

CalMod Local Policy Maker Group (LPMG)

Thursday, March 28, 2013

6:00 PM – 7:30 PM

SamTrans Offices - Bacciocco Auditorium 2nd Floor
1250 San Carlos Ave., San Carlos

Agenda

1. JPB Staff Report
2. Information/Discussion
 - a. CBOSS Presentation - M. Lee (Attachment A)
 - b. EIR Scoping Meeting Update - R. Walter, ICF (Attachment B)
 - c. JPB/CHSRA Agreement - M. Lee (Attachment C)
 - d. SB 557 - C. Fromson (Attachment D)
3. Public Comments
4. LPMG Member Comments/Requests
5. Next Meeting: April 25th, 6:00PM, SamTrans Office

Future Item Ticklers:
- *Local Concerns Log*

CalMod Local Policy Maker Group (LPMG)
January 24, 2013 Meeting

The following are summary meeting notes. The purpose of these notes is to capture key discussion items and actions identified for subsequent meetings.

Information/Discussion Items

1. Corridor Electrification Environmental Process

Rich Walter (ICF), the project manager described the scope, process, and schedule for preparing the environmental document.

This environmental effort will clear (at the project level) electrification of the peninsula corridor and increased Caltrain service. Blended system improvements and high-speed rail service will be discussed in the cumulative chapter of the EIR but will not be cleared at the project level at this time. Those improvements will be cleared at a project level in the future when design is sufficient and funding has been identified.

It was stated that the Notice of Preparation (NOP) would be issued on January 31, 2013 and that the environmental process would be completed in approximately 18 months. These are critical milestones for supporting Caltrain electrified revenue service in 2019.

2. JPB/CHSRA New Agreement

As a follow up to the December 2012 LPMG meeting, staff presented the draft new agreement between the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (JPB). The new agreement would replace the outdated 2004 MOU and 2009 Agreement between the two agencies.

The draft agreement was prepared based on the “key principals” presented to the LPMG at the December 2012 meeting and informed by stakeholder comments on the proposed principals which were obtained over several weeks.

Staff requested comments on the draft agreement by February 13, 2013 to inform changes before presenting to the JPB and the CHSRA for action.



Memorandum

Date: March 28, 2013

To: CalMod Local Policy Maker Group (LPMG)

From: Marian Lee, CalMod Executive Officer

Re: Caltrain CBOSS Project

Staff will provide a presentation on the advanced signal system project known as CBOSS (Communications Based Overlay Signal System). CBOSS is one of the projects identified in the \$1.5B high-speed rail early investment program outlined in the 9-Party Regional Funding MOU for the peninsula corridor.

The project will enter the installation phase in the fall of this year. The critical project milestones are as follows:

- Critical design September 2012- April 2013
- Final design May 2013 - September 2013
- Installation and testing September 2013 – September 2015
- Begin revenue service October 2015

It is important to update the LPMG at this time on the status of the project as we begin to prepare for installation and local outreach. We anticipate providing ongoing updates to the LPMG and working closely with the CSCG (City/County Staff Coordination Group) on local agency coordination and public outreach.



Memorandum

Date: March 28, 2013

To: CalMod Local Policy Maker Group (LPMG)

From: Marian Lee, CalMod Executive Officer

Re: Peninsula Corridor Electrification Project, EIR Scoping Update

In December and January, Caltrain staff and the environmental program manager, Rich Walter from ICF International, provided an overview of the corridor electrification environmental clearance approach, project scope, schedule, and immediate next steps.

Since the last LPMG meeting, the Corridor Electrification Notice of Preparation (NOP) was released (January 31, 2013) and four public scoping meetings occurred.

- Caltrain Office February 27th, 3:00 – 8:00 pm
- Palo Alto City Hall February 28th, 6:00 – 8:00 pm
- San Jose (VTA Headquarters) March 5th, 6:00 – 8:00 pm
- San Francisco City Hall March 6th, 6:00 – 8:00 pm

The NOP was distributed to:

- Property owners within 300' of ROW
- Libraries
- Elected Officials (Local, State and Federal)
- Transportation Boards and Agencies
- Community Groups
- City/County Staff

The public scoping comment period ended on Monday, March 18th at 5pm and the project team is currently reviewing the comments and preparing a scoping summary report.

Rich Walter will provide a verbal update on the public scoping meetings and next steps.

Attachment B



Memorandum

Date: March 28, 2013

To: CalMod Local Policy Maker Group (LPMG)

From: Marian Lee, CalMod Executive Officer

Re: JPB / CHSRA New Agreement

In December and January, Caltrain staff provided information to the LPMG on developing a new agreement between the Peninsula Joint Powers Board (JPB) and the California High Speed Rail Authority (CHSRA). These meetings were focused on sharing the purpose and key principles of the new agreement and obtaining local stakeholder comments to inform the agreement.

The agreement has been finalized and was approved by the JPB and the CHSRA in March 2013. See attached final agreement. The new Agreement confirms the two agencies' commitment to advancing a Blended System for the peninsula corridor and replaces the outdated 2004 MOU and the 2009 agreement between the two agencies.

RESOLUTION NO. 2013- 13

**BOARD OF DIRECTORS, PENINSULA CORRIDOR JOINT POWERS BOARD
STATE OF CALIFORNIA**

*** * ***

**AUTHORIZING APPROVAL OF NEW AGREEMENT BETWEEN
THE PENINSULA CORRIDOR JOINT POWERS BOARD AND
THE CALIFORNIA HIGH SPEED RAIL AUTHORITY**

WHEREAS, in January 2004, the California High Speed Rail Authority (CHSRA) and the Peninsula Corridor Joint Powers Board (JPB) entered into a Memorandum of Understanding (the 2004 MOU), the purpose of which was to establish a framework for future cooperation between the two agencies relative to the proposed development of a high-speed train system for California that would share the rail corridor between the City of San Jose and the City and County of San Francisco owned by the JPB (Peninsula Rail Corridor); and

WHEREAS, in April 2009, the CHSRA and the JPB entered into a new agreement, the purpose of which was to establish an initial organizational framework whereby CHSRA and JPB would engage as partners in the planning, design and construction of improvements along the Peninsula Rail Corridor to accommodate and serve the respective interests of the two organizations (the 2009 Agreement); and

WHEREAS, in November 2009, the 2009 Agreement was amended so that, among other things, it established a 50-50 financial cost-sharing arrangement between the parties to cover costs incurred in connection with carrying out the purposes of said Agreement; and

WHEREAS, in April 2012, the CHSRA adopted a Revised Business Plan which enunciated a new approach to the future development of a high speed-rail system along the Peninsula Rail Corridor; and

WHEREAS, more specifically, the Revised Business Plan establishes a policy to develop the high-speed rail system utilizing a blended system approach that will coordinate the development and operation of high-speed trains with the existing JPB commuter rail system, based on the premise that the blended system will remain substantially within the existing JPB right of way and will accommodate future high-speed rail and modernized JPB commuter rail service by primarily utilizing the existing track configuration in the Peninsula Rail Corridor (the "Blended System"); and

WHEREAS, the JPB is supportive of a program of investments in its Peninsula Rail Corridor that will serve to upgrade its existing commuter rail system while concurrently preparing for a future high-speed trains provided it is limited to infrastructure necessary to support the Blended System, consisting of primarily a two-track system substantially within the existing JPB right of way shared by both JPB commuter trains and CHSRA trains, as well as other passenger and freight services; and

WHEREAS, the JPB is also committed to respecting the interests of the communities through which the Blended System will be constructed by encouraging design of the Blended System in a manner that will avoid adverse impacts wherever feasible, including those associated with aerial/underground options or options that involve construction of facilities substantially outside of the JPB right of way; and

WHEREAS, during the spring of 2012, the CHSRA and the JPB, together with the Metropolitan Transportation Commission, the San Francisco County Transportation Authority, the Santa Clara Valley Transportation Authority, the City of San Jose, the City

and County of San Francisco, the San Mateo County Transportation Authority and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the 2012 nine-party MOU), which was authorized by the Board pursuant to Resolution 2012-18; and

WHEREAS, the 2012 nine-party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) Corridor electrification and associated rolling stock acquisition, and (2) construction of an advanced signal system, commonly known as the JPB's "CBOSS" project, which will incorporate Federally mandated Positive Train Control (collectively, the Early Investment Projects); and

WHEREAS, as a result of and based upon the aforementioned series of actions that support coordinated planning and implementation of future high speed rail service in the Peninsula Rail Corridor predicated upon the Blended System, CHSRA and JPB have concluded that it is timely, and in the public's interest, to terminate the 2004 MOU and 2009 Agreement and to enter into a new agreement covering project planning and development focused exclusively upon and confined to the Blended System (New Agreement); and

WHEREAS, at the December 2012 and February 2013 Board meetings, staff provided information and solicited input from the public regarding the New Agreement; and

WHEREAS, one of the topics addressed during the public comment period relates to the allocation of lead agency responsibility between JPB and CHSRA for the environmental assessment of the Corridor Electrification Project and the Blended

System under the California Environmental Quality Act (CEQA) (California Public Resources Code §21067)

WHEREAS, CEQA defines the lead agency for purposes of implementing CEQA as "the public agency which has the principal responsibility for carrying out or approving a project" and CEQA Guidelines Section 15051 (14 Cal. Code of Regs. §15051) implements this provision; and

WHEREAS, based upon said definition, the Board of Directors finds and determines that the New Agreement duly and appropriately provides that JPB will serve as the lead agency for the Corridor Electrification Project and that CHSRA will serve as lead agency for the implementation of high speed rail improvements necessary to implement the Blended System.

WHEREAS, the Staff Coordinating Council has recommended approval of the New Agreement.

NOW, THEREFORE, BE IT RESOLVED that the Board of Directors of the JPB approves the New Agreement with the California High Speed Rail Authority and authorizes the Chair of the Board, or his designee, to execute it in the form approved by the General Counsel and to enter into related understandings to administer the agreement; and

BE IT FURTHER RESOLVED that the Board, in compliance with Section 21067 of CEQA and CEQA Guidelines Section 15051, hereby finds and determines that, as the owner of the Peninsula rail corridor right of way and operator of the Caltrain system, as well as the agency "approving and carrying out" the Corridor Electrification Project, the JPB should serve as the Lead Agency for that Project for purposes of the compliance with CEQA and that CHSRA should serve as the Lead Agency for the Blended System Project, with the understanding that both of these projects will be planned, designed

and constructed in a manner that respects community partners and stakeholders and actively seeks participation by affected parties and interests.

Regularly passed and adopted this 7th day of March, 2013 by the following vote:

AYES: COHEN, DEAL, KALRA, LLOYD, NNOLAN, TISSIER,
WOODWARD, YEAGER

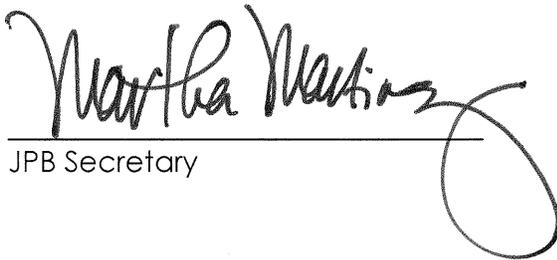
NOES: NONE

ABSENT: CISNEROS



Chair, Peninsula Corridor Joint Powers Board

ATTEST:



JPB Secretary

AGREEMENT

THIS AGREEMENT is entered into as of this ____ day of _____, 2013 by and between the California High Speed Rail Authority (hereinafter referred to as "CHSRA") and the Peninsula Corridor Joint Powers Board (hereinafter referred to as "PCJPB").

RECITALS

WHEREAS, in January, 2004, the CHSRA and the PCJPB entered into a Memorandum of Understanding (the "2004 MOU"), the purpose of which was to establish a framework for future cooperation between the two agencies relative to the proposed development of a high speed train system for California that would share the rail corridor between the City of San Jose and the City and County of San Francisco owned by the PCJPB ("Peninsula Rail Corridor"); and

WHEREAS, in April, 2009, the CHSRA and the PCJPB entered into a new agreement, the purpose of which was to establish an initial organizational framework whereby CHSRA and PCJPB would engage as partners in the planning, design and construction of improvements along the Peninsula Rail Corridor to accommodate and serve the respective interests of the two organizations ("the 2009 Agreement"); and

WHEREAS, in November 2009, the 2009 Agreement was amended which, among other things, established a 50-50 financial cost sharing arrangement between the parties to cover costs incurred in connection with carrying out the purposes of said Agreement; and

WHEREAS, in April, 2012, the CHSRA adopted a Revised Business Plan which enunciated a new approach to the future development of a high speed rail system along the Peninsula Rail Corridor; and

WHEREAS, more specifically, the Revised Business Plan establishes a policy to develop the high speed rail system utilizing a blended system approach that will coordinate the development and operation of high speed trains within the existing PCJPB commuter rail system, based on the premise that the blended system will remain substantially within the existing PCJPB right-of-way and will accommodate future high-speed rail and modernized PCJPB commuter rail service by primarily utilizing the existing track configuration in the Peninsula Rail Corridor (the "Blended System"); and

WHEREAS, the PCJPB is supportive of a program of investments in its Peninsula Rail Corridor that will serve to upgrade its existing commuter rail system while concurrently preparing for future high-speed trains provided it is limited to infrastructure necessary to support the Blended System consisting of primarily a two-track system substantially within the existing PCJPB right-of-way shared by both PCJPB commuter trains and CHSRA trains, as well as other passenger and freight services; and

WHEREAS, the PCJPB is committed to respecting the interests of the communities through which the Blended System will be constructed by encouraging design of the Blended System in a manner that will avoid adverse impacts wherever feasible, including those associated with aerial/underground options or options that involve construction of facilities substantially outside of the PCJPB existing right-of-way; and

WHEREAS, during the spring of 2012, the CHSRA and the PCJPB, together with the Metropolitan Transportation Commission, the San Francisco County Transportation Authority, the Santa Clara Valley Transportation Authority, the City of San Jose, the City and County of San Francisco, the San Mateo County Transportation Authority and the Transbay Joint Powers Authority entered into a Memorandum of Understanding that adopted an early investment strategy pertaining to the Blended System in the San Francisco to San Jose Segment of the Peninsula Rail Corridor (the "2012 Nine-Party MOU"), a copy of which is attached hereto as Exhibit A and incorporated herein by this reference; and

WHEREAS, the 2012 Nine-Party MOU identifies two principal inter-related projects as essential to the early investment strategy: (1) Corridor Electrification and associated rolling stock acquisition, and (2) construction of an advanced signal system, commonly known as the PCJPB's "CBOSS" project and hereinafter referred to as CBOSS, which will incorporate federally mandated Positive Train Control (collectively, the "Early Investment Projects"); and

WHEREAS, as a result of and based upon the aforementioned series of actions that support implementation of future high speed rail service in the Peninsula Rail Corridor

predicated upon the Blended System, CHSRA and PCJPB have concluded that it is timely, and in the public's interest, to terminate the 2004 MOU and 2009 Agreement and to enter into a new agreement covering project planning and development focused exclusively upon and confined to the Blended System.

NOW, THEREFORE, in consideration of the foregoing the parties hereby agree as follows:

1. **TERMINATION OF THE 2004 MOU AND 2009 AGREEMENT**

The parties agree that the 2004 MOU and 2009 Agreement, as amended, hereby are terminated and the provisions contained therein are of no further force or effect.

2. **PURPOSE OF AGREEMENT**

The purpose of this agreement is to establish a new partnership between the parties for the planning, environmental review, design and ultimate construction of improvements in the Peninsula Rail Corridor that will accommodate and serve both PCJPB commuter rail service and CHSRA high speed rail service predicated upon the Blended System as defined in the CHSRA 2012 amended Business Plan and in the above referenced 2012 Nine-Party MOU.

3. PARTNERSHIP PRINCIPLES

A. The following Partnership Principles that were fundamental to the understandings reached between the parties and embedded in the 2009 Agreement hereby are reiterated and reconfirmed in the context of the Blended System:

1. It is recognized that development of the Blended System will have to take place while PCJPB commuter rail service remains operational. The customers of the PCJPB must continue to be served throughout the Blended System construction program. It is further recognized that certain improvements in the Peninsula Rail Corridor, most notably the Early Investment Projects consisting of Corridor Electrification and construction of CBOSS, will be required first in order to facilitate construction of the Blended System and to minimize service disruptions in the operation of the PCJPB commuter rail service, the commuter rail services of ACE, the intercity rail services of Capitol Corridor and freight operations during the Blended System construction program.

2. The Blended System must be designed, constructed and operated in a manner fully consistent with the operational requirements of the PCJPB commuter rail system and with consideration of the interests of the cities served by said system through which the high speed rail Blended System will be constructed and operated, as well as other community partners and stakeholders.

3. The parties recognize the investments already made by the PCJPB, including the intrinsic value of the Peninsula Rail Corridor owned by the PCJPB and expenditures made to acquire and improve it, as well as those to be made in the future by the PCJPB in pursuit of Corridor Electrification, CBOSS and other rail improvement projects. The

parties further recognize that the existing right of way and existing improvements are owned solely by the PCJPB and that the Early Investment Project improvements will be owned by the PCJPB. Ownership of future improvements and associated additional right-of-way required to implement the Blended System will be the subject of a future agreement between the parties. It is understood that it will be necessary for the parties to negotiate one or more agreements at a future date to facilitate construction and shared use of the Peninsula Rail Corridor by CHSRA in order to implement and operate the Blended System.

B. In addition to the foregoing, the parties agree to the following new and additional Principles:

1. As stipulated in the 2012 Nine-Party MOU, the parties will jointly support and pursue the implementation of a statewide high-speed rail system predicated upon the Blended System, it being recognized that the Blended System will support and benefit operation of both PCJPB's commuter rail system and CHSRA's high-speed train service.

2. Implementation of Corridor Electrification together with associated rolling stock acquisition and construction of CBOSS constitute essential early investment projects in the Peninsula Rail Corridor that will have independent utility while at the same time will be of tangible benefit to future development and operation of the Blended System.

3. As stated in PCJPB Resolution No. 2012-018, adopted on May 3, 2012 which approved execution of the 2012 Nine-Party MOU and the Early Investment Projects strategy contained therein:

a The PCJPB, as the owner of the Peninsula Rail Corridor and operator of the commuter rail system thereon, will implement the Early Investment Projects; and

b The Early Investment Projects will be planned, designed and constructed in a way that respects community partners and stakeholders.

The foregoing Principles contained in Sections 3(A) and 3(B) shall govern the actions of the parties henceforth relative to the planning, design and construction of the Early Investment Projects and ultimately the Blended System.

4. ACTION PLAN

The initial series of actions to be pursued in concert by the parties will be to work toward the implementation of the Early Investment Projects strategy as previously agreed in the 2012 Nine-Party MOU. Toward that end, the parties agree to undertake the following specific actions:

A. CHSRA will reflect this Agreement and the 2012 Nine-Party MOU in its Business Plan at the earliest possible date;

B. The parties will work cooperatively and collaboratively to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A “connectivity” funds appropriated by the California Legislature pursuant to Chapter 152 of the Budget Act of 2012 (Senate bill No. 129) and consistent with the funding plan contained in the 2012 Nine-

Party MOU to enable the Corridor Electrification and CBOSS projects to proceed to their respective next stages of development;

C. Having already environmentally cleared and initiated construction of the CBOSS project, PCJPB shall continue to serve as lead agency responsible for final completion and delivery of that component of the early investment program;

D. PCJPB shall continue to serve as lead agency for all aspects of the Corridor Electrification project, including environmentally clearing the project and subsequently arranging for its design, construction and implementation. PCJPB intends to use its best efforts to ensure delivery of the Corridor Electrification and CBOSS projects on an expedited basis and with a target final completion date no later than 2019 and CHSRA will provide such assistance as may be reasonably necessary to facilitate funding, environmental certification and project delivery by that target date;

E. The parties will establish an organizational framework for the administration and management of their ongoing relationship to achieve the purposes of this Agreement. The organizational framework will incorporate protocols and procedures for approval by both parties of the Early Investment Projects and Blended System designs. In addition to identifying their respective project team members and roles, the organizational framework will formalize a detailed financial plan incorporating financial systems and procedures required to implement continued cost sharing arrangements applicable to administration and management of the early investment program;

F. The parties will develop construction and implementation plans designed to preserve freight service in the Peninsula Rail Corridor;

G. The parties will work together to assure compliance with all applicable statutory and regulatory reporting requirements and deadlines established by funding agencies;

H. From a longer term perspective, CHSRA shall continue to serve as lead agency for environmental clearance of the high speed rail Blended System project, it being understood that PCJPB will continue to act independently to support the interests and concerns of the communities along the Peninsula Rail Corridor throughout the environmental, planning, design and construction phases with a specific focus on, among other things, the location of passing tracks and any storage or maintenance facility within or along the Peninsula Rail Corridor that may be determined to be necessary to support the Blended System, grade separations supported by cities in which they will be constructed, and station improvements and associated land use compatibility considerations. Additionally, the parties will address and mutually agree upon the most effective project design and construction mechanism to be deployed, including oversight responsibility; and

I. The parties recognize and acknowledge that over time it will be necessary to formalize supplements to this agreement to address a variety of issues pertinent to future shared use of the Peninsula Rail Corridor including, but not limited to, (1) construction windows and protocols intended to safely construct Blended System improvements while facilitating on-going commuter rail, intercity rail and freight operations, and (2) maximization of system interoperability associated with rail system scheduling, dispatching, passenger boarding, and maintenance of facilities.

5. EFFECT OF AGREEMENT ON OTHER PCJPB RAIL CORRIDOR-RELATED PROJECTS

Nothing contained in this agreement is intended to preclude the advancement of locally-supported plans or project improvements along the PCJPB rail corridor that are consistent with the Early Investment Projects and the Blended System project.

6. EFFECTIVE DATE AND TERMINATION

This agreement shall be effective upon execution by both parties and shall continue in effect until and unless terminated by both parties through mutual agreement or upon 180 days' written notice delivered by the party seeking to terminate the agreement to the other party.

IN WITNESS WHEREOF, CHSRA and PCJPB have executed this Agreement on the day and year first above written.

California High Speed Rail Authority

Peninsula Corridor Joint Powers Board

BY: _____

BY: _____

Approved as to Form:

Approved as to Form:

Whereas, a blended system will remain substantially within the existing Caltrain right-of-way and will accommodate future high-speed rail and modernized Caltrain service along the Peninsula corridor by primarily utilizing the existing track configuration on the Peninsula; and

Whereas, this MOU is specific to project investments that upgrade existing rail service and prepare for a future high-speed train project that is limited to infrastructure necessary to support a blended system, which will primarily be a two-track system shared by both Caltrain and high-speed rail and will be designed to continue to support existing passenger and freight rail tenants; and

Whereas, local transportation improvement projects are required to be included in a Regional Transportation Plan (Plan), and the Metropolitan Transportation Commission, working closely with local agencies is charged with developing the Plan every four years to provide guidance for transportation investments within the San Francisco Bay Area and with development of regional transportation strategies to address the needs of the Bay Area; and

Whereas, on December 19, 2001, MTC adopted the Regional Transit Expansion Program of Projects (Resolution 3434) which includes the Transbay Transit Center Phase 2 Downtown Extension and Caltrain Electrification projects as regional priorities for transit expansion; and

Whereas, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires the Plan to include a Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and the regional transportation system to improve access to jobs, education, healthcare, and other amenities in ways that improve the overall quality of life in the Bay Area, and the blended system on the Peninsula corridor in the California High-Speed Rail program is consistent with achieving SB 375 goals to reduce greenhouse gas emissions; and

Whereas, all PARTIES are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in the Peninsula corridor and are considering intermodal service integration, including linkages to the proposed HST service; and

Whereas, it is the intent and purpose of this MOU to strengthen the working relationship between the PARTIES to facilitate the development and implementation of projects that will improve local passenger rail service and operations while preparing designated HST corridors for eventual HST operation to achieve region-wide systems integration of rail service in Northern California; and

Whereas, local transportation improvement projects are required to be environmentally evaluated according to CEQA and NEPA regulations and where necessary, existing environmental approval covering incremental improvements to the Peninsula corridor will be updated to reflect evolving local and regional conditions and concerns; and

Whereas, incremental improvements and the blended system project will be planned, designed and constructed in a way that supports local land use and Transit Oriented Development policies along the Peninsula corridor; and

Now, THEREFORE, it is mutually understood and agreed to by the PARTIES as follows:

To jointly support and pursue the implementation of a statewide high-speed rail system that utilizes a blended system and operational model on the Peninsula corridor and that has its northern terminus at the Transbay Transit Center in San Francisco as specified in law, and its southern limit at Mile Post 51.4 at the Tamien Station in San Jose. The blended system will support and benefit operation of both Caltrain and future high-speed train service.

To jointly recognize a defined set of Inter-related Program of Projects that is consistent with the AUTHORITY's phased implementation plan and with a blended system operation of the corridor and achieves objectives that include but are not limited to system capacity and connectivity for Caltrain, HST and freight; public safety; operational efficiency; effectiveness and connectivity.

To generally describe, identify and work to fully fund an Inter-related Program of Projects known as the Corridor Electrification Infrastructure Project, Advanced Signal System (also known as Positive Train Control), the Downtown Extension to the Transbay Transit Center, which is the Proposition 1A designated northern terminus of high-speed rail, new high-speed stations at San Jose Diridon Station and a Millbrae BART/Caltrain Station with a connection to San Francisco International Airport, and a Core Capacity project of needed upgrades to stations, tunnels, bridges, potential passing tracks and other track modifications and rail crossing improvements including improvements and selected grade separations required to accommodate the mixed traffic capacity requirements of high-speed rail service and commuter services.

To recognize that of the set of Inter-related Program of Projects, the most substantial and tangible early-investment benefits will be realized when two essential projects are identified for an Initial Investment Strategy to secure, at the earliest possible date, the benefits of the blended system for the traveling public and an Initial Investment Strategy is needed to provide the groundwork upon which future construction can more readily progress.

To recognize that the two Inter-related projects for Initial Investment Strategy are the Corridor Electrification Infrastructure Project that includes the needed rolling stock to operate revenue service; and the Advanced Signal System project and to adopt as part of this MOU, the funding plans needed to move as expeditiously as possible toward construction of these two essential projects.

To work toward the implementation of the Initial Investment Strategy to the maximum extent feasible and that the PARTIES shall endeavor to incorporate the Electrification Infrastructure and Advanced Signal System projects into their respective plans and that the AUTHORITY shall reflect this MOU in its Business Plan by December 31, 2012.

That the aforementioned projects will need to be environmentally analyzed and cleared according to CEQA and NEPA guidelines as appropriate, including updating and recirculation of the Caltrain Electrification EA/FEIR completed in 2009.

That the AUTHORITY will endeavor in good faith to secure approval and release of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A "connectivity" funds

consistent with the funding plans contained in this MOU as required to complete at the earliest possible date, the Corridor Electrification Infrastructure and Advanced Signal System projects.

That the AUTHORITY will endeavor in good faith to secure approval of Proposition 1A “connectivity” funds for Bay Area project sponsors consistent with and in accordance with the schedule and project expenditure plan approved and as amended by the California Transportation Commission.

That the AUTHORITY will work with funding partners to assist in seeking and releasing the funds necessary to implement the Electrification Infrastructure Project and Advanced Signal System project. Local agencies may provide local funds, real property, or in-kind resources as matching funds where matching funds are required to qualify for grant funds. PARTIES agree to work together to identify the appropriate amounts and types of local resources that may be used to support the completion of the Electrification Infrastructure Project and the Advanced Signal System Project.

That the AUTHORITY and appropriate PARTIES will coordinate to obtain funding using a mutually agreed-upon strategy. In the event that funding for the program is constrained by statute, recession of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the AUTHORITY and the PARTIES shall takes steps to notify each other as needed in a timely manner.

FUNDING PLAN

Program Costs and Proposed Funding for Peninsula Corridor Projects: Electrification and Advance Signal System

Program Costs <i>(in \$ millions, year of expenditure)</i>	
Advance Signal System / Positive Train Control (PTC)	\$231
Electrification and Electric Multiple Units (EMUs)	\$1,225
Total	\$1,456

Program Funding <i>(in \$ millions)</i>	
Source	Amount
JPB Contributions	\$180
JPB Local - Currently Available	\$11
Caltrain PTC	\$4
Subtotal Local	\$195
Prop 1A Connectivity	\$106
Prop 1A High Speed Rail Authority	\$600
Prop 1B Caltrain	\$24
Subtotal State	\$730
Federal RR Admin. for PTC	\$17
Federal Transit Admin prior/current obligations	\$43
Federal Transit Admin future obligations	\$440
Subtotal Federal	\$500
MTC Bridge Tolls	\$11
BAAQMD Carl Moyer	\$20
Subtotal Regional	\$31
Total	\$1,456

See Next Page for Notes.

Funding Plan Notes:

1. Caltrain Joint Powers Board (JPB) Local Contribution is \$60 million from San Mateo sales tax, \$60 million from VTA sales tax, and \$60 million from San Francisco (\$23 million from sales tax, \$37 million from Regional Transportation Improvement Program (RTIP)/local/other). Each agency's contribution, including Proposition 1A Connectivity funds as outlined in Note 2, is contingent upon the \$60 million each from the other two JPB partners.
2. Prop 1A Connectivity is \$42 million from Caltrain, \$26 million from VTA, and \$38 million from BART (2nd priority for BART after receipt of \$150 million for railcars).
3. Prop 1B Caltrain is \$20 million Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA), \$4 million State-Local Partnership Program (SLPP).
4. FTA Prior/Current Obligations is \$16 million for electrification in prior years, \$27 million for EMUs in FY12.
5. FTA Future Obligations is \$315 million for electric multiple units (EMUs), \$125 million from fixed guideway caps. Funds will be programmed in accordance with MTC Transit Capital Priorities process between approximately FY2012-2013 and FY2022-2023.
6. Bridge Tolls is from Regional Measure 1 (RM1) West Bay Rail Reserve.
7. Bay Area Air Quality Management District (BAAQMD) funds to be confirmed.
8. Assumes that all local sources, Prop 1B PTMISEA, all federal sources, and bridge tolls can be used as match to Prop 1A funds, totaling \$726 million in matching funds for \$706 million in Prop 1A funds.
9. Other potential future funding sources could be substituted if secured, including federal Transportation Investment Generating Economic Recovery (TIGER) funds (such as current Caltrain application for \$44 million), State Interregional Transportation Improvement Program (ITIP) funds, and private financing.



Memorandum

Date: March 28, 2013

To: CalMod Local Policy Maker Group (LPMG)

From: Marian Lee, CalMod Executive Officer

Re: Senate Bill (SB) 557

In February, State Senator Jerry Hill (D-San Mateo) introduced SB 557 (see attached), the "Peninsula Protections" Act. The bill is consistent with the blended system principles included in the April 2012 nine-party MOU.

SB 557 would:

- Clarify that of the \$1.1 billion appropriated for early high-speed rail improvement projects in the Budget Act of 2012, \$600 million shall be allocated for Northern California (consistent with the nine-party MOU) and \$500 million shall be allocated for Southern California (consistent with their MOU).
- Limit the ability to transfer funds from the Peninsula segment to other segments of the high-speed rail project and clarify that those funds are used for a blended system that is contained substantially within the existing Caltrain right-of-way.
- Require any track expansion beyond the blended system approach on the San Francisco to San Jose segment to be approved by all parties of the nine-party MOU.

This item is being shared with the LPMG as the San Mateo County Transportation Authority Board is encouraging all cities along the peninsula corridor to support the legislation. See attached letter of support from the Caltrain Executive Director, Mike Scanlon.

AUTHOR'S COPY

LEGISLATIVE COUNSEL'S DIGEST

Bill No. **557**

as introduced, Hill.

General Subject: High-speed rail.

Existing law creates the High-Speed Rail Authority with specified powers and duties relating to the development and implementation of an intercity high-speed rail system. Existing law, pursuant to the Safe, Reliable, High-Speed Passenger Train Bond Act for the 21st Century, authorizes \$9.95 billion in general obligation bonds for high-speed rail development and other related purposes. Existing law appropriates specified funds from the High-Speed Passenger Train Bond Fund and from federal funds for high-speed rail and connecting rail projects.

This bill would add detail to provisions governing the expenditure of certain of those appropriated funds. The bill would specify that of the \$1,100,000,000 appropriated for early high-speed rail improvement projects in the Budget Act of 2012, \$600,000,000 and \$500,000,000 shall be allocated solely for purposes of specified memoranda of understanding approved by the High-Speed Rail Authority for the Metropolitan



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Transportation Commission region and the southern California region, respectively. The bill would limit fund transfer authority between certain appropriations to temporary transfers for account management purposes. The bill would restrict use of certain appropriated funds, to the extent they are allocated to the San Francisco-San Jose segment of the high-speed rail system, to implement a rail system in that segment that primarily consists of a 2-track blended system to be used jointly by high-speed trains and Caltrain commuter trains, with the system to be contained substantially within the existing Caltrain right-of-way.

This bill would also require any track expansion for the San Francisco to San Jose segment beyond the blended system approach to be approved by all 9 parties to the Bay Area High-Speed Rail Early Investment Strategy Memorandum of Understanding, as specified.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.



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AUTHOR'S COPY

An act to add Sections 2704.76 and 2704.77 to the Streets and Highways
Code, relating to transportation.



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THE PEOPLE OF THE STATE OF CALIFORNIA DO ENACT AS FOLLOWS:

SECTION 1. Section 2704.76 is added to the Streets and Highways Code, to read:

2704.76. (a) (1) Of the one billion one hundred million dollars (\$1,100,000,000) appropriated pursuant to Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012, six hundred million dollars (\$600,000,000) shall be allocated solely for purposes of the Metropolitan Transportation Commission Memorandum of Understanding, as approved by the High-Speed Rail Authority on April 12, 2012, in High-Speed Rail Authority Resolution 12-11, and five hundred million dollars (\$500,000,000) shall be allocated for purposes of the Southern California Memorandum of Understanding, as approved by the High-Speed Rail Authority on April 12, 2012, in High-Speed Rail Authority Resolution 12-10.

(2) Transfers from Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012 pursuant to Provision 2 of that item to Item 2665-004-6043 or Item 2665-306-6043 shall be limited to temporary transfers for account management purposes. Funds appropriated by Item 2665-104-6043 of Section 2.00 of the Budget Act of 2012 shall not otherwise be used in high-speed rail project segments other than the segments that are the subjects of the two memoranda of understanding referenced in paragraph (1).

(b) Funds appropriated pursuant to Items 2660-104-6043, 2660-304-6043, and 2665-104-6043 of Section 2.00 of the Budget Act of 2012, to the extent those funds are allocated to projects in the San Francisco to San Jose segment, shall be used solely to implement a rail system in that segment that primarily consists of a two-track blended system to be used jointly by high-speed rail trains and Peninsula Joint Powers Board



commuter trains (Caltrain), with the system to be contained substantially within the existing Caltrain right-of-way.

SEC. 2. Section 2704.77 is added to the Streets and Highways Code, to read:

2704.77. Any track expansion for the San Francisco to San Jose segment of the high-speed rail system beyond the blended system approach identified in the April 2012 California High-Speed Rail Program Revised 2012 Business Plan and approved by the High-Speed Rail Authority in April 2012 shall require approval from all nine parties to the Bay Area High-Speed Rail Early Investment Strategy Memorandum of Understanding, as follows:

- (a) The High-Speed Rail Authority.
- (b) The Metropolitan Transportation Commission.
- (c) The Peninsula Corridor Joint Powers Board.
- (d) The San Francisco County Transportation Authority.
- (e) The San Mateo County Transportation Authority.
- (f) The Santa Clara County Valley Transportation Authority.
- (g) The City of San Jose.
- (h) The City and County of San Francisco.
- (i) The Transbay Joint Powers Authority.



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(650) 508-6200

March 15, 2013

The Honorable Jerry Hill
State Capitol
P.O. Box 942849
Sacramento, CA 94249-0019

Dear State Senator Hill:

Thank you for your continued work to advance transportation improvements on the Peninsula. The Peninsula Corridor Joint Powers Board (Caltrain), the San Mateo County Transit District (SamTrans) and the San Mateo County Transportation Authority are pleased to offer our strong support for Senate Bill 557, "The Peninsula Protections" Act.

SB 557 will help advance the Caltrain Modernization Program by affirming the blended system principles included in recent agreements with the California High Speed Rail Authority and ensuring that \$600 million of the \$1.1 billion in Proposition 1A funds appropriated by the Legislature will be allocated to support early high-speed rail investments on the Caltrain corridor.

The electrification and modernization of the Peninsula's rail corridor is long overdue. After 28 months of consecutive ridership gains, many of Caltrain's peak hour trains are operating at or beyond capacity. These improvements will help Caltrain accommodate growing ridership demands by providing more service to more riders and more stations, in addition to laying the foundation for future high-speed rail service between San Jose and San Francisco.

Sustainable employment and population growth are vital to the future of the Peninsula and modernizing Caltrain will support these efforts. According to the Bay Area Council Economic Institute, this program would create the equivalent of almost 9,600 jobs, increase property values, and generate overall economic benefits of up to \$2.5 billion, while also reducing the system's greenhouse gas emissions by 90%.

Thank you for introducing SB 557 and please feel free to contact me if there is anything more we can do to support this effort.

Sincerely,

Michael J. Scanlon
General Manager/Chief Executive Officer/Executive Director

cc: BOARD OF DIRECTORS: Caltrain, SamTrans, San Mateo Transportation Authority