffic lanes become restricted? In other words, what financial obligation does UBP foresee in the event of an emergency closure of the corridor outside of the tolled facility? Or in the event of a police/safety forced closure of the corridor (including routine construction maintenance)? What expectation would UBP have if either Segment A or Segment B become separate toll facilities?
3. How does UBP propose to ensure that the toll revenue collection/profit be an open and transparent process? What is their finance plan and what does the profit or return on investment for this proposal project for its investors?
4. How does the toll collection work with FasTrak and a private entity? Who would be responsible for disputed charges? Does UBP envision contracting with CHP for traffic enforcement/toll violations? Will the traffic fines be applied toward the project or will it go to the State?
5. The proposal indicates that toll rates would be set similar to Bay Area bridges, please clarify how the toll rates will be set and adjusted given the different rates collected from BATA and the Golden Gate District.
6. Will the project include similar benefits/discounts on toll fees on Bay Area bridges and Express Lanes for carpool/van pools and alternative fueled vehicles?
7. What are the specific subsidy proposals for the disadvantage communities and how does that factor into UBP's assumptions?
8. How is toll leakage considered in UBP toll revenue assumptions?
9. What is UBP's proposal to evaluate and compensate the State recognizing the relinquishment value of the corridor facility assets?
10. How much of the toll revenue will be dedicated for environmental enhancements and what is the public selection process for these projects?
11. What are the total assets of the financial backers of UBP available for this project?
12. What are the qualifications of the staff that UBP proposes to manage and implement the proposed development process?
13. Can UBP demonstrate the commitment of partners or the wider team's capability, skills necessary to deliver, operate and maintain the project over an indefinite term?

14. What level of commitment (i.e. staff resources, expertise, time etc.) does UBP seek from the local/state agencies? For example, will UBP require access to the Solano-Napa Activity Based traffic model?
15. Beyond toll revenue, would UBP consider seeking other sources of revenues or rights, such as; transportation development districts, special assessments, development fees and government contributions? With a goal that some alternative funding sources may lower user toll rates.
16. Why is ownership of the corridor required? Is a P3 concession or a design-build procurement a viable option for UBP? For example, would a 30, 40, 50 year lease work? Has UBP contemplated a long-term lease instead of full relinquishment of the facility?
17. Would UBP consider an upfront payment, on-going fee payments and/or possible mechanisms for sharing potential excess tolling revenue beyond a given threshold? If payments or revenue sharing is provided, how would that be split with the local/state agencies?
18. Would UBP accept unlimited liability under a change of law and/or extreme events, such as; force majeure earthquake? If so, can UBP demonstrate they have the resources and available insurance to reinstate the facility into operational service as soon as reasonably practicable?
19. Would UBP be eligible for emergency local/state/federal funding under extreme events?
20. Can UBP provide supporting financial and legal documentation to justify their ability to support the project and demonstrate they are free from material litigation?
21. Can UBP demonstrate they have sufficient resources to fund (and do they appreciate the extent) of the development costs required to clear an environmental process in California?
22. Would UBP consider termination provisions in the agreement should UBP not deliver the public service required or if it is in the best interest of the public?
23. Would UBP accept the control of the tolling policy (i.e. rate setting) to remain with the local/state agencies?
24. Would UBP consider engaging in a competitive procurement process for the development of this project?
25. Does UBP intend to require non-compete conditions that would restrict or impede development of competing facilities or providing alternative modes of transportation that could undermine the project's traffic/revenue potential?
26. Would UBP be 100% responsible for any project cost overruns regardless of the reason?
27. What is UBP's proposed maintenance regime for the project? Will UBP replace the entire facility at the end of its useful life?

#### **Environmental**

1. Who will be the CEQA/NEPA lead?
2. Has UBP considered starting the CEQA process prior to relinquishment of the facility? If so, Caltrans will be the lead in the environmental process.
3. Recognizing that CEQA (and potentially NEPA) environmental process has substantial risks given 3<sup>rd</sup> party approvals and additional requirements from several agencies (e.g. BCDC, Army Corp., USWF and NOAA), who will bear the financial risks?

4. Will CEQA clearance be required before Caltrans can relinquish the corridor to the JPA, and then for the JPA to relinquish to UBP? What about before the LOI is executed? Would UBP consider completing environmental process prior to LOI is completed?
5. How does UBP intend to complete an “accelerated environmental review” process?
6. What commitments will UBP maintain to complete the environmental process? For example, would UBP accept making a “termination” payment if they “walk-away”? Would all the project information developed at that time transfer back to the local agencies?
7. Can UBP demonstrate they have the experience and experts to successfully complete an environmental process in California or the US?
8. Would UBP be responsible for remediating any existing unknown contamination or unknown ground conditions or archaeological discoveries?
9. The environmental approvals process for this project could be complex. Has UBP contemplated a scenario where the environmental review fails to yield the results expected by UBP within a reasonable timeframe?

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## **SR 37 Policy Committee Overall Private and Public Financial Policy Questions Considerations**

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### **Proposal Evaluation Questions**

1. Which entity will be responsible for various phases of the project (i.e. PID, Environmental, Design and Construction)? How will the proposer address Right of Way and property condemnation? What role does the SR 37 MOU Group have in the process, if any?
2. How will the proposer ensure an open transparent process in setting toll rates, project expenditures and profit?
3. What provisions does the proposer provide to ensure qualified employees and contractors throughout the life of the project?
4. What provisions are included for toll revenue sharing? For example, if there is a revenue threshold that is exceeded, how will the revenue be split with the proposer and local/state agencies?
5. What provisions will the proposer have in time of extreme events such as earth quakes or flooding? How does the proposer demonstrate their ability to reestablish corridor operations after a force majeure event?
6. Are there special provisions provided in the event of special circumstantial corridor closures which may limit toll revenue collection (e.g. enforcement and construction/maintenance activities)?
7. What financial provisions are included to address financial risk sharing between the proposer and local agencies?
8. What provisions does the proposer have in place if SR 37 is relinquished to them and they default resulting in the need to the corridor back to Caltrans or the MOU Group? What happens if the facility is transferred to a private venture and the challenges are too great resulting in bankruptcy or insolvency during any phase of the project? Does the facility get transferred back? And to whom the local agency, JPA or Caltrans? What provisions should a private venture provide if the project happens to be relinquished back to the local agency after all phases of the project is constructed?

### **General Policy Questions**

1. What role should the SR 37 MOU Group have in soliciting, responding and negotiating financial proposals?
2. What role should the SR 37 MOU Group have in sponsoring tolling legislation for the corridor?

3. What role should the SR 37 MOU Group have in the corridor design and environmental process?
4. What role should the SR 37 MOU Group have to provide oversight and implement projects on the corridor?
5. Can a local agency sign a Letter of Intent (LOI) if they do not own the facility? What are the legal and financial risks if local agencies sign an LOI but legislation fails to pass in order to transfer the facility? What obligation does a LOI bind the JPA should legislation not be successful?
6. Who will be the CEQA/NEPA lead?
7. What legislative actions are necessary for charging a toll without a free alternative given the current facility is free? Which agency will be responsible to sponsor any required legislation for the corridor?
8. How does the SR 37 Policy Committee intend to evaluate and approve the unsolicited proposal to determine if this proposal is acceptable or not?
9. Which requirements (i.e. statutory, regulatory and goals) and evaluation factors (i.e. environmental, technical and financial) will the merits of a proposal be evaluated?
10. When should a JPA be formed? Consideration should be given to the feasibility and possible membership, roles and responsibilities to establish a JPA. If established after an "agreement" has been negotiated with the Proposer, how would this impact the long term success of the project and relationship? Should a JPA be responsible for the full SR 37 corridor or the segment in the proposal?
11. What level of control should the local agency or JPA maintain? For example, should toll collection for the entire alignment and possibly revenues from other sources (development fees, etc.) be the responsibility of the local agency or JPA?
12. Will the flyover at SR121/SR 37 intersection and the Mare Island Interchange enhancements be considered for Phase 2 staging?
13. How does a proposal address SR 121 and Mare Island intersections?
14. What are the metrics used to assess sea level rise in regards to when Phase 2 will be initiated for construction? How will the existing facility be replaced if sea-level rise occurs quicker than the anticipated 2040 date?
15. Aside from the bike lanes proposed, what other modes of transportation are being conceived as part of this proposal, such as rail, bus transit, and pedestrian?
16. What is the traffic revenue being assumed by this proposal? What role will the public agencies play in setting toll levels?



July 7, 2016

Steve Heminger, Executive Director  
 Metropolitan Transportation Commission  
 375 Beale Street, Suite 800  
 San Francisco, CA 94105-2066

**RE: SR 37 Project Initiation Document (PID) Funding Request**

Dear Mr. Heminger:

I am writing you on behalf of the State Route 37 (SR 37) Policy Committee to request funding the Metropolitan Transportation Commission (MTC) for a Project Initiation Document (PID) for SR 37 corridor.

The SR 37 corridor traverses through Solano, Sonoma, and Marin Counties in highly sensitive environmental marshland areas in the northern portion of the San Francisco Bay wetlands. The 21-mile corridor is an important regional connection linking the north, east and west San Francisco Bay sub-regions and traverses through sensitive environmental marshland areas in the northern portion of the San Francisco Bay wetlands. By connecting SR 101 to I-80, SR 37 connects job markets, tourism, recreation and housing within Marin, Sonoma, Napa, and Solano Counties. It also links popular tourism destinations such as the Golden Gate National Recreation Area, Sonoma Raceway and Six Flags Marine World. Travelers from San Francisco and Marin counties and the East Bay can use SR 37 to reach destinations in the Napa Valley and Sonoma Valley wine growing regions. The commute, freight movement, and recreational functions of the route require efficient traffic management on both weekdays and weekends. Also, the highway is a parallel route north of the Richmond-San Rafael Bridge (I-580) and functions as a State Recovery Route.

According to Caltrans District 4, SR 37 Transportation Concept Report, the Average Annual Daily Trips are projected to increase from 45,200 in 2013 to 58,200 by 2040 creating a significant impact to existing congestion and contributing to extended travel times. Marin, Sonoma, Napa and Solano counties actively participated in a joint analysis conducted by Caltrans and UC Davis Road Ecology Center identifying the SR 37 corridor's vulnerability to sea level rise (State Route 37 Integrated Traffic Infrastructure and Sea Level Rise Analysis). Early conclusions have identified portions of SR 37 that will be completely inundated by 2050, as well as increased flooding events along several sections of the corridor. The analysis projects the entire corridor to be inundated as a direct result of sea level rise by 2100. Attachment A provides a more detailed summary of the SR 37 Corridor.

Short term congestion forecasts and long term access closures on SR 37 will have severe impacts to the movement of people, goods and services locally and throughout the Bay Region. It will add considerable strain to already congested alternate travel corridors such as SR 12, SR 121, SR 29 and SR 116 to the north and I-580 to the south.

Recognizing these issues, all four North Bay counties have agreed to partner in planning near term and long term solutions for the corridor. In December 2015, a Memorandum of Understanding (MOU) was signed by all four North Bay County Transportation Authorities "...to develop an expedited funding, financing and project implementation strategy for the reconstruction of SR 37 to withstand rising seas and storm surges while improving mobility and safety along the route". As a result, policy representatives from each county agreed to meet regularly as part of the SR 37 Policy Committee to address the SR 37 corridor challenges.

The SR 37 Policy Committee formally requests MTC assist in providing funding for a Project Initiation Document (PID) for the SR 37 corridor. The cost of developing a SR 37 PID is estimated to be \$2 million. Other grant funding is being sought at the regional, state and federal level. Collectively, all four North Bay County Transportation Authorities are prepared to initiate the PID immediately upon receiving funds. Thank you for your consideration.

With Regards,

Osby Davis, Chair  
Mayor, City of Vallejo

Cc: Judy Arnold, Marin County Board of Supervisors  
Keith Caldwell, Napa County Board of Supervisors  
Leon Garcia, Mayor, City of American Canyon  
Susan Gorin, Sonoma County Board of Supervisors  
Daryl Halls, Executive Director, Solano Transportation Authority  
Erin Hannigan, Solano County Board of Supervisors  
Steve Kinsey, MTC Commissioner, Marin County Board of Supervisors  
Mark Luce, MTC Commissioner, Napa County Board of Supervisors  
Jake Mackenzie, MTC Commissioner, Councilmember, City of Rohnert Park  
Kate Miller, Executive Director, Napa Valley Transportation Authority  
Stephanie Moulton-Peters, Councilmember, City of Mill Valley  
David Rabbitt, Sonoma County Board of Supervisors  
Dianne Steinhauser, Executive Director, Transportation Authority of Marin  
Susan Smith, Executive Director, Sonoma County Transportation Authority  
Jim Spering, MTC Commissioner, Solano County Board of Supervisors