

Capital Area Regional Tolling Authority
Board of Directors



Wednesday December 17, 2025, at 10:00 AM
SACOG Board Room
1415 L Street, Suite 300
Sacramento, CA 95814

Consistent with California Government Code Section 54953 a meeting of the Board of Directors 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.

PLEASE NOTE CHANGE TO WRITTEN COMMENT PROCESS

Provide public comment - Note: No public comment will be taken through live stream or by telephone

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 SACOG's offices or at an alternative meeting location designated on the agenda (if any). 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 the alternative meeting location, please inform a SACOG official in attendance that you request to speak.

• ***Written:***

Written comment may be submitted via email to the clerk at rtadevich@sacog.org or by regular mail sent to the SACOG offices (see address above). Written comment will be shared with the committee or board in advance of the meeting if received by the Clerk at least 24 hours prior to the meeting. Otherwise, they will be shared after the meeting. Written comment will not be read into the record.

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.

Writings, Documents, Supplemental Materials: 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: <https://www.captollauthority.org/board-meetings>

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 numero 711, o email a contact@captollauthority.org. Requerimos que solicite asistencia con tres días hábiles de anticipación para poderle proveer asistencia.

Pledge of Allegiance

Roll Call: Directors Aceves, Chapman, Kennedy, Vice Chair Early, Chair Villegas and Ex-Officio Members Click, Deloria and Talamantes

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. November 19, 2025, Meeting Minutes (0 minutes, Robert Tadevich)
 - a. Issue: Approval of the meeting minutes from the prior CARTA Board meeting
 - b. Attachment 1A: Minutes
2. Request for Proposals for Audit Services (0 minutes, Erik Johnson)
 - a. Issue: Approval to procure an independent auditing firm to perform audits for CARTA's first two fiscal years

Action:

3. Toll Policy Resolution (10 minutes, Sam Soules)

- a. Issue: Final adoption of the set of toll policy decisions the board has made individually over the calendar year
 - b. Attachment 3A: Slides
 - c. Attachment 3B: Final Toll Policy Resolution
 - d. Attachment 3C: Public Comment Log
4. Request for Proposals for Toll System Integrator Services (20 minutes, Chadi Chazbek)
 - a. Issue: Options to advance the Toll System Integrator Request for Proposals as part of delivery of the Yolo 80 Project
 - b. Attachment 4A: Slides
5. Pre-Toll Revenue Operations Loans (30 minutes, Erik Johnson)
 - a. Issue: Approval of a standard term sheet and authorization of staff to negotiate loans with local government agencies to fund CARTA's pre-toll revenue operating costs
 - b. Attachment 5A: Standard Loan Term Sheet
 - c. Attachment 5B: Draft Loan Agreement
 - d. Attachment 5C: Slides

Reports:

6. Toll Program Manager's Report (5 minutes, Kathleen Aziz)
 - a. Issue: A brief oral report from the Toll Program Manager

Closed Session:

7. Public Employee Appointment (Gov. Code section 54957(b)(1).) Title: Executive Director (30 minutes, Erik Johnson)
 - a. Issue: A closed session regarding the appointment of an Executive Director for CARTA

Other Matters

Adjournment

The next meeting of CARTA will be held on Wednesday, February 18, 2026, at 10:00 AM 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 the meeting location. To take transit to a meeting, go to [google.com/maps](https://www.google.com/maps).



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 1

Approve Minutes of the November 19, 2025, 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 November 19, 2025.

Discussion:

Each meeting the board is asked to approve the minutes (Attachment 1A) from the prior meeting.

Attachments:

1A: CARTA November 19, 2025, Minutes



CARTA Board of Directors

Draft Action Minutes

The CARTA Board of Directors met in person on November 19, 2025, at 1:00 p.m. at the CARTA office, 1415 L Street, Suite 300, Sacramento, CA.

Call to Order: Chair Villegas called the meeting to order at 1:03 p.m.

Present: Directors Aceves, Chapman, *Kennedy, Vice Chair Early, Chair Villegas and Ex-Officio Member Click

Absent: Ex-Officio members Deloria, and Talamantes

Public Communications: None

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

1. Minutes of the October 15, 2025, Board Meeting
2. 2026 Board Meeting Schedule

Action:

3. Yolo 80 Concept of Operations Update

Kathleen Aziz, SACOG staff, presented the report. Following discussion, a motion was made by Vice Chair Early, seconded by Director Aceves, and passed by unanimous vote to:

Approve the revised version of the Yolo 80 Concept of Operations (Attachment 3A).

Information:

4. Toll Policy Resolution

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

*Director Kennedy was present for this item.

5. Pre-Toll Revenue Operations Funding Update

The board received and reviewed this report, presented by Erik Johnson, SACOG Staff.

6. Interstate 5 Managed Lanes Project Overview

The board received and reviewed this report, presented by Jess Avila, Caltrans District 3 Staff.

Closed Session:

7. Public Employee Appointment

Chair Villegas called the closed session to order at 1:41 p.m.

The Capital Area Regional Tolling Authority reconvened at 2:17 p.m.

There was no reportable action from the closed session.

Adjournment: The meeting was adjourned at 2:17 p.m.



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 2

Request for Proposals for Audit Services

Prepared By: Erik Johnson, Sacramento Area Council of Governments

Attachments: No

Recommendation:

Staff recommend that the board authorize the release of a request for proposals (RFP) for CARTA financial and single audits effective fiscal year (FY) 24-25 with a maximum budget of \$400,000 and authorize the Secretary to select, negotiate, and execute a contract with an independent audit firm.

Background:

The CARTA Joint Powers Authority agreement stipulates that the Authority's records and accounts must undergo an annual audit conducted by an independent certified public accountant. These financial audits are designed to verify that appropriate internal controls are in place to prevent loss, theft, or misuse, as well as to confirm the accuracy and completeness of all financial information. Additionally, completion of a single audit is required for the Authority to remain eligible for state and federal funding.

Due to the relative simplicity of CARTA's financial operations during its inaugural fiscal year (2024-2025), the Board of Directors approved, in August 2025, the replacement of the standard annual audit with a comprehensive audit covering up to two fiscal years for FY 2024-2025.

Discussion:

CARTA mandates annual financial and single audits to be performed by an independent firm. The Request for Proposal (RFP) will invite qualified firms to conduct these audits over a three-year period, with an optional two-year extension. The first year of auditing will cover the fiscal years ending on June 30, 2024, and 2025, respectively.

The selected firm will be responsible for reviewing CARTA's financial statements and records, conducting a comprehensive annual audit in compliance with all relevant laws, regulations, and contractual obligations. This includes adherence to:

- The standards established by the Government Accountability Office's (GAO) Government Auditing Standards (as amended)
- The requirements of the federal Single Audit Act (2 CFR Part 200)
- Special District and Transit District Reporting Requirements, as specified by the California State Controller



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 3

Toll Policy Resolution

Prepared By: Sam Soules, HNTB

Attachments: Yes

Recommendation:

Staff recommend that the board adopt the Final Toll Policy Resolution included as Attachment 3B.

Background:

Throughout the year, CARTA staff have advanced toll policy topics at every board meeting with the intention of having a toll policy resolution for the board's approval by the end of 2025. CARTA staff have utilized the following sequence for toll policy advancement:

1. Staff presented information items about specific toll policies as part of "workshops" at board meetings
2. Using direction from the board "workshop" discussion and from the TAG, staff brought a staff recommendation on the previously discussed policies as action items for the board. These items included draft resolution language regarding each toll policy
3. Once each toll policy has been addressed using steps 1-2, staff drafted a complete toll policy resolution, that combined the language previously approved for each individual toll policy, for the board's consideration and approval

This series of workshops and individual toll policy approvals concluded in October following the Board discussion on the Revenue Waterfall. As the Board decided to delay the policy decision on the waterfall flow, that draft policy language has been removed from the Draft Toll Policy Resolution.

Discussion:

Summary

The Final Toll Policy Resolution (Attachment 3B) memorializes each of the policy decisions the board has made throughout the year. Together, these policies provide clear direction for CARTA staff and consultants to implement Yolo 80, including developing business requirements and standard operating procedures.

Once adopted, the Toll Policy Resolution is intended to be applied regionally to all future express lane facilities. However, deviations from adopted policies with the expansion of the

CARTA network will be reviewed on a case-by-case basis and may be approved at the Board's discretion. The policies adopted as part of the Resolution will be incorporated in CARTA's Toll Ordinance, which will be adopted prior to the opening of Yolo 80.

Public Comment

On November 10th, staff posted the Final Draft Toll Policy Register to the CARTA website and distributed it for public comment through CARTA's interested parties' email list. Public comments were accepted through December 8, 2025, and feedback was collected using an online form. Over 800 people received the email blast, and over 350 people opened the email; 15 comments were received. Comments received are shown in Attachment 3C. Of those who provided feedback, the most common topic was the carpool discount, with individuals expressing interest in a carpool discount for HOV 2+ instead of HOV 3+. Because Yolo 80 was environmentally cleared¹ as HOV 3+ facility, staff are recommending no changes to toll policy based on public feedback.

TAG Discussion

The CARTA Technical Advisory Group (TAG) met on December 10th and discussed this item. Caltrans asked about whether the Toll Policy should describe the type of transponder required for carpool discounts. CARTA staff clarified that it can be added after CARTA Toll System Integrator Contract is in place and the toll technology solution is formally in place. The CARTA TAG unanimously supported staff recommendation.

Summary

Staff recommend the Board adopt the Final Toll Policy Resolution, with no recommended changes resulting from the public comment period.

Attachments:

- 3A: Slides
- 3B: Final Toll Policy Resolution
- 3C: Public Comment Log

¹ The environmental review process included previous opportunities for public comment including both public hearings and review of draft environmental documents.

Final Toll Policy Resolution

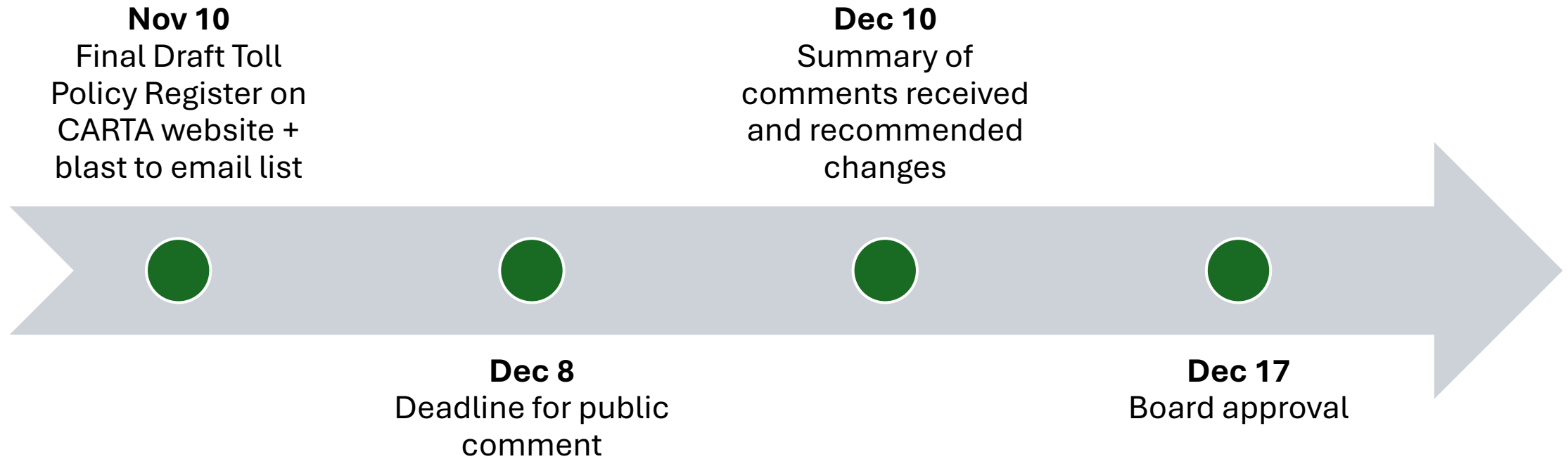
Board of Directors
17 December 2025
Attachment 3A



Policy Decisions and Opportunities

Area	Discuss (Information)	Decide (Action)
Goals		
Eligibility	March	April
Hours of Operation		
Toll Collection/Interoperability		
Pricing Structure	April	May
FasTrak® Account Management		
Toll Exemptions	May	June
Toll Discounts		September
Enforcement & Violations	June	August
CARTA Multiyear Workplan		
BOS/CSC Provider	August	October
Financing and Revenue	September	
Data Retention and security	2026	2027
Equity Program		

Public Comment Process



Public Comment Summary

By the numbers

- 800+ people emailed
- 350+ people opened
- 15 commented

Comment Topics

- HOV Discounts

HOV Discount

September 2025: Board approved a 100% discount for HOV3+ and motorcycles

- Environmentally cleared alternative in final EIR
- Less impact to revenue generation and lane performance
- Reduced processing complexity and customer confusion

Staff Recommendation

Staff recommend the Board **adopt the Toll Policy Resolution, effective December 17, 2025, with no recommended changes** resulting from the public comment period



Capital Area Regional Tolling Authority

captollauthority.org | kaziz@sacog.org



**CAPITAL AREA REGIONAL TOLLING AUTHORITY
RESOLUTION NO. 04-2025
ADOPTING THE CARTA TOLL POLICY RESOLUTION**

WHEREAS, its member agencies formed the Capital Area Regional Tolling Authority (“CARTA”) as a joint powers authority pursuant to Government Code section 6500 et seq. create; and

WHEREAS, AB 194 (codified as Streets and Highways Code Section 149.7) authorizes such joint power authorities with the consent of the Regional Transportation Planning Agency, to apply to the California Transportation Commission (CTC) to develop and operate tolling facilities, including high-occupancy toll lanes and value pricing programs; and

WHEREAS, CARTA received approval of its Toll Facility Application under AB 194 to build and operate managed lanes on Interstate 80 in Yolo County (“Yolo 80”) in February 2024; and

WHEREAS, CARTA will be the owner and operator of the Yolo 80 Managed Lanes and future managed lanes project throughout the Capital Area;

WHEREAS, CARTA has held a series of board workshops to adopt toll policies throughout 2025, with the intention of having a full resolution for board adoption by December 2025; and

WHEREAS, prior to go live, CARTA will adopt a toll policy ordinance consistent with California Vehicle Code Sections 40250-40273.

NOW THEREFORE BE IT RESOLVED, that CARTA hereby adopts the attached Toll Policy Resolution, effective December 17, 2025

Capital Area Regional Tolling Authority CARTA Toll Policy Adoption Register

Purpose: The Toll Policy Resolution is intended to be applied regionally to all future CARTA managed lanes facilities. However, deviations from adopted policies will be reviewed on a case-by-case basis and may be approved at the board’s discretion.

- 02-2025-01 Hours of Operation.** To maximize operational flexibility, CARTA express lanes will be managed 24 hours a day, 7 days a week, including weekends and holidays, using tolling and non-tolling modes as warranted by traffic congestion.
- 02-2025-02 Eligibility.** Eligible use of the express lanes will comply with California Vehicle Code. Eligible express lanes users include qualified High Occupancy Vehicle (HOVs), motorcycles, transit buses, and toll-paying lower occupancy vehicles. Two-axle vehicles are eligible to access the express lanes but vehicles with 3-or-more axles (excluding transit vehicles) and vehicles towing a trailer are prohibited from the express lanes.
- 02-2025-03 Transponder Requirements.** Express lane users are required to use a valid FasTrak® transponder to pay their toll by deducting the amount due from their FasTrak® account.
- 02-2025-04 Toll Pricing Structure.** Tolls on CARTA’s express lanes are calculated by a dynamic pricing algorithm that is designed to maintain express lanes speeds above 45 miles per hour by adjusting pricing based on real-time traffic conditions in the express lanes and adjacent general-purpose lanes.
- 02-2025-05 Toll Pricing Approach.** Tolls are assigned on a per-segment basis. Users are charged the toll rate posted on the segment’s toll rate message signs at their time of entry into the express lane, regardless of the length they travel within a segment.
- 02-2025-06 FasTrak® Account Management.** CARTA will utilize an existing California back-office provider instead of procuring its own. As such, management of FasTrak® accounts and associated customer service will be provided by CARTA’s operational partner (TBD), and any other interoperable agency with whom a customer has established their FasTrak® account.
- 02-2025-07 Toll Exemptions.** The following vehicles are exempt from paying tolls:
- A) Vehicles entering a CARTA toll facility outside the hours of operation of that facility, as indicated by signage when the lane is in “open to all” mode.
 - B) Public transportation, mass transit, paratransit, and blood transport vehicles that serve the public (specified in California Vehicle Code Section 21655.5) and over-the-road buses (specified in Title 23, Section 166 of the U.S. Code)
 - C) Authorized emergency vehicles (specified in California Vehicle Code Section 23301.5).

D) California Highway Patrol vehicles policing the CARTA express lanes.

E) Maintenance vehicles servicing the CARTA express lanes.

02-2025-08 Violation Enforcement. CARTA makes all reasonable attempts to encourage the payment of tolls to promote equitable cost sharing among all customers of the express lane facilities.

02-2025-09 Violation Incentives. CARTA makes a concerted effort to convert violators who will use CARTA's express lanes again to FasTrak® customers.

02-2025-10 Violation Penalties. CARTA adopts the following toll evasion penalty schedule:

A) 1st Notice = Unpaid toll + \$25

B) 2nd Notice = Unpaid toll + \$50

02-2025-11 Toll Discounts: Motorcycles. Motorcycles using CARTA toll facilities will receive a 100% discount.

02-2025-12 Toll Discounts: Occupancy. High-occupancy vehicles with three or more passengers (HOV 3+) will receive a 100% discount on CARTA toll facilities.

PASSED AND ADOPTED this 17th day of December 2025, by the following votes of the Board of Directors:

AYES:

NOES:

ABSTAIN:

ABSENT:

Oscar Villegas
Chair

James Corless
Secretary

Public Comment Log - Attachment 3C

Public Commentor Residence (Self-Reported)	Public Comment	Staff Response
Yolo County	Disappointed in the creation of tolls through this stretch the highway	None; commentor did not provide an email for staff to respond.
Yolo County	I am against all toll roads for which I have already paid my taxes on. The concept has NEVER been shown to do anything that was promised. In fact, the concept is designed to collect money rather than reduce pollution. I would further venture that if this was challenged in the Supreme Court as a Taxation without Representation claim that you would LOSE.	None; commentor did not provide an email for staff to respond.
Yolo County	I disagree with so easily letting the wealthy get out of traffic.	None; commentor did not provide an email for staff to respond.
Yolo County	Please provide 50% discount for two: driver and one passenger.	Thank you for your comment on CARTA's Toll Policy. Different carpool discount levels were evaluated as part of the Yolo 80 environmental document, which included a public engagement process. CARTA's toll policy for carpool discounts is consistent with the alternative selected in the final Yolo 80 environmental document. You can find these documents on the Caltrans Yolo 80 Project Website. Please note we included your comment for the CARTA board to consider in their action on the Final Toll Policy Resolution at their upcoming 12/17 board meeting.

Public Commentor Residence (Self-Reported)	Public Comment	Staff Response
Yolo County	It is unclear how the system will determine that a car has entered or left the toll lane if it enters after passing a camera and leaves before the next camera. Gaming the system is contagious	Thank you for your comment on CARTA's Toll Policy. You're right, some drivers will attempt to avoid paying tolls by dodging toll points and CARTA assumes some amount of toll revenue "leakage" as a result. CARTA has tried to reduce this likelihood through the design of the lane. CARTA will also have an agreement with California Highway Patrol to enforce moving violations, including crossing double-striped white lines. CARTA is also tracking new developments in technology to disincentivize this driver behavior. If you're interested in learning more, I recommend looking into Colorado's Express Lane Safety enforcement program, which has used technology to lead to a 75% decrease in weaving violations in its express lanes. Please note we included your comment for the CARTA board to consider in their action on the Final Toll Policy Resolution at their upcoming 12/17 board meeting.
Yolo County	I am ashamed that tax dollars are being use to tax us with another fastpass lane. Howe about you dont put a fastpass lane on Yolo 80? There has been NO TRANSPARENCY on any of these projects. If you want support kill the high speed rail	Thank you for your comment on CARTA's Toll Policy. The decision to build an express lane was made as part of the Yolo 80 environmental process, which included public engagement. You can find all the project documents (including information on other alternatives that were analyzed) on the Caltrans Yolo 80 Project Website. CARTA has no role in the California High Speed Rail project. Please note we included your comment for the CARTA board to consider in their action on the Final Toll Policy Resolution at their upcoming 12/17 board meeting.

Public Commentor Residence (Self-Reported)	Public Comment	Staff Response
Yolo County	Toll lanes seem to be one solution to the problem of growing traffic. However, more comprehensive solutions are available. Instead of adding toll lanes, it may be better to reduce traffic volumes at busy times. This could be done through providing more transit options, such as buses, vans, or other public transport. Also, an alternative should be considered of providing light rail or more train service through the corridors. The existing Capitol Corridor train service could be increased and improved. And, a light rail could be built in areas where there is no train service now. This would probably result in a better long term solution. In addition to physical solutions, another alternative is to stagger work hours to reduce commuter traffic.	None; commentor did not provide an email for staff to respond.
Yolo County	How the number of people required for free access to HOV lanes? It is too much of truck traffic on yolo 80. Making it 3 for HOV will make traffic more unsustainable and years of construction wasted.	None; commentor did not provide an email for staff to respond.
Sacramento County	Are there going to be exemptions for vehicles with only two occupant capacity (e.g. standard cab pick-ups)?	None; commentor did not provide an email for staff to respond.
Yolo County	Seeing Express Lanes that are lightly used is frustrating when there is major traffic in the remaining lanes! It's a rip-off to tax payers who've paid to have the road widened to ease traffic! A form of public transit or no express lane would have been a wiser solution.	None; commentor did not provide an email for staff to respond.
Yolo County	HOV should be set at two (2) or more people for initial operations because there are currently numerous vehicles with only one occupant and this setting should encourage car pooling.	None; commentor did not provide an email for staff to respond.

Public Commentor Residence (Self-Reported)	Public Comment	Staff Response
Yolo County	<p>Overall, this policy goes way too far. You are essentially making lower income drivers who cannot afford these tolls to lose valuable time waiting in traffic. They typically work in the hospitality and service industries and carpooling is not an option. With no alternative nearby routes over the causeway, you are abusing that fact to squeeze hard earned dollars from hard working people struggling to make ends meet. It's a tax on top of the gas tax we already pay for these road improvements. It's disgusting.</p> <p>This entire policy is simply a cash grab. This section in particular is ridiculous. It should be two people, not three, for the toll discount.</p> <p>02-2025-12 Toll Discounts: Occupancy. High-occupancy vehicles with three or more passengers (HOV 3+) will receive a 100% discount on CARTA toll facilities.</p>	None; commentor did not provide an email for staff to respond.
Yolo County	My wife and i must travel between Davis and Sacramento for medical appointments. Please consider 2 or more NOT 3 or more people as HOV eligible for 100% discount.	None; commentor did not provide an email for staff to respond.
Yolo County	This is nothing but a money grab. We already pay taxes for roads and now get taxed again to use them.	None; commentor did not provide an email for staff to respond.

Public Commentor Residence (Self-Reported)	Public Comment	Staff Response
In California but outside the Sacramento and Bay Area	Can you please provide more information regarding motorcycles using CARTA toll facilities. There is confusion if a transponder will still be required on the motorcycle. Many are concerned about transponder mounting and placement location since they do not have a windscreen. It would have to be placed in a tank bag, backpack, or storage bin. Since California motorcycle plates have their own series 00A0000, would it be possible to exempt that plate series from being tolled? Then require out of state motorcycles have a fastrak account with registered plate number but not required to have the toll tag on their bike for using the facility? Thanks	Thank you for your comment on CARTA's Toll Policy. CARTA is still working through its toll system and vendor contracts that will determine exactly which toll technology will be used to capture motorcycle trips. Once these contracts are in place (mid 2026) CARTA will clarify this with the public and follow up with you.



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 4

Request for Proposals for Toll System Integrator Services

Prepared By: Chadi Chazbek, Kimley-Horn

Attachments: Yes

Recommendation:

Staff recommend that the board select one of the following actions:

- Option 1: : Authorize the release of the toll system integrator (TSI) request for proposals (RFP), authorize the Secretary to select a firm, negotiate a contract with the selected firm, and direct the Secretary to bring the final contract and funding plan recommendation to the board for final approval.
- Option 2: Defer action on the release of the RFP until the February 2026 board meeting.
- Option 3: Appoint a subcommittee of the board to authorize release of the RFP prior to the February board meeting once Caltrans and CARTA reach an agreement to fund the TSI contract.

Background:

One of CARTA's core functions is to operate the toll system for its facilities. The Yolo 80 Express Lanes is CARTA's first toll facility and is scheduled to begin collecting toll revenue in summer 2028. To keep the Yolo 80 project on schedule, CARTA needs to procure TSI services as soon as possible.

TSI contracts are commonly employed across California and nationally to operate and maintain toll systems. These full-service contracts require the vendor to design, install, and maintain toll infrastructure, and operate the system to collect and process toll transactions on CARTA's behalf. The TSI contract for CARTA will include installation and testing costs, as well as five years of operating and maintenance costs, all governed by a set of Key Performance Indicators (KPIs). Failure to meet KPIs will result in financial penalties for the vendor.

Discussion:

RFP Development Process

The Yolo 80 TSI RFP was developed by Silicon Transportation Consultants (STC), the tolling consultants employed by Yolo Transportation District (Yolo TD) to support the delivery of Yolo 80. STC worked collaboratively with CARTA and Caltrans staff to scope the RFP and delivered a draft in early November. CARTA staff, consultants, and legal counsel have been working with STC to refine and finalize the RFP in advance of a January release.

TSI Scope

The Yolo 80 TSI contract will include pre-operations toll system implementation and testing costs and operating and maintenance costs over the first five years of toll revenue service. The TSI RFP will include optional scope items such as additional toll read point and a vehicle occupancy detection system to address carpool misdeclaration.

Procurement Process

Staff plan to release the RFP in January and proposals will be due in late March. Proposals will be reviewed by a panel of CARTA's current and future members: SACOG, YoloTD, Caltrans, Placer County Transportation Planning Agency, El Dorado County Transportation Commission, Sacramento Transportation Authority, and another California toll agency partner. CARTA's Toll Program Management consultants, Kimley-Horn, will facilitate and support the panel's review of the qualifications of the firm, the technical solution, oral interviews if held, and the cost proposal.

CARTA may conduct finalist interviews in early May before negotiating and selecting a firm to recommend for award. Staff will present the final recommended firm to the board in June for final approval of the contract, including a summary of the procurement process and an evaluation of the proposals received.

Funding

The pre-operations toll system implementation costs are the Yolo 80 project sponsors', Caltrans and Yolo TD, responsibility to fund. The grant funds awarded to Yolo 80 will be authorized by Caltrans to CARTA on an expenditure reimbursement basis, per execution of a Cooperative Agreement. The ongoing operating and maintenance costs will be covered by toll revenue.

The Yolo 80 grant funds, including \$86 million in federal Infrastructure for Rebuilding America (INFRA) and \$105 million in state Trade Corridor Enhancement Program (TCEP), are held by Caltrans. This funding is scoped to cover both the civil implementation led by Caltrans and the toll system implementation led by CARTA. CARTA staff have requested information from Caltrans on how much of this funding is available to fund the TSI contract. To date, Caltrans has not been able to provide final budget information. Once that information is made available, CARTA and Caltrans will execute a cooperative agreement to ensure CARTA has access to the funds. Caltrans and CARTA have begun negotiations on that agreement while Caltrans works to determine the available project budget. Current funding from the existing project does not cover the entire budget for the TSI's capital costs, hence Caltrans intends to seek additional project funding from the California Transportation Commission.

Action Option Tradeoffs

Staff have provided three potential actions for the board to consider:

1. **Authorize Release:** Authorize the release of the TSI RFP at the December board meeting, proceed with the bidding, selection, and negotiation process, and return to a future board meeting to review/authorize a funding plan for the TSI contract and award the TSI

contract. This option allows the TSI RFP process to continue while CARTA and Caltrans continue to collaborate on executing a COOP agreement to fund the TSI Contract. This option attempts to maximize the overlap duration between the TSI and civil/roadway construction contract.

2. **Defer Release:** Defer the release of the TSI RFP to the February board meeting, permitting CARTA to secure a signed agreement with Caltrans for access to Yolo 80 grant funds. This option reduces CARTA's fiscal risk but also delays the TSI procurement and delivery schedule by two months, reducing the overlap between TSI and civil/roadway contract.
3. **Subcommittee Authorization:** Appoint a subcommittee to act on the RFP release if Caltrans and CARTA reach an agreement in January (when CARTA does not have a board meeting).

TAG Discussion

The TAG was supportive of the staff recommendation provided that there was a path identified for the funding plan. As noted above, Caltrans District 3 is actively working with CARTA to review the information for the RFP and identify the funding to begin the work once a vendor is selected.

Attachments:

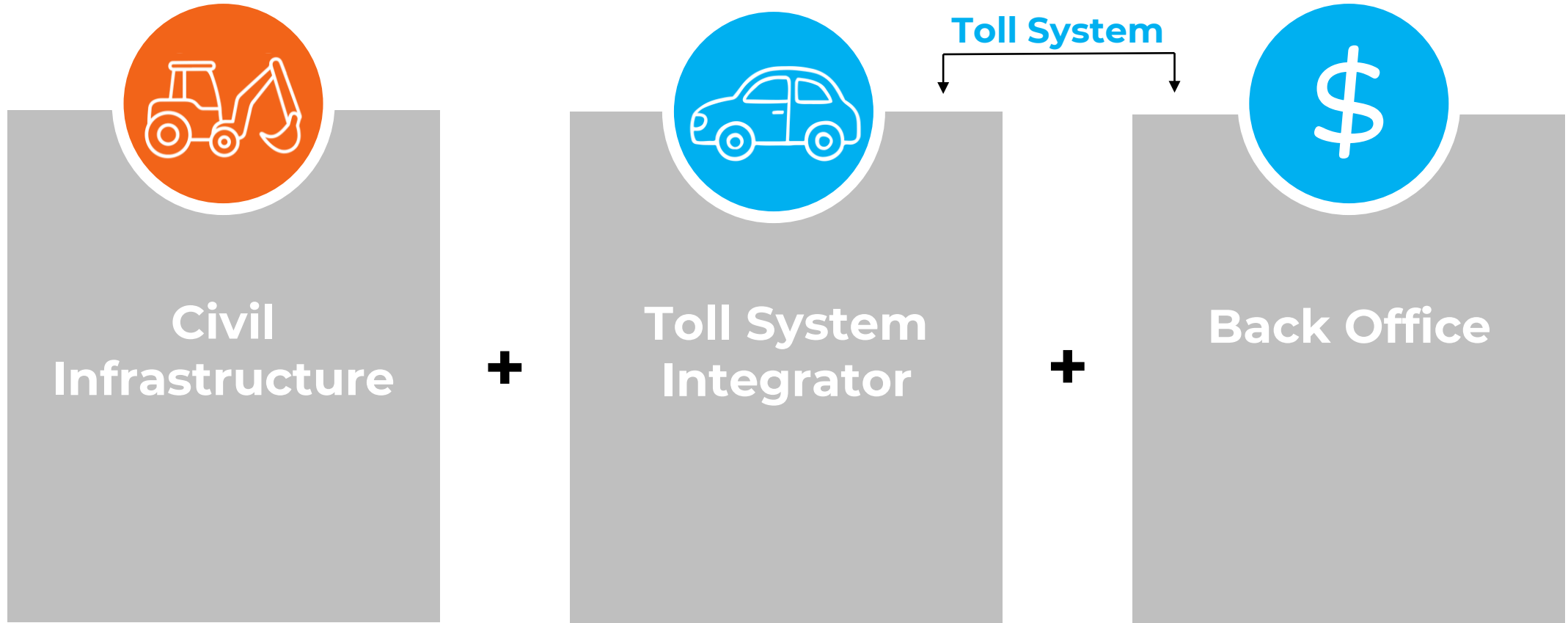
4A: Slides

Toll System Integrator Request for Proposals

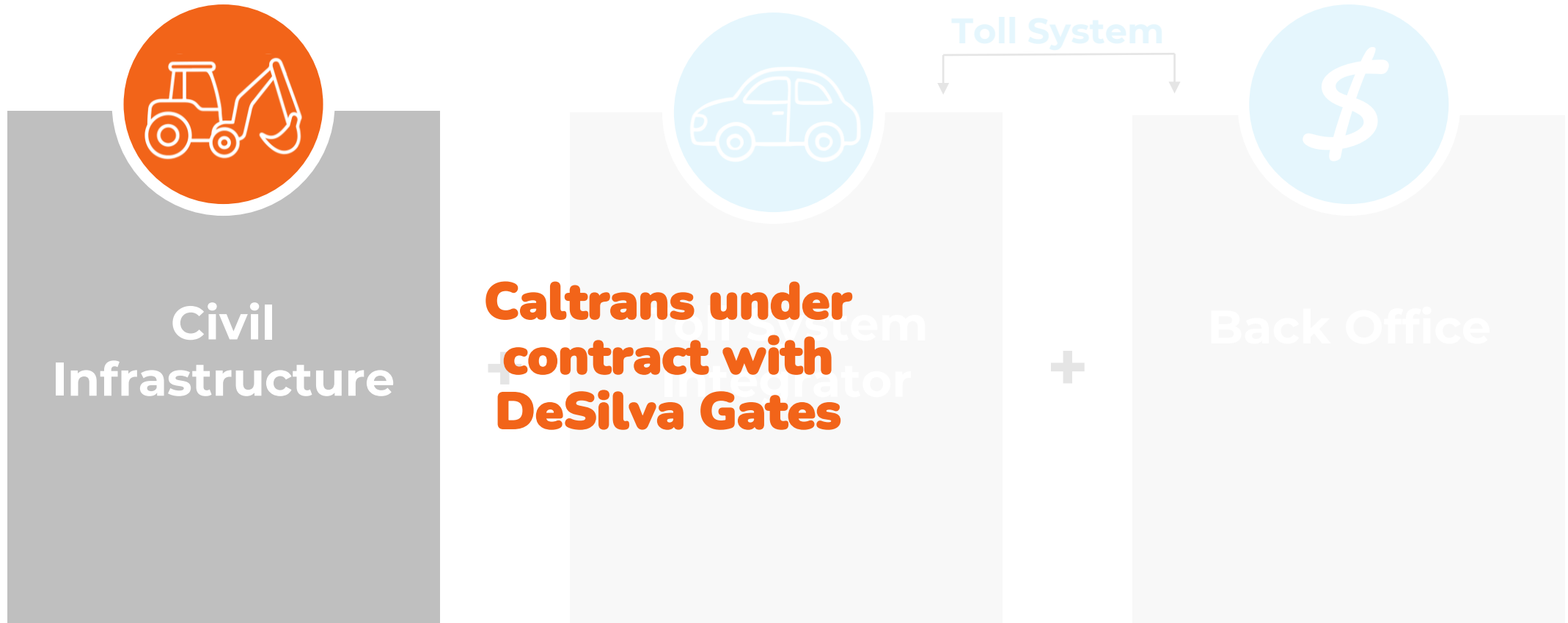
Board of Directors
17 December 2025
Attachment 4A



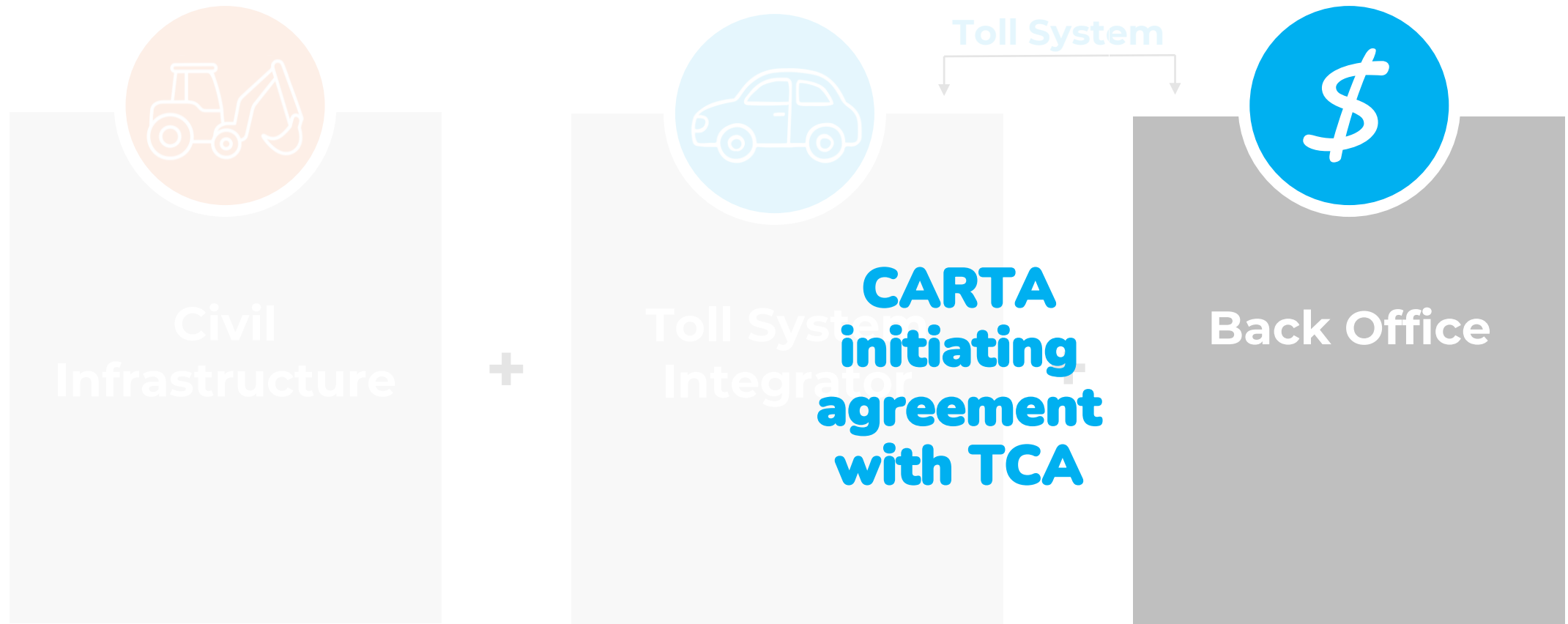
Parts of Yolo 80



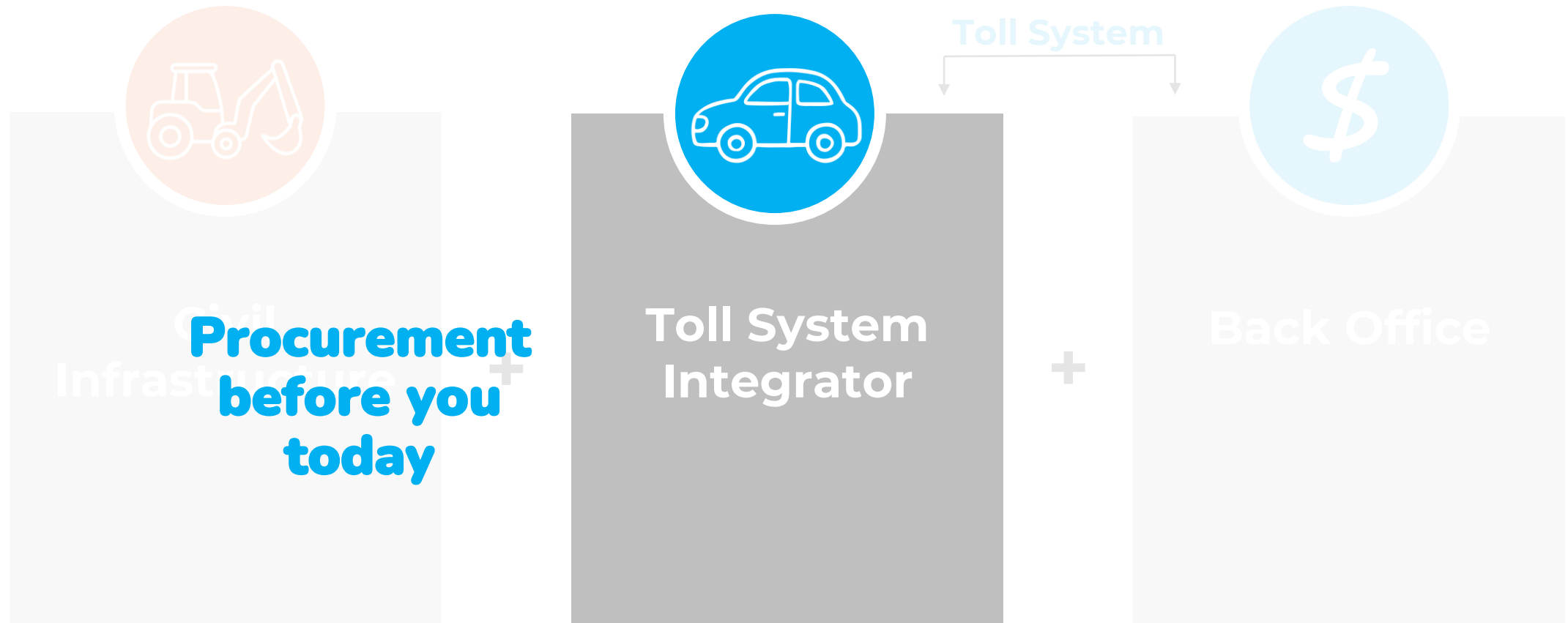
Parts of Yolo 80



Parts of Yolo 80



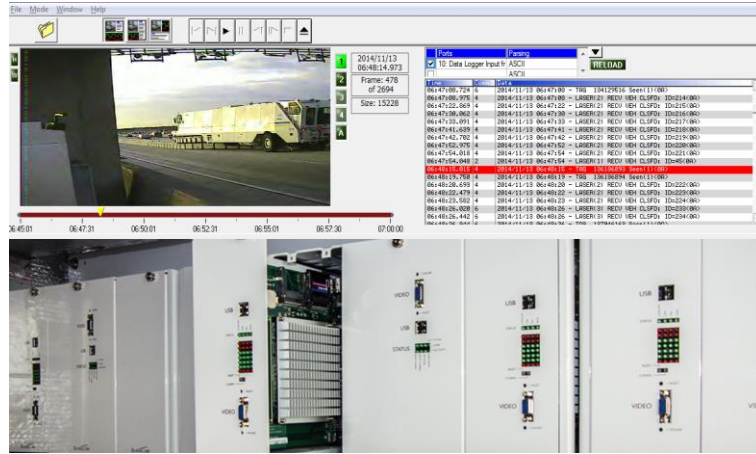
Parts of Yolo 80



Toll System Integrator Services



**Design, install,
test, and maintain
toll equipment**

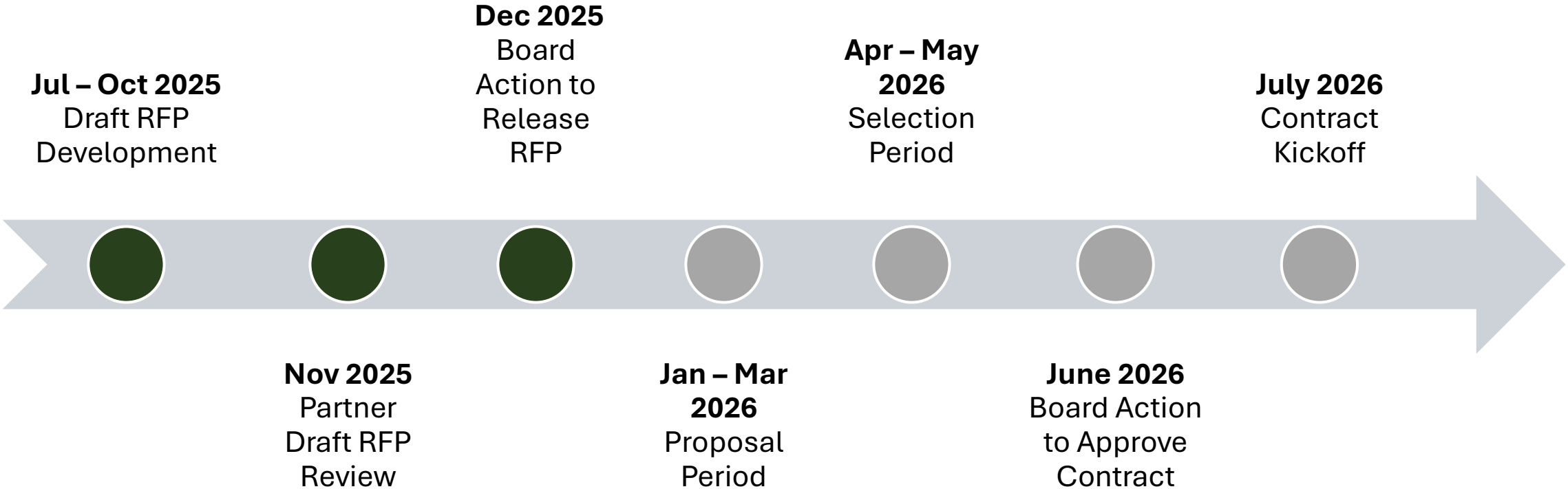


**Process, audit,
package, and send
transactions to the
back office**



**Monitor
operations of the
toll lane, including
providing staffing**

Toll System Procurement Process



Contract Funding Status

- Current program includes funding for both Civil Infrastructure and TSI elements
- Caltrans is working on determining available budget for TSI contract
- Once that is finalized, CARTA will have access to these funds
- Depending on the TSI bid results, Caltrans may seek additional funding

Board Action Options

- Option 1: Authorize release of the RFP and selection, but require staff to return for contract award
- Option 2: Defer action on the RFP until the February board meeting
- Option 3: Nominate a subcommittee to authorize release of the RFP once CARTA and Caltrans reach an agreement to fund the TSI Contract



Capital Area Regional Tolling Authority

captollauthority.org | kaziz@sacog.org



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 5

Pre-Toll Revenue Operations Loans

Prepared By: Erik Johnson, SACOG

Attachments: Yes

Recommendation:

Staff recommend that the board approve the proposed loan terms and authorize the Secretary to negotiate with public agencies to secure up to \$14 million in loans.

Background:

CARTA is structured to be an independent Joint Powers Authority that will be funded by toll revenue generated from its facilities within the region. To date, because there is only one corridor (Yolo 80) and it has not yet opened for revenue service, CARTA's operations have been entirely funded by \$2.6 million in loans from SACOG. Once the Yolo 80 Managed Lanes project opens to revenue service, traffic and revenue studies show that the project is forecasted to cover all operating costs.

At the February 2025 meeting, the CARTA board approved a staffing approach for fiscal year (FY) 2025-2026 through FY 2027-2028 that relies heavily on consultants to staff CARTA and includes hiring an Executive Director starting in July 2026. At their May 2025 board meeting, staff presented a draft five-year budget forecast. CARTA's expenses over the next five years fall into four categories:

- Administration/Debt Service: including finance, insurance, legal, administrative staffing, meetings, community engagement, and travel.
- Program Management and Policy: including staff and consultant costs associated with managing CARTA, civil oversight on toll projects in development, performance monitoring of the toll system, and a regional equity study.
- Yolo 80 Roadside Toll System: including the construction and operations of the roadside toll system and associated staff and consultant costs.
- Yolo 80 Back Office System and Customer Service Center: including the construction and operations of the system, in partnership with Transportation Corridor Agencies (an existing toll authority identified by the board in October as our preferred partner), and the associated staff and consultant expenses.

The first two expense categories support CARTA's toll program generally and, once other corridors are in operations, these expenses will be shared among the corridors. The third and fourth expense categories are specific to Yolo 80 and, once other corridors are in operations, similar expense categories will be added that split out each corridor's roadside system and back office costs.

CARTA is not funding the work conducted by Caltrans and YoloTD on the Yolo 80 Managed Lanes Project. As the Yolo 80 Project Sponsors, Caltrans and YoloTD are responsible for securing capital costs for Yolo 80, including the civil construction, capital Roadside Toll System, and capital Back Office/Customer Service Center. The civil environmental, design, and construction costs remain in the Yolo 80 project budget and are not reflected in CARTA's budget. CARTA is responsible for the operating costs, so they are included in its budget.

This staff report uses the term "revenue service" which refers to the period when a toll project is fully open and collecting tolls. Similarly, "pre-revenue service" refers to the period prior to toll collection, when a project is in development, construction, and/or testing.

At the November 2025 meeting, staff provided an update on CARTA's operations funding needs, Yolo 80 project funding needs, and the strategy to enter into loans with other public agencies. At the November meeting, board members asked to understand what other funding options exist for these expenses. Loans between CARTA and local public agencies are the only remaining option. The nature of most of the expenses for administering CARTA are not eligible project costs for the Yolo 80 project, nor are they eligible to be financed by a loan from the state Infrastructure Bank. As CARTA is a new entity with no credit history, private market loans are not likely viable nor attainable given the timing where CARTA needs access to funding.

Discussion:

Partner Loans

In total, CARTA is hoping to secure up to \$14 million in loans. These loans would be repaid with future toll revenue once Yolo 80 begins revenue service. Staff recommend that CARTA keep the loan terms simple and consistent across all agencies. Based on feedback from the CARTA board in November, staff have worked with Yolo County partner agencies to develop common loan terms (Attachment 5B). Staff believe that these terms balance CARTA's needs for operational funds pre-toll revenue and partner agencies' needs to mitigate risk.

The attached loan terms are structured to achieve the following goals: (1) secure funding up front to allow effort to shift to delivering Yolo 80; (2) allow access to funding as needed; (3) minimize borrowing costs by accessing funds annually; (4) provide long-term flexibility to CARTA with a graduated repayment schedule; and (5) ensure no special benefits are provided to the agencies who loan funds to CARTA (e.g., commitment of future net excess toll revenues).

Staff's recommendation is to enter into loan agreements with partner agencies covering several fiscal years. This sequential structure would give CARTA funds as needed. For example, CARTA's estimated loan needs are \$1 million in FY 2026, \$4 million in FY 2027, \$5 million in FY 2028, and \$4 million in FY 2029. The loan agreements would establish all this upfront, and then as budgetary actions in the future, CARTA would draw down only the funds it needs each year. While the loan terms will be consistent across agencies, some agencies are interested in providing loans in a later year and potentially being paid back sooner. This proposed loan structure gives CARTA the flexibility to meet these needs, by drawing down funds from different agencies and facilitating the "buy out" of an agency's loans so they get repaid sooner.

The first agency likely to enter into a loan agreement with CARTA is the City of West Sacramento. West Sacramento has the financial capacity to loan the entire amount of funding to CARTA, but staff recommend having loan agreements with multiple agencies to provide flexibility for CARTA and allow more participation from local agencies. Staff will work with the City of West Sacramento over the next few months on the first loan agreement based on the attached term sheet. As with the existing loans from SACOG, the agency providing the loan will first secure approval from their governing body and then the CARTA board will act second. Staff expect to return to the CARTA board in March 2026 to approve the first loan agreement. This action will be coupled with a second amendment to the current budget and a draft FY 2027 budget that both reflect the additional funding.

At the board meeting, staff will provide an overview of forecasted expenditures between now and 2029, an analysis of the impact of repayment over the life of these loans.

TAG Discussion

The TAG met on December 10th with YoloTD, SACOG, Caltrans, and STA in attendance. CARTA staff also discussed this item with the PCTPA TAG member prior to the CARTA TAG meeting. The TAG was generally supportive of the staff recommendation. There were concerns from members with future toll corridors about the total borrowing cost to CARTA, although they acknowledged that CARTA's current financing options are limited. Their concerns covered both the high interest rate and the cost of having SACOG's existing loans bought out. Staff have modified the materials since they were proposed to the TAG so that the total amount does not include additional debt to assume SACOG's existing loans.

Attachments:

5A: Loan Term Sheet

5B: Loan Agreement Template

5C: Slides

Draft CARTA Partner Loan Terms

The following terms will be incorporated into individual agreements between participants and CARTA.

Amount	Minimum loan \$1 million
Participants	Participants are anticipated to be the cities of Davis, West Sacramento, and Woodland; and Yolo County, however other local public agencies within the CARTA boundaries may participate.
Draw Period	On execution of agreement, CARTA will receive first loan (FY26), thereafter, loans will be drawn on July 1 of the fiscal year. CARTA executive director may draw less than the authorized amount based on CARTA's financial needs.
Repayment Initiation	Staggered based on draw date: FY26 loans: 7/1/2029 or within 12 months of Borrower's initial receipt of toll revenue, whichever is later, unless otherwise agreed to in writing by Lender. FY27 loans: 7/1/2030 or within 12 months of Borrower's initial receipt of toll revenue, whichever is later, unless otherwise agreed to in writing by Lender. FY28 loans: 7/1/2031 or within 12 months of Borrower's initial receipt of toll revenue, whichever is later, unless otherwise agreed to in writing by Lender. FY29 loans: 7/1/2032 or within 12 months of Borrower's initial receipt of toll revenue, whichever is later, unless otherwise agreed to in writing by Lender.
Repayment Term	Generally 3 years moratorium, then 10 years
Payment Frequency	Quarterly
Payment type	Graduated principal & interest
Interest rate	Fixed, 8%, annual
Prepayment penalty	None
Repayment assurance	<ol style="list-style-type: none"> 1. Consistent with SHC 149.7(e)(4) revenue generated from toll facility shall take priority over all other debt after loans from SACOG, unless otherwise agreed to in writing by Lender 2. Should other corridors join CARTA prior to payoff of these loans, payments received by CARTA for initial operating costs shall be prioritized to make regular debt service payments for these loans before any other debt service, unless otherwise agreed to in writing by Lender. 3. The first two Traffic & Revenue studies demonstrate that Yolo 80 will provide revenue to cover operating costs inclusive of debt from the time the project opens. YoloTD is commissioning a third study to further refine this forecast. 4. Should CARTA be dissolved, it is required per the JPA to first provide for the assumption or discharge of its debts to the members.
Other terms	SACOG is open to its loan being bought out by the partners so that the terms can be standardized among the parties
Buy-out	Participants may have their loans assumed by another agency with the consent of the CARTA Board of Directors.

AMENDED AND RESTATED LOAN AGREEMENT

THIS AMENDED AND RESTATED LOAN AGREEMENT (“Loan Agreement”) is made and entered into as of the ____ day of _____, 202_, by and between the CAPITAL AREA REGIONAL TOLLING AUTHORITY, a California joint powers agency (“Borrower”), and the [CITY OR COUNTY] OF _____ (“Lender”).

RECITALS

WHEREAS, Borrower is a joint powers agency formed on February 15, 2024, by the Sacramento Area Council of Governments (SACOG), Yolo Transportation District (YTD), and the California Department of Transportation (CalTrans) for the purpose leading the implementation of toll facilities in the Sacramento region; and

WHEREAS, Yolo County, and the cities within Yolo County, are the member agencies of the Yolo Transportation District and have a vested and continuing interest in the public benefits provided by the Yolo Transportation District; and

WHEREAS, the development of toll lanes within Yolo County, particularly on the I-80, will provide a public benefit to the County and all cities within the County by enabling more throughput of individuals and vehicles, reducing greenhouse gas emissions, and generating revenues that can be used to improve various transportation modes within the I-80 corridor, including but not limited to public transit; and

WHEREAS, YTD and CalTrans initiated a project to develop a toll lane on the I-80 corridor in Yolo County (“Yolo80 Project”), and the California Transportation Commission approved CARTA’s application to operate toll services once the toll lane is developed for the Yolo80 Project

WHEREAS, CARTA has obtained two Traffic & Revenue studies that demonstrate that the Yolo80 Project is expected to provide sufficient revenue to cover its operating costs inclusive of debt from the time the Yolo80 Project opens, and YTD is commissioning a third study to further refine the Traffic & Revenue forecast; and

WHEREAS, Lender desires to provide initial funding that is needed for CARTA to develop, administer and operate toll lanes within Yolo County, and Borrower intends to repay this debt as an operating expense payable from future toll revenues.

NOW, THEREFORE, in consideration of the promises and covenants herein, Borrower and Lender agree as follows:

ARTICLE I

1.01 Definitions. When used in this Loan Agreement, the following terms shall have the indicated definitions:

- (a) “Borrower” means Capital Area Regional Tolling Authority, a California joint powers agency.
- (b) “Loan” means the financial accommodation being made by the Lender to the Borrower in accordance with the terms and provisions of this Loan Agreement.
- (c) “Loan Documents” means this Loan Agreement, the Note and all other documents executed in connection with the Obligations or under this Loan Agreement, with all addendums, modifications and amendments thereto.
- (d) “Note” means the Promissory Note from the Borrower as maker, to the Lender, as payee executed concurrently with this Agreement, and all amendments, extensions or renewals thereof.
- (e) “Obligations” means all obligations under the Note, all of the obligations hereunder and all other obligations and liabilities of the Borrower, or any guarantor, surety, endorser or accommodation party, to the Lender, its successors and assigns, arising from or evidenced by the Loan Documents, whether direct or indirect, primary or secondary, joint or several, absolute or contingent, or now or hereafter existing or due or to become due in connection therewith.

ARTICLE II

Terms of Loan

2.01 Loan Amount. Lender hereby agrees to loan funds to Borrower in a total amount not-to-exceed [INSERT WRITTEN AMOUNT] (\$ _____), subject to the terms and conditions stated herein.

2.02 Draw Schedule. Borrower may draw upon the Loan in accordance with the following schedule:

- (a) Initial Draw: Up to \$ _____, [no later than / upon] [DATE]
- (b) Second Draw: Up to \$ _____, [no later than / upon] [DATE]
- (c) Third Draw: Up to \$ _____, [no later than / upon] [DATE]
- (d) Fourth Draw: Up to \$ _____, [no later than / upon] [DATE] [or: N/A]

Borrower is under no obligation to make a draw and may draw less than the stated amount. Upon giving notice of its intent to draw upon the Loan funds, Lender shall promptly release the funds to Borrower.

2.03 Repayment. The Loan shall have an initial three-year moratorium on repayment for each draw, followed by a ten (10)-year repayment period. The moratorium period shall be extended until twelve (12) months following Borrower's initial receipt of toll revenue, if greater than three years from Borrower's initial draw of Loan funds. The extension shall not exceed _____. Borrower may prepay the outstanding amount or any portion thereof, at any time prior to the repayment term without penalty.

- (a) During the repayment period, Borrower shall make quarterly payments of principal and interest until the Loan is fully repaid. Each quarterly payment shall consist of (i) accrued interest, and (ii) a graduated portion of the outstanding principal balance.
- (b) Consistent with California Streets and Highways Code section 149.7(e)(4) revenue generated from Borrower's toll facility on I-80 within Yolo County shall take priority over all other debt, unless otherwise agreed to in writing by Lender. Lender recognizes and agrees that the SACOG has previously loaned funds to Borrower in an amount up to \$ _____, and repayment of this SACOG loan shall take priority over the Loan. Additionally, Lender recognizes and agrees that the County of Yolo and the other cities within the County intend to make Loans to Borrower which shall be deemed on equal priority to the Loan. A schedule indicating the allowable draws from each agency is attached hereto as Attachment I and incorporated herein by reference. Lender agrees that repayments will be made proportionally for each lending agency.
- (c) Should other corridors join CARTA prior to repayment of the Loans, any payments received by CARTA for initial operating costs attributable to those corridors shall be prioritized to make regular debt service payments for these loans before any other debt service, unless otherwise agreed to in writing by Lender.

2.04 Interest. The Loan shall accrue interest at the fixed annual rate of eight percent (8%). Interest shall begin accruing upon Borrower's draw of the Loan funds and only upon the amount of funds actually drawn by Borrower.

2.05 Promissory Note. Repayment of the Loan shall be secured by a Promissory Note in substantially the form in Attachment II. The Note has been executed and was delivered by the Borrower contemporaneously with the execution and delivery of this Loan Agreement.

2.06 Default. Each of the following shall constitute an Event of Default under this Agreement:

- (a) Borrower fails to make any payment when due.

- (b) Borrower fails to comply with or to perform any other term, obligation or covenant or condition contained in this Agreement or any of the Loan Documents.
- (c) The dissolution or termination of the Borrower's existence as a joint powers agency, insolvency of the Borrower, the appointment of a receiver for any part of Borrower's property, any assignment for the benefit of Borrower's creditors or the commencement of any proceeding under any bankruptcy or insolvency laws by or against Borrower.

2.07 Lender's Rights. Upon an Event of Default, Lender may declare the entire unpaid balance of the Loan immediately due.

ARTICLE III

Miscellaneous

3.01 No Implied Waiver. Neither failure to exercise nor any delay on the part of Lender in exercising any right, power or privilege, nor any single or partial exercise of any right, power or privilege under this Agreement, nor under any of the documents executed by Borrower in connection herewith, shall preclude any further exercise thereof by Lender or the exercise of any other right, power or privilege.

3.02 Changes Must Be In Writing. No provisions of the Loan Documents may be changed, waived, discharged or terminated orally, by telephone or by any other means except an instrument in writing signed by the party against whom enforcement of the change, waiver, discharge or termination is sought and then the same shall be effective only in the specific instance for which it is given.

3.03 Applicable Law. This Agreement shall be deemed to be a contract made in the State of California and entered into under and pursuant to the laws of such state, and to be governed, construed and enforced in accordance with the laws of the State of California.

3.04 Counterparts. This Agreement and any of the other Loan Documents may be executed in any number of counterparts, each of which shall constitute an original.

3.05 Survival of Covenants. This Agreement and all covenants, agreements, representations and warranties made herein in any other Loan Document, shall survive the making by the Lender of the Loan and the execution and delivery to the Lender of the Note, and shall continue in full force and effect so long as the Note and any other indebtedness of the Borrower to the Lender hereunder is outstanding and unpaid.

3.06 Successors and Assigns. Except as herein provided, this Agreement and the other Loan Documents shall be binding upon and inure to the benefit of Borrower and Lender and any other successors and assigns. Notwithstanding the foregoing, Borrower or any other person other than Lender, without the prior written consent of the Lender, which consent may be withheld in Lender's sole discretion, may not assign, transfer or set over to another person, in whole or in part, all or any part of its benefits, rights, duties and obligations hereunder, including, without limitation, performance of and compliance with conditions hereof and the right to receive the proceeds of current or future advances. Whenever in this Agreement or in any of the other Loan Documents any of the parties hereto or thereto is referred to, such reference shall be deemed to include the

successors and assigns of such party (but without any implied consent to any transfer or other action which violates the term of any Loan Document); and all covenants, promises and agreements contained in this Agreement, or in any of the other Loan Documents by or on behalf of Borrower or any other Person other than Lender, shall inure to the benefit of the respective successors and assigns of Lender.

3.07 Severability. Any provision of this Agreement or of any other Loan Document which is prohibited or unenforceable in any jurisdiction shall, as to such jurisdiction, be ineffective to the extent of such prohibition or unenforceability without invalidating the remaining provisions hereof or thereof or affecting the validity or enforceability of such provision in any other jurisdiction.

3.08 Amendment, Waiver or Consent. No waiver, consent, modification, or amendment shall be effective as against the Lender unless the same is in writing and signed by an authorized officer. No such waiver, consent, modification, or amendment shall extend to or affect any obligation or right except to the extent expressly provided for therein.

3.09 Applicable Law and Costs of Enforcement. The laws of the state of California shall govern the validity, performance and enforcement of this Loan Agreement. Borrower agrees to pay the costs and expenses, including but not limited to reasonable attorneys' fees and legal expenses incurred by Lender in the exercise of any right or remedy available to it, whether or not suit is commenced, including, without limitation, reasonable attorneys' fees and legal expenses incurred in connection with any appeal of a lower court's order or judgment.

3.10 Further Assurances. Borrower will execute and deliver such other and further instruments and documents, and will do such other and further acts as in the opinion of the Lender may be necessary or desirable to carry out more effectively the purposes of this Loan Agreement.

3.11 Binding Effect. This Loan Agreement shall be binding upon the Borrower and its successors and assigns, and shall inure to the benefit of the Lender and the benefit of its successors and assigns, including any subsequent holder or holders of the Note or any interest therein.

3.12 Survival. All representations, warranties, covenants, and agreements made herein shall survive the execution and delivery of this Loan Agreement, the Loan Documents and the issuance of the Note.

3.13 Integration of Loan Documents. The Parties agree that this Loan Agreement shall incorporate by reference all of the terms, covenants, conditions, obligations, stipulations and agreements contained in the Loan Documents, to the same extent and effect as if fully set forth herein and made a part of this Loan Agreement.

3.14 Entire Contract. This Loan Agreement with the Loan Documents constitutes the entire Loan Agreement between the parties. No oral representation shall be binding on any Party hereto, and all parties acknowledge that no reliance will be placed on any oral representations of any person or entity which vary, in any manner whatsoever, any portion of this Loan Agreement.

IN WITNESS WHEREOF, the Parties hereto have caused this Loan Agreement executed and delivered as of the day and year first above written.

[SIGNATURES ON NEXT PAGE]

DRAFT

[CITY OR COUNTY]

[Name], [Title]

APPROVED AS TO FORM:

[Name], [Title]

CAPITAL AREA REGIONAL TOLLING AUTHORITY

Oscar Villegas, Board Chair

APPROVED AS TO FORM:

Michael Maurer,
General Counsel
Best Best & Krieger

ATTACHMENT 1

[Insert Master Draw Schedule]

DRAFT

ATTACHMENT 2

PROMISSORY NOTE

Loan Amount: [\$ _____]

[DATE]

1. FOR VALUE RECEIVED, the CAPITAL AREA REGIONAL TOLLING AUTHORITY, a California joint powers agency (“Borrower”), promises to pay to the order of [NAME] (“Lender”), the Principal sum of [WRITTEN AMOUNT] (\$ _____) with interest from the date first above written until paid at the fixed annual rate of eight percent (8%) (“Rate”).
2. The Principal sum borrowed pursuant to this Promissory Note, together with all interest due on it, is due and payable on or before _____.
3. Borrower will use the Principal sum borrowed pursuant to this Promissory Note for Borrower’s operations in implementing toll services on the I-80 within Yolo County.
4. Borrower will timely pay to Lender all sums owing under this Promissory Note without deduction, offset, or counterclaim of any kind.
5. All payments on this Note will be in accordance with the Loan Agreement between Lender and Borrower.
6. Failure to pay any part of the Principal of this Promissory Note when due, or failure to carry out any of the terms, covenants, or conditions of this Promissory Note, shall authorize the holder of this Promissory Note to declare as immediately due and payable the then-unpaid Principal and to exercise any and all of the rights and remedies provided by the California Commercial Code as well as all other rights and remedies either at law or in equity possessed by the holder of this Promissory Note.
7. If Lender incurs fees and expenses for legal services by any attorney to enforce or construe any provision of this Note or as a consequence of any event of default, with or without the filing of any legal action or proceeding, then Borrower will immediately pay to Lender on demand all attorneys' fees and other costs incurred by Lender, together with interest from the date of the demand until paid.

8. Borrower hereby waives presentment, notice of dishonor, and protest.
9. This Note may be prepaid in whole or in part without penalty.

Dated: _____

By: _____

Name: Oscar Villegas

Title: Chair, Capital Area Regional Tolling Authority

DRAFT

Pre-Revenue Operations Loans

Board of Directors
17 December 2025
Attachment 5C



Revenue

2024-2028

- SACOG Loans (\$2.6 million)
- Partner Loans (up to \$14 million)
- Caltrans/California Transportation Commission grant funding (TBD)

2028-Beyond

- Toll Revenue (\$13+ million gross annual)
- CARTA operating contributions from new corridors (one-time, TBD)

Expenditures

2024-2028

SHARED COSTS

- Administration
- Program Management and Policy

- Yolo 80 Roadside Toll System
- Yolo 80 Back Office System & Customer Service Center

YOLO 80 COSTS

2028-Beyond

- Administration/Debt Service
- Program Management & Policy
- Yolo 80 Operations
- Future Corridor Operations

2025-2030 Draft Budget Forecast

Revenues	FY 26*	FY 27	FY 28	FY 29	FY 30
Existing /Carryover	\$1,927,681	\$300,000	\$1,306,000	\$1,047,000	\$1,805,000
New Loans	\$1,000,000	\$4,000,000	\$5,000,000	\$4,000,000	\$ -
Caltrans Equity Grant	\$60,000	\$392,087	\$206,395	\$ -	\$ -
Yolo 80 Funding (Est.)	\$ -	\$20,000,000	\$20,000,000	\$ -	\$ -
Yolo 80 Toll Revenue (Low)	\$ -	\$ -	\$ -	\$13,600,000	\$15,645,000
TOTAL	\$2,987,681	\$16,788,495	\$18,619,800	\$17,647,102	\$16,449,733
Expenditures					
Administration	\$351,500	\$439,000	\$548,000	\$691,000	\$1,034,000
Program Mgmt & Policy	\$1,773,855	\$1,822,000	\$1,726,000	\$829,000	\$592,000
Yolo 80	\$318,701	\$20,000,000	\$21,500,000	\$14,159,000	\$11,000,000
Future Corridors	\$ -	\$500,000	\$25,000	\$450,000	\$700,000
TOTAL	\$2,444,056	\$22,761,000	\$23,799,000	\$16,129,000	\$13,326,000
Rev. vs. Expend.	\$543,625	\$1,931,087	\$2,713,395	\$2,518,000	\$4,124,000

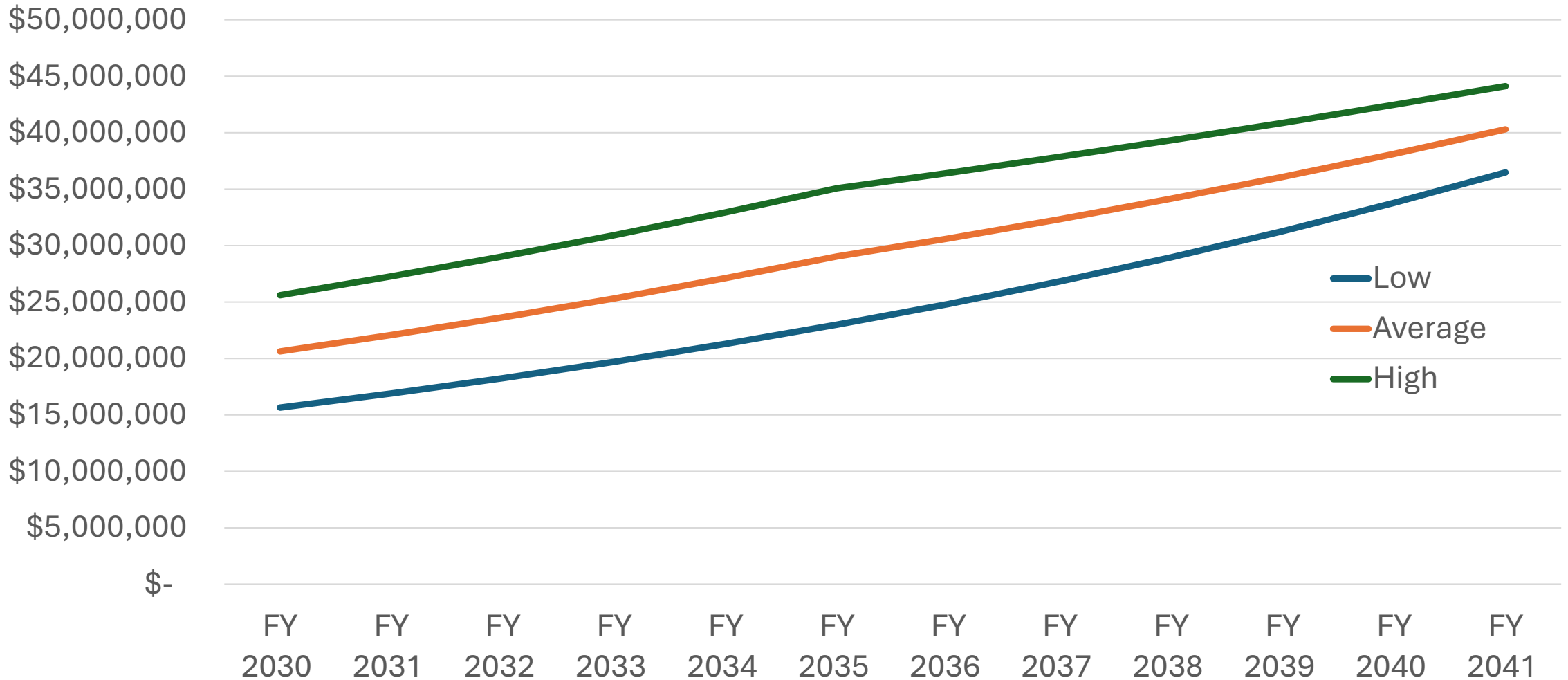
Pre-Revenue Options Explored

Source	Feasibility
Additional SACOG loans	Not able to cover CARTA's need; SACOG board wants other participation
Bank loans	Not feasible due to lack of assets/credit
California Infrastructure Bank	Only funds capital costs
Caltrans Funding	Only funds project-specific costs
Partner Loans	Feasible

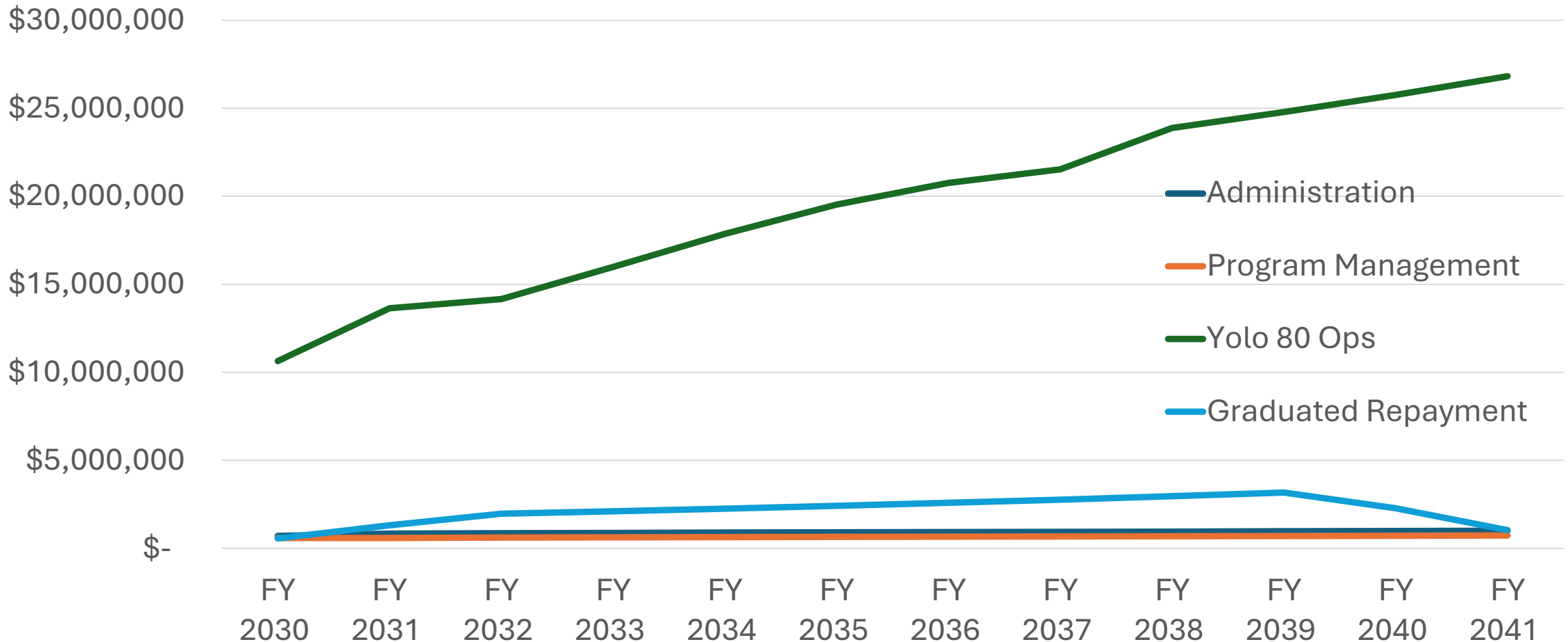
Draft Partner Loan Terms

Amount	Minimum loan \$1 million
Participants	Davis, West Sacramento, Woodland, and Yolo County, or other local agencies
Draw Period	First loan in spring 26, then 7/1 annually. CARTA may draw less based on needs
Repay Initiation	Staggered based on draw or within 12 mo. of initial receipt of toll revenue
Repay Term	Generally 3 years moratorium, then 10 years
Payment Freq.	Quarterly
Payment type	Graduated principal & interest
Interest rate	Fixed, 8%, annual
Prepay penalty	None
Repayment assurance	<ul style="list-style-type: none">• Rev generated from tolls take priority over all other debt after SACOG loans• New corridor payments shall be prioritized to make payments• Should CARTA be dissolved, the debts shall be paid with any remaining assets
Other terms	SACOG is open to its loan being bought out to standardize terms

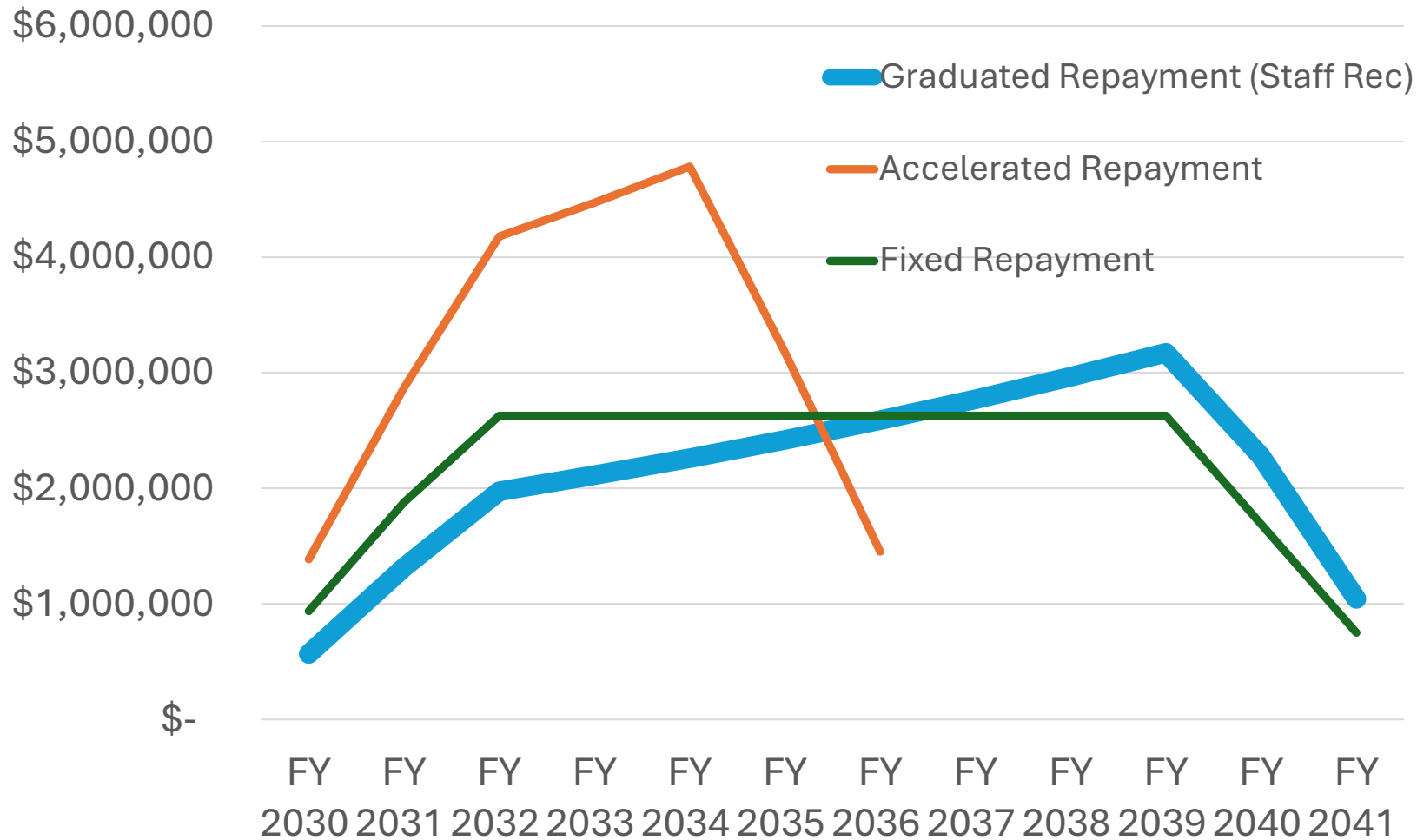
Yolo 80 Toll Revenue



12-Year Expenditure Forecast



Repayment Scenarios



Total Interest Paid
Graduated: \$13m
Fixed: \$12m
Accelerated: \$8m



Capital Area Regional Tolling Authority

captollauthority.org | ejohnson@sacog.org



Capital Area Regional Tolling Authority

Meeting Date: December 17, 2025

Agenda Item: 6

Toll Program Manager's Report

Prepared By: Kathleen Aziz, Sacramento Area Council of Governments

Attachments: No

Recommendation:

None; this is for information only.

Background:

None.

Discussion:

The Toll Program Manager will provide a verbal report at the meeting.



Capital Area Regional Tolling Authority

Meeting Date: December 11, 2025

Agenda Item: 7

Public Employee Appointment (Government Code section 54957 (b)(1).) Title: Executive Director

Closed Session

Prepared By: Erik Johnson, Sacramento Area Council of Governments

Attachments: No

Recommendation:

Conduct a conference in Closed Session

Background:

Not applicable

Discussion:

Erik Johnson, SACOG Staff, will lead the closed session.

Attachments:

None