MID-COAST CORRIDOR TRANSIT PROJECT STATUS UPDATE

Introduction

The Mid-Coast Corridor Transit (Mid-Coast) Project is a TransNet Early Action Project that extends the MTS trolley system’s Blue Line from the Santa Fe Depot in downtown San Diego to University Towne Centre, through the University of California, San Diego (UCSD) campus. The project achieved a major milestone in September when the Federal Transit Administration (FTA) approved moving the Mid-Coast Project into the Preliminary Engineering phase of project development under the New Starts Program. This report provides an update on the status of the project including refinements to the Local Preferred Alternative (LPA) and revisions to the budget and schedule.

Discussion

FTA Preliminary Engineering Approval

On September 2, 2011, the FTA approved Mid-Coast for entry into Preliminary Engineering (PE) under the FTA New Starts Program. PE approval is an important milestone under the FTA New Starts Program. The project is now officially in the New Starts funding pipeline and eligible to receive New Starts funding for the PE phase should such funding become available. If a Full Funding Grant Agreement (FFGA) is awarded to the project in the future, the FFGA would fund approximately 50 percent of all eligible PE, Final Design, Construction and Start-Up activities.

Prior to approving the project’s entry into PE, FTA evaluated the project against New Starts criteria to ensure that SANDAG demonstrated the technical, legal, and financial capability to implement the project. Based on the evaluation, FTA assigned the project an overall rating of “Medium-High,” the highest rating assigned to any FTA New Starts project in the PE phase.

The Mid-Coast Project will now be included in the FTA FY 2013 Annual Report on Funding Recommendations to the United States Congress. FTA’s Project Profile provides a summary of the Mid-Coast Project and will be attached to the FY 2013 Annual Report on Funding Recommendations. A map of the Mid-Coast Corridor is included as Attachment 1.

NEPA Scoping

As reported to the Transportation Committee on July 15, 2011, the FTA and SANDAG continue to move forward in the preparation of a Supplemental Environmental Impact Statement and Subsequent Environmental Impact Report (SEIS/SEIR) for the Mid-Coast Project. The FTA is the lead agency for compliance with the National Environmental Policy Act (NEPA) and SANDAG is the lead
agency for compliance with the California Environmental Quality Act (CEQA). In mid-2011 FTA published a new Notice of Intent (NOI) in the Federal Register to conduct NEPA scoping to supplement the previous scoping on the project’s SEIS/SEIR.

To ensure public awareness of the NOI and NEPA scoping process SANDAG conducted a number of outreach activities including: updating the SANDAG Transportation Committee on July 15; posting notice of the NOI and NEPA scoping on the SANDAG “Notices” Web site; notifying the Mid-Coast Project Working Group via e-mail; distributing the eNewsletter to individuals and organizations on the stakeholder e-mail list (609 individuals and organizations); and updating the project Web site to announce the NOI and NEPA scoping.

FTA issued the NOI on July 12, 2011, and requested comments by August 15, 2011. Comments were accepted later than August 15 to account for any delays in mail. A total of 43 comments were received from 14 commenters via 5 letters and 9 e-mails. All comments received were similar to those received during CEQA scoping and/or involved issues previously identified for analysis. All comments received during the NEPA scoping period will be addressed in the SEIS/SEIR for the project.

FTA additionally sent a letter of invitation to potential participating federal, state, regional and local agencies, and the Region’s 17 Native American tribes. A scoping information packet was attached to the letter and announced the NOI and NEPA scoping period. FTA has received responses from a number of agencies requesting to become actively involved as a participating agency in the environmental review process for the project.

**Locally Preferred Alternative (LPA) Refinements**

Since the SANDAG Board adopted the LPA on July 23, 2010, the design of the project has continued to advance. On the alignment from State Route 52 north to Nobel Drive, design efforts continue to refine the LPA to improve safety and operations, define right-of-way requirements, and minimize encroachments into Rose Creek. Through the UCSD west campus, the LPA alignment proposed tunnels at the north and south approaches to an at-grade UCSD west campus station with three design options north of the station, in the vicinity of Voigt Drive. An aerial alignment is now proposed through all of the west campus with an elevated station in Pepper Canyon (UCSD West station). North of the west campus station, the alignment was modified to locate the crossing over Interstate 5 north of Voigt Drive to the UCSD east campus as shown on Attachment 2. The station serving the UCSD east campus will be an aerial station in the vicinity of Scripps and Thornton Hospitals. The refined alignment improves trolley operations through the west campus, reduces capital costs and maintenance compared to the previous alternatives. The LPA, refined as described above, would be included in the Draft SEIS/SEIR.

**Station Parking**

The Mid-Coast Project, as approved for entry into PE, included 340 parking spaces at two station locations, the Tecolote Road and Balboa Avenue stations. Subsequent modeling forecasts estimate the demand for an additional 920 spaces at 4 station locations including Tecolote Road, Clairemont Drive, Nobel Drive and University Towne Centre. The additional parking demand could potentially be accommodated through the purchase of additional right-of-way and construction of parking either at grade or in a structure. Design options for additional parking will be further developed.
during preliminary engineering to determine feasibility, provide additional details and cost estimates. Consultation and coordination with potentially impacted stakeholders will proceed as design options are developed. The additional parking will be included in the project description in the Draft SEIS/SEIR to assess any potential impacts associated with the additional parking and propose mitigation measures if needed.

**Project Budget**

The project capital cost approved in the FY 2011 budget is $1,246 million. The current estimated project capital cost, based on advancement of the design, updated unit costs, and changes to the operating plan and schedule, has increased by $350 million to $1,596 million. The increase is largely attributed to increases in estimated construction capital costs ($73 million); the addition of 22 vehicles ($142 million) to meet service requirements; and escalation of construction, right-of-way, engineering costs, and contingency ($135 million).

The budget amounts presented to the Board of Directors for TransNet Early Action Projects do not include financing costs for each project. Financing costs for the Mid-Coast Project have been included at a program level in the Plan of Finance. However, federal funding through an FFGA allows for reimbursement of financing costs included in the project budget. Therefore, the project estimate submitted to the FTA with the request to enter preliminary engineering included an estimate of $207 million for finance charges bringing the total project capital cost estimate to $1,803 million. Because financing costs are dependent on revenues, market rates, FTA reimbursement schedule and Board direction, staff will continue to report a project budget without finance costs.

Generally, costs incurred prior to FTA approval to enter PE are not reimbursable and have not been included in the capital cost. However, staff believes the previous purchase of the LOSSAN right-of-way ($20 million) should be considered a capital cost reimbursable under the FFGA and will pursue including this expenditure as part of capital cost with the FTA.

Estimated costs for the additional station parking discussed above, including construction and right-of-way, is estimated to range from $55 million to $82 million.

With the adoption of the LPA for the project, the Board directed staff to evaluate an additional station at the VA Medical Center during the development of the draft environmental document. The cost is estimated to range from $18 million to $20 million.

With the addition of the LOSSAN right-of-way and station parking, the project cost would range from $1,671 million to $1,698 million. With the inclusion of the VA Medical Center, project costs would range from $1,689 million to $1,718 million.

The project capital costs will be continuously updated through PE for inclusion in the draft and final SEIS/SEIR and updated again prior to entering final design in the FTA New Starts process. The estimated costs for additional station parking and the LOSSAN right-of-way will be included in the proposed project budget. This budget adjustment is being evaluated with the update of the TransNet Plan of Finance. The results of the Plan of Finance will be presented to the Transportation Committee next month that will include a request to increase the Mid Coast budget. As the project proceeds through PE, value engineering will be pursued to identify any cost saving opportunities.
Project Schedule

With the federal approval to enter PE the following delivery schedule has been developed resulting in a revenue operations date of 2018. This schedule is based on a design-bid-build delivery method.

- Locally Preferred Alternative Approved - SANDAG: July 2010
- FTA Approval to enter PE: Sept 2011
- Draft Environmental Document: Mid 2012
- Final Environmental Document and PE Completed: Mid 2013
- FTA Record of Decision: Late 2013
- FTA Approval to enter Final Design: Early 2014
- FTA Full Funding Grant Agreement: Late 2014
- Begin Construction: Mid 2015
- Revenue Operations: 2018

Evaluation of alternative delivery methods and options to refine the project schedule will continue to be explored through PE to expedite delivery.

Next Steps

The Project Working Group for the Mid-Coast Project, chaired by Supervisor Ron Roberts, is scheduled to meet on October 26 to review project status.

Development of the Draft SEIS/SEIR for the project will continue and is anticipated to be available for public review in the summer 2012.

Advance engineering in support of the draft environmental document and continue third party review and coordination.

SANDAG staff will continue to work closely with MTS, UCSD, the City of San Diego, Caltrans, and other stakeholders in addition to the FTA and its Project Management Oversight Contractor in development of the Mid-Coast Project.

JIM LINTHICUM
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Attachments: 1. Mid-Coast Corridor Map
2. Refined LPA Plan

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Refined LPA Plan

Mid-Coast Corridor Transit Project

Trolley - Future Blue Line Extension
Future Trolley Station
Potential Future Trolley Station

October 2011