



## *Memorandum*

**DATE:** 04/27/2016  
**TO:** CalMod Local Policy Maker Group (LPMG)  
**FROM:** Ben Tripousis, Northern California Director, California High-Speed Rail Authority  
**SUBJECT:** April High-Speed Rail E-Update

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### **Draft 2016 Business Plan**

On February 18, the California High-Speed Rail Authority (Authority) released its Draft 2016 Business Plan, a foundational document for implementing the California High-Speed Rail program.

Highlights from the Draft 2016 Business Plan include:

- Reduced capital cost from \$67.6 billion to \$64.2 billion.
- With more than 119 miles of active construction in the Central Valley, the Authority has transitioned from a focus on planning to a focus on construction and program-delivery.
- Expands on three major steps forward: substantial progress in environmental clearance, funding from the Greenhouse Gas Reduction Fund (GGRF), and updated cost estimates.
- Now that we have a long-term funding stream in place we lay out a concrete plan for delivering a Phase 1 system that will ultimately connect the San Francisco Bay Area to the Los Angeles Basin via the Central Valley with high-speed passenger rail service.
- With our current projected funding we can and will deliver a high-speed rail line connecting the Silicon Valley to the Central Valley and offer passenger service within the next ten years.
- Lays out an approach to sequencing the delivery of this system to maximize current federal and state dollars and use them to deliver the earliest operating high-speed rail line that is compliant with Proposition 1A within available funding.
- With a long-term funding stream in place, the Draft 2016 Business Plan lays out a concrete plan for delivering a Phase 1 system that will connect the San Francisco Bay Area to the Los Angeles Basin via the Central Valley with high-speed passenger rail service.

### Public Comment:

The Authority sought public comment as part of a 60-day public comment period that officially closed on Monday, April 18, 2016. Proposed staff recommended changes to the Draft 2016 Business Plan were presented to the Board of Directors at their April 21 meeting. At that same meeting, the public comment period was extended until Monday, April 25 at 5:00 p.m. for the public to comment on the staff recommended changes. The Board will review all comments

received and adopt a final Business Plan on Thursday, April 28. The final Business Plan will be submitted to the legislature by May 1 and will be available on the Authority's website.

The Draft 2016 Business Plan can be found online at:

[www.hsr.ca.gov/About/Business\\_Plans/Draft\\_2016\\_Business\\_Plan.html](http://www.hsr.ca.gov/About/Business_Plans/Draft_2016_Business_Plan.html)

### **San Francisco – San Jose Project Section Update**

The Authority continues to work in partnership with Caltrain as well as other transportation partners, local and regional stakeholders, and communities to advance planning and environmental review of blended service along the corridor.

#### NOI/NOP and Scoping Meetings:

In coordination with the Federal Railroad Administration (FRA), we are working to issue the Notice of Intent and Notice of Preparation for the San Francisco to San Jose Project Section to inform stakeholders (members of the public; Tribes; federal, state and local agencies; organizations, and other parties) about the Blended System Project and solicit their input on the scope of the draft environmental document. The preparation of the San Francisco to San Jose Project Section environmental documents for the blended system will involve a scoping and public outreach process; development of preliminary engineering designs; and assessment of environmental effects associated with the construction, operation, and maintenance of the high-speed rail system, including track, ancillary facilities, and stations, along the Caltrain corridor from San Francisco to San Jose.

The Authority and the FRA will hold scoping meetings and continue with public outreach activities as part of the environmental process

The tentative schedule and locations for scoping meetings is as follows:

- Monday, May 23 – San Francisco (UCSF Mission Bay)
- Tuesday, May 24 – San Mateo (San Mateo Marriott)
- Wednesday, May 25 – Mountain View (SFV Lodge)

### **High-Speed Construction Update**

New milestones and new projects mark the latest in construction for the high-speed rail program. We now have over \$3 billion of construction contracts executed and work is underway on over 119 miles in the Central Valley. The Fresno River Viaduct and Tuolumne Street Bridge projects are moving forward in big ways. Meantime, construction is just getting underway at the Fresno Trench and Cedar Viaduct, and preparations are being made to begin building a bridge over the San Joaquin River. For continuous updates on construction of high-speed rail visit

[www.BuildHSR.com](http://www.BuildHSR.com)



## Local Policy Makers Group (LPMG) Summary Meeting Notes for March 24, 2016

### Summary Notes

Caltrain Offices, San Carlos, CA

Members Present:

City/County	Representative or Alternative	Present	
		Yes	No
Atherton	C. Wiest		X
Belmont	E. Reed	X	
Brisbane	C. Lentz		X
Burlingame	E. Beach	X	
Menlo Park	R. Cline	X	
Millbrae	W. Lee	X	
Mountain View	L. Siegel	X	
Palo Alto	P. Burt	X	
Redwood City	J. Borgens	X	
San Bruno	K. Ibarra	X	
San Carlos	R. Collins	X	
San Francisco	S. Gygi (for G. Gillett)	X	
San Jose	R. Peralez	X	
San Mateo	M. Freschet	X	
Santa Clara	L. Gillmor		X
Santa Clara	T. O'Neill		X
South San Francisco	K. Matsumoto	X	
Sunnyvale	J. Davis	X	

### Authority Team

**Authority:** Dan Richard, Ben Tripousis, Ricci Graham

**RDP/HNTB:** Sharif Ebrahim, Morgan Galli, Will Gimpel, Kit Powis, Dominic Spaethling, Rich Walter

### **1. Introductions**

#### a. Authority

Ben Tripousis, Northern California Regional Director, began the meeting by calling roll and inviting participants to join in reciting the Pledge of Allegiance.

### **2. Draft 2016 Business Plan**

- a. Dan Richard provided an overview of the Draft 2016 Business Plan, which is the foundational document for implementing the program and is a required document released every two years by the Authority.

Richard reviewed the three main objectives of the plan: initiate High Speed Rail service as soon as possible, make strategic, concurrent investments, and be ready when funding becomes available. He also shared key highlights of the plan including the reduced capital cost from \$67.6 billion to \$64.2 billion and Phase 1 (San Francisco – Los Angeles /Anaheim) is set to be operational by 2029. Richard noted that previous successive major funding opportunities for High-Speed Rail had each been identified a year or less from becoming a reality. The cost of the project decreased and savings were being reinvested in the Los Angeles-to-Anaheim corridor in additional tracks enabling upgraded service.

Richard noted that land development tends to follow transportation corridors and that ineffective policies could lead to sprawl while an effective approach would help revitalize Central Valley city centers using High-Speed Rail as a hub. It is an opportunity to enable transit between the Central Valley and Silicon Valley and the interest from the technology community in transportation solutions.

The public comment period is from February 18 – April 18, 2016. The plan is due to the state Legislature by May 1, 2016. Authority Board of Director's meetings provide an additional opportunity to comment. Upcoming Board meetings include April 12 in Anaheim and April 21 in San Jose, when the Business Plan is expected to be adopted by the Board.

#### *LMPG Member Questions & Answers*

Q: Can you clarify the Legislative Analyst's Office report indicating the state would need to identify funding sources to pay for the \$43.5 billion in Phase 1 construction costs?

A: Phase 1 is from San Francisco to Anaheim. The dollars in hand and allocated are sufficient to build an operating segment from north of Bakersfield to San Jose, which is permitted under the Bond Act.

Q: High-speed rail from Madera to Google campus would take longer than 40 minutes.

A: The time estimates are from the heart of Silicon Valley to the Central Valley and a one-seat ride between San Francisco and Bakersfield.

Q: What is the difference between the previous Business Plan and the 2016 version as pertains to the Caltrain corridor?

A: Blended service was discussed in the 2014 Business Plan. The Draft 2016 Business Plan provides more specificity about investment. As defined in Senate Bill 1029, \$600 million of Prop 1A Bond funds are allocated to support Caltrain electrification.

Q: My understanding is that there could be \$900 million set aside for at-grade improvements in the Caltrain corridor. Burlingame has the second-worst crossing station in California. What is being done to address additional trains before funding for grade separations is identified?

A: Grade separations will be a significant expense along the Peninsula. We need work together as a region and develop an overall strategic approach to grade separations that will involve federal, state, regional and local funding. We urged MTC to take a lead. The

Authority can't be the entire solution but we have identified \$500 million in the Draft 2016 Business Plan for grade separations.

Q: What is being done to gather community input on a broad scale on the Draft 2016 Business Plan?

A: The Authority will engage in a wide range of meetings with elected officials, public agencies, organizations and stakeholders and received comment and feedback from those discussions as well. The comments received through this outreach will address a variety of topics. The Draft 2016 Business Plan will also be the subject of legislative hearings.

Q: What's the anticipated fare from Fresno to downtown San Jose?

A: Our ridership models are predicated on being at about 85% of discounted airline fares. Additional savings from commuter checks, multiple purchases, etc., will be determined by private sector operator.

Q: I think it is unlikely that low-income workers are going to be able to use this system to commute to Silicon Valley companies.

A: Silicon Valley companies and leaders have told Authority staff that they believe ridership will be favorable. Sprawl is currently occurring. Many planners in the Central Valley believe that high-speed rail is one tool to comply with new state requirements on transit and land use.

Q: Significant funding is predicated on the extension of the cap and trade system, which only extends to 2020?

A: The California Department of Finance determined that the assumption that cap and trade funds continue should be used for planning purposes. Discussion of whether AB32 extends cap and trade to 2020 or 2050 is ongoing and clarity is being sought from the legislature. Senate Bill 9 directed the Secretary of Transportation to develop and present to the legislature five-year plans for the use of cap and trade funds starting in 2018 and extending past 2020.

Q: Do you have an allocation at this point that takes you out to 2050 that you can bond against?

A: The legislature has given us funding, the federal government has given us funding, the voters have given us funding; with those funds we can build and operate high-speed rail.

Q: How can we secure public feedback on the Draft 2016 Business Plan before April 21?

A: The Draft 2016 Business Plan was released for a 60-day comment period on February 18, 2016. Comments may be made online, via USPS, and at the regularly scheduled board meetings in March and April 2016, which will constitute the required public hearing on the Draft 2016 Business Plan. Comments received during the 60-day period prior to publication become a part of the public record associated with the Business Plan.

Q: Can I get the Authority to speak to community groups and have a discussion and dialogue?

A: Yes, please let Authority staff know, and it will be arranged.

Q: High-speed rail doesn't work very well unless you grade separate. Will we end up building the entire system and then alter because we have to grade separate?

A: The traffic analysis component of the environmental will address issues around at-grade crossings. The sensible thing is to find a way to do grade separations on the Peninsula and that's our responsibility in part, Caltrain's in part, MTC's in part, the state and federal government, and the CPUC. We can all come together around something that we can all agree on.

Q: I don't know what other reason people have to go back and forth between Fresno and San Jose, but there needs to be more analysis of that.

A: The purpose of the high-speed rail program is to connect San Francisco, Los Angeles, San Diego, and Sacramento. Our ridership models show that the Central Valley to San Jose and Silicon Valley segment will operate with enough ridership to pay for its operating costs.

Q: Caltrain and high-speed rail and communities along the corridor should decide that we want to do using a Context Sensitive Solution (CSS) process to find a way to grade separate, not wait for the environmental analysis. We're looking at many funding sources. So, we need to move ahead in a way that's a problem-solving approach rather than relying on mitigation.

A: We need a process led by MTC that looks strategically at this issue. If it is a process focused on solely on high-speed rail, it's not going to get us there.

Q: We want high-speed rail at the table but it isn't just high-speed rail responsibility.

A: High-speed rail has separate issues beyond grade separation—track alignments, passing tracks. Those things will be looked at in the environmental process. We are interested in finding ways to work collaboratively to reach solutions.

Q: Can we leave today with a decision to do something at our next meeting to launch a process?

A: We are in the process of organizing community working groups (CWGs); we will be reaching out to you for input on community representatives to participate. CWGs will serve as opportunities to work collaboratively on the issues related to blended service and the environmental review process. This will be a venue where community representatives can participate, contribute, and shape the outcome.

Q: Will current trains per day along the Peninsula double from 92 to 220?

A: Not all trains will be high-speed rail trains. Once the final Business Plan is adopted, an answer as to how many high-speed trains per day will be determined.

Q: I appreciate the statement calling for multi-stakeholder conversations. Are they cross-community conversations? Are they going to be just within each community, or are you going to open it up to have combined conversations?

A: We're seeking input from city staff and policymakers on participants for CWGs. There will be three CWGs: San Francisco, San Mateo County, and Santa Clara County.

Q: We have a major transportation problem in the entire Peninsula. That is not going to be solved

by one entity; it's going to be solved by multiple entities. We will have shovel-ready projects and we all need to come to the table and work cooperatively in making this work.

A: We've met with your (Sunnyvale) Public Works Director and are very much interested to participate in partnership as we go forward.

**Public Comment/Questions:**

- This is going to require a process of working collaboratively with the community. Regional solutions from a policy and a technical perspective are needed, not all of which will be defined by the environmental review. Topics include passing track design, system to San Francisco to increase ridership and station design. Hope to see a collaborative process to work out better service with high-speed rail on the Peninsula.
- Thank you Councilmember Peralez for asking for another 30 days for comment on the Business Plan. Prop 1A funds are currently blocked by the court until the Authority can meet Bond Act requirements. There are three ways to achieve needed times: a tunnel through downtown San Jose, eight miles of tunnels and an improved approach to Transbay. The cost is \$6 billion; \$3 billion could be matched.
- Is the distance really 130 miles? Why do people refer to travel time from Madera if there's no station in Madera? How did you save all this money? Is there an operating agreement with Caltrain we can review? We would be happy to talk about CSS and community involvement.
- Most communities on the Peninsula have a housing shortage. Factoring in savings in mortgages and property taxes, it is cost effective to live in the Central Valley and take high-speed rail to Silicon Valley.
- There are aspects of the Business Plan that are difficult to comment on because they are "yet to do." Are you going to be responding to business plan comments the way you responded to environmental review comments, or are they simply going to be received but not responded to? The nonprofit Project for Public Spaces could come speak to this group.
- I run a train system in four countries that is 22% profitable and we have proposed to Caltrain to finance and operate at a significantly lower cost enabling us to bring in a new fleet and make progress with high-speed rail. We can bring in hybrid electric trains. Grade separations, gate downtimes, everything can be solved when we all work together.
- We can have high speeds and it's not going to conflict with Caltrain and the economic benefit might pay for itself.