

**THIS PRINT COVERS CALENDAR ITEM NO. : 12**

**SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY**

**DIVISION:** Administration.

**BRIEF DESCRIPTION:**

Supporting High-Speed Rail; urging the State of California to issue voter-approved Proposition 1A High Speed Rail Bonds as quickly as possible; supporting having the High-Speed Rail system terminate at the Transbay Transit Center in order to fully realize the benefits of a 21<sup>st</sup> century public transportation system; and supporting Caltrain electrification as a means to make our regional rail system compatible with the coming high-speed trains.

**SUMMARY:**

- The SFMTA Board of Directors will be asked to consider support of the citywide High-Speed Rail resolution and commit to a continued strong working relationship with local, regional and state partners.
- Presentations from the San Francisco County Transportation Authority and the Peninsula Corridor Joint Powers Board (Caltrain) staff will provide background regarding the strategy to develop a blended system of electrified and high -speed rail trains that will travel the route from San Jose Diridon Station to the new Transbay Transit Center in San Francisco.
- Staff from the State of California High-Speed Rail Authority will also be present for the presentation.

**ENCLOSURES:**

1. SFMTAB Resolution
2. SFCTA Presentation High Speed Rail and Caltrain in San Francisco
3. Caltrain Presentation on Modernization Program
4. CCSF High Speed Rail Stakeholders response to CHSRA Business Plan

**APPROVALS:**

**DATE**

DIRECTOR \_\_\_\_\_ 1/31/12

SECRETARY \_\_\_\_\_ 1/31/12.

**ASSIGNED SFMTAB CALENDAR DATE:** February 7, 2012

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### **PURPOSE**

To provide an update and overview to the SFMTA Board of Directors on San Francisco's goals and objectives for Caltrain electrification and high speed rail and for the SFMTA Board to formally take action to support San Francisco's High Speed Rail Vision.

### **GOAL**

To establish an official SFMTA position on High Speed Rail and Caltrain Electrification

The resolution supports a number of the Agency's strategic goals, including:

Goal 2: Make transit, walking, bicycling, taxi, ridesharing, and carsharing the preferred means of travel.

Goal 3: Improve the environment and quality of life in San Francisco.

### **DESCRIPTION**

San Francisco has been a funding partner for Caltrain since the late 1990's along with Santa Clara and San Mateo counties. The San Mateo County Transit District (SamTrans) staff also serves as the administrative staff for Caltrain. The Peninsula Corridor Joint Powers Board, which operates Caltrain, has nine members which consist of three from each county. The current San Francisco members are SFMTA Board Chairman Tom Nolan, Supervisor Malia Cohen and Treasurer José Cisneros. Caltrain does not have a dedicated funding source. The SFMTA currently provides partial annual operating fund support and the San Francisco County Transportation Authority (SFCTA) provides partial capital funding. Every year there are debates about the funding available to support the system.

In 2009, following voter approval of \$9 billion to plan and construct the state's high-speed rail system, Caltrain entered into an agreement with the California High-Speed Rail (HSR) Authority to work in partnership to advance Caltrain corridor improvements that would support improved Caltrain service and high-speed rail service. Coordination with the California High-Speed Rail Authority (identified as the Peninsula Rail Program) is managed through the Caltrain Modernization Program.

San Francisco simultaneously is developing the new Transbay Transit Center which will service both Caltrain and HSR at a downtown station. To support both Caltrain and HSR along the peninsula rail corridor, project concepts originally contemplated were based on a four-track rail system which would require major track expansion, fostering significant concerns about impacts to local communities.

In 2011, a proposal was made to examine a "blended system" along the Caltrain corridor. The

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blended system would support integrated high-speed rail and modernized Caltrain service on shared tracks in order to maximize the use of existing infrastructure, which is primarily a two-track system. This approach would keep the project substantially within the existing Caltrain right-of-way and minimize impacts to communities.

Caltrain has conducted an initial capacity analysis, which determined that a blended system is operationally viable. Additional analysis will be conducted to explore the overall feasibility of the concept. In addition, Caltrain is currently expanding its study to look at the full route from San Jose to the new Transbay Terminal based on the current proposal for a downtown extension (DTX) into the terminal.

San Francisco city agencies have been collaborating to develop an approach to fast track High-Speed Rail implementation via Caltrain modernization and the construction of a downtown extension (DTX) to the new Transbay Terminal. This approach is outlined in the attached San Francisco response to the draft business plan. The SFMTA Board will hear an overview of the process and the options being developed.

**ALTERNATIVES CONSIDERED:**

No alternatives to this resolution have been considered. It provides a framework for further SFMTA leadership and staff input during the ongoing development of a comprehensive implementation strategy.

**FUNDING IMPACT**

The SFMTA has \$6.5 million budgeted for Caltrain operating payments in the FY 2012 operating budget and will budget \$5.8 million in FY 2013 to cover Caltrain operating needs and an additional \$1.8 million to reimburse VTA for the remaining right of way obligation for Caltrain.

**OTHER APPROVALS RECEIVED OR STILL REQUIRED**

The SFMTA Board of Directors will take final action on the SFMTA operating fund contributions to Caltrain during the SFMTA budget approval process.

**RECOMMENDATION**

Approve the resolution in support of high speed rail and Caltrain electrification

SAN FRANCISCO  
MUNICIPAL TRANSPORTATION AGENCY  
BOARD OF DIRECTORS

RESOLUTION No. \_\_\_\_\_

WHEREAS, The California High-Speed Rail Authority (CAHSRA) is responsible for constructing a Bay-to-Basin system of high-speed trains, stretching hundreds of miles between California's two major urban centers, and in doing so, realizing the vision of quality public transportation that voters approved in 2008; and,

WHEREAS, The CAHSRA has released the Draft 2012 Business Plan for comment, and that plan reflects a realistic assessment of the time and funds needed to construct the rail system; and,

WHEREAS, The San Francisco Municipal Transportation Agency (SFMTA) Board of Directors is firmly committed to seeing High-Speed Rail built as quickly and cost-effectively as possible; and,

WHEREAS, California needs High-Speed Rail, and while the Business Plan's cost is higher than anticipated, it must be emphasized that the State will either need to invest in sustainable modes of travel, or the State must spend an equal or greater amount to widen highways and expand airports; therefore, High-Speed Rail is a smarter way to make the transportation investments California will need in the coming decades; and,

WHEREAS, California needs to get started very soon on key early projects and pre-implementation plans that will pave the way for high-speed trains to travel to their northern terminus at the Transbay Transit Center; and,

WHEREAS, San Francisco, through the Transbay Joint Powers Authority, has evidenced strong support for High-Speed Rail by the substantial financial commitment to support High-Speed Rail with the construction of the Transbay Transit Center, and is currently the only jurisdiction in the country that has done so; and,

WHEREAS, Full implementation of the High-Speed Rail system will link downtown San Francisco with downtown Los Angeles, and ultimately to San Diego, and this goal can only become reality if high-speed trains run all the way up the Peninsula, through Mission Bay, and into the Transbay Transit Center; and,

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WHEREAS, In order for the California High-Speed Rail system to achieve maximum ridership, it must terminate in the center of San Francisco's urban center, the most intensive and focused job core in the region, and the Transbay Center offers transit connectivity that will truly drive system ridership, fully completing the inter-regional network and fulfilling the original vision of the rail plan; now therefore be it

RESOLVED, That the SFMTA Board of Directors supports High-Speed Rail and pledges to work cooperatively with the California High-Speed Rail Authority and other regional governing entities to implement this important project; and, be it further

RESOLVED, That the SFMTA Board of Directors urges the State of California to issue voter-approved Proposition 1A High Speed Rail Bonds as quickly as possible; and

RESOLVED, That the SFMTA Board of Directors supports having the High-Speed Rail system terminate at the Transbay Transit Center in order to fully realize the benefits of a 21<sup>st</sup> century public transportation system; and, be it further

RESOLVED, That the SFMTA Board of Directors supports Caltrain electrification as a means to make our regional rail system compatible with the coming high-speed trains.

I certify that the foregoing resolution was adopted by the San Francisco Municipal Transportation Agency Board of Directors at its meeting of February 7, 2012.

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Secretary to the Board of Directors  
San Francisco Municipal Transportation Agency

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ENCLOSURE 4.

January 13, 2012

Chairperson Umberg and Members  
Board of Directors  
California High-Speed Rail Authority  
770 L Street, Suite 800  
Sacramento, CA 95814

Subject: San Francisco Comments on the California High-Speed Rail Authority Draft 2012 Business Plan

Dear Chair Umberg and Honorable Members of the Board:

Congratulations on the issuance of the 2012 Draft Business Plan (the Plan). San Francisco has been and continues to be a champion of High Speed Rail (HSR) in California. The City and County of San Francisco is fully committed to high-speed rail and applauds the leadership of the California High Speed Rail Authority's (CHSRA) efforts in making this much-needed service a reality. San Francisco's commitment is evidenced by the investment of \$1.6 billion for the construction of the Transbay Transit Center (TTC), high-speed rail's legally mandated terminus in the city and the only element of HSR under construction anywhere in the country.

We are pleased to note that the CHSRA has embraced the concept of a blended system along the San Francisco peninsula and fully agree with the key principles for the HSR phasing strategy described in the Plan. This letter serves to not only provide comments on the Plan but to also describe a proposal for an early implementation project phase that fulfills all those key principles. We refer to it as the Fast Start Project. It combines two environmentally cleared projects, Caltrain Electrification and the Downtown Extension to a Rebuilt Transbay Terminal (DTX), into a single project, together with positive train control and some infrastructure improvements. Implemented simultaneously with the Initial Operating Section (IOS) described within the Plan, this project can provide early delivery of HSR service and be a model for system-wide expansion. Because of its relatively low cost and high ridership, it would be the best use of available funds and have a lower cost-to-user-benefit ratio than other options. Furthermore, an analysis of this project has concluded that it can be structured to maximize private investment.

The 2012 Draft of the Business Plan improves and expands on the previous plan and charts the way to the implementation of true high-speed service in California. However, there are aspects of the plan that could and should be improved and, in at least one instance, must be.

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**1. *There is only one legally-mandated HSR terminus in San Francisco, the Transbay Transit Center (TTC)***

Service to the city must terminate at the TTC, not at 4<sup>th</sup> and King Streets, as we have consistently conveyed to the CHSRA. The statement in the Plan that “Services into Transbay will be achieved as funding becomes available” (second paragraph on page 2-14), raises serious concerns about the performance of the project and suggests a timeline that would not be acceptable to the stakeholders in San Francisco. The TTC, currently under construction will provide a one-million square foot regional transportation hub that will serve ten transit operators. Not only does the TTC provide the local and regional connectivity essential for the success of HSR, it also provides the much higher ridership indispensable for its viability. Furthermore, studies conducted in support of the CHSRA’s 2008 Bay Area to Central Valley Program EIR determined that service at the TTC will generate \$19 million a year more than a station at 4th and King Streets.

**2. *The Business Plan should acknowledge the costs of implementing a temporary terminal at 4th and King Streets***

The Business Plan suggests that before the DTX is constructed, HSR can use the existing Caltrain station at 4th & King Streets. However, it is not possible for high-speed trains to use Caltrain’s 4th & King Station as it exists today. The platforms are too short, too low, and too narrow. There is not sufficient room in the station for the ticketing and circulation needs of both HSR and Caltrain passengers. Caltrain’s 4th & King Station will have to be significantly reconstructed before it can serve as the San Francisco HSR terminus, even on a temporary basis. A review of the proposed scope of the blended implementation improvements suggests that the temporary 4th & King station costs are not included in the Plan’s capital cost estimates. In addition, the Plan does not address the disruption to Caltrain service necessary to effect such reconstruction. In order to enhance its credibility, the Business Plan needs to be transparent regarding these costs.

The failure of the Plan to clearly inform the CHSRA Board or the public of the cost of this reconstruction which, as presented to us by CHSRA would be \$250 million -- and others believe could be as much as \$500 million, is cause for concern. Spending all this money and effort for a temporary terminal would squander precious limited funding. The money would be much better utilized if it went towards the ultimate goal of providing service to the TTC and used to fund the DTX construction.

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**3. *Phasing strategy in Business Plan should be revised to advance high-speed rail between San Francisco and San Jose service to a date earlier than 2034***

While the Plan acknowledges the potential for alternative phasing concepts, the proposed phasing strategy calls for starting at the center, Fresno to Bakersfield, and working outward to San Francisco and Los Angeles/Anaheim. Under this concept, direct service between San Francisco and San Jose would not be integrated into the system until post-2030. Such an approach would be highly detrimental to the HSR program. We were unable to find any documentation that provides the logic supporting the proposed phasing concept. However, we did identify the guiding principles for the phasing strategy, which are addressed later in this letter.

**4. *Fast Start Project combined with IOS – North provides opportunity to accelerate delivery of service to speed private investment***

The IOS - North could easily extend beyond San Jose into San Francisco with the Fast Start Project by combining two existing and environmentally cleared projects: Caltrain Electrification and the Downtown extension to a rebuilt Transbay Terminal (DTX). The Fast Start Project could be developed at a relatively low capital cost by enabling a blended peninsula operating section providing direct service to the TTC in downtown San Francisco without the need for train transfers in San Jose as contemplated by the Plan. Currently anticipated in the Plan as “Step 4”, this should be integrated simultaneously with “Step 2” in order to vastly enhance the prospects for success of the IOS. This approach is consistent with the Plan, which states on page 2-2: *“although improvements to the regional and local rail systems are intended to improve or facilitate connections with the high-speed system, they do not need to be implemented sequentially. As with the stages of the HSR system, these improvements, such as grade-crossing eliminations and additional tracks, have independent utility that will benefit riders prior to connection to the high-speed system. Where possible, they should move ahead independently and as quickly as feasible.”*

As noted in the Plan, successful systems in Asia and Europe began by *“typically linking a large city and a moderately sized city and using conventional rail lines in urban areas”* – not by linking two small/medium cities on the outskirts of metropolitan areas. Chapter 10 of the Plan specifically states *“Major Cities with large economies and global reach are the most beneficial to connect”*. The discussion of Step 2 in Chapter 2 is somewhat supportive of this option, but it should be explicitly stated that this is an optional component of IOS-North and evaluated as such in the assessment of which IOS is selected.



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Improvements on the Peninsula comprising the Fast Start Project would consist of the following primary elements:

- Caltrain Electrification
- Downtown Extension to a Rebuilt Transbay Terminal (DTX)
- Eight miles of passing track
- Positive Train Control System
- Completion of previously planned and other necessary grade separations
- Resolution of key compatibility issues between Caltrain and HSR, including platform height, train width, and train control system.

Based on analysis of the Fast Start Project, the initial investment to provide service from San Jose to San Francisco's TTC is about \$4.5 billion. In the Plan, the comparatively low cost of these improvements is masked by aggregating the costs of San Jose to 4<sup>th</sup> and King into the \$14 - \$18 billion cost for "blended" service, and aggregating the cost of the DTX to the Transbay Terminal as part of its \$10 billion estimate for "full" HSR service. Once the costs are segregated, it becomes evident that the Fast Start Project is significantly cheaper and quicker – and, therefore, a better approach – to the one proposed in the Plan.

### ***5. The Fast Start Project will have early independent utility***

The Fast Start Project will provide an opportunity for early investment in the peninsula. By connecting two major population centers, the Fast Start project will provide early benefits to the peninsula riders prior to being connected to the HSR statewide network. This is consistent with the Plan, which states on page 2-5: *"A goal of this collaboration is to identify and move forward with a program of "early investments" in the regional and local rail systems. These investments will provide two levels of benefit: first, they will benefit the riders of those systems prior to being connected to the high-speed system. Second, as the high-speed system is developed and connects with these regional and local systems, they will provide the basis for enhanced blended operations."*

### ***6. The Fast Start Project meets all of the key principles of the HSR phasing criteria better than any of the proposed segments***

The Plan, on page 2-6, states the key principles guiding the program's phasing strategy. We submit that the Fast Start Project meets or exceeds the stated criteria better than any of the other proposed segments.

*Criteria 1 - Divide the statewide high-speed rail program into a series of smaller, discrete projects that will be able to stand alone, will provide viable revenue service, can be matched to available funding, and can be delivered through appropriate business models.* The Fast Start Project is a smaller, discrete project. In scope and cost it is smaller than any other proposed segment. However, because it is between two major population centers, San Francisco and San Jose, it will have a ridership-to-expenditure ratio that makes it extremely viable and profitable. Due to its relatively modest cost, it can be easily matched to available funding should the CHSRA choose to do so. Finally, it can be delivered through a design, build, finance, operate, and maintain business model, commonly used around the world to deliver HSR service.

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*Criteria 2 - Advance sections as soon as feasible to realize benefits, especially employment, and to minimize inflation impact.* The Fast Start Project combines two projects that are environmentally cleared. It is ready to go now. No other section can be advanced faster.

*Criteria 3 - Leverage existing rail systems and infrastructure, including connecting rail and bus services.* By utilizing existing Caltrain infrastructure, the Fast Start Project leverages existing systems and infrastructure more than any other segment on a mile-for-mile basis. In fact, it will use existing infrastructure for 51.4 miles of its 52.6-mile total length. No other segment can match it. As far as connecting rail and bus services, the TTC will be a major regional transit hub. Significantly, at its Millbrae station, the Fast Start Project will connect with BART and the San Francisco International Airport, connecting the California High Speed Rail service to the world. Nowhere else in the whole HSR system will there be a direct connection to a major international airport, even after full buildout.

*Criteria 4 - Forge a long-term partnership with the federal government in program delivery.* The Federal Railroad Administration (FRA) has awarded the Transbay Joint Powers Authority \$400 million for the construction of the train box in the TTC that will house the HSR and Caltrain's San Francisco termini, currently under construction. In addition, the USDOT under the TIFIA program, contributed \$171 million towards the TTC construction. It is highly unlikely that the FRA or the USDOT will consider that waiting to 2034 or beyond to derive utility from their investment is conducive to forging a long-term partnership in program delivery. However, the Fast Start Project, with its much earlier utility, will demonstrate that the CHSRA is serious about a partnership.

*Criteria 5 - Develop partnerships with other transportation operators to identify efficiencies through leveraging state, regional, local, and capital program investments and maximizing connectivity between systems.* The Fast Start Project will be a HSR partnership with Caltrain, which will leverage state, regional, and capital program investments by sharing infrastructure. Connectivity would be maximized by terminating at the TTC.

*Criteria 6 - Seek earliest feasible and best value private-sector participation and financing with appropriate risk transfer and cost containment.* A study conducted by the San Francisco Transportation Authority has determined that the Fast Start Project would be attractive for private investment as a stand-alone project. Under a design, build, finance, operate, and maintain delivery scheme, appropriate risk transfer and cost containment would be achieved.

*Criteria 7 - Mitigate against the risk of funding delays by providing decision points for state policy-makers to determine how and when the next steps should proceed while leaving a fully operational system and generating economic benefits at each step.* The Fast Start Project is ready to move now. Because of its relatively low environmental impact as compared to the full buildout, it can garner the support of the peninsula policy-makers and communities. It will provide immediate economic benefit. By demonstrating early utility, it will help promote the full system.

**7. *The Fast Start Project can facilitate obtaining support in the Peninsula***

It is well known that the CHSRA has had difficulties in garnering support in the San Francisco peninsula. Due to its size and scope, the Fast Start Project has the potential to deliver the support that has so far eluded the CHSRA. Page 2-18 of the Plan, when referring to the blended system states: *“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.”* We submit that such a limited approach will be welcomed by citizens and elected officials in the peninsula.

**8. *Phasing should be revised to avoid spending \$25 billion before the first passenger boards a train***

The proposed phasing plan calls for major infrastructure investments and years of wait before any of the benefits of HSR are experienced by the public. This will result in a frustrated public which may withdraw its support for the project. As acknowledged in the Plan, it has been the experience in the HSR industry that the best way to garner support for the introduction of a HSR system is to start with a reasonably short segment that connects two major metropolitan areas. Once the public sees the benefits, they will clamor for an expansion of service. Spain has one of the most extensive HSR networks in the world. It all started with a relatively modest project between Madrid and Seville which, one year after inauguration, captured 82% of all traffic between the two cities. That success catapulted HSR in Spain to what it is today, a world leader.

The Fast Start Project from San Jose to the Transbay Transit Center can provide early delivery of HSR service and be a model for system-wide expansion. Because of its relatively low cost and high ridership, it would be the best use of available funds and have the lowest cost-to-user-benefit ratio. As already stated, it would also be attractive for private investment.

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**9. *The Plan should be consistent in its definition of the “blended system” as described in Chapter 2***

In Chapter 2, the Plan does a great job defining the elements of a blended system. As stated therein, the principles of simultaneity, independent utility, and early investment will provide early benefits to riders prior to connection to the High Speed Rail System. Furthermore, the concept that initial environmental reviews can focus primarily on the impacts of limited upgrades to the existing facilities, as described in Page 2-18, will facilitate approvals and garner public support. This is precisely what we propose with the Fast Start Project. However, the rest of the document appears to be inconsistent in its use of the definition and the application of the principles outlined in this chapter. We suggest that be corrected as part of the revision process.

**10. *More balanced comparison is needed between IOS - North and IOS - South***

While explicitly stating that the decision to choose the North Initial Operating Segment alternative or the South IOS has not been made and will be subject to additional benefit and cost analysis, the Plan appears to favor the IOS - South alternative. The Plan should include comparable exhibits and narrative regarding the concept of IOS - North to forestall any perception of bias toward the IOS - South alternative by the reader.

**11. *Data should be presented in greater detail to better display the comparison of the relative advantages of an IOS - North versus an IOS - South***

As currently drafted, the Plan presents cost data in aggregate, without detail summarized in footnotes, provided in appendices, or referenced in background documents. Additional cost detail should be provided to support key recommendations with respect to project phasing and performance and to allow for consideration of alternative approaches. For example, the Plan aggregates the cost of improvements needed to accommodate blended service between San Jose and San Francisco (defined in the Plan as 4<sup>th</sup> and King) with the cost to accommodate blended service between San Fernando Valley and Los Angeles into a lump sum of \$14 - \$18 billion. By so doing, the Plan either grossly overestimates the cost of blended service on the Peninsula or masks the fact that the overwhelming majority of the costs are for extending service to LA.

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**12. *Extension of IOS – North to San Francisco would enhance ridership and revenue, and enhance potential for net operating profit***

Ridership and Revenue forecasts for the IOS - North relative to the IOS - South in Chapter 6 should consider the option for IOS - North to extend into the Transbay Terminal in San Francisco with the Fast Start Project. It is likely that if this option were implemented, the net operating profit for the IOS - North would exceed that for the IOS - South, contrary to the results presented in Chapter 8.

**13. *Private Sector investment opportunity enhanced with extension of IOS – North to San Francisco***

It is noted throughout the Plan that the financial results of the IOS will form the basis for inspiring private sector confidence in the system to spur private sector investment. With the connection of the IOS into San Francisco, one of the major ultimate destinations, financial performance would be more robust and the appetite for private investment maximized. Since the IOS - North offers the greatest opportunity for directly serving the primary destination of downtown San Francisco, it is logical to incorporate this into the IOS - North and implement this alternative. In fact, this would provide the maximum opportunity for success of the total system. Also, serving San Francisco in the IOS effectively blunts any arguments that the IOS lacks independent utility, arguments which would still be viable with termination of service either in San Jose or north of Los Angeles.

**14. *Extension of IOS – North could reduce ridership-and-revenue risk and minimize need for ramp-up subsidy***

A strong mitigating factor to the revenue-and-ridership risks assessed in Chapter 9 would be to provide HSR service to locations that people actually travel to as early as possible in the program, in other words, with the IOS. The option for extending the IOS – North to San Francisco would be the most expeditious and cost effective means of achieving this objective.

Extension as early as possible into San Francisco would also address key concerns raised in the December 5, 2011 Joint Hearing of the Senate Transportation and Housing Committee and the Select Committee on High-Speed Rail. Specifically, acceleration of service to San Francisco would enhance the ability of the IOS to fund operating costs during the initial ramp-up period as well as increase public support and interest. It would also accelerate private sector interest and involvement in the development of the IOS to as early as 2015.

**15. *The Plan should address the Port of San Francisco's plans for Freight Rail***

The Port of San Francisco is anxious to avoid any loss to freight rail capacity to and from the Port and ideally would like planned expansion to Port operations to be considered in high-speed rail planning. Union Pacific is a common carrier and operates freight rail on the corridor under an agreement with the Peninsula Corridor Joint Powers Board. Designs for tunnels and overhead contact systems need to consider the needs of current and future freight rail service, and compatibility between diesel freight and electric train operations.

**16. *The CHSRA should conduct value engineering to review causes of capital costs increases identified in the Plan.***

The Plan states that up to 85% of the significant increase in capital costs can be attributed to “*additional viaducts, tunnels, embankments, and retaining walls/ trenches directly attributable to changes in scope and alignment based on stakeholder input, environmental necessity, and improved knowledge of site conditions*”. While most of these changes have entirely defensible explanations, such as endangered species habitat or flood plain mitigations, we would recommend that the rest be subjected to the rigorous value engineering process mentioned in the Plan. This process should determine the costs and benefits of these changes, particularly changes in the alignment based on stakeholder input. Without detailed knowledge of these issues, examples that appear to need further scrutiny would be changes in alignment through an oil refinery, incursion at a state park near Union Station in LA, and preserving a rail spur into a milling factory. While these are all real issues, there could be other mitigation measures that would accomplish similar goals at a much reduced costs than those noted in the Plan.

**17. *The CHSRA should consider early selection of vehicles as a way to reduce cost***

In order to encourage competition, the Design Criteria for the CHSRA program was developed to accommodate any possible type of train that could be available for use in the system. Although we understand this logic, it comes at a high cost to the program. The Design Criteria is based on the tallest, widest trainset, which also rocks the most, resulting in a very large dynamic envelope. It is a dynamic envelope for a train that does not exist because if it did it would not be competitive or efficient. The Design Criteria is also based on not knowing the ultimate platform height, which complicates coordination with other service providers and pre-empts possible platform sharing. Having such a large dynamic envelope increases the size of the right-of-way, tunnels, trenches, and viaducts. These increases, when applied to the over 500 route-miles of the program, result in a cost premium in the billions. If this sounds like an excessive claim, consider that a 10% cost reduction in those elements would result in a \$4.5 billion savings.

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The CHSRA should investigate the means by which vehicle selection could be accelerated so that the selection can inform the design. In addition to reducing costs, coordination with other service providers would be simplified, especially in areas where blended operations are contemplated. At the very least, CHSRA should define trainset parameters that reduce the size of the dynamic envelope and decide on platform height (high vs. low) with an eye to reducing cost while maintaining high operational efficiency.

In conclusion, the CHSRA is headed in the right direction with this Plan. It demonstrates a desire to move forward in a meaningful way. We encourage you, its Board, to embrace our recommendations and support the Fast Start Project as a means to the success of the California High Speed Rail Program.

We look forward to continuation of a cooperative and successful planning effort to bring the benefits of high-speed rail to California and the San Francisco peninsula.

Respectfully,

Jose Luis Moscovich  
Executive Director  
San Francisco County Transportation Authority

John Rahaim  
Executive Director  
San Francisco Planning Department

Edward D. Reiskin  
Director of Transportation  
San Francisco Municipal Transportation Agency

Tiffany Bohee  
Interim Executive Director  
San Francisco Redevelopment Agency

Monique Moyer  
Executive Director  
Port of San Francisco

cc: Ed Lee, Mayor, City and County of San Francisco  
David Campos, Chair, San Francisco County Transportation Authority  
David Chiu, Chair, San Francisco Board of Supervisors  
Jane Kim, Chair, Transbay Joint Powers Authority  
Scott Wiener, Member, San Francisco Board of Supervisors  
Malia Cohen, Member, San Francisco Board of Supervisors  
Roelof Van Ark, Chief Executive Officer, CHSRA  
Steve Heminger, Executive Director, Metropolitan Transportation Commission  
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Michael Scanlon, General Manager/CEO, SamTrans