

## Meeting Notes

**Meeting Date:** January 27, 2010  
**Subject:** Commuter Rail Grand Ave Corridor – PRT Meeting

### In Attendance:

Marc Pearsall, MAG  
Rick Pilgrim, URS  
Tyler Besch, URS  
David Schwartz, Goodman Schwartz  
Amy Lewin, URS (via phone)

Jorie Bresnahan, City of Phoenix Public Transit  
Denise Lacey, MCDOT  
Scott Chesney, City of El Mirage  
David Moody, City of Peoria

### Introduction

Marc Pearsall, MAG, initiated the meeting by introducing the presentation, which followed the agenda as outlined:

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

### Overall Project Update

Copies of the draft final report were distributed. Marc Pearsall asked that PRT members submit comments on the draft report by Feb. 5th. He mentioned that while this will be the last Grand PRT meeting, there is still an upcoming Systems Review Team (SRT) meeting. He also mentioned that the Grand Coalition meeting has been moved to March 8th and reminded everyone about the upcoming stakeholders meeting later in the month and asked everyone to help get the word out for this final meeting.

Lastly, Marc laid out the MAG Process that the commuter rail studies will likely take once the reports are complete

1. MAG Transit Committee (this is a new committee of MAG)
2. Technical Review Committee (TRC)
3. Transportation Policy Committee (TPC)

4. MAG Management
5. Regional Council

## **Ridership Forecasting**

Rick Pilgrim, MAG Study Team, reviewed the final modeling runs (sensitivity tests) that have been completed. Essentially, these sensitivity tests looked at what might happen to ridership if certain assumptions were changed. Amy Lewin, MAG Study Team, walked the group through the various sensitivity tests:

What might happen to ridership...

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 the wait time for commuter rail riders is less than the model default assumption of half the headway?
4. ...between 2030 and 2035?

For these sensitivity tests, the Study Team is looking differences of 10% or greater. Changes of less than 10% are considered nominal and generally within normal model variation.

### ...if selected highway projects are not built?

The test removed projects from the network and reran the model to compare the results with and without the projects. The removal of SR-802 resulted in an increased ridership of 10% on the Southeast Corridor. However, in general, the planned highway projects do not substantially compete with commuter rail service., but there would be a slightly higher ridership in SE if the SR802 is not completed.

There was some discussion about the travel time comparisons (end to end). With commuter rail, the Grand will see the greatest time saving (as compared to Single occupancy vehicle- SOV), with travel times of 42 minutes by rail and 66 minutes by SOV. The SE route also saw a significant time savings. Much of these savings are due largely to the diagonal nature of the route and demand.

### ...if we assume the catchment areas for drive access are larger than the model default assumption of 8 miles?

The test ran the base model of all five corridors with the default assumption of 8 miles, and then change the model setting to 10 miles and re-ran the model to compare results. There was no corridor with a ridership change of 10% or more, leading to the conclusion that changing the drive access assumption does not substantially influence ridership.

### ...if we assume the wait time for commuter rail riders is less than the model default assumption of half the headway?

The test changed the model to simulate shorter wait times and compared results to

ridership from all five corridors with 30/60 headways. All corridors showed extremely high increases in ridership. The conclusions were that wait time/headway substantially influences ridership in the model, and as the system matures and riders adjust their behavior to minimize overall travel times, ridership may increase. Corridors with shorter trip patterns (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.

...between 2030 and 2035?

The test ran the base model of all five corridors with 2030 socioeconomic data, and then ran the model again with 2035 socioeconomic data to compare results. Two corridors show significant increases- Grand Ave showed a 17% increase and Yuma West showed a 19% increase. The conclusion is that as we go out in time, the West Valley will see significant increase in growth and this will drive higher demand.

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

## **Cost Estimates**

Costs estimate assumptions are based on a series of plan drawings within the study corridor and industry cost standards. The costs are summarized into FTA standards and in 2009 dollars without inflation. Finally, capital costs estimates do not assume the inclusion of freight rail improvements by BNSF Railroad.

Rick Pilgrim reviewed a chart that shows the capital cost estimates for Grand by phases A, B & C. Initial cost estimates for Phase A showed it at \$483 million, but because the corridor is well known (unlike LRT), they think they can safely lower that estimate to \$434 million - 90% of the initial estimate. Phase B would be an additional \$165 million and Phase C another additional \$101 million.

Next, Rick reviewed the annual operating and maintenance (O&M) cost estimates by phases. Phase A is \$7.4 million, phase B is 10.8 million, and phase C is 49.6 million.

Rick then gave a quick review of peer city comparisons for capital costs as measured by cost per mile, concluding that Grand Ave is about in line among peer cities of Seattle, Minneapolis, Salt Lake City and Portland.

Scott Chesney stated that with these costs we are assuming these are capital costs for passenger only, and not freight.

Dave Moody pointed out that costs will be determined on timing - i.e., that if commuter rail begins service later, BNSF may have already made the improvements necessary.

Rick then reviewed a peer city for Annual O&M costs, concluding that Grand Ave is

again in line among peer cities.

It was noted that the costs were based on 2030 year, but in 2009 dollars.

## **Implementation Strategy**

Rick Pilgrim reviewed the implementation strategy for the Corridor Development Plans, which include governance options, funding options and near-term implementation and next steps.

### Governance Structure

Governance structure considerations include that 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 ability of the institutional arrangement to (1) balance local control with the need for regional system performance; and (2) provide stable funding opportunities.

Rick Pilgrim did a quick review of some different types of models for governance structure:

A Regional Transit Authority or District that would be responsible for multi-modal services has the advantage of greater efficiencies and coordination between all transit modes. Disadvantages include a lack of focus, a cumbersome political process to expand taxing authority, and a learning curve for RPTA to manage a rail program. Examples of a multi-modal Regional Transit Authority include Sound Transit District in Washington and Tri-County Metropolitan District in Oregon.

A single-purposed Regional Rail Authority or District would be a single provider of rail service. Advantages include elimination of competition for resources being distributed among various transit modes, and all funding partners are equally represented. Disadvantages include adding another entity to the mix, requiring close coordination with METRO and RPTA. A Regional Rail Authority would be unable to serve jurisdictions which do not vote to join, leaving gaps in representation/service, and have a greater costs and start-up time to form the new authority. The Sonoma-Marín Area Rail Transit in California is an example of this type of structure.

A Joint Powers Authority (JPA) would consist of sub-regional agreements among cities to contribute to the management of rail service in a common corridor. Advantages include maximum flexibility, does not require legislative authority, and if METRO's mission is expanded, a JPA would benefit from similar rail expertise with light rail. Disadvantages include potential overlapping responsibilities within representative entities, each entity would be required to secure its own funding source and funding may be less stable, it may start a "turf war," and would present a learning curve. Examples include the Peninsula Corridor Joint Powers Board in California, South

Florida Regional Transit Authority and the Virginia Railway Express.

A Division of the State Department of Transportation (ADOT) is more common in small states with one dominant metropolitan area, such as the Maryland Transit Administration. Advantages include the ability to 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, funding may rely primarily on state legislative appropriations, may bring into question equity between regions of the state, and increases state influence over local/regional decisions.

A Division of a Municipal Planning Organization is a less common structure. The New Mexico Mid-Region Council of Governments is an example. Advantages include that MAG could continue its role as lead implementation agency and pass-through funding entity. Disadvantages include requiring continued/greater collaboration and coordination among existing transit authorities. Northern Pinal County is part of the Central Arizona Association of Governments (CAAG) and not within the MAG Region. There is the potential for confusion within the MAG and CAAG transportation planning processes. This structure would require expansion of the MAG charter, and requires the establishment of a new operational division within MAG.

### Funding Options

There are a variety of funding options that could be explored:

#### State Funds:

- Highway User Revenue Funds
- Statewide Transportation Acceleration Needs (STAN) Account
- New dedicated State Transportation Funding (e.g., statewide tax)

#### Federal Funds:

- 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 Count Transportation Excise Tax (e.g., currently a regional half-cent sales tax)
- Potential New Funding Opportunities
  - o Payroll Tax
  - o Motor Vehicle Sales Tax
  - o Vehicle Rental Tax
  - o Local Gas Tax
  - o Vehicle Registration Fee

Public Value Capture:

- Benefits Assessment Districts
- Tax Increment Financing

Public Private Partnerships

Near Term Implementation Steps

Rick outlined a Five-Year Plan between 2010 and 2015:

- Coordination with the Railroad
  - o developing partnerships and investigating options for an MOU
  - o advancing the design and operating costs with the Railroad.
- Identify funding commitments
- Develop and implement governance plan
- Preserve future options
- Passage of enabling legislation relative to liability and indemnification
- Collaborative local planning efforts.

There was quite a bit of discussion about the near term implementation steps. Based on input from Dave Moody and concurrence by the others, the general mood was that listing the "enabling legislation" should be the first step. Once the enabling legislation is approved, that would likely give BNSF comfort to begin their design work and due diligence. The enabling legislation would show that region and its leadership is serious and not just "studying" it.

Long Term Implementation Steps

On the longer horizon, 2015 and beyond:

- Formalize partnership with railroad
- Initiate process for federal funding
- Design, construct and operate initial commuter rail system
- Further planning to develop a seamless transportation system and meet regional sustainable goals.

**Next Steps**

Rick Pilgrim reviewed the next steps for the study. The Study Team is working to document and finalize all ridership results using model, sketch planning and TSUB analysis; to address comments or requested changes to the draft final report; and to present information related to study work to the MAG committee structure.