

High Desert Corridor
Joint Powers Authority

April 9, 2015

Meeting Materials

Item 2

Approval of Minutes of June 9, 2014

**HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY
BOARD OF DIRECTORS MEETING**

**Monday, June 9, 2014
11:00 a.m.**

**Kenneth Hahn Hall of Administration
500 West Temple Street, Room 739
Los Angeles, CA 92415-0130**

	Directors Present	Robert Lovingood , Supervisor, San Bernardino County First District (Chairman); Michael Antonovich , Supervisor, Los Angeles County Fifth District (Vice Chairman); Norman L. Hickling , Deputy to Supervisor Antonovich; James Ledford , City of Palmdale; Ryan McEachron , City of Victorville; Cari Thomas , City of Adelanto.
	Alternates Present	Michael Cano , Alternate to Supervisor Antonovich, Los Angeles County Supervisor (Vice Chairman).
	Directors Absent	Ronald D. Smith , City of Lancaster; Scott Nassif , Town of Apple Valley.
1.	Call to Order	Chairman Robert Lovingood called the meeting to order at 11:35 a.m. Director Cari Thomas led the Pledge of Allegiance.
2.	Approval of Minutes of January 21, 2014	Chairman Lovingood asked if there were any corrections to the minutes. On motion of Director Thomas, seconded by Director Ledford, the minutes of the January 21, 2014 Board meeting were unanimously approved as submitted.
3.	Director Reports	Chairman Lovingood asked if there were any reports or comments from the Directors. Michael Cano, Alternate Director, stated on behalf of Supervisor Antonovich that they had a very exciting opening of the Shenzhen BYD (electric vehicle) Plant in Lancaster. He stated they were able to get two busses that are going to be put into the Antelope Valley Transit system, which the Supervisor helped procure in partnership with the Cities of Lancaster and Palmdale on that Board. He stated the Governor was also present at the event as well. Mr. Cano indicated how integrated this project is to the future of the Antelope Valley and High Desert as a whole in terms of developing solar and fuel alternatives to power future generations of transportation. Laurie Hunter, Special Projects Coordinator, stated at the last High Desert Corridor Joint Powers Authority (JPA) meeting, they authorized a contract to start identifying some of the groups in land use planning and green energy so that after this environmental document is done, and when they start going forward with the green energy component, they will have identified some people that can help them to get the word out in the environmental communication about the green aspects of the High Desert Corridor. She stated David Abel, our contractor, included two

		panels highlighting the HDC in the recent Verde Xchange Conference, and showed our video in the Metro booth and had facilitated two salon-style discussions, and set up numerous one-on-one briefings.
4.	Membership Roster Update	Secretary Laura Welch stated the updated membership roster was included in the Board's packet and inquired if there are any changes. Director Thomas stated Rick Gomez is no longer with the City of Adelanto so his name should be replaced with Tom Thornton, Public Works. Director McEachron stated his phone number is incorrect and said he would get the correct number to the Clerk.
5.	HDCJPA Budget Recommended action: Approve FY 2014-15 Recommended Budget and request Alternate Director Cano and JPA Administrator Gerry Newcombe to develop budget beyond June 2015 for next JPA meeting	Gerry Newcombe, JPA Administrator, stated the budget is before the Board members for action and inquires if there are any questions. On motion by Director McEachron, seconded by Director Thomas, and carried, the JPA approved the FY 2014-15 recommended budget and requested Alternate Director Cano and JPA Administrator Gerry Newcombe to develop a budget beyond June 2015 for the next JPA meeting.
6.	Approve and File Audit Report for Year Ending June 30, 2013	Mr. Newcombe stated the audit has been completed and came back as a clean audit report. On motion by Director Ledford, seconded by Director Hickling, the Board received the audit report ending June 30, 2013.
7.	Metro/JPA TIGER VI Application Rail Revenue Study for HDC Project	Laurie Hunter stated when the JPA began meeting in 2007, it was determined to get this project going as a public/private partnership. She said in the P3 world, it is a comparably high risk project because it is a green field project and there is not existing traffic to count to derive estimated tolls, especially in the rail revenue area. Additionally, she said we need some investment grade revenue information that financial institutions can trust, and will provide credibility for, estimates. She stated we also need to have a financial plan, need to identify if we have funding gaps as well as how to fill them from which sources. She said we need to decide whether we do one comprehensive P3 development or break HDC into modal pieces with the highway, rail and green corridor managed separately or together. She stated the JPA and Metro applied for a TIGER grant for \$1 million, plus a \$400,000 match that was provided via Supervisor Antonovich's office to the JPA. She thanked and acknowledged everyone that worked with Metro on this project. <i>(Vice Chairman Antonovich arrived at 11:44 a.m.)</i>
8.	Rail Connectivity Update	Don Sepulveda, Executive Officer for Regional Rail (Metro), provided an update on rail connectivity <i>(copy on file)</i> . Director Ledford asked if Mr. Sepulveda could help them with future connectivity in the Antelope Valley. For instance, a Tejon Ranch rail connection to Metrolink is a possibility as well as an extension into Kern County; or either a Rosemont or Edwards Air Force Base connectivity in the future. He asked how he would suggest they move forward with that type of feasibility. Mr. Sepulveda stated Rosemont was pursued by Kern County with Metrolink and they received a cost estimate for it. He said one of the challenges they have is the Metro right-of-way ownership at Lancaster.

		<p>He stated in order to do that, they would have to go into the UP tracks so they would have to open up an agreement with Union Pacific, with whatever challenges that may have, in addition to the overall operating costs. He stated he does have the costs, but it has not yet been pursued, so he said he would take that as an action and look into it further.</p> <p>Regarding the Tejon to Palmdale type of connection, he stated that has not been looked at to a large degree other than high speed rail trying to find a way through the Tehachapis through there, so he does not know how feasible that is.</p> <p>Mayor Ledford stated for their purpose the High Desert Corridor north could give them an opportunity to talk about this maybe in depth; about the need for rail to Tejon; the feasibility which could trigger discussion on right of way. He stated it may be something they want to put on a future “to do” list.</p> <p>Don said he does not have the answers right now, but he could put that on their “to do” list.</p>
9.	XpressWest Update	<p>Andrew Mack, Chief Operating Officer for XpressWest, presented an update on XpressWest (<i>PowerPoint on file</i>) which showed and explained photo renderings of work they have done on the Victorville terminal (station) as it is anticipated to be part of the High Desert Corridor project. He indicated they see Victorville as a significant “park and ride” terminal, with the High Desert Corridor and rail connectivity into the Metrolink system at Palmdale and ultimately High Speed service into Los Angeles and potentially with California High Speed Rail system.</p> <p>He stated XpressWest has maintained their status as a federally approved interstate, high speed passenger railroad. He said it also includes their BLM right-of-way lease agreement and indicated they are continuing their work with this Board, LA Metro and Caltrans on the High Desert Corridor Environmental Impact Statement. He stated coordination efforts have been very strong and good and believes they have stepped up over the last few months since the last Board meeting. Regarding project development activities, he stated they are continuing to examine, interview and discuss with implementation team members, including further projects, design, construction, operations, maintenance as well as financing. He stated they are also continuing dialogue with U.S. Department of Transportation (DOT) in that regard, both in terms of project financing as well as policy. He stated in that respect some may be aware that for about four years there has been an effort on going with DOT, specifically the Federal Railroad Administration, to prepare a southwest multi-state rail study. The FRA has been working on the study for some time and the draft document has just been released. He said the study validated the need for XpressWest and the viability of high speed rail in the southwest. It recognized significant passenger volume and trips between Las Vegas and what is defined as the greater Los Angeles area and it designated core express service for High Speed Rail. He said the study recognized immense economic activity and value in connecting southern California and Southern Nevada both now and in the future. He stated the Inland Empire specifically is identified as a potential large interstate rail hub and it is clear there is an emphasis on</p>

		<p>Palmdale as well as Victorville as significance of rail connectivity between those two areas. He said there is significant discussion about the exponential value in connecting XpressWest with California High Speed Rail that is facilitated through the High Desert Corridor and it recognizes the connection between Los Angeles and Southern Nevada can stand on its' own. He said the bigger idea is that there is need for a southwest rail network, there is 420 miles from San Diego to Las Vegas and 25 million people and it's been recognized now by the Federal Government that this is a viable area to pursue High Speed Rail.</p> <p>Lastly, he said the study identified top performing corridors in the network that show the strongest demand as stand-alone corridors. He stated the three core express corridors identified as the backbone of the southwest network are: San Diego to San Francisco (California High Speed Rail), Las Vegas to greater Los Angeles (Xpress West) and Greater Los Angeles to Phoenix. He said they are very pleased and encouraged by the study and they are hopeful to reach resolution soon.</p> <p>Laurie stated it shows how important it is for them to get the rail passenger revenue study going. She stated they should find out about the \$1.4 million TIGER Grant in September in order to do the study.</p> <p>Director Ledford asked how they are going to facilitate station integration with XpressWest and High Desert Corridor to do California High Speed Rail. He stated he believes it is important to bring all elements together as they plan.</p> <p>Mr. Mack stated he agreed and that he and Mike Behen have been talking about that point and have been watching very carefully as he knows there are at least three potential studies or grants that are about to be underway in Palmdale. He said they would like to be part of a technical advisory committee or in some formal coordinating role so they can provide their technical expertise.</p>
10.	<p>California High Speed Rail Authority Update</p>	<p>Michelle Boehm, Southern California Regional Director (CHSRA) provided an update regarding the California High Speed Rail Authority (<i>PowerPoint on file</i>)</p> <p>Director Ledford stated they had requested better coordination and thanked Ms. Boehm for their efforts in that regard. Mr. Ledford requested more information regarding station integration from High Desert Corridor to the California State System.</p> <p>Ms. Boehm stated they have regular coordination meetings between the High Desert Corridor, the High Speed Rail and Caltrans, who is preparing the document, and stated they are moving forward in a very positive way. She said California High Speed Rail has a different set of standards than the High Desert Corridor or XpressWest and those standards essentially are more restrictive so that they enable more things to happen with regards to High Speed Rail. She said when they take a look at their stations and their parking requirements and their platforms they are really building a maximum flexible system. In moving forward with High Speed Rail plans she said they can accommodate at least the startup years with XpressWest and then they need to move forward with the ridership work, so they hope the JPA or Metro gets the</p>

		<p>TIGER Grant to fully understand how many people might be utilizing a Palmdale station.</p> <p>Director Ledford stated his concern is the advanced planning footprint and the interconnectivity with the two and he'd like to see them focus more on that. Finally, he'd like them to also consider the direct route that Supervisor Antonovich has brought up from Palmdale to Burbank and if this Board has any ability to influence consideration of that study, which he believes is good for HDC as well.</p> <p>Ms. Boehm stated even if they don't implement that direct route, their Palmdale to Burbank section would move people in about 20 minutes. She stated if they utilize the direct route it would save 20 minutes. She said she believes that type of speed of connection can only benefit to High Desert Corridor moving forward.</p> <p>Alternate Director Cano asked about the Cap and Trade financing and what her take is on where that is heading right now.</p> <p>Ms. Boehm said the Governor released a draft budget in January, a May revise and she understands the budget should be finalized by June 15th, and depending on how the budget is finalized she believes it would have implications for all of their projects. She said the following recommendations for funding are: statewide rail modernization for Metro projects; allocation for the first fiscal year for High Speed Rail; long term funding source for High Speed Rail and Regional Rail.</p>
11.	<p>Presentation on Progress of Metro's P3 Program and Next Steps on HDC P3 Business Case and Feasibility Study</p>	<p>David Yale, Managing Executive Officer for Planning, Programming, Grants Management and P3 Program at Metro, presented on their P3 program and its' relationship to the High Desert Corridor. He stated in February the Metro Board passed a motion on their P3 program requiring them to do a number of reports back to the Board, including conducting a P3 roundtable. As such, he said they will be reporting back to the Board in July with a comprehensive overview of the P3 program to date. In March the P3 program management was reorganized and the function was placed under his authority after various management changes. In April, he said they determined that the Accelerated Regional Transportation Improvement Program, which was a bundle of several projects stretching from the 71 up to the I-5 North express lands, was quite possibly diverting toll revenues from the I-5 Corridor into other parts of the County, which is not permissible in their Board's policy and State policy. As such, he stated they unbundled the projects and are now going forward with the I-5 North Express lanes project as a separate project. He stated the traffic and revenue application for TIGER was also done in April for the High Desert Multipurpose Corridor. If the grant is approved, he said it would allow them to explore many more scenarios. In May, he said they held the P3 roundtable which was quite productive and the results of that report will be forthcoming.</p> <p>He also reported on the stated preference survey for the Sepulveda Pass Corridor. Regarding the P3 pathway for the I-5 North Express lanes, he said it is not going to be the recommended pathway for that project. Instead, he stated they want to marry up that project with the toll legislation they need for I-10 and I-110. He stated they are concluding those discussions with CalTrans today. He said there was an issue of</p>

		<p>insurance costs (Caltrans is self-insured) and he expects Metro to take on those insurance costs under the P3 Project pathway. He said they anticipate those costs to be in the area of \$90 - \$100 million in year of expenditure dollars over a 35-year period. In June, he stated the traffic and revenue study for the I-5 North Express lane is an investment grade study that they need for the TIFIA loan, which will be put out to bid. He stated that dovetails with the toll authority discussion they just had. He stated in July the P3 and I-5 actions will go before the Metro Board for discussion. In September, he said they will hear about the TIGER grant.</p> <p>He stated his suggestion for the High Desert Multi-purpose Corridor at this junction is to look ahead at the eventuality that will occur if they do or don't get grant, so they can discuss between themselves how they are going to conduct business, with or without that grant. He stated the TIFIA letter of interest for the I-5 North Express lanes would be submitted in October, after they know the result of the legislation on the toll authority. He stated the new management will be more targeted at results and putting out specific tasks that are necessary for project development.</p> <p>Mr. Cano asked if they need any legislative initiatives they can roll into the I-10 and I-110 toll lane reauthorization program to ensure they do not lose this opportunity.</p> <p>Mr. Yale stated the legislation as it is drafted now would give them the tolling authority for the I-5. He said he does not know the answer at this time, but said he would follow up on this.</p> <p>Mr. Cano also requested that once the environmental draft is published for that information to be distributed to the JPA members as they may need to respond quickly.</p> <p>Laurie noted regarding the Metro reorganization that there are no longer separate highway and transit sections; there are construction and planning sections. She said Bryan Pennington was hired to handle the construction end and Frank Quon is taking over the more day-to-day aspects of supervision of the EIS for the High Desert Corridor. She noted that Robert Machuca is on paternity leave, but Will Lamborn is serving as the Interim Project Manager.</p>
12.	<p>Presentation on HDC EIS/R and Community Outreach prior to release of Draft EIS slated for August 2014</p>	<p>Bryan Pennington, Metro Executive Director, Engineering & Construction, stated regarding the reorganization of Metro that they have put together the transit, highways, regional rail and capital projects in one place and indicated the reason for that change. He introduced Mr. Will Lamborn to provide an overview of the High Desert Corridor.</p> <p>Will Lamborn, Metro Interim Project Manager, provided an update on the technical studies and where they are with the project as the release of the Draft EIR is approaching. Mr. Lamborn also provided an overview of the High Desert Corridor project as well as alternatives and variations of the project. <i>(PowerPoint on file)</i></p> <p>Karl Price, Caltrans Senior Environmental Planner, provided an updated regarding the environmental study process. <i>(PowerPoint on file)</i></p>

		Danielle Valentino, Metro Community Relations Manager, provided an update regarding public outreach. (<i>PowerPoint on file</i>)
13.	Public Comment	No general public comment.
14.	Adjourn	There being no further business, the meeting is adjourned at 12:20 p.m.