New Starts Bi-Weekly Briefing – October 27, 2009

Notes: Bring scorecard to each meeting.

TRO-2, TRO-6, TRO-8, and TRO-9 participated via teleconference.

Northern New Jersey, Access to the Region's Core

- New Jersey Transit (NJT) wants a second early systems work agreement (ESWA) by December.
- They are looking for $200.0 million in existing commitment authority.
- FTA needs to remind the Administration that we do not have the commitment authority to grant NJT's request. If we do, we would have to take funds intended for Sacramento and Orlando.
- For the Full Funding Grant Agreement (FFGA), FTA will need something in writing about the Portal Bridge.
- Cash flow should not be an issue. No Early Systems Work Agreement (ESWA) will be needed for a cash drawdown. Instead, the ESWA would be needed for issuing a contract.
- NEXT STEPS/ACTION ITEMS:
  - TRO-2 believes FTA should not approve an ESWA until NJT has bids for the Palisades, which are expected for the mid-December Board meeting.
  - Staff needs to ask the Administrator if he told NJT that FTA will award an ESWA from existing commitment.
  - An exact calculation of commitment authority, not including fiscal year 2010, is needed.

BART to San Jose

- This will be a $2.5 billion project with a New Starts amount of $900.0 million, which would be a share of 35 percent.
- The maximum annual payout requested is $150.0 million.
- FTA has received a request to enter preliminary engineering (PE).
- The team is holding monthly roadmap meetings.

Honolulu

- FTA sent a letter to the National Trust for Historic Preservation dated October 22nd. The letter expresses concern about the Section 106 process.
- The environmental impact statement (EIS) will contain FAA (Federal Aviation Administration) documentation.
- Does the city, without Council approval, have signature authority for the EIS?
- FTA is drafting a letter to send to Honolulu.
  - The letter will note that we need to hear from the Advisory Council on Historic Preservation.
  - A programmatic agreement might be achieved by November.
  - TPE noted that language indicating that Honolulu will not be responsible for mitigation must be deleted.
- We will give them direction about what needs to be done before they issue contracts.
- FAA is uncertain about or uncommitted towards the alignment.

- NEXT STEPS/ACTION ITEMS:
  - This afternoon, staff will inform the Administrator that FTA has received a letter and that the team is drafting a response. Staff will clarify what the city has or has not done.
  - The team needs to suggest how to deal with the FAA matter.
  - The team will hold a call this afternoon to talk about a preferred approach.

Denver, East Corridor

- The Regional Transportation District (RTD) wants An ESWA for Phase I, which is comprised of the entire East Corridor project and elements of the Gold Line.
- If FTA approves separate FFGAs for East Corridor and Gold Line, would we approve an ESWA for Phase I?
- RTD wants a $10.0 million ESWA to help pay contractors.
- The grantee wants to issue a request for proposal this spring.
- Oversight could be an issue. If FTA approved one FFGA, combining East Corridor and the Gold Line, would we allow a transfer of funds from one project to other? When FTA allowed the projects into Penta-P (Public-Private Partnership Pilot Program) we treated them as separate projects.
- Foreign bidders, in particular, would view the ESWA as a commitment, as opposed to a letter of no prejudice (LONP).
- NEXT STEP/ACTION ITEM:
  - Staff will ask the Administrator if we should process and approve an ESWA? If we proceed with an ESWA, what should it cover?

Houston North Corridor

- In August the New Starts share was 57 percent.
- The cost of the North Corridor project has declined by $80.0 million. This would raise the New Starts share to 70 percent. With the Red Line match, the New Starts share would fall to 56 percent.
- TPE mentioned similar examples like San Francisco. Salt Lake City was not a similar since it had different language.
- FTA is trying to get more information about the cost change.
- Houston Metro is working with FTA to get language for Attachment 6 of the anticipated FFGA.
- NEXT STEPS/ACTION ITEMS:
  - Ask the Administrator if a 70 percent New Starts share would be okay.
  - Would we redo the financial assessment? Probably.
  - Inform the Administrator that FTA is still working with Metro about some issues.