

TRI-VALLEY – SAN JOAQUIN VALLEY REGIONAL RAIL AUTHORITY

Tracy City Hall
Council Chambers
333 Civic Center Plaza
Tracy, CA

AGENDA OF BOARD OF DIRECTORS

June 12, 2019 2:00 p.m.

1. Call to Order and Pledge of Allegiance
2. Roll Call of Members
3. Public Comments: Members of the public may address the Board on any issues not listed on the agenda that are within the purview of the Authority. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Time limits on public comments may be established by the Chair.
4. Approve Minutes of April 10, 2019 and May 15, 2019 Board of Directors Meetings – **ACTION**
5. Executive Director's Report – **INFORMATION**
6. Treasurer's Report – **ACTION**
7. Organization for Project Delivery – **ACTION**
8. Valley Link Project Feasibility Report – **ACTION**
9. Next Steps – **INFORMATION**
10. Directors' Discussion: Comments, Questions and Agenda Requests
11. Next Meeting Date: July 10, 2019 at Martinelli Center, 3585 Greenville Road, Livermore
12. Adjourn

Upon request, the Tri-Valley-San Joaquin Valley Regional Rail Authority will provide written agenda materials in appropriate alternative formats, or disability-related modification or accommodation, including auxiliary aids or services, to enable individuals with disabilities to participate in public meetings. Please send a written request, including your name, mailing address, phone number and brief description of the requested materials and the preferred alternative format or auxiliary aid or service at least 2 days before the meeting. Requests should be sent to: mtree@valleylinkrail.com

AGENDA

ITEM 4



1. Call to Order and Pledge of Allegiance

Meeting was called to order by Board Chair Scott Haggerty at 2:00pm.

2. Roll Call of Members

Members Present

Chair Scott Haggerty, Alameda County
Vice Chair Veronica Vargas, City of Tracy
Director Bob Elliott, San Joaquin County
Director John Marchand, City of Livermore
Director Bernice King Tingle, Mountain House (arrived at 2:05pm)
Director Philip O'Loane, City of San Ramon
Director Debby Moorhead, City of Manteca
Director Karen Stepper, Town of Danville
Director Melissa Hernandez, City of Dublin
Director Paul Akinjo, City of Lathrop (arrived at 2:03pm)
Director Sol Jobrack, City of Stockton
Director Bob Woerner (Livermore), LAVTA
Director John McPartland (District 5), BART
Director Leo Zuber (Ripon), ACE

Members Absent

Director Jerry Thorne, City of Pleasanton

3. Public Comments: Members of the public may address the Board on any issues not listed on the agenda that are within the purview of the Authority. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Time limits on public comments may be established by the Chair.

[Paul Akinjo, Councilmember from City of Lathrop and Bernice King Tingle, Director from Mountain House, arrived during Public Comments.]

Robert S. Allen, Livermore resident, spoke regarding the Rail Authority opposing Senate Bill (SB) 50 and obtaining land that is owned by BART at Isabel and I-580.

4. Approve Minutes of March 13, 2019 Board of Directors Meeting – **ACTION**

Approved: Vargas/Stepper

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Jobrack, Moorhead

No: None

Abstain: None

Absent: Thorne

5. Executive Director Report – **INFORMATION**

Executive Director Michael Tree provided a PowerPoint presentation to the Board of Directors providing an overview of briefings, key meetings, and community presentations that were conducted. Executive Director Michael Tree noted a couple of important considerations: 1) This is a regional

priority project with a One Voice trip to Washington, D.C. from May 5-9, 2019 to advocate for the project and discuss a BUILD grant application; 2) Transit Oriented Development. Executive Director Michael Tree also noted two key (TIRCP and Congested Corridors Program) Valley Link funding sources and the Operations and Maintenance funding. Executive Director Michael Tree informed that the draft Environmental Impact Report (EIR) is on target for release in the summer 2019, the project adoption and certifying the EIR will likely take place in August, and the 30% Valley Link design will finish in September/October timeframe in 2019, which will be timely for the call for projects from the State.

The item was discussed by the Board of Directors and staff.

This was informational only.

6. Treasurer's Report – **ACTION**

The Board of Directors approved the financial statements comparing the budgeted amounts approved at the December Board meeting to the expenses through the end of February 2019.

Approved: Vargas/Hernandez

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Jobrack, Moorhead

No: None

Abstain: None

Absent: Thorne

7. Cooperative Agreement with Caltrans – **ACTION**

Executive Director Michael Tree provided the Cooperative Agreement with Caltrans to the Board of Directors. Caltrans is requiring a Cooperative Agreement for the work they will do in guiding staff and in review of submittals staff makes to Caltrans. This agreement is for \$200,000 for reimbursing Caltrans work on an as needed basis and is in the Rail budget.

The item was discussed by the Board of Directors and staff. Concerns about the critical work path to stay on schedule were discussed.

Board Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun requested the 15% design to be shared with the public for comment.

The Board of Directors approved Resolution R01-2019 authorizing the Board Chair, Legal Counsel, and Executive Director to execute a Cooperative Agreement with the California Department of Transportation for development of a project initiation document.

Approved: Akinjo/Vargas

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Jobrack, Moorhead

No: None

Abstain: None

Absent: Thorne

8. Valley Link Project Delivery – **ACTION**

Richard Wolsfeld from AECOM provided a PowerPoint presentation on Project Delivery to the Board of Directors. AECOM Richard Wolsfeld discussed the characteristics of the Design Build Maintain (DBM), a conventional lifecycle profile, and performance-based lifecycle approach.

The item was discussed by the Board of Directors and staff.

Board Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun spoke regarding support of the maintenance infrastructure, issues with electrified tracks, and availability payments.

The Board of Directors approved the inclusion of a 30-40 year civil maintenance responsibility for the Design-Build Concessionaire, with the requirement that the project's civil infrastructure is turned back to the Authority at the end of the concession period in a "state of good repair".

Approved: Vargas/Akinjo

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Moorhead

No: Jobrack

Abstain: None

Absent: Thorne

9. Valley Link Funding Plan – **INFORMATIONAL**

Diane Cowin from AECOM provided a PowerPoint presentation on the Valley Link Funding Plan to the Board of Directors. Diane Cowin discussed the status of the funding and finance plan. Diane Cowin also informed of potential funding sources that are being explored for capital and operations and maintenance costs. AECOM Economist Feliz Ventura also discussed local and state based funding sources that are being considered. Diane Cowin informed that the next steps are to continue discussions with MTC and SJCOG, complete analysis on other funding sources, continue discussions with cities and developers on funding mechanisms, and focus on the process for re-allocation of BART to Livermore funds.

The item was discussed by the Board of Directors and staff.

Board Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun spoke regarding granularity on farebox recovery and suggested contacting BART for their farebox recovery and parking revenue generated at the Antioch extension.

Board Chair Scott Haggerty acknowledged Mayor Rickman in the audience. Board Chair Scott Haggerty also requested a comprehensive discussion on farebox recovery for the next meeting.

This was informational only.

10. Valley Link Schedule – **INFORMATIONAL**

Diane Cowin from AECOM provided a PowerPoint presentation on Valley Link Schedule to the Board of Directors. The detailed schedule showed the Feasibility Study, Design and Environmental, funding commitments, procurement process, and design and construction. Diane Cowin informed that the Feasibility Study will be provided for action at the June Board meeting with submittal by July 1, 2019. By Fall 2019 the 30% Design and Environmental is expected to be completed. A procurement Request for Qualifications (RFQ) for Concessioners is expected to be complete by Summer 2020. Design and Construction start in 2021 with opening hopefully by 2023-2026. The critical path in red on the schedule is driving the schedule and should be focused on to shorten the schedule. One key item driving the schedule is the commitment of funds. Diane Cowin stated that you should not put out a RFQ without funding, because that is a risk for the agency. A refined version of the schedule will be brought to the May Board meeting.

The item was discussed by the Board of Directors and staff.

Board Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun spoke regarding procurement alternative advantages, availability payments, and caveats when things go wrong.

This was informational only.

11. Update on Outreach for Station Area Planning – **INFORMATIONAL**

CEO Daniel Iacofano of MIG provided a PowerPoint presentation titled Update on Outreach for Station Area Planning to the Board of Directors. Outreach has been provided to disadvantaged communities, low-income communities / households and various methods are being used like bilingual surveys and pop-up events. So far the outreach activities have connected with 2,115 people. Valley link briefing books and bilingual fact sheets have been distributed throughout the corridor. Many briefings, pop-up events, and commuter outreach have been completed with positive feedback and support for the project. Workshops provided feedback on design priorities, access issues, and other major themes. The survey received 946 responses to date and Daniel Iacofano provided key findings from these surveys. Daniel Iacofano noted the next steps is station area planning and key considerations.

The item was discussed by the Board of Directors and staff.

[Veronica Vargas, Councilmember from City of Tracy, departed during Update on Outreach for Station Area Planning.]

Board Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun spoke regarding local jurisdictions being responsible for the stations being built.

This was informational only.

12. Directors' Discussion: Comments, Questions and Agenda Requests

Board Chair Scott Haggerty made an agenda request for discussion on layout criteria of what the Rail Authority would want to see at the stations, but leave it up to the local jurisdictions to build and deal with them.

13. Next Meeting Date: May 8, 2019 at Martinelli Center, 3585 Greenville Road, Livermore

The meeting on May 8, 2019 will be rescheduled, due to Board Members being in Washington, D.C.

14. Adjourn

Meeting adjourned at 4:42pm.

1. Call to Order and Pledge of Allegiance

Meeting was called to order by Board Chair Scott Haggerty at 2:00pm.

2. Roll Call of Members

Members Present

Chair Scott Haggerty, Alameda County (departed at 3:00pm)
Vice Chair Veronica Vargas, City of Tracy
Director Bob Elliott, San Joaquin County
Director Jerry Thorne, City of Pleasanton
Director John Marchand, City of Livermore
Director Bernice King Tingle, Mountain House
Director Philip O'Loane, City of San Ramon
Director Karen Stepper, Town of Danville (departed at 3:00pm)
Director Melissa Hernandez, City of Dublin
Director Paul Akinjo, City of Lathrop
Director Bob Woerner (Livermore), LAVTA
Director John McPartland (District 5), BART
Director Leo Zuber (Ripon), ACE

Members Absent

Director Debby Moorhead, City of Manteca
Director Sol Jobrack, City of Stockton

3. Public Comments: Members of the public may address the Board on any issues not listed on the agenda that are within the purview of the Authority. Comments on matters that are listed on the agenda may be made at the time the Board is considering each item. Time limits on public comments may be established by the Chair.

Robert S. Allen, Livermore resident, spoke requesting Valley Link get together with ACE and get control of the BART Parking at Isabel to have adequate parking for their station.

4. Approve Minutes of April 10, 2019 Board of Directors Meeting – **ACTION**

Chair Scott Haggerty asked for public comment on this agenda item.

Roland Lebrun, spoke regarding Chair Scott Haggerty's agenda request in Agenda Item 12 being incorrect. Chair Scott Haggerty requested that the minutes be listened to again and to bring the minutes back to the Board of Directors for approval at the June 12, 2019 meeting. The minutes were corrected to reflect the following "Board Chair Scott Haggerty made an agenda request for discussion on layout criteria of what the Rail Authority would want to see at the stations, but leave it up to the local jurisdictions to build and deal with them."

5. Executive Director Report – **INFORMATION**

Executive Director Michael Tree provided a PowerPoint presentation of the Executive Directors report to the Board of Directors. Executive Director Michael Tree provided an overview of the AB 758 Feasibility Report progress, briefings and presentations completed, and the One Voice Trip to Washington, D.C. Executive Director Michael Tree introduced Valley Link's Government Relations

Lead Consultant Don Perata. Consultant Don Perata gave a brief update on government relations, community engagement, and public affairs. Consultant Don Perata explained that Valley Link is in a very advantageous position, having \$600 as a local match. However, Perata cautioned the Board by reminding them that Sacramento has cut back the transportation budget projections, so Valley Link has less to go after and more competition. Consultant Don Perata provided a examples of how to be more competitive with funding and Valley Link. Consultant Don Perata will provide the Board of Directors a two page report that will sum up what the Government Relations, Community Engagement and Public Affairs team is accomplishing and noted that Valley Link Rail Boosters raised a little over \$100,000 in donations as a non-profit entity.

The item was discussed by the Board of Directors and staff. Chair Scott Haggerty requested a discussion agenda item on NEPA and the impact it would have on the project.

Chair Scott Haggerty presented the Valley Link Informational Video that was produced by JCOMM, Inc. and the video was played during the meeting.

This was informational only.

6. Treasurer's Report – **ACTION**

Staff informed the Board of Directors that the Rail Authority is still waiting on the MTC reimbursement and they now have pre-paid revenue that will be on next month's Treasurer's Report.

The Board of Directors approved the financial statements comparing the budgeted amounts approved at the December Board meeting to the expenses through the end of March 2019.

Approved: Stepper/Vargas

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Thorne

No: None

Abstain: None

Absent: Jobrack, Moorhead

Vice Chair Veronica Vargas noted the One Voice Trip to Washington, D.C. and informed that Staff and Board Members asked Congressman Harder and Congressman Swalwell's Office for support on the project. The Congressmen (Rep. Harder, Rep. Swalwell, Rep. McNerney, and Rep. DeSaulnier) provided a letter to the Transportation Director in support of Valley Link. Vice Chair Veronica Vargas thanked the Congressman in their support of transportation connectivity. Chair Scott Haggerty informed that the FTA knew about the Valley Link project and were excited for the project.

7. Budget Amendment – **ACTION**

Executive Director Michael Tree informed that a revenue and expense line item needs to be added to the budget. The first is to add \$50,000 to the strategic project development director consultant services contract. The County of Alameda has provided \$50,000 to augment the \$100,000 budget for this fiscal year. The second request is to add \$45,000 in funds for the production of the Valley Link Promotional Video. The City of Tracy and the River Islands Development provided the funding for that project.

The Board of Directors approved an amendment to the budget to add a revenue line item of \$50,000 and a corresponding line item for \$50,000, and another expense line item of \$45,000 with a corresponding revenue line item.

Approved: Vargas/Tingle

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Stepper, Zuber, O'Loane, McPartland, Hernandez, Tingle, Haggerty, Thorne

No: None

Abstain: None

Absent: Jobrack, Moorhead

8. Valley Link Funding Plan – **ACTION**

[Vice Chair Scott Haggerty, from Alameda County, Director Karen Stepper, from Town of Danville, and Director Melissa Hernandez, from City of Dublin departed during Valley Link Funding Plan.]

Diane Cowin from AECOM provided a PowerPoint presentation on the Valley Link Funding Plan to the Board of Directors. Diane Cowin noted the capital cost estimate of \$1.8 billion for Valley Link. The Operations and Maintenance (O&M) cost of \$22.1 million in 2019 and approximately \$26.8 million in 2025 (year of expenditure dollars). Diane Cowin also provided a brief overview of high to low the likelihood is for Capital and O&M funding sources.

The item was discussed by the Board of Directors and staff. Several Board Members provided additional funding sources to look into: Port of Stockton and San Joaquin Valley Air Pollution Control District Incentive Funds Program. Vice Chair Veronica Vargas also pointed out the report does not include the Faster, the Bay Area transportation mega-measure that will hopefully pass by 2020 for \$100 million.

Vice Chair Veronica Vargas asked for public comment on this agenda item.

Vaughn Wolffe, Pleasanton resident, spoke regarding opposition on ridership numbers on rail and I-580, as well as greenhouse reduction issues.

Don Cose, Tracy resident, spoke regarding Valley Link being affordable and getting the project completed regardless of who funds it.

The Board of Directors approved to authorize the proposed draft funding plan to move forward into the Feasibility Study Report. The Board of Directors also recommended that the proposed draft funding plan be updated, as necessary, as funding sources are secured, awarded, denied, or otherwise change to guide the project funding and financing implementation after completion of the Feasibility Study.

Approved: Akinjo/Hernandez

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Zuber, O'Loane, McPartland, Tingle, Thorne

No: None

Abstain: None

Absent: Jobrack, Moorhead, Haggerty, Stepper, Hernandez

9. Valley Link Project Schedule– **ACTION**

Diane Cowin from AECOM provided a PowerPoint presentation on the Valley Link Project Schedule to the Board of Directors. Diane Cowin gave an in-depth overview of the schedule and project milestones.

The item was discussed by the Board of Directors and staff.

The Board of Directors approved to authorize the proposed draft project implementation schedule to move forward into the Feasibility Study Report. The Board of Directors also recommended that the proposed draft project implementation schedule be updated with more detail as necessary to monitor and guide the project implementation after completion of the Feasibility Study.

Approved: O'Loane/Tingle

Aye: Elliott, Marchand, Vargas, Woerner, Akinjo, Zuber, O'Loane, McPartland, Hernandez, Tingle, Thorne

No: None

Abstain: None

Absent: Jobrack, Moorhead, Haggerty, Stepper

10. Update on State and Regional Planning and Coordination - **INFORMATION**

Strategic Project Development Director Marianne Payne provided a PowerPoint presentation on the Update on State and Regional Planning and Coordination to the Board of Directors. Marianne Payne informed that a Public Community Workshop will be held in Livermore at the Robert Livermore Community Center on Wednesday, May 22, 2019 from 6pm-8pm with details posted on our website and staff will also be at the Livermore Downtown Festival. Also noted was the Valley Link survey that is still ongoing. We are receiving responses with great feedback from the community. Marianne Payne acknowledged ACE/SJRRC Manager of Regional Initiatives Dan Leavitt and consulting staff members. Marianne Payne provided the key project goal to support the vision of the California State Rail Plan to connect the Northern California Megaregion to the State rail system. Marianne Payne pointed out the 2018 California State Rail Plan 2040 Vision along the Altamont Corridor with ½ hour frequency during peak periods and connectivity to San Jose, Oakland, San Francisco (via new Transbay Crossing), and the Peninsula (via the Dumbarton Crossing). Marianne Payne also highlighted the short-term, mid-term, and longer-term visions for the Altamont Corridor. One key feature in the longer term vision is the one seat ride between San Joaquin Valley, Tri-Valley, San Jose, Oakland, San Francisco, and the Peninsula. Marianne Payne also stated that on May 1, 2019 a report was released by the California High Speed Rail Authority to the State Legislature. The next step that was identified was to perform integrated service planning to optimize connections and seamless travel. Marianne Payne gave an overview of the longer range vision for the corridor focusing on investing in capacity and travel time, universal corridors, shared facilities and a Megaregional Network Integration. The possible next step may be to enter into a Memorandum of Understanding (MOU) with ACE to participate in the further development of the vision ensuring compatibility with the short term goals of Valley Link.

The item was discussed by the Board of Directors and staff.

Vice Chair Veronica Vargas asked for public comment on this agenda item.

Vaughn Wolffe, Pleasanton resident, spoke regarding Caltrain electrification, their business plan, ACE running inline from Redwood City along the Peninsula to Santa Clara, Stockton development near stations, and running buses versus rail down the freeway.

Minutes of May 15, 2019 Meeting in Livermore

This was informational only.

11. Directors' Discussion: Comments, Questions and Agenda Requests

None.

12. Next Meeting Date: June 12, 2019 at Tracy City Hall, 333 Civic Center Plaza, Tracy

13. Adjourn

Meeting adjourned at 4:01pm.

AGENDA

ITEM 5





Tri-Valley ▲ San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Executive Director's Report
FROM: Michael Tree, Executive Director
DATE: June 12, 2019

Action Requested

Informational item only.

Background/Discussion

An oral report will be provided at the Board meeting.

AGENDA

ITEM 6





Tri-Valley San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Treasurer's Report
FROM: Tamara Edwards, Director of Finance
DATE: June 12, 2019

Action Requested

Staff recommends the Tri-Valley – San Joaquin Valley Regional Rail Authority Board accept the financial statements comparing the budgeted amounts approved at the December Board meeting to the expenses through the end of April 2019.

Background/Discussion

Attached is the budget approved by the Board in December for the period of December 2018 through November 2019, along with the revenues received and expenses expended through March 2019. As a reminder, the report reflects revenues once they are received.

At the July board meeting a new Treasurer's Report format will be used that will include accounts to show the amount of pre-paid revenue, the amounts billed to our funding sources and not yet paid, and the amount due to LAVTA.

Attachments:

- A. Budget vs Actual: Through April 2019

Tri-Valley-San Joaquin Valley Regional Rail Authority
Budget December 2018-November 2019
Revenues and Expenses through April 30,2019

		Budget	Actual	Amount remaining	% budget remaining
Revenues					
	Caltrans	\$ 750,000	\$ -	\$ 750,000	100%
	MTC	\$ 10,121,000	\$ -	\$ 10,121,000	100%
	Alameda County /Strategic Development	\$ 50,000	\$ -	\$ 50,000	100%
	Video Production	\$ 45,000	\$ 30,000	\$ 15,000	33%
	Government Relations/Community Engagement	\$ 500,000		\$ 500,000	100%
		<u>\$ 11,466,000</u>	<u>\$ 30,000</u>	<u>\$ 11,436,000</u>	<u>100%</u>
Expenses					
Stipends	Executive Director	\$ 125,000	\$ 48,189	\$ 76,811	61%
	Finance Director	\$ 25,000	\$ 5,073	\$ 19,928	80%
	Planning Director	\$ 25,000	\$ 5,073	\$ 19,928	80%
	Total Stipends	<u>\$ 175,000</u>	<u>\$ 58,334</u>	<u>\$ 116,666</u>	<u>67%</u>
Consultants	Environmental/30% Design Feasibility Report	\$ 8,500,000	\$ 680,975	\$ 7,819,025	92%
	Senior Project Manager	\$ 750,000	\$ -	\$ 750,000	100%
	Senior Lead Engineer	\$ 425,000	\$ 103,512	\$ 321,488	76%
	Strategic Development Dir	\$ 376,000	\$ -	\$ 376,000	100%
	Administrative Assistant	\$ 150,000	\$ -	\$ 150,000	100%
	Lobbying	\$ 55,000	\$ 9,396	\$ 45,604	83%
	Video Production	\$ 500,000	\$ -	\$ 500,000	100%
	Total Consultants	<u>\$ 45,000</u>	<u>\$ 30,000</u>	<u>\$ 15,000</u>	<u>33%</u>
		<u>\$ 10,801,000</u>	<u>\$ 823,883</u>	<u>\$ 9,977,117</u>	<u>92%</u>
Other Direct costs	Legal	\$ 90,000	\$ 30,896	\$ 59,104	66%
	Meeting Materials	\$ 15,000	\$ 3,242	\$ 11,758	78%
	Insurance	\$ 25,000	\$ 6,844	\$ 18,156	73%
	Travel/Mileage/Mis	\$ 20,000	\$ 11,706	\$ 8,294	41%
	Office Remodel	\$ 40,000	\$ 25,391	\$ 14,609	37%
	Caltrans Reimbursement	\$ 200,000	\$ -	\$ 200,000	100%
	Union Pacific Reimbursement	\$ 100,000	\$ -	\$ 100,000	100%
	Total Other Direct Costs	<u>\$ 490,000</u>	<u>\$ 78,080</u>	<u>\$ 411,920</u>	<u>84%</u>
	Total Budget	<u>\$ 11,466,000</u>	<u>\$ 960,297</u>	<u>\$ 10,505,703</u>	<u>92%</u>

AGENDA

ITEM 7





Tri-Valley  San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Organization for Project Delivery

FROM: Michael Tree, Executive Director

DATE: June 12, 2019

Action Requested

1. Establish the Tri-Valley – San Joaquin Valley Regional Rail Authority as the entity to deliver the Valley Link transit connectivity, including planning, designing, financing, constructing, operating, maintaining, and the leasing, developing, or disposing of land, facilities, or equipment, necessary to deliver and operate Valley Link.
2. Approve the continued use of the Livermore Amador Valley Transit Authority's administrative staff to provide all necessary administrative support to the board to perform its duties and responsibilities.

Background

AB 758 mandates that for the initial 18-month period, the Livermore Amador Valley Transit Authority's (LAVTA) administrative staff shall provide all necessary administrative support to the board to perform its duties and responsibilities. At the conclusion of the initial period, the board may select the Livermore Amador Valley transit Authority or the San Joaquin Regional Rail Commission to provide administrative support, or may alternatively hire an executive director for those functions. If an executive director is hired, the executive may appoint staff or retain consultants as necessary to carry out the duties of the authority.

Additionally, AB 758 mandates that the Authority identify in the Feasibility Report the preferred entity or entities to deliver transit connectivity, including the role each entity will play in planning, designing, financing, constructing, operating, maintaining, and the leasing, developing, or disposing of land, facilities, or equipment, necessary to deliver and operate transit connectivity.

For the past 18-month period the Authority has been working quickly and cost-effectively with LAVTA administration and the consulting teams from AECOM, LTK and Kimley-Horn to deliver the Feasibility Report for the Valley Link rail project, the environmental work and preliminary design, with the expectation that the Feasibility Report will be completed in June of 2019, and the EIR and 30% will be completed in the coming months.

Discussion

Key Considerations

The following are some of the questions contemplated by the Authority as it considered and analyzed the abovementioned mandates by AB 758:

How should the Authority structure itself in order to be able to procure and adequately manage the Design/Build contractor?

-On March 13, 2019, the Board adopted Design/Build as the preferred method of contracting for Valley Link project construction.

-On April 10, 2019, the Board provided for contracted maintenance of civil structures (Maintenance of Way) as part of the scope for the contracted Design/Build functions.

Between contracting and final design and construction, how should the Authority provide for its administrative and oversight functions?

When the first phase of Valley Link is ready to be placed into service, what will be the requirements for cost-effective and publicly responsive operation and maintenance, and how should the Authority structure itself to ensure the best possible operational outcome?

Should the operations and maintenance be contracted out, or should this function become part of the permanent structure and staff of the Authority.

Should significant parts of the Authority's functions and structure be delegated to another existing agency to manage?

Operations, Project Delivery and Organization Analysis

While they have common basic features, all rail systems have unique characteristics, and there is no single correct answer that fits all agencies. We must take into account the unique requirements of the Authority's communities – as well as the operational demands of service we are designing and building.

Characteristics of the Valley Link System to Consider

The Valley Link project is focused on cost-effective and efficient delivery of a reliable transportation option connecting BART and ACE. Valley Link's operating concept calls for short-headway bi-directional service operated on an essentially single-track rail line with strategically placed passing sidings. Valley Link could add in double-tracking across the Altamont or in the San Joaquin Valley, if additional funding is identified and secured. It is believed that Valley Link will be the only rail system in the country to operate a bi-directional 12-minute mainline headway under these single-track civil constraints. Other systems are required to perform under less severe requirements. The Oceanside-Escondido "Sprinter" service in North San Diego County and the SMART service in Marin and Sonoma Counties both use single-track rail lines but operate on a less demanding 30-minute headway. Sacramento RT originally operated its light rail system on a highly reliable 15-minute headway on a primarily (60 percent) single-track infrastructure, and still has significant segments of single track. This was generally considered to be the shortest headway that could be operated reliably without double track infrastructure. There is no precedent for the Valley Link operating concept. While it is technically feasible it will need to be managed very carefully. In addition, the Altamont Hills geography, anticipated heavy passenger loads and the air conditioning loads imposed on the vehicles' power plant in the San Joaquin Valley's summer weather suggest additional significant operational challenges.

Ordinarily, double-track rail lines are operationally superior, as train movements in opposite directions are independent of each other. On single-track systems characterized by short

headways, delays or incidents affecting any train can quickly affect not only following trains but also trains travelling in the opposite direction. Opportunities to make up time may be limited. Knowing this is the case, training and supervision, and the key function of dispatching (a continuous real-time surveillance of every train and its performance against schedule) are understood in advance to be critical functions requiring the selection and training of skilled and experienced personnel.

The main implication of a demanding operational regime is that key operations management in charge of supervision, training and dispatching must be knowledgeable about the system down to the smallest details of its physical and operational characteristics. Cultivating such a high-quality top-level staff takes time and commitment from management. Ideally, a few key permanent top-level operations positions should be filled during the final design and construction phase as many small decisions affecting the way the system will be operated are made during that period and should reflect in some measure the opinions of those who have to make the system work.

Similarly, in a large Design/Build procedure, taking design from 30 percent to completion and overseeing discussion of, and decisions about, many engineering details and tradeoffs. This requires top level engineering managers, in several fields. Like the operations managers, these professionals must understand the project in detail and be prepared to articulate the Authority's interest during the D/B phase. Furthermore, during this period, these reviews, discussions and decisions, including, for example, operations and safety reviews carried out collaboratively by engineering and operations staff and the contractor, often in collaboration with regulatory authorities, form part of the institutional memory which is an essential asset to the Authority. A continuing permanent high-level operating staff will also, over time, come to know personally their key colleagues from connecting transit systems and, very importantly, first responders.

A final and less tangible, but no less real consideration is the evolution of Valley Link into a community asset through its operational presence, and the development of the public perception of the system as an essential civic service and community "member". Some permanent staff, living and working in the communities served by Valley Link, can give it a presence and institutional legitimacy, as much a part of the neighborhood as local fire and law enforcement agencies.

Organizational Models Considered

1. The Traditional Model

...in which almost the entire organization consists of permanent in-house staff, public employees on the authority's payroll. Contracted functions are typically limited to periodic project, planning or engineering work, major one-time projects such as fleetwide overhauls or rebuilds, station cleaning, or concessionaires. This is the model typically found in larger, older transit agencies, carrying the vast majority of the nation's transit passengers. Examples would include such systems as: Bay Area Rapid Transit (BART), Alameda-Contra Costa Transit District (AC Transit), San Francisco Municipal Transportation Agency (SFMTA), Sacramento Regional Transit District (SacRT), Santa Clara Valley Transit Authority (VTA). The newest member of this group in Northern California would be Sonoma-Marín Area Rail Transit District (SMART). See Attachment A for an example organizational chart of the Traditional Model.

2. The Blended Model

...in which key permanent managerial and administrative staff is in-house. This group manages the operation and maintenance of the service, reporting through an Executive Director to the Board of Directors. This is common for commuter rail agencies. The commuter rail agency has two or more separate contracts, below the managerial level to provide the primary functions of train operations, dispatch, maintenance of equipment, and maintenance of way. Some of the agencies where this model is currently in use includes; Tri-Rail, Metrolink, Virginia Railway Express (VRE), Sounder Commuter Rail, and SunRail. The actual savings associated with contracted rail operations is open to debate, but it is at least possible to consider a potential annual cost saving in the range of 5 – 10% of Valley Link's projected gross operations and maintenance cost of \$27 million (for 2025 operation of entire system), or \$1.3 million – 2.7 million annually. Specific savings would not be known until operations and maintenance contract proposals are submitted.

An example of the Blended Model is SamTrans, the San Mateo County Transit District, which oversees fixed route and paratransit bus service, but also manages the Caltrain commuter rail system with permanent high-level in-house management staff overseeing operations and maintenance employees who work for a contractor.

An additional example applied to the Valley Link analysis is the sharing of executive and administrative costs with a partner agency—in this particular case by sharing Executive Director, Finance, HR, Procurement and Planning/Marketing functions with LAVTA, which could provide the Tri-Valley – San Joaquin Valley Regional Rail Authority an annual savings in the \$.5 million range. Attachment B for an example organizational chart of the Blended Model with LAVTA.

The Turnkey Variants of the Blended Model

The Turnkey approach is essentially a variant of the Blended model, with a decision point related to the Project Schedule. At the point in the evolution of the Blended model at which a commitment would be made to bring on key permanent in-house operations staff (the Rail operations Director, and Managers of Maintenance of Way, Vehicle Maintenance and Transportation/Operations), a decision involving cost/benefit, technical, financial and legal capacity and other factors would be made regarding whether to continue on the path of the Blended approach – or proceed instead with solicitation of proposals and assignment of responsibility for building and operating the system to a different managing agency. In terms of the project schedule, this would occur prior to the development of the procurement documents for the Design/Build/Maintain contract.

With Turnkey Variant 1 (see attachment C), the Tri-Valley – San Joaquin Valley Regional Rail Authority administrative staff remains small, essentially providing Executive oversight under Board direction to an almost entirely contracted operation and maintenance service. For a rail service, it may be most likely to find this approach where rolling stock required for passenger service is publicly owned, while the extensive infrastructure required by a rail system may not be. An obvious local example of this approach would be the San Joaquin Regional Rail Commission, which manages the popular ACE commuter rail service and owns its rolling stock and maintenance facility. Under a contract with the San Joaquin Joint Powers Authority, the Commission staff manages the AMTRAK-operated San Joaquin intercity passenger service between Bakersfield, Fresno, Sacramento and the Bay Area. With Turnkey Variant 2 (see attachment D), the Authority would essentially have no staff – or function beyond execution of a Memorandum of Understanding with a separate agency. All functions related to engineering, construction and operations and their management would be contained within the managing agency.

Summary of Organizational Models

These alternative models are conceptually illustrated below. The key attributes distinguishing these approaches are cost implications, schedule impact, administrative responsiveness, flexibility, demonstrated success in a comparable context.

	Cost Implications	Probable Schedule Impacts	Responsiveness	Flexibility	Demonstrated Success
Traditional Model	Base case	Some delay associated with time to staff key positions	Highly responsive to Executive Control	Most rigid in labor and administrative structure	Clearly demonstrated nationwide and Bay Area
Blended Model	Potential saving of \$0.5 + \$1.3-2.7 m. annually	More consistent with Project Schedule	Some potential loss of responsiveness	More flexible w/ Turnkey Variants decision point related to schedule	Clearly demonstrated nationwide and Bay Area

In an effort to keep the Valley Link rail project moving forward as efficiently and cost-effectively as possible, as mandated by AB758, staff recommends the Tri-Valley – San Joaquin Valley Regional Rail Authority continue as the government agency that will deliver the Valley Link project, including the planning, designing, financing, constructing, operating, maintaining, and the leasing, developing, or disposing of land, facilities, or equipment, necessary to deliver and operate Valley Link.

Additionally, staff recommends the Blended Model as illustrated in Attachment B, which has LAVTA providing administration for the Authority. Finally, staff recognizes that due to the evolving nature of government, public transit, rail agencies in the region, and other factors, continued evaluation of potential rail agencies (as described in the *Turnkey Variants of the Blended Model* section of this report, above) that can strengthen the ability of the Authority to construct and operate Valley Link in a managing agency role will be reviewed by the Authority for consideration.

Recommendation

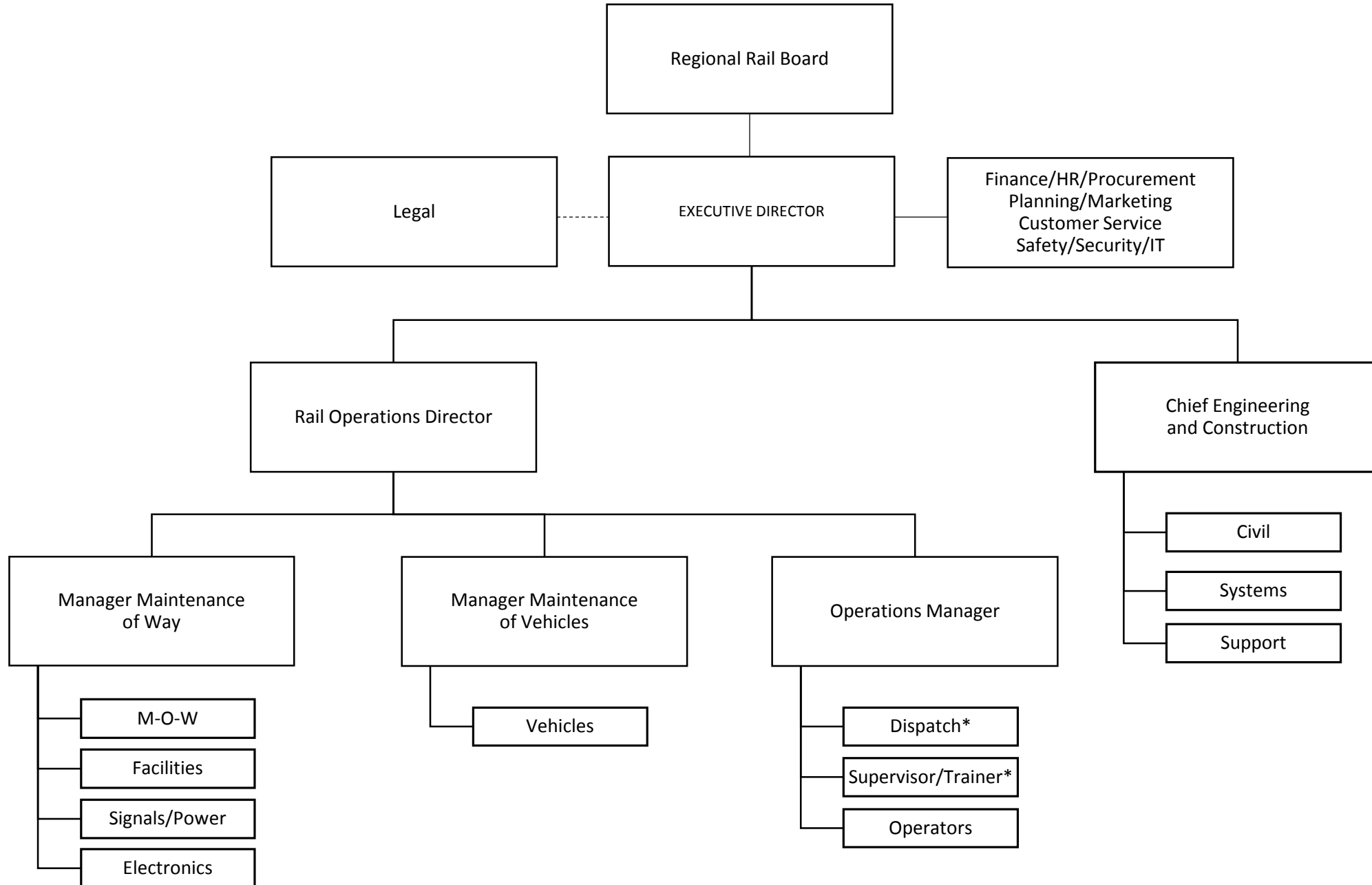
1. Establish the Tri-Valley – San Joaquin Valley Regional Rail Authority as the entity to deliver the Valley Link transit connectivity, including planning, designing, financing, constructing, operating, maintaining, and the leasing, developing, or disposing of land, facilities, or equipment, necessary to deliver and operate Valley Link.
2. Approve the continued use of the Livermore Amador Valley Transit Authority’s administrative staff to provide all necessary administrative support to the board to perform its duties and responsibilities.

Attachments:

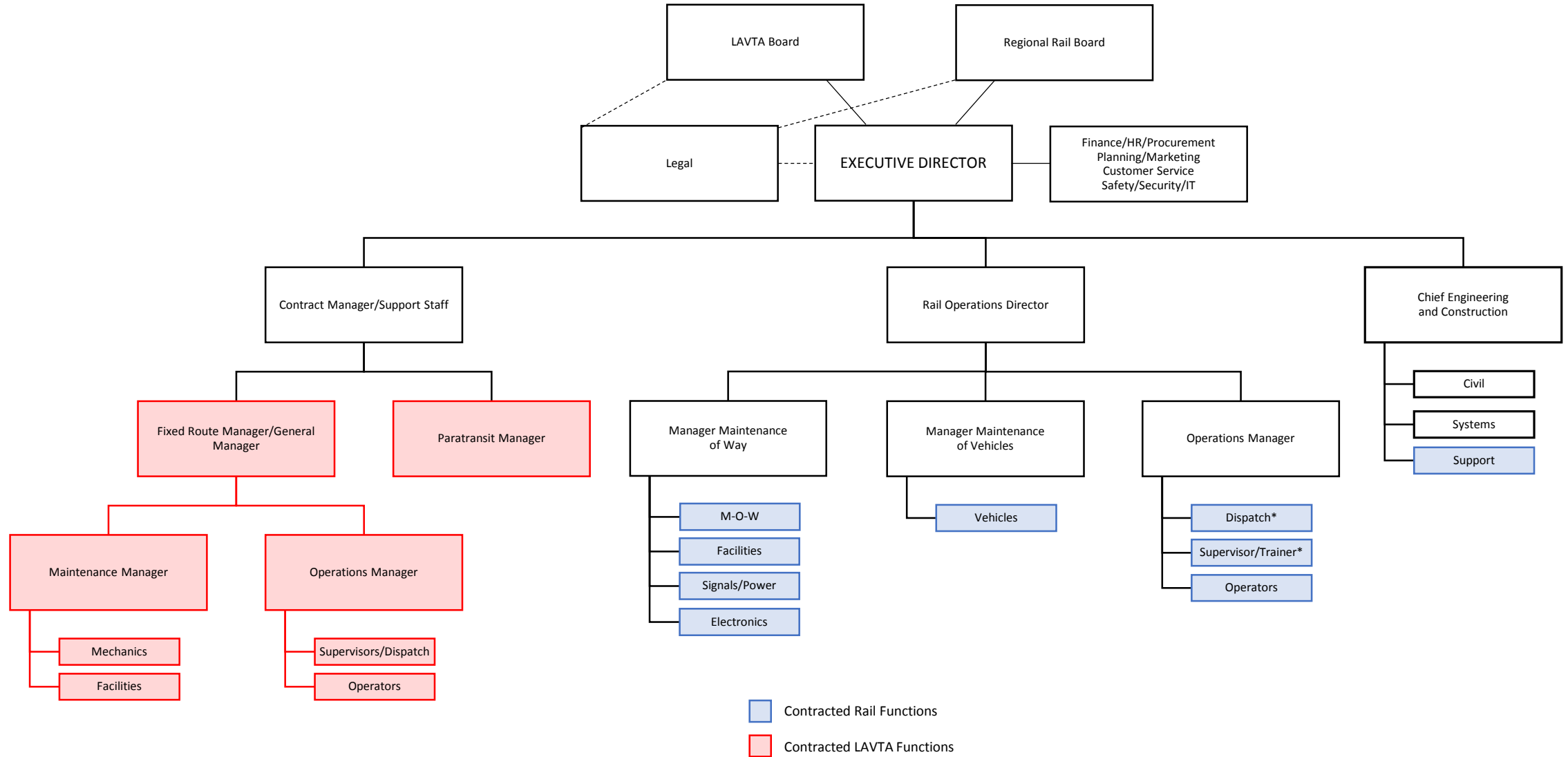
- A. Traditional Model
- B. Blended Model with LAVTA

- C. Turnkey Variant 1
- D. Turnkey Variant 2

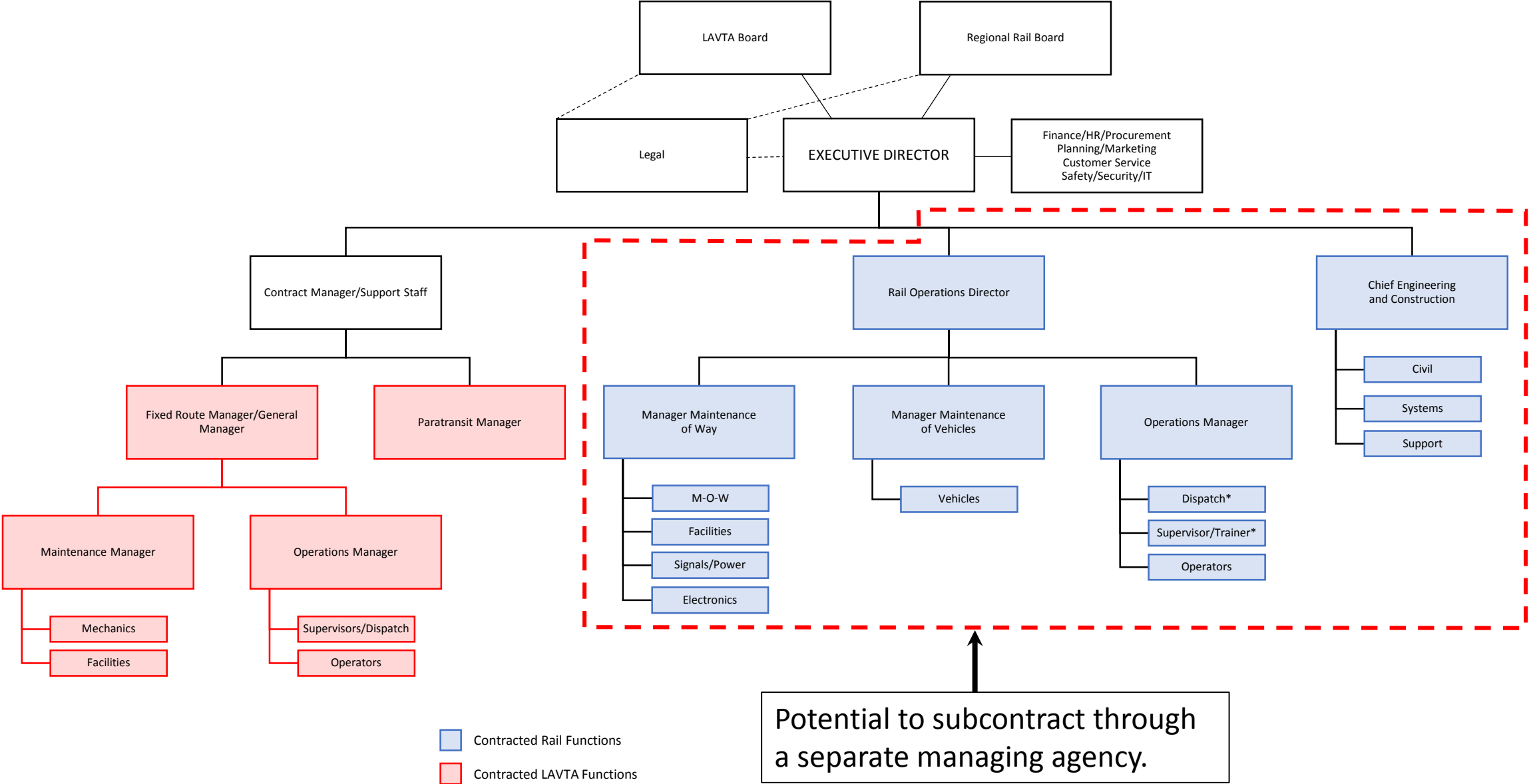
TRADITIONAL MODEL



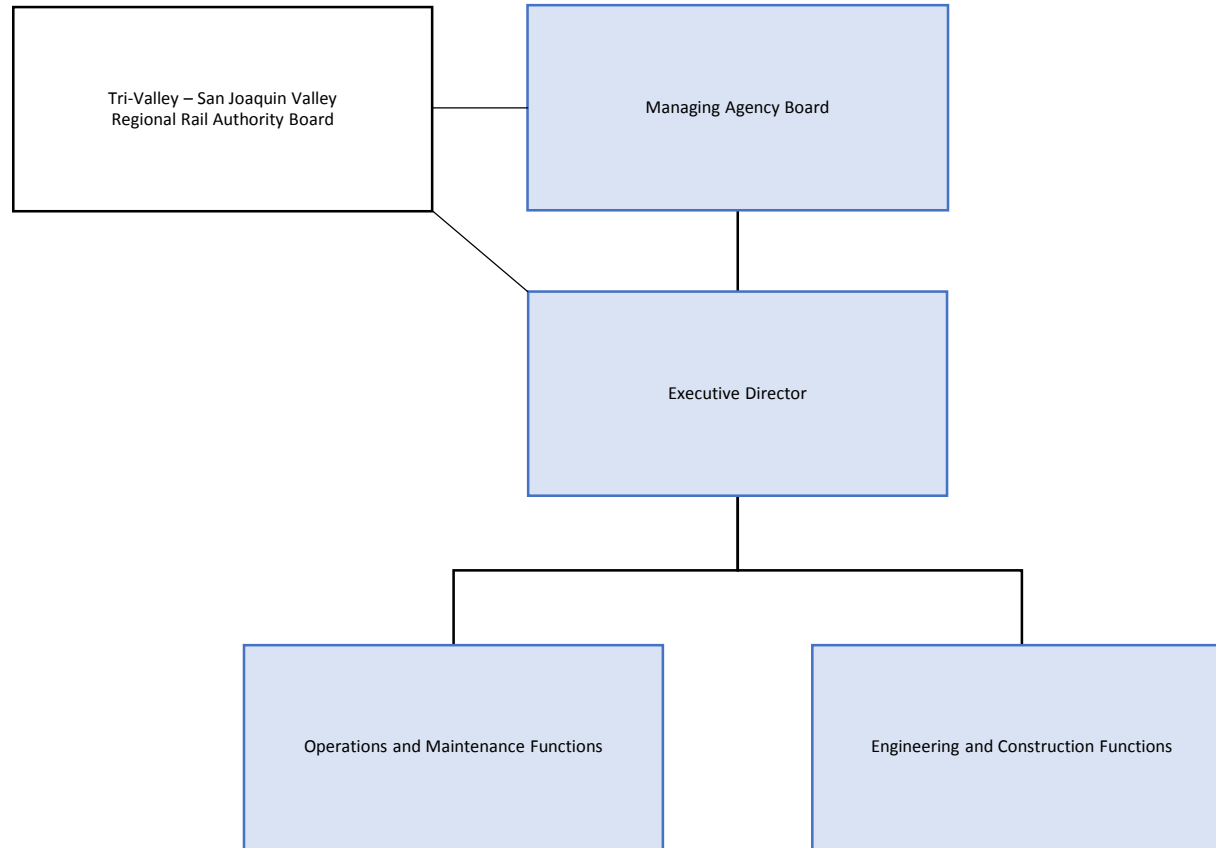
BLENDED MODEL



TURNKEY VARIANT 1 OF BLENDED MODEL



TURNKEY VARIANT 2 OF BLENDED MODEL



Contracted Rail Functions

Contracted LAVTA Functions

AGENDA

ITEM 8





Tri-Valley San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Valley Link Project Feasibility Report

FROM: Michael Tree, Executive Director

DATE: June 12, 2019

Action Requested

Approve the Valley Link Project Feasibility Report and direct staff to distribute the report as directed by Public Utilities Code Section 132661, as adopted by Assembly Bill 758, and

- Provide a project feasibility report to the public, to be posted on the authority's Internet Web site, on the plans for the development and implementation of transit connectivity in the Tri-Valley region.
- Submit the report to the Metropolitan Transportation Commission, the governing board of the Bay Area Rapid Transit District, the governing board of the San Joaquin Regional Rail Commission, the policy committees of each house of the Legislature with jurisdiction over transportation policy matters, and the Transportation Agency.

Background/Discussion

Assembly Bill 758, co-authored by Assemblywomen Catharine Baker and Susan Eggman, was signed into law by Governor Jerry Brown on October 13, 2017, establishing the Tri-Valley San Joaquin Valley Regional Rail Authority. The legislation requires the Authority to provide a project feasibility report to the public on or before July 1, 2019. It also specifies that the report, at a minimum, include the following elements:

1. Recommendations for expediting the development of cost-effective and responsive connectivity between BART and ACE rail systems in the Tri-Valley.
2. The identification of a preferred entity or entities to deliver transit connectivity, including the role each entity will play in planning, designing, financing, constructing, operating, maintaining, and the leasing, developing of land, facilities or equipment necessary to delivery transit connectivity.
3. A funding plan describing any grants, loans, allocations, fund transfers, or awards of local, regional, state, federal, or private funds that are proposed to be made available for achieving transit connectivity.

4. A description of any plan to finance the development of transit connectivity, including a description of any revenue source or sources to be pledged for financing, the duration of time to complete the financing, and the estimated total cost of financing.
5. A proposed schedule for completion of transit connectivity.
6. Preliminary design for the project or projects to complete transit connectivity, including the identification of right-of-way, routes, stations, equipment, and any other facilities necessary to achieve transit connectivity.

The Project Feasibility Report meets all of these key requirements. The report also includes a review of extensive public outreach and community engagement efforts that were conducted for purposes of informing project design elements. The report provides additional analysis of the potential impacts that a proposed rail service may have on environmental sustainability, social equity and transit-oriented development in the megaregion.

Fiscal Impact

There are no fiscal impacts associated with this action.

Attachment

The Valley Link Project Feasibility Report (indexed PDF) – Please copy and paste the following into your web browser:

Valley Link Project Feasibility Report

https://www.dropbox.com/s/nzfno4yt57y3o8w/2019.06.07%20-%20Valley%20Link%20Feasibility%20Report_forprint_reduced.pdf?dl=0

Appendices

https://www.dropbox.com/s/zb2fo5rzpgux710/2019.06.07%20-%20Valley%20Link%20Feasibility%20Report%20Appendix_reduced.pdf?dl=0

The report will also be available on the homepage of the Authority's website at www.valleylinkrail.com.

AGENDA

ITEM 9





Tri-Valley & San Joaquin Valley
REGIONAL RAIL AUTHORITY

STAFF REPORT

SUBJECT: Next Steps

FROM: Michael Tree, Executive Director

DATE: June 12, 2019

Action Requested

Informational item only

Background/Discussion

A report will be provided to the Board at the meeting and will cover such areas as environmental review, station area planning, and other topics relevant to the work in progress and the near future.