Meeting Notes

Meeting Date: **January 28, 2010**

Subject: **Commuter Rail Yuma West Corridor – PRT Meeting**

In Attendance:

Rick Pilgrim - URS
Jen Pyne - URS
Marc Pearsall - MAG
Stuart Boggs - RPTA
Cato Esquivel - City of Goodyear
Jorie Breshnahan - City of Phoenix
Eric Busto - City of Phoenix Aviation Department
Rogene Hill - City of Avondale
Ken Galica - City of Avondale
Connie Randall - City of Phoenix
Sean Banda - Town of Buckeye
David Schwartz - Goodman Schwartz Public Affairs

Introduction

Rick Pilgrim reviewed the agenda for the meeting:

- Overall Project Update
- Ridership Forecasting Update (including Sensitivity Test Results)
- Cost Estimates
- Implementation Strategy for the Corridor Development Plans
  - Governance Options
  - Funding Options
  - Near Term Implementation/Next Stepts
- Next Steps

This is the last PRT for Yuma West, and the last SRT meeting will be February 2, 2010. The fourth and final Commuter Rail Stakeholder meeting will be held on February 17, 2010. Notice has been emailed out.

Rick also provided a Union Pacific update: while they have been not supportive of using their lines for commuter rail, they let MAG know they appreciated that they have portrayed their opposition appropriately. Rick also mentioned that while they are a "no" at the moment, we are hopeful over time and as the environment changes, it may turn to a willingness to discuss further.

Ridership Forecasting Update

Rick Pilgrim provided a ridership forecasting update with the results of the Senstitivity Tests ("What If...?" scenarios). These tests examined the effects on ridership if the following :

1. if selected highway projects are not built
2. if we assume the catchment areas for drive access are larger than the model default assumption of 8 miles
3. if we assume wait time for commuter rail riders is less than model default assumptions of half the headway
4. if we expand the planning horizon from 2030 to 2035

Once the sensitivity updates are run, the team is looking for changes greater than 10%. Changes of less than 10% are considered nominal and generally within normal model variation.

Selected Highway Projects Not Built
The first sensitivity test removed projects from the network and reran the model. The results with and without the selected projects were compared. The SR-802 highway project was the only project removed that increased the numbers more than 10%. In general, the planned highway projects do not substantially compete with commuter rail service. The Southeast Corridor might see slightly higher ridership is the DR-802 project is not constructed.

Catchment Area Increased from 8 to 10 Miles
The base model of all five corridors was run with a default assumption of 8 miles. Then the model setting was changes to 10 mile and re-ran, and the results were compared. There was no corridor that resulted in a change greater than 10%. The conclusion is that changing the drive access assumption does not substantially influence ridership.

Wait Times Assumed at Less than Half Headway
The model was changed to simulate shorter wait times and the results were compared to ridership results from five base corridor with 30/60 headways. The results show all corridors with extremely high changes, leading to the conclusion that wait time and headways substantially influences ridership in the model. As the system matures and riders adjust their behavior to minimize overall travel times, ridership may increase. Corridors with shorter trip patters (such as the Tempe Corridor) would be more likely to see a greater increase in ridership in this test because wait times make up a larger component of the overall travel time.

2030 to 2035
The base model of all five corridors used 2030 socioeconomic data. The last sensitivity test ran the same model with 2035 socioeconomic data for comparison. The results show that Grand Ave (with an increase of 17%) and Yuma West (with an increase of

19%) are likely to see a noticeable increase in ridership between 2030 and 2035 if development occurs as predicted.

The next steps for Ridership Forecasting are to complete the Summit analysis currently in progress and complete documentation of methodology and results.

Marc Pearsall, MAG, talked about two new studies that MAG may take up this summer that will look at sustainable transportation and land use in the Grand and Yuma West corridors. The scope will essentially explore what cities can do in the interim to get ready for Bus Rapid Transit and/or Commuter Rail and will look at Transit Oriented Development. These studies will be funded with federal money.

Cost Estimates

The cost estimate assumptions are based on a series of plan drawings within the study corridor and industry cost standards. These are summarized into FTA standards and in 2009 dollars - not adjusted with inflation. Capital cost estimates do not assume the inclusion of freight rail improvements by UP, i.e., by 2015, UP will need to make some improvements, but any new track would be our cost.

Phase A of the Yuma West Corridor could occur before 2020 and include service from Central Phoenix to Buckeye with 30 minute headways during peak hours and no service during off-peak hours. Phase B could occur between 2020-2030 and would add 3 off-peak round trips, in addition to the 30 minute peak headways. Phase C could occur between 2030-2040 and would include service from Central Phoenix to Arlington with 30 minute peak headways and 60 minute off-peak headways. Estimates for capital costs were reduced by 10% because there are less uncertainties as the service would run along existing railroad lines. For example, LRT had more uncertainties as it was necessary to dig up streets and navigate unknown utility lines, etc. By making this capitol cost reduction, it takes Phase A from $402 M down to $362M. Phase B adds about $4M and Phase C adds $88M.

Ken Galica, City of Avondale asked why capital cost increased from Phase A to Phase B. Rick answered that it is because extra guideway is needed.

The annual operating and maintenance costs estimates b phase are: $3.8 million for Phase A, $11.9 million for Phase B, and $28.1 million for Phase C.

A peer city capital cost comparison shows the Yuma West corridor at an estimated $11.8 million per rider. This is roughly the same as Oregon's Westside Express, and lower than Washington's Sounder at $17.2 million and Utah's FrontRunner at $21.7 million (high because of existing freight traffic). The lowest peer city comparison was Minnesota's Northstar at $7.2 million per rider, which is due to pre-existing double tracks.

Based on this information, Rick Pilgrim concluded that Yuma West is "in the ballpark" on capital cost, but the problem is that it does not have many riders.

A peer city annual operating and maintenance cost comparison shows Yuma West with an estimated $26.6 per rider. This is significantly higher than any other peer city; the closest being the Altamont Commuter Express in Stockton, California with $15.42 per rider. The lowest peer city comparison is with the Caltrain Peninsula in San Francisco at $7.29 per rider. The Sounder in Seattle, the Sprinter in San Diego and Metrolink in Los Angeles range from $11.41 to $10.30 per rider.

The PRT members briefly discussed how the region should look at the cost of parking. Higher costs for parking will drive people to use transit. There are disproportionately low parking rates in Phoenix.

Implementation Strategy

The implementation strategy for the Corridor Development Plans includes governance options, funding options and near-term implementation and next steps.

Governance Options

Governance structure considerations include several factors. The commuter rail service area will expand beyond political boundaries of existing local transit service areas and potentially beyond MAG boundaries. The governance structure should reflect financial, political and representational patterns of the areas served by commuter rail. Success factors include the availability of the institutional arrangement to (1) balance local control with the need for regional system performance and (2) provide stable funding opportunities.

Rick Pilgrim presented several governance structure models that the region may want to consider.

Regional Transit Authority/District (Multi-Modal)

Examples of a regional transit authority (RTS) exist in Washington (Sound Transit District) and Oregon (Tri-County Metropolitan District). The advantages of a regional transit authority include greater efficiencies and coordination between all transit modes, and an RTA can provide inclusive authority to help developing/growing areas provide comprehensive transit service. The disadvantages are a potential lack of focus, a cumbersome political process to expand taxing authority, and a learning curve for the Region’s existing RPTA to manage a rail program.

Regional Rail Authority/District (Single Purpose)

An example of a regional rail authority exists in California with the Sonoma-Marin Area Rail Transit. The advantages of a regional rail authority are that it eliminates competition for resources being distributed among transit modes and all funding

partners are equally represented. Disadvantages include another entity being added to the mix, requirement of close coordination with METRO and RPTA, unable to serve jurisdictions which do not vote to join, leave gaps in representation/service, and greater cost and start-up time to form a new authority.

Joint Powers Authority
Examples of a joint powers authority exist in California (Peninsula Corridor Joint Powers Board), Florida (South Florida Regional Transit Authority) and Virginia (Virginia Railway Express). The advantages of a joint power authority include maximum flexibility, formation does not require legislative authority, and, if the METRO mission is expanded, a joint powers authority will benefit from similar rail expertise with LRT. Disadvantages include potential overlapping responsibilities within representative entities, that each entity would be required to secure its own funding source and funding may be less stable, may start a "turf war," and would present a learning curve.

Division of State Department of Transportation
An example of governance through a division of a state transportation department exists in Maryland with the Maryland Transit Administration. The advantages of this form of governance are that it could apply for funding from Federal programs that local entities may not be able to obtain, and it could empower a single railroad negotiator and greater coordination for unified statewide passenger rail service. Disadvantages include an institutional learning curve, it may rely primarily on state legislative appropriation and priorities, may bring into question equity between regions of the state, and it increases state influence over local/regional decisions.

Division of Metropolitan Planning Organization (MPO)
An example of an MP exists in New Mexico with the Mid-Region Council of Governments. Advantages are that MAG could continue its role as lead implementation agency and pass-through funding entity. There are several disadvantages, including continued/greater collaboration and coordination among existing transit authorities; Northern Pinal County is part of the Central Arizona Association of Governments and not MAG, creating boundary issues; potential confusion within MAG and CAAG transportation planning process; requires expansion of the MAG charter; and requires establishment of a new operational division within MAG.

<u>Funding Options</u>
Rick Pilgrim briefly reviewed a menu of options that could be explored for funding options:

State Funds
- Highway User Revenue Funds
- Statewide Transportation Acceleration Needs (STAN) Account
- New Dedicated State Transportation Funding, i.e. Statewide Tax

Federal Funds (Requires Match)

- FTA Section 5307, Urbanized Formula
- FTA Section 5309, New Starts
- FHWA Congestion Mitigation and Air Quality (CMAQ) Funds
- FHWA Surface Transportation Program (STP)
- FRA Section 130, Grade Crossing Safety Improvements
- New Federal funding via Transportation Bill Authorization

Regional and Local Funds

- Maricopa County Transportation Excise Tax (e.g. currently regional half-cent sales tax)
- Potential New Funding Opportunities:
    - Payroll Tax
    - Motor Vehicle Sales Tax
    - Local Gas Tax
    - Vehicle Registration Fee

Public Value Capture

- Benefits Assessment Districts
- Tax Increment Financing (not allowed in Arizona)

Public Private Partnerships

<u>Near Term Implementation Steps – Five Year Plan between 2010-2015</u>
Near term implementation steps include passage of enabling legislation relative to liability and indemnification; this will really get the ball rolling and shows the region is serious. Coordination with Railroads is needed to establish a state-level point of contact with UP, develop partnerships to investigate options for an MOU and advance the design and operating costs. Other steps include initiate collaborative local planning efforts, identify funding commitments, initiate process for federal funding, develop and implement governance plan and preserve future options.

<u>Longer Term Implementation Steps – Longer Horizon 2015 +</u>
Looking beyond 2015, longer term implementation steps include formalizing partnership with Union Pacific Railroad, obtaining committed federal and local funding sources, design, construct and operate the initial commuter rail system, and further planning to develop a seamless transportation system and meet regional sustainable goals.

The PRT members had a sidebar conversation about doing a demonstration project. However, there could be problems with lower speeds due to inadequate tracks and may not really show what system would be capable of.

Next Steps
The next steps for the Corridor are to document and finalize all ridership results using model, sketch planning and TSUB analysis. The Study Team will also address comments or requested changes to the final report and present information related to study work to the MAG committee structure.

The final Stakeholder Meeting for the Commuter Rail Studies will be held on Wednesday, February 17, 2010 at 1:30 pm at the Burton Barr Central Library.