

New Starts Bi-Weekly Briefing – February 11, 2009

Notes: Bring scorecard to each meeting.

TRO-1, TRO-2, TRO-3, TRO-4, TRO-6, TRO-7, TRO-8, and TRO-9, participated via teleconference.

Northern Virginia, Dulles Corridor Metrorail

- The approval memo for a \$553.0 million Letter of No Prejudice (LONP) for a Notice to Proceed (NTP) is being drafted. The NTP will occur in March.
- FTA is waiting for the PMO report.
- The LONPs for the casting yard and Pier 59 were signed on February 9th.
- TPE is preparing talking points for TOA regarding the LONP.
- Is the LONP dependent on the credit assessment? The Acting Administrator will need to make a determination. The probable presumption is to issue the LONP since the Full Funding Grant Agreement (FFGA) will be executed next month.

Miami, Orange Line Phase II: North Corridor Metrorail Extension

- TRO-4 stated that the General Manager has asked if they can be excluded from the *Annual Report on Funding Recommendations* for one year.
- Miami Dade Transit (MDT) might reconsider the minimum operable segment and the mode.
- This project has been in preliminary engineering (PE) since 1996.
- Maybe FTA should inform the grantee that if they do not resolve issues by August 2010, then we will take them out of PE.
- Should FTA cease PMO resources? A letter of request would be needed for such action.
- FTA has already informed MDT about the project's Medium-Low overall rating.
- TRO-9 noted that San Jose had difficulty identifying an operations and maintenance source and FTA gave them a deadline. San Jose is not in the FY 2010 Report. They withdrew from PE and maybe Miami should do the same. Are we being consistent?
- In the case of Miami, FTA has only recently learned that the project probably will not be ready for the next Annual Report.
- MDT has just completed a supplemental environmental document.
- Miami will not have any open grants to draw upon if they are dropped from PE.
- The next quarterly meeting is scheduled for February 13th.
- NEXT STEPS/ACTION ITEMS:
 - FTA needs to determine the implications of dropping the project from PE before taking such action.
 - This project needs further discussion at the next TPM/TPE bi-weekly meeting.

Houston, North Corridor and Southeast Corridor

- FTA has received the second of what will likely be four LONP requests.
- Packages are circulating within TPE and will go to TPM next week.
- The PMO report has been forwarded to TPM.
- TRO-6 asked why TPE and TPM review the packages concurrently. Staff identified advantages and disadvantages, including readiness, grammatical, and technical issues.

- NEXT STEP/ACTION ITEM:
 - Maybe TPE can prepare guidance for what memos should contain.

Denver, East Corridor and Gold Line

- FTA is waiting for the PMO to submit its final draft, which should be received by tomorrow. Depending upon the report, PE approval memoranda could be completed next week.
- FTA needs to see the final Request for Proposal (RFP); then we can determine what we will waive.
- NEXT STEP/ACTION ITEM:
 - US 36 staff will meet with headquarters tomorrow.
 - The Regional Transportation District would like to meet with the Acting Administrator March 5-6.

Honolulu

- The project cost is expected to rise from \$4.90 billion to \$5.30 billion. The current economy has lowered their excise tax revenue. The decision to go by the airport has also increased the cost.
- Honolulu now seeks \$1.7 billion, rather than \$1.2 billion in New Starts funds.
- Does FTA want to increase the amount of New Starts funding?
- The financial plan with a \$5.30 billion cost was “thin.”
- The grantee might need to revise the project scope.
- Some FTA question if even \$1.70 billion in New Starts funds will be helpful.
- When or should FTA proceed with a financial review? FTA has already spent funds on financial reviews.
- TRO-9 would like for the grantee to write a letter pertaining to scope revision or financial changes before FTA moves further with the project. Honolulu should inform FTA of its intentions.
- How does FTA determine the share? A grantee can improve its local share or we review requests on a case-by-case basis.
- NEXT STEPS/ACTION ITEMS:
 - A draft policy paper pertaining to New Starts shares was developed a couple of years ago. TPE will send the paper for information.

Economic Recovery Funds for New Starts

- TPM conducted research about contracts to be awarded.
- For existing contracts, FTA needs to verify the capacity of the grantee to absorb New Starts funds.
- How does putting funds into an existing FFGA increase commitment authority?
- FTA is trying to draft Qs and As for the website.
- Will we distribute funds equally among projects or choose by project?
- Is there interest in funding Small Starts? There might be about \$30.0 million for Small Starts through new Project Construction Grant Agreements or grants.
- Do we need to consider funding some FFGAs with more money than originally agreed, even up to 80 percent? Can or should local share be deferred? Maybe the local share can be deferred with time parameters.

Policy Discussion

- TRO-4 and TRO-10 have identified projects that may want to apply into final design (FD) but that have not previously been in the New Starts pipeline.
- Can a grantee decide that, late in the process, it wants to enter a project into the New Starts program?
- TRO-8 noted that there might be an equity issue of a project jumping ahead of other projects in the pipeline.
- TRO-1 referred to the Lowell-Nashua commuter rail as a potential example or issue.
- How and when would FTA approve PE? Would we require an alternatives analysis? Grantees should submit the required PE information or a combined PE/FD request.
- Would PE be required before approval of the final environmental impact statement (FEIS)? Grantees could complete a FEIS then come to the New Starts program for FD.
- If the Charlotte South Corridor project needs funding for scope changes, then CATS (Charlotte Area Transit System) needs to look at formula funds.