



**CALIFORNIA  
HIGH-SPEED RAIL  
AUTHORITY**

**BRIEFING: MARCH 2012 BOARD MEETING AGENDA ITEM #7**

**TO: Chairman Richard and Board Members**

**FROM: Roelof van Ark, Chief Executive Officer**

**DATE: March 1, 2012**

**RE: Southern California Memorandum of Understanding [MOU]**

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**Background**

The Draft Business Plan (Page 2-1) made a commitment to a blended system which had been initiated through extensive cooperative planning among state, regional, and local partners. Aimed at increasing cooperation, enhancing the rail service in the south, developing cost-effective solutions to infrastructure problems, and preparing for HSR system's entrance into Southern California, the Southern California Passenger Rail Planning Coalition has been formed (Page 2-19).

Based on this [blended system] approach, initial environmental reviews can focus primarily on the impacts of limited upgrades to the existing facilities, thus avoiding the mitigation requirements associated with an expanded dedicated high-speed system. Sharing existing commuter rail facilities in urban areas will not only materially reduce the environmental impacts of the planned full system, but will result in substantial cost savings as well. Recognizing that the ultimate goal for the voter-approved program is fully operational high-speed rail service between the two end points included as Phase 1 of the system, any expansion in the corridor to add additional capacity, accommodate dedicated tracks, significant structure or tunnel work, and additional right-of-way beyond what is defined in the blended system would have to be revisited through future environmental reviews. Investigations show that the coordinated blended solutions as envisioned can accommodate service levels for many years into the future (Page 2-18).

Of the \$950 million in Proposition 1A set aside to enhance regional rail systems, \$190 million is allocated to the state's three intercity rail lines and \$760 million to local and regional rail systems (Page 2-3). Proposition 1A gave approval authority over project selection to the California Transportation Commission (CTC). Two governors have vetoed the appropriation of additional funding, each citing the lack of a coordinated plan for improvements as called for in Proposition 1A and the CTC guidelines. To ensure that such progress can be achieved, the Authority will work with state, regional, and local agencies to establish formal processes to:

- Identify and advance mutually beneficial investments that can proceed quickly using authorized Proposition 1A funding

- Identify additional sources of funding that can be agreed upon and put to use for early investments in improvements in the regional/local systems in anticipation of high-speed rail
- Develop operational procedures to ensure seamless integration of inter-regional and intra-regional transportation services, including coordinated schedules, ticketing, marketing, and other activities
- Identify potential opportunities for improving financial performance of the various services through improved coordination, potential leveraging of resources, joint purchases, and other steps
- Develop proposals for institutional arrangements that will facilitate cooperative actions
- Develop a cooperative and complementary agenda for jointly pursuing federal support

Furthermore (page 2-16) the Authority recognizes the advantage of “early investments in grade crossings and other improvements will accelerate benefits, and implementation of positive train control safety systems will safely allow higher speeds” of interconnection / blended systems in the south in preparation for high-speed trains. The connection made through the IOS-South (page 2-19) makes blended operations possible. Connections in Los Angeles to Metrolink and Amtrak (Surfliner and other intercity routes), will allow passengers to continue their trip to destinations both east into the Inland Empire and south toward San Diego. Anaheim will also have connections to Amtrak’s Surfliners and the Metrolink commuter rail service. Station enhancements to facilitate and improve these passenger connections could also be implemented, improving the passenger experience with faster, easier ticketing and baggage-handling processes.

**The Draft Memorandum of Understanding (MOU):**

In anticipation of the aforementioned strategic approach, a draft Memorandum of Understanding (copy attached) has been developed by the Southern California Transportation Authorities made up of the:

- Southern California Associated Governments (SCAG),
- Los Angeles County Metropolitan Transportation Authority (LACMTA),
- Orange County Transportation Authority (OCTA),
- Riverside County Transportation Commission (RCTC),
- San Diego Association of Governments (SANDAG),
- San Bernardino Association of Governments (SANBAG), and
- the Southern California Regional Rail Authority (SCRRA) to address advance investment of up to \$1B in southern California as part of CHSRA's commitment to the "Blended Approach" to the construction of the high speed train (HST) system in California.

Authority staff / consultants were involved in some of the meetings leading up to the draft document, however under the understanding that the MOU would require management and board approval.

**Status of the Draft MOU:**

The Draft MOU was presented to various Southern Californian Transportation Authorities for their approval. As of February 22, 2012 the following status was known:

- LACMTA Jan. 26 – Passed; 9:0

- SANBAG: Feb. 1 – Passed; 21:3
- SCAG: Feb. 2 – Passed; 65:3
- RCTC: Feb. 2 – Passed; unanimous
- Metrolink: Feb. 10 – Passed;
- OCTA: Discussed Feb. 13, tabled to 2/27 Pulled item from consent; motioned to move this item to next Board meeting.
- SANDAG: Agendized for Feb 24.

Based on the early development of this SoCal MOU, it is known that Northern California (Bay Area) and Northern California (Inland) are also actively involved in the development of similar concepts relating to possible early investments in their regions, allowing for either blended systems or blended operations with future high-speed rail operations. No drafts of MOU's are yet available.

**Staff's recommendation:**

Staff has taken the draft SoCal MOU and has made some recommended modifications for discussion by the board.

**Recommendation (Resolution)**

Staff request that:

1. The Board gives guidance on the direction the Authority should take to further the negotiations with the Southern California Transportation agencies.
2. The Board authorizes the Chief Executive Officer, or his designate, to continue negotiations with the Southern California Transportation agencies, based on these guidelines.
3. Staff returns the MOU to the Board at a later meeting, before finally entering into an agreement.

**Attachments:**

- Draft MOU unofficially received from SoCal agencies
- HSRA Resolution # 12-08

# DRAFT MOU

MEMORANDUM OF UNDERSTANDING CONTRACT # xxxxxx

BY AND BETWEEN

CALIFORNIA HIGH-SPEED RAIL AUTHORITY (CHSRA);

SOUTHERN CALIFORNIA ASSOCIATION OF GOVERNMENTS (SCAG);

LOS ANGELES COUNTY METROPOLITAN TRANSPORTATION AUTHORITY (Metro);

ORANGE COUNTY TRANSPORTATION AUTHORITY (OCTA);

RIVERSIDE COUNTY TRANSPORTATION COMMISSION (RCTC);

SAN DIEGO ASSOCIATION OF GOVERNMENTS (SANDAG);

SAN BERNARDINO ASSOCIATED GOVERNMENTS (SAN BAG); and

SOUTHERN CALIFORNIA REGIONAL RAIL AUTHORITY (METROLINK),

COLLECTIVELY REFERRED TO HEREIN AS THE "PARTIES", FOR THE PREPARATION OF STUDY, DESIGN AND CONSTRUCTION OF HIGH-SPEED RAIL THROUGH THE SOUTHERN CALIFORNIA REGION, INCLUDING IDENTIFIED HIGH-SPEED RAIL CORRIDORS SOUTH OF BAKERSFIELD.

## RECITALS:

**Whereas**, the California High-speed Rail Authority (CHSRA) is responsible for planning, building and maintaining an 800-mile statewide high-speed rail system, providing more than 600,000 jobs and improved mobility through the development of safe, clean, reliable rail technology; and

**Whereas**, CHSRA, in partnership with the Federal Railroad Administration has completed and certified Program EIR/EIS for a proposed California High-Speed Train (HST) network linking the major metropolitan areas of the State of California, and the HST system approved by the CHSRA includes corridors into and through Southern California; and

**Whereas**, the CHSRA's responsibility for planning, construction and operation of high-speed passenger train service in California is exclusively granted to CHSRA by PUC Section 185032.a.2; and

**Whereas**, the CHSRA is charged with accepting grants, fees and allocations from the state, from political subdivisions of the state and from the federal government, foreign governments, and private sources (PUC section 185034(4)); and

**Whereas**, the CHSRA DRAFT 2012 Business Plan proposes to incrementally develop the HST utilizing a blended system and blended operations involving coordinated passenger rail system development and operations with existing passenger rail systems, and this emphasis reflects the recognition that a key to success in developing the statewide rail network, including the high-speed system, is in coordinated infrastructure development that improves, enhances and expands the integration of high-speed and regional/local passenger rail systems; and

**Whereas**, this blended approach requires a series of incremental investments in local rail corridors to prepare for integrated service and operations and the CHSRA recognizes the need for a collaborative effort with regional and local agencies to identify early investment projects along existing rail corridors, that increase speed, improve safety and efficiency, and create linkages between HST and local passenger rail service; and

**Whereas**, local transportation improvement projects, are required to be included in a Regional Transportation Plan (RTP) and both the a Southern Californian Association of Governments (SCAG) and the San Diego Association of Governments (SANDAG) are each charged with developing a RTP every four years for their respective regions to provide guidance for transportation investments within each region, and development of regional transportation strategies to address the regions' mobility needs; and

**Whereas**, SCAG adopted the 2008 RTP to identify the facilities, services and programs necessary to meet the SCAG region's travel needs through the year 2035, and that document recognizes the need for HSR ground transportation to serve these needs; and

**Whereas**, the Sustainable Communities and Climate Protection Act of 2008 (SB 375, Steinberg, Statutes of 2008) requires subsequent RTPs to include Sustainable Communities Strategy (SCS), showing evidence of integrated planning, goals that establish and strengthen the crucial linkages between the economy, land use development and regional transportation system to improve access to jobs, education, healthcare, and regional amenities in ways that improve the overall quality of life in the region; and

**Whereas**, the DRAFT 2012 SCAG RTP identifies Phase 1 of the California High-Speed Rail program in the constrained plan to facilitate the development of HSR early investment projects in passenger rail corridors in the SCAG region and that the HST development objectives are consistent with achieving SB 375 goals to reduce greenhouse gas emissions by 8 percent per capita by 2020 and 16% by 2035; and

**Whereas**, SANDAG adopted the 2050 RTP on October 28, 2011, including a SCS, with similar transportation goals and including the Authority's Phase 2 Los Angeles to San Diego via Inland Empire HST corridor in its constrained plan and extensive capital and operations improvements along the San Diego segment of the Los Angeles - San Diego - San Luis Obispo (LOSSAN) rail corridor, the nation's second busiest passenger rail corridor, and

**Whereas**, the CHSRA already had an MOU in place with SCAG, Metro, OCTA, RCTC, SANDAG, SANBAG, California Department of Transportation, Division of Rail, and the San Diego County Regional Airport

Authority that guide discussion and participation in the collaborative development of technical studies, sharing of technical information, and regional outreach coordination; and

**Whereas**, Metro, OCTA, SANDAG, SAN BAG, RCTC and Metrolink are involved in the planning, funding, construction and/or operation of heavy and light rail transit, buses, and/or commuter train services in Los Angeles/Orange/Riverside/SANBAG/San Diego counties and are considering intermodal service integration, including linkages to the proposed HST service; and

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

**Whereas**, the PARTIES also intend to communicate and coordinate with rail operators such as Metrolink, Amtrak, Burlington Northern & Santa Fe, Union Pacific Railroad and Caltrans' Division of Rail in the development and implementation of rail improvements and enhancements; and to include them in the California State Rail Plan.

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

1. To collaboratively agree to the statement of purpose of the MOU in order to identify and move forward with a program of early investments in the regional and local rail systems to facilitate the blended approach as described in Chapter 2 of the CHSRA Draft 2012 Business plan regarding coordination of increasing interregional connectivity of the existing systems (rail, bus, airports, and highways).
2. Parties to this MOU agree to support improved rail operations in Southern California in a manner that is in keeping with the statutory requirements of Proposition 1A, and that prioritized projects supported by this MOU will emphasize the need to improve speed and operations into Southern California.
3. Parties to the MOU agree to collaboratively partner in delivering the California High-Speed Rail project to Southern California as a whole by supporting efforts to obtain funding, enhance stakeholder support, secure environmental clearance and all other aspects that will move the implementation of Proposition 1A and all its endeavors to achieve.
4. Parties to this MOU agree to collaboratively improve and increase community outreach in Southern California to improve community understanding and support of the HSRA Business Plan and proposed projects in Southern California.
5. This MOU establishes a framework for the recommendation of candidate improvement projects for consideration for funding and implementation. The framework includes the application of performance-based criteria to prioritize candidate projects, select projects for funding consideration, and a process for the Parties to achieve regional consensus on the projects to be recommended to CHSRA for funding. A subsequent

project level MOU (or other agreement(s) may be developed to specify the details of approved projects that implement the goals of this MOU.

6. The PARTIES agree to work together through the Southern California Passenger Rail Planning Coalition to develop, refine and update the project development and selection process for projects that may be funded in whole or in part by the CHSRA that will be reviewed and approved by the Regional Chief Executive Officer's Group, which is comprised of parties to this MOU.
7. The PARTIES have developed a list of candidate rail improvement and enhancement projects attached hereto as Attachment A. This list of projects will be further refined to prioritize these projects both according to their utility and extent that they achieve the goals identified in the CSHRA's 2012 Business Plan in implementing projects related to the "Blended Systems and Blended Operations" concept. The projects are consistent with the CHSRA's phased implementation strategy for developing the statewide High-Speed System. The candidate project list will be used to develop a "Prioritized Rail improvement List" (PRIL) for a region-wide series of rail improvements and enhancements including work on Phase 1 High-Speed Rail corridors and on feeder rail corridors that support the Blended Systems/Blended Operations model.
8. Attachment B details the performance criteria that will be used to review the candidate rail project list and refine the list through collaboration with the PARTIES to develop the PRIL. The PRIL will be completed, including approval of said list by all respective participating governing Boards of the PARTIES, by June, 2012.
9. The PRIL is intended to be incorporated into the California State Rail Plan as applicable.
10. PARTIES will utilize the PRIL to develop a specific funding plan, including investment by the California High-Speed Rail Authority, State and federal matching funds based upon an agreed strategy.
  - a. CHSRA will work with the other parties to the MOU to seek early approval and release of the \$950 million already committed to interregional service statewide.
  - b. CHSRA will commit an additional \$1 billion in unallocated Prop 1A funds to implement the PRIL projects that meet the performance criteria identified in Attachment B by 2020.
  - c. CHSRA will work with necessary funding partners (state, private, and federal) to assist in seeking and releasing the funds necessary to implement the PRIL projects. Local agencies may provide local funds, real property or in-kind resources as matching funds where matching funds are required to qualify for grant funding. PARTIES agree to work together to identify appropriate amounts and types of local resources that may be used to support a specific PRIL project.
  - d. CHSRA and appropriate local agencies will coordinate to obtain federal and private funding using a mutually agreed upon strategic approach. In the event that funding for the HST program is constrained by statute, rescission of existing law, change in funding requirements or eligibility, reduction in funding level or availability, the

CHSRA shall notify the Parties in a timely manner of same and provide a statement of impact of such change on the prioritized candidate list.

11. In the event that the funding provided for under this MOU is not approved by the CHSRA by 2020, the MOU is deemed to be terminated effective thirty (30) days upon notice by CHSRA.
12. Any non-CHSRA Party may withdraw from this MOU at any time prior to notice of a grant award for a PRIL project by giving notice to the other parties of the MOU of such termination (including the effective termination date) at least thirty (30) calendar days before the effective date of such termination.
13. If through any cause, the CHSRA shall fail to fulfill in a timely and proper manner its obligations under this MOU regarding approval of the prioritized candidate list or the PRIL, the other parties to the MOU shall thereupon have the right to withdraw from the MOU by giving not less than thirty (30) days written notice of the intent to terminate and specifying the effective date thereof.











<b>TOTALS</b>	<b>\$3,572,250,000</b>	
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"Palm-LA " or "Ana-LA" project within HST Phase 1.  
County designation only (i.e. "OC") connectivity/linkage  
project.

**Attachment B : Performance Criteria  
8-Feb-12**

Number	Criterion	Description	Comment
1	County Priority	Specific priority for each county.	
2	Project Readiness by 2020	Project has the ability to have funding obligated for construction by 2020.	
3	Fits Within Statutory Requirements for Proposition 1A Funding for Phase 1.	Project meets the requirements of Proposition 1A according to the Attorney General.	Need to discuss how other projects are addressed within criteria. If a project does not meet this requirement, how do we pursue other funding sources.
4	Regional Connectivity to the HST System/Linkages	The project contributes to the HSR system and the "Blended Approach" as a regional connector/feeder system.	See No. 2 above.
5	Improved Operations/Speed	The project improves speed and operational efficiency for the existing commuter service.	
6	Enables Development of the High Speed Train System	The project is located on a HSR corridor where the proposed project benefits the ultimate HSR system as well as existing commuter/intercity rail.	Need to discuss the projects in this relationship. How do we work with projects defined to gain capacity versus those that will ultimately benefit HSR; i.e: grade separation vs. grade crossing enhancement.
7	Independent Utility	The project has immediate benefit for commuter and intercity rail apart from HSR.	
8	Enhanced Capacity	The project increases commuter/intercity system capacity with additional trackage and/or signaling.	Several projects identified as "double tracking" have the possibility of varying degrees of benefit to the HSR system in the following ways: 1. Adding another track in the similar location as the existing track. 2. Adding another track while moving the track into the final location to accommodate HSR.
9	CPUC Hazard Ranking (Sec 190)	The project's ranking applying the CPUC Section 190 formula.	Provides an objective ranking.
10	Safety Improvements to Increase Speed	Grade crossing enhancement to correlate with speed or other operational improvement.	
11	Leverages Local Investment	Local or other funding matches or other in-kind resources.	This needs to be discussed further as to how it is applied.



## Resolution # HSRA 12-08

### Southern California Memorandum of Understanding [MOU]

Whereas the Draft HSR Business Plan (Page 2-1) made a commitment to a blended system which had been initiated through extensive cooperative planning among state, regional, and local partners, aimed at increasing cooperation, enhancing the rail service in the south, developing cost-effective solutions to infrastructure problems, and preparing for HSR system's entrance into Southern California, the Southern California Passenger Rail Planning Coalition has been formed (Page 2-19).

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Whereas sharing existing commuter rail facilities in urban areas will not only materially reduce the environmental impacts of the planned full system, but will result in substantial cost savings as well.

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- the Southern California Regional Rail Authority (SCRRA) to address advance investment of up to \$1B in southern California as part of CHSRA's commitment to the "Blended Approach" to the construction of the high speed train (HST) system in California.

Therefore it is resolved,

1. The Board gives guidance on the direction the Authority should take to further the negotiations with the Southern California Transportation agencies.
2. The Board authorizes the Chief Executive Officer, or his designate, to continue negotiations with the Southern California Transportation agencies, based on these guidelines.
3. Staff returns the MOU to the Board at a later meeting, before finally entering into an agreement.

Vote:

Date:

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