



Policy Advisory Committee

Palo Alto City Council Chambers
250 Hamilton Avenue
Palo Alto, CA 94301

Friday, December 18, 2009 – 1:00 PM

Agenda

1. Call to Order
2. Roll Call
3. Chairperson Comments
4. Project Manager Comments
5. Public Comment (For items not on the agenda)
6. Consent Calendar
 - a. Minutes of September 25, 2009 Meeting
7. Report of the Citizens Advisory Panel
8. Information Items
 - a. Oakland Subdivision Negotiating Plan (CCJPA)
 - b. Use of RM2 Operating Funds for Interim Bus Service (MTC)
9. Action Items
 - a. Dumbarton Rail Technical Analysis
10. Correspondence
11. Requests from Members
12. Next Meeting Date
13. Adjourn

DRAFT 10/19/09

Meeting:
DRC Policy Advisory Committee

Date:
September 25, 2009

Location:
Redwood City Council Chambers
1017 Middlefield Road, Redwood City, CA

Time:
Meeting Start: 1:00 pm
Meeting Adjourn: 3:15 pm

Minutes Prepared By:
Sudhish Verma

Issue Date:

Attendees (sign-in sheet attached)	
<p><u>Policy Committee Members</u> Director Tom Blalock, CCJPA Council Member David Casas, VTA Mayor Mark Green, ACTIA (Chair) Commissioner Sue Lempert, MTC (Vice Chair) Council Member Diane Howard, SMCTA Council Member Yoriko Kishimoto, VTA Mayor Heyward Robinson, SMCTA Commissioner Dean Chu, MTC</p> <p><u>Program Management Team</u> Sylvia Cox, PCJPB William Gimpel, Parsons Brinckerhoff Howard Goode, PCJPB Marian Lee, PCJPB Todd McIntyre, PCJPB Sudhish Verma, Parsons Brinckerhoff Wenlin Yang, PCJPB</p>	<p><u>Others</u> Please refer to the attached sign-in sheet</p>

Item No. Discussion

1. Call to Order

2. Roll Call

T. Blalock, D. Casas, D. Howard, S. Lempert, M. Green, Y. Kishimoto were present to form a quorum. H. Robinson and D. Chu arrived late.

3. Chairperson Comments

Chair M. Green stated that Alameda County Measure B3 (reauthorization of Measure B half cent sales tax) will be coming up soon and there may be funding opportunity for this project. ABAG is also looking at sustainable living in the future, and the development of transit stations, such as the ones in the Dumbarton Rail Corridor, is critical to support this goal.

4. Public Comments (for items not on the agenda)

- Steve Van Pelt, a resident of Fremont, requested that future PAC meetings be held at transit accessible locations. He requested that staff look into alternative methods of distributing the meeting materials, such as providing zipped files or a web link to download the materials, for the convenience of the public. He stated that all transit agencies are facing budget crises.

As such, the project should seriously consider the bus option, which is less expensive than rail.

- Maya Perkins provided a letter on behalf of San Mateo County District 4 Supervisor Rose Jacobs Gibson. She emphasized that the Dumbarton Rail line between the East Bay and the Peninsula would offer an effective alternative to bus or car travel, and would provide transit service to underserved communities in reliable ways.

5. Consent Calendar

A motion to approve the October 17, 2008 PAC minutes was made by Y. Kishimoto and seconded by S. Lempert. The minutes were approved.

6. Report of the Citizens Advisory Panel (CAP)

CAP Chair S. Robinson reported the following key messages to the PAC:

- The panel made three motions--two of which failed and one that passed unanimously.
- First motion was to select the TSM bus alternative as LPA and move forward with the environmental clearance process. The motion failed.
- Second motion was to circulate the draft EIS/EIR and take the environmental process as far as FTA would allow. The goal would be to obtain public feedback. The motion passed unanimously.
- Third motion was to develop interim bus service without using existing rail funds. The panel supports the interim bus idea but disagreed on whether or not the existing rail funds should be used. The motion failed.

7. Status of UP Oakland Subdivision ROW (Oral Update)

INFORMATIONAL

D. Kutrosky (Capitol Corridor) reported the following:

- The PAC asked Capitol Corridor Joint Powers Authority (CCJPA) to lead the negotiations with the UPRR.
- In June 2009, the CCJPA entered into an agreement with the San Mateo County Transportation Authority to take a leading role in the right-of-way (ROW) negotiation with the UPRR on Segment G.
- The UPRR is interested in selling the entire Oakland Subdivision (from Melrose to Shinn), not just Segment G (South Hayward to Shinn).
- CCJPA is looking for potential funding options for the purchase, including ARRA and regional RM2 funding sources.

The following are PAC member discussion highlights:

- M. Green asked when the scope and schedule would be ready for PAC review. D. Kutrosky replied that it would be ready in a few months.
- M. Green asked if the federal funds would be enough for the right-of-way acquisition. D. Kutrosky said that some local matching funds would be required to receive federal grants.
- S. Lempert stated that the PAC was only interested in the UPRR ROW between Newark and Union City in the East Bay and asked for specifics about the relationship between CCJPA's plans and the proposed Dumbarton project. D. Kutrosky replied that both plans are coordinated and that purchasing the Oakland Subdivision benefits both the CC operations as well as the Dumbarton rail project.

- T. Blalock said that Gene Skoropowski, Managing Director of CCJPA, had announced his retirement and that could affect the negotiation plans. He asked if the scope and budget for the negotiations with UPRR would be ready for the next meeting. D. Kutrosky replied that it would be ready. T. Blalock stated that the acquisition of the ROW will take a long time and there is an urgency to move forward.
- S. Lempert asked what the freight provision was in the purchase agreement for the Dumbarton ROW. H. Goode replied that the terms of agreement provides UPRR the trackage right to freight service across the Dumbarton Bridge while it shares costs. There are specific requirements to remove freight service from the SamTrans owned portion of the Dumbarton Line only, which have been previously presented to the PAC.
- Y. Kishimoto asked if building additional rail tracks were included in the project and if freight service was important to the Regional Rail Plan. H. Goode replied that the Regional Rail Plan did take freight into consideration.
- D. Howard added that the Port of Redwood City was also interested in maintaining freight service to the port and said she hoped that the port's plans were also compatible with the Regional Rail Plan. She stated that future freight rail service is important to get trucks off the roads.

8. Dumbarton Project Development and Future Direction

Project Status and Budget Update

INFORMATIONAL

W. Gimpel presented the project status as follows:

- As of August 31, 2009, approximately \$10.754M has been expended and \$4.714M remaining.
- 15% engineering design is complete.
- Significant bridge conditions work is complete.
- Project costs have increase from \$515 million (\$2006) to \$701 million (\$2009). Key reasons for the increase in cost are inflation and more information related to the engineering work.
- Ridership projects have decreased from 12,800 annual riders in Year 2006 (2030 Projections) to 6,200 annual riders in Year 2009 (2035 Projections). Key reasons for the decrease are changes in the land use assumptions, elimination of stops on the peninsula, and changes in the model, including penalties for transfers.
- The administrative draft EIS/EIR is complete.
- The project funding plan is incomplete. The funding gap has grown to nearly \$400 million. Key reasons are increased capital cost estimates and decreased funding commitments

The following are PAC member discussion highlights:

- M. Green observed that the 2005 ABAG projections that were used in the ridership forecast are outdated.
- Y. Kishimoto said that there have been notable changes since 2005. They include voter approval of Proposition 1A and the passing of Senate Bill 375. Y. Kishimoto asked if such changes had been assumed in the ridership projections. W. Gimpel replied no since the analysis was conducted before those events.
- D. Chu asked how much of the change in the capital cost estimate is due to inflation. W. Gimpel replied about 15%.
- H. Robinson asked if we were to include SB 375 and the latest ABAG 2009 projections in the ridership forecast, what would be the potential impact on the project. M. Lee replied that

- 2009 projections probably includes more local trips. Since the Dumbarton project is more sensitive to longer trips, the new projections may not increase the ridership estimate. H. Robinson said that shorter trips would be better served by improved bus service.
- D. Casas said that there was approximately a 36% increase in the project's capital cost estimate and suggested that the staff provide more detail on the reasons for the increase especially since recent bids had been coming in low and material costs were down.
 - S. Lempert stated that the Dumbarton project was not the only project to see a reduction in its ridership. Most regional projects were seeing significant decrease in ridership due to recent ABAG projections and economic impacts.
 - M. Green asked what the most environmental sensitive areas were. H. Lafebre replied wetlands and other water resources.
 - Y. Kishimoto asked if the "Super ACE" service connecting the Central Valley to the Dumbarton project had been analyzed as an alternative. H. Lafebre replied that such an alternative was not evaluated in the environmental document. Y. Kishimoto asked if including that alternative would constitute more work. H. Lafebre replied yes.
 - H. Robinson asked if the staff had received any comments from the Bay Conservation and Development Commission (BCDC). H. Lafebre replied that the staff had preliminary consultations with many regulatory agencies. However, the draft environmental document has not been distributed for review.
 - H. Robinson said that the estimated cost of removing the existing bridge of \$120 million was far greater than that of implementing some of the project alternatives. He asked what authority the United States Coast Guard (USCG) has over the structures. D. Casas asked if the USCG had ever enforced its authority on the bridge structures. M. Lee and W. Gimpel replied that the USCG has expressed their authority to enforce demolition of the bridge if it is not used for transportation purposes. However, no matter the outcome of the Dumbarton rail project, it appears that a strong case could be made through other regional rail plans to preserve the bridges.
 - T. Blalock asked what would be the extent of Dumbarton rail service under the phasing option. W. Gimpel replied that the service would extend only up to the proposed Willow Street station in the City of Newark. T. Blalock asked why the phasing option did not terminate at the Fremont Centerville Station where it could connect with existing Capitol Corridor and ACE trains. W. Gimpel explained that would require additional negotiations with UPRR due to track capacity constraints in the Centerville area.
 - Y. Kishimoto asked how many people crossed the bay on the Dumbarton Bridge. T. Blalock said that it may be around 60,000 vehicles both directions crossing this bridge on an average day.
 - H. Robinson asked why the ridership numbers show a discrepancy between the rail and bus alternatives regarding the number of people crossing the bay. S. Lempert said that in terms of travel time, rail is a faster option than bus which is subject to congestion on the bridge and approaches.

Next Steps**ACTION**

M. Lee presented the following:

- The project team has completed 15% design and the administrative draft of the EIS/EIR.

- Next steps are significantly challenging. The project is lacking a “solid” financial plan and faces an increased funding gap. Without a solid funding plan, the FTA will not be able to review the environmental document.
- A strategy is needed to move forward. Four options were presented. Option 1 is advancing the rail alternative to Union City. Several key elements of the EIR/EIS would need to be updated/completed before the DEIS/R could be circulated. Option 2 is advancing the TSM alternative, which is affordable. For this option, the completion of the EIS/EIR would not be needed as the project could be environmentally cleared with a lower level of documentation. Option 3 is advancing the TSM combined with a rail phasing alternative as the initial operating segment of the rail project. This strategy was not deemed feasible by the FTA. And Option 4 is to stop all work on the project.

The following are key public comments:

- J. Bigelow, representing the Chambers of Commerce of Redwood City, Menlo Park, and the San Mateo County, stated that the San Mateo County New Measure A Program would add another \$30 million to the project. Every year the project is not in place, \$5M is lost. The focus of the project should be on making it ready to move as soon as funding becomes available. This project has been discussed for over twenty years.
- Carlos Romero, a City Councilmember of East Palo Alto, spoke on behalf of himself as a resident of East Palo Alto. He said that the City of East Palo Alto has secured a \$200,000 match from MTC to study a potential train station or connections to the station in Menlo Park. He also stated that Bus Rapid Transit (BRT) is an option to the proposed rail alternative in order to meet the demand for shorter trips. Rail would be quicker, but given the current funding conditions, the PAC should be thinking about implementing BRT.
- Mark Gonzales, CAP member from Newark, stated that the Dumbarton Bridge is a bottleneck. Rail is the better alternative because buses will just get stuck in the bottleneck.

The following are key PAC member comments:

- M. Green asked for a comparison between the CAP’s recommendation and Option 1. M. Lee replied that the CAP wanted to circulate the document before refining the project. He stated that he agreed with the CAP’s recommendation. The rail alternative generated four times the net new riders generated by the TSM alternative. He also stated that the people had voted for a rail project.
- Y. Kishimoto and S. Lempert highlighted that the rail alternative should be pursued. They agreed that in doing so, it was important to complete key elements of the environmental document to reflect new conditions in the regional rail network and land use projections. They also asked for analysis on the impact of using RM2 operating funds to advance an Interim Bus Enhancement project.
- M. Green said that he did not think a full financial plan was required. S. Lempert said that the project required a feasible funding strategy - not every dollar has to be in place today.
- M. Green asked when the staff would be able to prepare a draft and scope for the required work. M. Lee replied that it could take several months and that there were unknowns associated with the HSR program. M. Green said that given the unknowns, he recommends circulating the environmental document now.
- D. Casas stated that it would be better to conduct technical analysis first. He recommended staff come back to the PAC in mid-December with a scope and budget for PAC’s consideration.

- T. Blalock suggested the staff come prepared with more information on availability of the funds. He stated that he agreed with J. Bigelow that they must stay the course.
- D. Howard said that funds do become available so the Dumbarton project should be at a state of readiness. She was concerned about the interim bus proposal, and requested staff to come back with more information. Dumbarton Rail project capital funds should not be used for implementation of interim bus improvements.
- H. Robinson asked if the environmental document would be viable for a period of only three years. M. Lee replied yes. H. Robinson said that the time window was important because FTA would not let the project move forward unless the project satisfied FTA requirements in the three-year timeframe.
- H. Robinson said that we should think about how to spend our limited funding wisely. When the rail alternative has an estimated cost of \$701 million and the bus alternative, about \$30 million (excluding the bridge demolition), the PAC should look at the most cost-effective alternative for realistic implementation. He noted that there is confusion between the TSM alternative and the Interim Bus service and better information about these alternatives should be presented. He also asked whether TSM could be further improved to become a true BRT system. BRT was becoming a modern, fast, green, and efficient alternative, and the PAC should seriously look at it. BRT could be a very cost-effective alternative.
- S. Lempert said that the PAC should meet in December 2009 and that the staff should come back with more information as requested by the PAC members.
- M. Green said that he was hesitant about starting the interim bus service using RM2 operating funds and suggested staff come back with a preliminary analysis of what starting interim bus service would mean for the Dumbarton Rail Corridor project.
- A motion was made by Y. Kishimoto and seconded by S. Lempert to Adopt Option 1 and complete elements of the environmental document that will support efforts to continue to advance this corridor within the regional rail vision for the Bay area. This could include technical analysis and studies and public outreach, as deemed appropriate by staff.
- The motion passed with seven votes in favor and one vote against (H. Robinson).

9. Correspondence

Correspondence from Maya Perkins on behalf of San Mateo County District 4 Supervisor Rose Jacobs Gibson was received during the public comment period.

10. Requests from Members

None

11. Time and Date of Next Meeting

Next meeting was tentatively scheduled for December 16th at 12:30 in the City of Palo Alto.

12. Adjourn

Adjourned at 3:15 pm

Attachments:

Sign-in sheet



DUMBARTON RAIL

Subject: Policy Advisory Committee Meeting

Date: September 25, 2009

Time: 1:00 PM

Location: Redwood City Council Chambers

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Capitol Corridor Joint Powers Authority Oakland Subdivision Purchase Plan Summary

Background

The Dumbarton Rail project Policy Advisory Committee (PAC) requested the Capitol Corridor Joint Powers Authority (CCJPA) to take the lead in negotiations with the Union Pacific Railroad (UPRR) for a portion its Oakland Subdivision in Alameda County and purchase of land from Alameda County in the Fremont area (hereafter called the “Shinn parcel”) to facilitate a rail connection between the Oakland and Niles Subdivisions. CCJPA staff working with its parent and managing agency, the San Francisco Bay Area Rapid Transit District (BART), has developed a recommended approach for these negotiations, including appropriate due diligence efforts, regulatory approvals and title transactions. The UPRR has previously indicated that it is only interested in selling a right of way (ROW) segment between Oakland and Fremont which is more extensive than the portion needed for the proposed project. The recommended negotiation approach assumes acquisition of the full segment from Oakland to Fremont.

The recommended strategy involves a current total estimated budget cost in excess of \$700,000 with an in-kind contribution (no cost to the project budget) of approximately \$160,000. The Dumbarton Policy Advisory Committee, at present, has only approved \$300,000 set aside for right of way negotiations. At least an additional \$400,000 will be required to fully implement the negotiations for the purchase of Segment G plus the Shin parcel, plus the remainder of the Oakland Subdivision north of Industrial Parkway crossing.

Some internal BART staff and all retained outside real estate consultants and legal support will require direct reimbursement. CCJPA and BART staff will jointly manage these activities based on their expertise. The following staff will perform the following management tasks:

Overall project management team:

- Jim Allison, Principal Planner, CCJPA – Overall Project Manager
- David Kutrosky, Managing Director, CCJPA – Overall Project Director

- Laura Giraud, BART Real Estate – Real Estate Project Manager
- Pat Smith, BART Legal Department – Legal Project Manager
- Bernadette Lambert, BART Real Estate– BART Real Estate (funded by capital budgets - will charge to the project)

Scope

The scope for research in preparation for negotiation for the UPRR's Oakland Subdivision and Alameda County's Shinn parcel is similar. However, the purchase of UPRR's Oakland Subdivision between Fremont and Oakland will be more complex due to the need for potential trackage rights, potential hazardous materials and a more interwoven ownership/easement rights picture.

The following tasks have been identified for the acquisition of the UPRR's Oakland Subdivision ROW:

I. DUE DILIGENCE
A. Valuation
1. Research and evaluate Across the Fence (ATF) values, and develop land value estimate for Letter of Intent.
2. Adjust offer amount based on title, encumbrances, environmental conditions and improvements values.
B. Title Work
1. Prepare Preliminary Title Report
2. Conduct Title Analysis and Issue Report
C. Conduct Survey and Mapping
1. Review and analyze title documents
2. Draft legal descriptions based on the record and spot-surveys
3. Conduct a field survey; Prepare and file Records of Survey
D. Phase I and II Environmental Site Assessments
1. Conduct Necessary Assessments
2. Consider Hazardous Materials Insurance; obtain quotes
E. Infrastructure Assessment
1. Evaluate Condition and Value of Infrastructure and Improvements
II. ACQUISITION NEGOTIATIONS
1. Deliver Letter of Intent to Acquire
2. Apply for and Obtain Right of Entry for Due Diligence Studies
3. Draft and Negotiate the Purchase Agreement
4. Draft and Negotiate Ancillary Documents (Deed, C&M Agt, etc.)
5. UP Board Approval
6. BART/CCJPA Board Approval
7. SMCTA Board Approval
III. REGULATORY APPROVALS
A. Surface Transportation Board (STB)
1. STB Consideration of Application and Ruling
2. Period for Challenges to STB Ruling

IV. FUNDING APPROVALS
A. Reimbursement Agreement
B. Assemble Funding Sources
V. ESCROW
1. Purchase Agreement UP - BART Signed/Delivered to Escrow
2. Order Checks and Deliver into Escrow
3. STB Approval of Abandonment
4. Grant Deed or Quitclaim UP - BART Signed/Delivered to Escrow
VI. LEGAL SERVICES
1. Legal research and strategizing re CEQA and NEPA compliance.
2. Review and comment on submittals to FRA.
3. Provide legal advice re conformity with all applicable Caltrans requirements prior to making an offer to UPRR.
4. Provide legal advice re remediation and allocation of remediation responsibilities prior to making an offer to UPRR.
5. Purchase and Sale Agreement for review and approval by UPRR (exhibits to be provided by Real Estate).
6. Draft Remediation Agreement for review and approval by UPRR.
7. Trackage Rights Agreement, if applicable, for review and approval by UPRR.
8. Design Review Agreement for review and approval by UPRR.
9. Construction and Engineering Agreement for review and approval by UPRR.
10. Participate in project meetings, legal research and writing.
11. Consultation with FRA counsel.**
**May/may not be required as negotiations proceed (amount of time will depend on issues, e.g., specialty FRA counsel advice on CEQA/NEPA and/or other rail issues)

Schedule/Budget

The scheduled implementation of this project is subject to identification of funding sources to purchase the Oakland Subdivision and Alameda County's Shinn Parcel. A 12-15 month schedule has been identified which results in all scope tasks being completed with a goal of completing sale prior to the end of a calendar year (UPRR typically wants the sale completed at the end of a calendar year for purposes of fiscal year performance).

The budget summary below is a working estimate of both the in-kind cost contribution by CCJPA/BART staff (preliminary at this time pending BART Real Estate input), and the cost of BART capital-funded and outside real estate or legal experts required to research the acquisition of the Oakland Subdivision ROW and Alameda County Shinn Parcel the latter two which would be charged to the project. The BART Contract labor costs in Real Estate are preliminarily estimated in excess of \$100,000 with outside expertise costs in excess of \$600,000 for a total of over \$700,000 charged to the project. The total "in-kind" CCJPA/BART labor contributions are preliminarily estimated just over \$160,000

and are not charged to the project.. Prior to advancing a CCJPA/BART led real estate negotiation, the preliminary budget estimates will be revised to establish a final budget

I. DUE DILIGENCE*	In-Kind Contribution (preliminary estimate)	BART Contract Costs (preliminary estimate)	Outside Expertise Costs
A. Valuation	\$4,500	\$11,000	\$6,500
B. Title Work	\$0	\$0	\$50,000
C. Conduct Survey and Mapping	\$4,700	\$9,000	\$435,000
D. Phase I and II Environmental Site Assessments	\$2,700	\$6,000	\$0
E. Infrastructure Assessment	\$1,500	\$8,000	\$0
SUBTOTAL	\$9,200	\$20,000	\$491,500
II. ACQUISITION NEGOTIATIONS			
SUBTOTAL	\$14,600	\$50,600	\$0
III. REGULATORY APPROVALS			
A. Surface Transportation Board (STB)			
SUBTOTAL	\$7,000	\$17,000	\$0
IV. FUNDING APPROVALS			
A. Reimbursement Agreement			
B. Assemble Funding Sources.			
SUBTOTAL			
V. ESCROW			
SUBTOTAL	\$7,600	\$17,500	\$0
VI. LEGAL SERVICES*			
SUBTOTAL	\$69,475	\$0	\$112,500
VI. CCJPA ADMINISTRATION*			
SUBTOTAL	\$52,500	\$0	\$0
Category TOTAL	\$160,375	\$105,100	\$604,000
Reimbursable Costs TOTAL	\$709,100		
TOTAL	\$869,475		

* The in-kind costs for work prior to the approval of the PAC are shown

Next Steps

CCJPA will be making application in Spring 2010 for a grant of federal funds for a series of track improvements between Oakland and San Jose (the Oakland to San Jose Track Improvement Program Phase 2). Included with this request, which contains a series of track improvements (primarily double tracking along the route where single track exists today), will be the purchase of the Oakland Subdivision and the completion of the Segment G track work (the actual Station improvements at Union City station are required to be completed by the local jurisdiction pursuant to CCJPA Board policy). The grant request will be sent to the Federal Railroad Administration (FRA) as an application under the High Speed Intercity Passenger Rail (HSIPR) program. Matching funds will be prior State funds expended on implementation of Phase 1 of the Oakland to San Jose Track Improvements as well as funds included in the Union City BART/Passenger Rail station project. For purposes of the application, CCJPA does not intend to use any RM-2

funding designated for the Dumbarton Rail project as matching funds for this FRA HSIPR application. If approved by FRA at some point during 2010, CCJPA will be able to update and implement the Oakland Subdivision Purchase Plan summarized above. If the FRA application is not successful or not submitted, CCJPA will return to the Dumbarton Rail PAC regarding future funding options/requests.



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COMMISSION

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Item 8b

Memorandum

TO: Dumbarton Policy Advisory Committee

DATE: November 4, 2009

FR: Alix A. Bockelman, Director of Programming & Allocations

RE: Response to Information Request Regarding RM2 Funds

This memo responds to your request for MTC to clarify whether Regional Measure 2 Operating Funds that are currently programmed for Dumbarton Rail operations can be used for interim bus service in the same corridor prior to completion of the rail project.

Process for Potentially Redirecting Funds

According to California Streets & Highway Code Section 30914 (d), MTC may provide operating assistance for Dumbarton Rail transit services in an amount of \$5.5 million annually, subject to the annual 38% limit on operating funding for the overall RM2 program.

Should the Dumbarton Policy Advisory Committee (PAC) request that MTC redirect these funds to support operations for an interim bus service instead, MTC would have the option to hold a public hearing and subsequently vote whether to reassign the funds to another project in the same bridge corridor. The process is outlined in California Streets & Highway Code Section 30914 (f):

If an operating program or project as identified in subdivision (d) cannot achieve its performance objectives described in subdivision (a) of Section 30914.5 or cannot continue due to delivery or financing obstacles making the completion or continuation of the program or project unrealistic, the commission shall consult with the program or the project sponsor. After consulting with the sponsor, the commission shall hold a public hearing concerning the program or project. After the hearing, the commission may vote to modify the program or the project's scope, decrease its level of funding, or to reassign some or all of the funds to another or an additional regional transit program or project within the same corridor.

If the Commission voted to reassign the funds to bus service on the Dumbarton Bridge, then the RM2 funds would be available for that service. Note that in order to initiate the hearing process, the PAC would need to determine that the Rail Operating project could not continue "due to delivery or financing obstacles making the completion or continuation of the program or project unrealistic."

Once the funds were redirected, they would no longer be available for the rail service. If the Dumbarton PAC later requested that MTC redirect the funds back to a future rail service, the Commission would need to undertake another public hearing process in accordance with the statute quoted above. If so voted, the effect would be to un-fund the then-existing bus service and redirect the funds to support the rail service operations instead. There would likely be

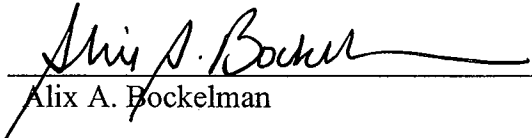
impacts on the bus riders and operations at that point. Alternatively, it is possible that the Commission could first make the determination to provide funds for the bus service conditional on the absence of rail service, so that when rail service does begin in the corridor, the funds would revert to that without the need for a second hearing. The effects on the then-existing bus service would be the same in either case.

Considerations for Ongoing Service Provision

It is important to note that transit service funded with RM2 funds is subject to the policies and procedures for RM2, including meeting various performance measures such as a minimum farebox recovery ratio. Performance against these standards is evaluated annually, and in the past some services have experienced difficulty meeting the standards. Failure to achieve the standards has in certain cases resulted in the Commission redirecting funds to other services that could achieve the standards.

Additionally, if the Dumbarton Rail PAC were to request that the RM2 Dumbarton Rail operating funds be redirected, MTC staff would ask that the Dumbarton Rail project team – in cooperation with the rail project's partners and the current public transit service providers in the corridor – provide information detailing how the service would be implemented and at what cost. This information would be needed prior to MTC initiating the public hearing process. Some of the potential options for implementing the service that we would encourage staff to consider could include the continuation of the current consortium arrangement, provision of the service by a single transit operator, establishing a contract for private provision of the service, or other options. As appropriate, MTC could help facilitate these discussions.

I hope this information is useful as you consider the options for advancing the project. Please contact me at (510) 817-5850 or abockelman@mtc.ca.gov if you have further questions.


Alix A. Bockelman

AB: AR

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cc: Marian Lee, Samtrans/Caltrain
Will Gimpel, Parsons Brinckerhoff
Art Dao, ACTIA
Kevin Connolly, Santa Clara VTA
David Kutrovsky, Capitol Corridor
Dennis Fay, Alameda County CMA

Memorandum**Date:** December 18, 2009**To:** Policy Advisory Committee**From:** William Gimpel**Re:** Technical Analysis Scope and Budget

At the September 25, 2009 Policy Advisory Committee (PAC) meeting, the committee directed project staff to: *“Redefine the Rail Alternative and complete elements of the environmental document that will support efforts to continue to advance this corridor within the regional rail vision for the Bay area. This could include technical analysis and studies and public outreach, as deemed appropriate by staff.”*

Please find attached a proposed work scope and budget for this effort. Staff proposes five major tasks to be performed in approximately six-to-nine months. The proposed budget is approximately \$400,000, which includes agency and consultant personnel.

In summary, the proposed technical analysis scope focuses on addressing the changes in the project setting and analyzing new service plans. The final product of the technical analysis will be a staff recommended Dumbarton rail scope and service plan, a redefined TSM alternative, and a funding plan for inclusion in the environmental document.

Projects do not operate in a vacuum and there have been many changes in the study corridor and in the larger region since the Dumbarton Rail Corridor project was initially scoped. Significant new projects are developing on both sides of the project corridor, including High Speed Rail on the peninsula and the Altamont Corridor Express and Capitol Corridor improvements in the East Bay. ABAG’s land use projections for the region are being updated. Dumbarton Rail funding commitments are changing. The Union Pacific Railroad is considering more slots for passenger trains in the vicinity of Centerville. The changing project setting suggests a fundamental reevaluation of the project definition, context, and scope, as well as ongoing coordination and communication with the various projects affecting the Dumbarton Rail Corridor project.

Additionally, the Caltrain corridor will be affected by the installation of positive train control, electrification, and high speed rail. With these technologies, expanded infrastructure and more service anticipated by multiple transit and freight operators, the Dumbarton service plan needs to be reevaluated. Various ridership tests will be conducted for service plans that include varying frequencies, transfer points, as well as expanded service areas.

It is important to note that project staff drafted this proposed scope and schedule assuming the best possible cooperation by other agencies. The project team's ability to meet the proposed schedule is dependent on other agencies' meeting their own schedules. This is particularly relevant to ABAG and the city's updated land use data needed for the travel forecasting effort, and the High-Speed Rail and Altamont Corridor Express project schedules for developing and analyzing their respective service plans.

TECHNICAL ANALYSIS SCOPE OF WORK

TASK 1 CHANGING PROJECT SETTING

Task 1.1 Update Regional Land Use Assumptions

Working with ABAG, determine the latest and most appropriate land use assumptions to utilize for project review, particularly ridership projections.

Deliverable: A description of the current status of ABAG assumptions and their impact upon project ridership forecasting. The implications of anticipated land use patterns for a Dumbarton rail project should also be described.

Task 1.2 Coordination with Connecting Corridors

The HSR project is currently conducting studies on the Peninsula and Altamont Corridors which include how connections will be made with the Dumbarton Corridor. During the next six months, the nature of these connections needs to be better defined. Additionally, the Capitol Corridor Joint Powers Authority is planning capacity improvements in the East Bay and negotiating with the Union Pacific Railroad for passenger train slots in the UPRR's track schedule at Centerville. It is important that representatives of the Dumbarton Project coordinate closely with these projects so that the objectives of the Dumbarton project are known and incorporated. Project representatives will monitor all three projects and participate, as appropriate, to advocate the objectives for the Dumbarton Corridor.

Deliverable: Technical memorandum summarizing the anticipated connection approach for both the Peninsula Corridor at Redwood City and the Altamont Corridor in southern Alameda County. The memorandum will include a discussion of any constraints or limitations on the Dumbarton Project as a result of the other two studies.

Task 1.3 Funding Prospects

The range of potential sources of additional funding will be investigated and evaluated. The requirements, prospects, and timing for each will be described, along with the steps necessary to pursue each. Based upon this review, a preliminary funding strategy for the project will be prepared.

Deliverables: Working paper on a project funding strategy to be used for the financial chapter of the EIR/EIS.

TASK 2 REVIEW RAIL PROJECT RIDERSHIP ESTIMATES

Task 2.1 Identify Service Alternatives

Consistent with the current physical limits of the project (Union City BART to Redwood City Caltrain) a range of updated service plans will be prepared. These will draw on the market information obtained in the previous task and the anticipated connections at either end of the corridor. It is expected that these service alternatives will include greater frequency along with a range of service options along the Caltrain line. The service alternatives will be presented to the project oversight committees for review and comment.

Task 2.2 Ridership Sensitivity Analysis

Conduct a limited number of model runs to analyze ridership sensitivity. Elements of particular interest include frequency, transfers, and express vs. local service.

Task 2.3 Cost Analysis

Changes in service patterns will entail changes in operating costs. A preliminary cost estimate will be made for each proposed service alternative illustrating the change in costs associated with the service.

Deliverable: A technical memorandum summarizing the results of the preceding three subtasks. Based upon the analysis, a recommendation on the best performing alternatives will be prepared.

TASK 3 NEW RAIL ALTERNATIVES

Task 3.1 Review Corridor Travel Market and Identify New Project Alternatives

The current Dumbarton Rail Project has focused on travel from southern Alameda County to the peninsula. This task will look at the larger regional travel patterns and the ability of the Dumbarton Rail Project to serve those trips. The most current regional travel information from the MTC will be reviewed and those market segments which could utilize the Dumbarton line will be identified and their magnitudes reported.

Task 3.2 Regional System Integration

Because the Dumbarton Rail Project connects with other corridors which are likely to utilize different and perhaps incompatible types of rail vehicles, an update of vehicle compatibility needs to be conducted. Some recent developments in vehicle technology may offer solutions which have not been previously considered. Other future rail operations, including passenger and freight, will affect the Dumbarton Rail project and new project alternatives should be developed in a context that accounts for these other operations.

Task 3.3 Ridership Analysis

Conduct model runs to determine ridership estimates for proposed service area changes and new project alternatives.

Task 3.4 Cost Analysis

Changes in alternative definition may entail new costs, both capital and operating costs. A preliminary cost estimate will be made for each proposed new alternative illustrating the change in costs associated with the alternative.

Deliverable: A technical memorandum summarizing the results of the preceding four subtasks. Based upon the analysis, a recommendation on the best performing alternatives will be prepared.

TASK 4 REFINE THE TSM ALTERNATIVETask 4.1 Refine TSM Alternative Definition

The Transportation System Management (TSM) alternative was designed to be a low-cost option that maximizes performance from existing facilities. Staff will evaluate the TSM alternative and identify potential additional cost-effective enhancements.

Task 4.2 Ridership Analysis

Conduct model runs to analyze ridership sensitivity to elements of enhancement to the TSM alternative.

Task 4.3 Cost Analysis

Changes in the TSM definition may entail new costs, both capital and operating costs. A preliminary cost estimate will be made for each proposed new enhancement, illustrating the change in costs associated with the enhancement.

Deliverable: A technical memorandum summarizing the results of the preceding three subtasks. Based upon the analysis, a recommendation on the most competitive and cost-effective TSM alternative definition will be prepared.

TASK 5 STAFF RECOMMENDATION AND THE NEXT PHASE WORK SCOPE

Outline the objectives for the project and the most appropriate approach for rail service in the Dumbarton Corridor. Develop work scope for the recommended approach for PAC consideration. The extent of the projected scope will depend on the extent to which the project description is being revised. If only service levels within the current limits are changed, the updating of the environmental document will be limited. However, if a n approach which revises and expands the project limits results, more technical analysis will be necessary to revise the environmental document.

Deliverable: Next Phase Work Scope along with anticipated schedule and budget.

Dumbarton Rail Corridor Technical Analysis

Proposed Budget

Task		Cost
Total Project		\$400,000
Task 1	CHANGING PROJECT SETTING	\$60,000
1.1	Update Regional Land Use Assumptions	\$30,000
1.2	Coordination with Connecting Corridors	\$20,000
1.3	Funding Prospects	\$10,000
Task 2	REVIEW RAIL PROJECT RIDERSHIP ESTIMATES	\$100,000
2.1	Identify Service Alternatives	\$20,000
2.2	Ridership Sensitivity Analysis	\$60,000
2.3	Cost Analysis	\$20,000
Task 3	NEW RAIL ALTERNATIVES	\$160,000
3.1	Review Corridor Travel Market	\$15,000
3.2	Regional System Integration	\$35,000
3.3	Ridership Analysis	\$80,000
3.4	Cost Analysis	\$30,000
Task 4	REFINE THE TSM ALTERNATIVE	\$75,000
4.1	Refine TSM Alternative Definition	\$20,000
4.2	Ridership Analysis	\$40,000
4.3	Cost Analysis	\$15,000
Task 5	STAFF RECOMMENDATIONS AND NEXT PHASE WORK SCOPE	\$5,000