



Resolution #HSRA 16-21

Adoption of CEQA Findings of Fact and Statement of Overriding Conditions In Connection With Funding of the Peninsula Corridor Joint Powers Board's Peninsula Corridor Electrification Project

Approval to Execute a Peninsula Corridor Joint Powers Board Funding Agreement, execute a Seven Party Supplement to the 2012 Caltrain MOU, and to Contract with PCJPB for the Authority's Supplemental Funding for Electrification

Whereas, the California High-Speed Rail Authority (Authority) is responsible for the development and implementation of intercity high-speed rail service pursuant to California Public Utilities Code Sections 185030, *et seq.*;

Whereas, the Authority may enter into contracts with private and public entities for the design, construction and operation of high-speed rail trains, including all tasks and segments thereof pursuant to California Public Utilities Code Section 185036;

Whereas, in the Authority adopted a 2012 Business Plan that establishes a policy to develop the high-speed rail system utilizing a blended approach consisting of primarily a two-track blended system that will accommodate future high-speed rail trains, existing freight, and modernized Peninsula Corridor Joint Powers Board (PCJPB) commuter rail service in the Peninsula Rail Corridor (the 'Blended System');

Whereas, the Authority and the PCJPB, together with the Metropolitan Transportation Commission, the San Francisco County Transportation Authority, the Santa Clara Valley Transportation Authority, the City of San Jose, the City and County of San Francisco, the San Mateo County Transportation Authority and the Transbay Joint Powers Authority entered into a 2012 Memorandum of Understanding that adopted an early investment strategy for the Blended System in the San Francisco to San Jose Peninsula Segment ('2012 Nine Party MOU');

Whereas, in July 2012, the Legislature passed and the Governor signed Senate Budget Bill 1029 for the appropriation of \$600 million of Proposition 1A funds and \$106 million of Proposition 1A connectivity funds for early improvement projects in the Phase 1 Blended System, consistent with the 2012 Nine Party MOU;

Whereas, The Proposition 1A \$600 million Authority investment, along with State Proposition 1B Public Transportation Modernization, Improvement, and Service Enhancement Account, bay area local transportation funds, Federal Transit Authority (FTA) funds (FTA is not a party to the 2012 Nine Party MOU) and bridge toll funds, identified in the 2012 Nine Party MOU, will be used to pay for the Advance Signal System/Positive Train Control (PTC), Corridor

Electrification and associated Electrical Multiple Unit rolling stock acquisition projects (‘PCEP’ or ‘Project’), estimated in 2012 to be \$1.456 billion;

Whereas, PCJPB updated its cost estimate of the PCEP in 2016 to be \$1.972 billion;

Whereas, seven of the original nine parties to the 2012 Nine Party MOU have identified additional funding and are seeking approval to fully fund the PCEP based upon the 2016 cost estimate which will be memorialized in the Seven Party Supplement to the 2012 MOU (‘Seven Party MOU’).

Whereas, the PCJPB, as a lead agency under the California Environmental Quality Act (CEQA), prepared an environmental impact report under CEQA for PCEP;

Whereas, the PCJPB certified the final environmental impact report for the PCEP (the ‘Final EIR’) and approved the PCEP on January 8, 2015;

Whereas, on January 8, 2015, the PCJPB also adopted findings as required by CEQA (the ‘CEQA Findings’), together with a mitigation monitoring and reporting program and a statement of overriding considerations;

Whereas, the Authority desires to commit funding to the PCEP pursuant to Senate Budget Bill 1029 and the goals of the Authority Business Plan, as further specified below;

Whereas, the funds to be committed by the Authority are general support for the PCEP as a whole and the Authority is accordingly a responsible agency with respect to environmental analysis of the PCEP and is responsible for carrying out associated CEQA responsibilities;

Whereas, the Authority, as a responsible agency, desires to make certain findings pursuant to 14 California Code of Regulations sections 15091 and 15096 in connection with the Authority’s funding of the PCEP; and,

Whereas, the Authority will undertake future project-level environmental review for the San Francisco to San Jose and San Jose to Merced project sections that will address the Authority’s blended system service, distinct from the Authority’s present funding commitment to PCJPB for its PCEP.

Therefore, it is resolved:

1. The Authority has reviewed the information contained in the Final EIR that is relevant to its funding of the PCJPB’s PCEP and the Authority will reach its own conclusions on whether and how to approve its funding of the PCEP;
2. The Authority has reviewed the PCJPB’s CEQA Findings, and the Authority hereby determines and concludes all of the following:
 - a) The PCJPB has identified, disclosed and adopted the mitigation measures recommended in the Final EIR by means of a Mitigation Monitoring and Reporting Program, which mitigation measures are not within the Authority’s jurisdiction with the exception of two mitigation measures (relevant to the Authority’s future operations) which will be required by law anyway;

- b) The Authority has reviewed and considered the Final EIR together with the related CEQA Findings and determines that the information and analyses contained in the Final EIR, together with the related CEQA Findings, are adequate for the Authority's use as a decision-making body in a responsible agency role;
 - c) As reflected in PCJBP's CEQA Findings, the Authority also finds the following:
 - 1) Changes have been incorporated into the PCEP which avoid and/or substantially lessen several of the significant environmental effects identified in the Final EIR;
 - 2) Specific economic, social and technological considerations make infeasible mitigation for certain significant environmental effects of the PCEP, and the CEQA Findings include a Statement of Overriding Considerations that supports approval of the PCEP;
 - 3) No feasible alternative or additional feasible mitigation measures within the Authority's powers exist that would substantially lessen or avoid any significant effect that the PCEP would have on the environment; and
 - d) Since the Final EIR was finalized, there have been no substantial changes to the Project and no substantial changes in Project circumstances that would require major revisions to the Final EIR due to the involvement of new significant environmental effects or an increase in the severity of previously identified significant effects, and there is no new information of substantial importance that would change the conclusions set forth in the Final EIR.
- 3. As a responsible agency under CEQA, the Authority hereby adopts PCJBP's CEQA Findings for the PCEP as the Authority's own findings under CEQA to support the Authority's funding of the PCEP; and also hereby adopts the PCJBP's Statement of Overriding Considerations, and reiterates the benefits of the PCEP, including but not limited to consistency with planning for future high-speed rail blended service.
 - 4. The Authority reiterates its commitment to its lead agency role in future project-level environmental review for the San Francisco to San Jose and San Jose to Merced high-speed rail project sections, which are distinct projects from its present funding of PCJBP's PCEP.
 - 5. The Chief Executive Officer (CEO) is hereby authorized to: execute the *Agreement Regarding Commitments Toward Peninsula Corridor Electrification Project* and the Seven Party Supplement to the 2012 MOU in substantially similar form as presented to the Board; and to negotiate and execute any further detailed agreements that may be necessary to implement the intent of this Resolution and the above-referenced *Agreement* and Supplement, including but not limited to the Project Management and Funding Agreement required by Senate Bill 1029.

Documents:

The documents and other materials which constitute the record of proceedings upon which this decision is based are in the custody of Janice Harlan, Secretary to the Board of Directors,

California High-Speed Rail Authority, 770 L Street, Suite 1160, Sacramento, California, 95814.

Vote: 7 – 0

Yes: Correa; Curtin; Paskett; Richard; Richards; Rossi; Schenk

No: N/A

Absent: Lowenthal

Date: 08/09/2016

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