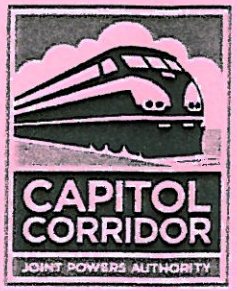
TAB 20



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January 6, 2010

Ms. Bimla Rhinehart
Executive Director
California Transportation Commission
1120 N Street, Room 2200
Sacramento, CA 95812

Dear Ms. Rhinehart:

On behalf of the Capitol Corridor Joint Powers Authority (CCJPA), I am providing comments on the Draft "High-Speed Passenger Train Bond Program Guidelines" prepared by the California Transportation Commission (December 17, 2009).

As you are probably well aware, the Capitol Corridor intercity passenger rail service, as one of the state's intercity passenger rail corridors, is identified in the Bond Act as an eligible connecting service and the CCJPA, the managing agency for the Capitol Corridor, has prepared a program of improvements to develop and enhance the connections with the state's planned high-speed trains at the San Jose and, eventually, the Sacramento intermodal stations. To use the European and Asian high speed train networks as a model, the CCJPA needs the Capitol Corridor service to be ready as a distributor and collector for an entirely new ridership market when high speed trains begin operations.

To that end, the CCJPA would like to submit the following comments on the Commission's draft guidelines

1. While the guidelines developed by the Commission state that these funds cannot be used for pre-construction or right-of-way (ROW) project phases, the bond act does not place such restrictions on the use of these funds. The CCJPA would like the flexibility to use <u>some of these funds</u> for design/engineering plans and environmental documentation in order to prepare various projects for construction and/or implementation phases to improve connections with the state's high-speed trains.

   The reasoning behind this request is that the CCJPA intends to use these state bond funds as the requisite match in the applications for the Federal Railroad Administration (FRA) High Speed/Passenger Intercity Passenger Rail (HSIPR) Program capital grants. Currently, the federal FY2010 Appropriations Report before the President includes $2.5 billion in these grant funds and the federal regulations require a minimum of 20% the total project cost. This FY2010 appropriation is a supplement to the initial $8B HSIPR Program initiated by the American Recovery and Reinvestment Act (Recovery Act).

2. To further the CCJPA's application for these current and future FRA HSIPR capital grant funds, the CCJPA proposes that the guidelines stipulate that any annual state bond funds being made available for the state High Speed Passenger Train system should be allocated to the high-speed trains and connecting transit agencies using the same proportionate funding split established in the bond act itself.

3. As provided with other state transportation bond funds, the CCJPA would like to have the opportunity to loan annual shares amongst eligible agencies as needed.

The CCJPA appreciates the opportunity to provide comments on these guidelines for the state's high speed train connectivity bond funds. We look forward to working with the Commission as this program advances so that these funds can be used by the identified agencies to implement projects that will connect with the state's high speed trains.

Should you have any questions, please do not hesitate to contact me at (510) 464-6993.

Sincerely,

David B. Kutrosky
Managing Director

cc: CCJPA Board of Directors
Randall Iwasaki, Director-California Department of Transportation
Bill Bronte, Chief, Division of Rail-California Department of Transportation

TAB 20

Metro

Metropolitan Transportation Authority

One Gateway Plaza
Los Angeles, CA 90012-2952

213.922.2000 Tel
metro.net

January 12, 2010

Ms. Bimla Rhinehart
Executive Director
California Transportation Commission
1120 N Street, MS 52
Sacramento, CA 95814

COMMENTS ON DRAFT GUIDELINES FOR HIGH-SPEED PASSENGER TRAIN BOND PROGRAM (PROPOSITION 1A)

Dear Ms. Rhinehart:

Thank you for the opportunity to comment on the December 17, 2009 draft guidelines for the Proposition 1A High-Speed Train Bond (HSPTB) program, and specifically the $950 million authorized for connecting intercity and urban rail systems. Of this amount, the Los Angeles County Metropolitan Transportation Authority (MTA) is an eligible recipient of approximately $117 million in funds for connecting urban transit. We also will be working closely with the Southern California Regional Rail Authority on their plans for $123 million associated with their connecting commuter rail services. Please consider the following comments:

- Section 5. Usable Project/Segments. Applicants need the flexibility to use funds on design, Right-of-Way, etc. in addition to construction - the law does not limit the $760 million to construction only for connecting urban transit. The guidelines should not go beyond the law in imposing such a limitation.

- Section 7. Programming and Full Funding. Applicants need the flexibility to use Right-of-Way or state funds, including Prop 1B funds, as local match. In the current tight funding environment, very few resources are available for matching grant funds; therefore, having flexibility with fund sources is even more important.

- Section 9. Allocation from the HSPTB Program. The draft guidelines indicate that applicants cannot be paid for expenditures made before program adoption and allocation. The law - 2704.095 (d) – says that the funds are to pay or reimburse the costs of projects. This may be a basis for a Letter of No Prejudice or Private Placement bond approach. If Proposition 1A bond sales are delayed, applicants could use one of these advancement tools to keep their projects moving forward.

- Section 13. Funding Share. Safety, rehabilitation, and maintenance projects should not be given lower priority than connectivity – the law - 2704.095 (d) - lists the eligible uses, and 2704.095 (e) specifically says applicants can spend the funds on any of the eligible uses.

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- Section 13. Funding Share. Eligible agencies should be allowed to loan Proposition 1A funds to each other, similar to the way intercity corridors can loan such funds to each other. This is another important advancement tool to allow ready-to-go projects to move forward.

- General comment. The California High Speed Rail Authority (CHSRA) should not be allowed to review or choose the Urban and Commuter Rail projects from the $760 million. The authorizing legislation gives CHSRA a consultation role in developing the guidelines, not in approving projects.

- General comment. We understand that CTC staff intends to add timely use of funds provisions to the guidelines. The timely use clock should start when the bonds have been sold and the funds are available for drawdown rather than at project approval. If there is a long delay in bond sales, or in making the funds available for draw-down, the three-year clock may be over before funds are available.

Thank you again for the opportunity to comment on these guidelines. This program is very important to our region. Should you have any questions, please contact Patricia Chen, Project Manager for Regional Programming at (213) 922-3041 or Alex Clifford, Executive Officer for High Speed Rail at (213) 922-7491.

Sincerely,

FRANK FLORES
Executive Officer
Regional Capital Development

cc: Teresa Favila, CTC

METROLINK

Southern California Regional Rail Authority

January 11, 2010

Ms. Bimla Rhinehart
Executive Director
California Transportation Commission
1120 N Street, Room 2200
Sacramento, CA 95812

Dear Ms. ~~Rhinehart~~ Bimla:

On behalf of the Southern California Regional Rail Authority (SCRRA/Metrolink), I am providing comments on the Draft "High-Speed Passenger Train Bond Program Guidelines" prepared by the California Transportation Commission (December 17, 2009).

The SCRRA is identified in the Bond Act as an eligible recipient of $123 million of the $760 million available for rail services that will connect to the future High-Speed Passenger Train services and is working with our five member agencies to develop a program of improvements to develop and enhance the connections with the state's planned high-speed trains in the Metrolink service area. To that end, the SCRRA would like to submit the following comments on the Commission's draft guidelines:

1. While the guidelines developed by the Commission state that these funds cannot be used for pre-construction or right-of-way (ROW) project phases, the bond act does not place such restrictions on the use of these funds. SCRRA needs the flexibility to use the funds on pre-construction activities including design and ROW in addition to construction.

2. SCRRA also requests the guidelines allow that state funds, including Proposition 1B funds, can be used as the required local match.

3. SCRRA also request the guidelines provide flexibility on what can be used as local match including the possible allowance of soft match such as prior purchase of rail rights of way.

4. Safety, rehabilitation, and maintenance projects should not be given lower priority than connectivity - the law does not prioritize these categories that ensure safe and reliable connecting service.

5. HSRA should not be given power to review or choose the projects from the $760 million. - HSRA does not have that role in the law, so the guidelines should not give them that role.

6. Timely use of funds clock should start with sale of the bonds rather than project approval. If there is a long delay in bond sales, the three-year clock may be over before funds are available.

7. As provided with other state transportation bond funds, SCRRA would like to have the opportunity to loan annual shares amongst eligible agencies as needed.

700 South Flower Street, 26th Floor, Los Angeles, California 90017-4101

The SCRRA appreciates the opportunity to provide comments on these draft guidelines for the state's High-Speed Passenger Train Bond Program funds. We look forward to working with the Commission as this program advances so that these funds can be used by the identified agencies to implement projects that will connect with the state's high speed trains.

Should you have any questions, please do not hesitate to contact me at (213) 452-0245 or Joanna Capelle at (213) 247-8049.

Sincerely,

Eric Haley
Chief Executive Officer

cc: SCRRA Board of Directors
SCRRA TAC
Randall Iwasaki, Director-California Department of Transportation
Bill Bronte, Chief, Division of Rail-California Department of Transportation