

High Desert Corridor
Joint Powers Authority

April 10, 2013

Meeting Materials

Item 2

Approve of Minutes of November 30, 2012

**HIGH DESERT CORRIDOR JOINT POWERS AUTHORITY
BOARD OF DIRECTORS MEETING
Friday, November 30, 2012
10:00 a.m.**

**San Bernardino County Government Center
385 North Arrowhead Avenue
San Bernardino, CA 92415-0130**

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| | Directors Present | Brad Mitzelfelt , Supervisor, San Bernardino County First District (Chairman); Norman L. Hickling , Deputy to Supervisor Antonovich; Ryan McEachron , City of Victorville; James Ledford , City of Palmdale |
| | Directors Absent | Michael Antonovich , Supervisor, Los Angeles County Supervisor (Vice Chairman); Ronald D. Smith , City of Lancaster; Rick Roelle , Town of Apple Valley |
| | Alternates Present | Michael Cano , Los Angeles County |
| 1. | Call to Order | Chairman Mitzelfelt called the meeting to order at 10:10; Roll call was conducted by Assistant Secretary Lynna Monell Chairman Mitzelfelt stated that last January it was indicated that the JPA would meet when InfraConsult Draft was ready, with the Financial Feasibility Evaluation of the P3 prospects of the High Desert Corridor, including the rail and green energy features. He further stated that he is pleased to share draft and information with JPA board today. |
| 2. | Approval of Minutes | Chairman Mitzelfelt asked if there are any changes to the minutes. None were stated. On motion of Director Ledford, seconded by Director Hickling, the minutes of the January 5, 2012 Board meeting were approved unanimously as submitted. |
| 3. | Director Reports | Ryan McEachron thanked Chairman Mitzelfelt for serving as Chairman of the Authority. Mr. McEachron stated that communication between Metro and Caltrans needed to improve with the city of Victorville as it became evident that there were different alignments that Victorville was not aware of. He further stated that more communication is needed between cities involved and the JPA needs to ensure that there is more communication. Asked Caltrans and Metro to communicate at least monthly and that there are some alignments on the map going through Victorville that they would be opposed to. |
| 4. | Approve and file audit report for the year ending 6/30/11 | Gerry Newcombe reported that the audit report was clean and there were no questions. Mr. Newcombe indicated that he recommend that board accept and file the report as presented. Director Mitzelfelt thanked Gerry Newcombe and Robert Saldana who assisted in preparing the |

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| | | <p>report.</p> <p>No further questions were raised regarding the audit report.</p> <p>On motion of Director McEachron, seconded by Director Hickling, the audit report for the year ending June 30, 2011 was approved and filed unanimously as submitted.</p> |
| 5. | Membership Roster Update | <p>Updates to membership roster:</p> <p>Director Mitzelfelt indicated the changes to be made on the JPA. Director Mitzelfelt stated that Robert Lovingood will be replacing him as First District Supervisor.</p> <p>Carol Greene discussed how to fill vacancies as follows. There are currently 9 seats, the San Bernardino County 1st District Supervisor and the Los Angeles County 5th District Supervisor are automatic members. Each can appoint three elected officials from various cities within those districts that have interest in the project. The appointments would then be approved by the governing Board of either San Bernardino or Los Angeles County.</p> <p>The 9th seat has been vacant; which would be jointly appointed by the San Bernardino and Los Angeles County Supervisors. There is no restriction that this appointment be filled by an elected official.</p> <p>An amendment to the JPA was approved by the Board in 2010 that would add two additional directors, one from Metro and one from SANBAG, but this has not been approved by the member agencies. It is the hope to have this amendment approved by the agencies within the next year in order to get those two seats at the table. Once the agencies approve the amendments to the JPA agreement, those appointments would be made by the Metro and SANBAG Presidents.</p> <p>The appointment process to replace the City Board members is for the recommendations to be made by the San Bernardino First District Supervisor and the Los Angeles Fifth District Supervisor to their governing board and that board would then approve the appointment.</p> <p>Director Mitzelfelt indicated that that there would be discussion regarding a potential next meeting and that hopefully the appointments could be made prior to that time. There were no further questions.</p> |
| 6. | EIS/EIR Progress Report and outreach strategy | <p>Director Mitzelfelt stated that there is a 13 mile portion of the EIS/EIR east of the I-15 that is not a part of the P3 project for which the JPA is the Policy body. However, when the Victorville, Caltrans-Palmdale and JPA EIS/EIRs were merged into one 63-mile segment, the Board now has to track the EIS according to rules, so the EIS/EIR now covers the extra 13 miles to the SR 18 in Lucerne Valley.</p> <p>Laurie Hunter stated that Caltrans purpose and need for the EIS/EIR only dealt with the highway portion. After discussion, since the rail station connectivity and the green corridor are such important components of the projects, it was thought important to include the rail and green energy references in the purpose and need. She has been</p> |

working with Caltrans and Metro staff and has been successful in incorporating language in the "Purpose".

Doug Failing, Chief Executive Officer, directing the High Desert Corridor at Metro introduced the head of Metro's P3 team, Kathleen Sanchez, and their entire staff.

Mr. Failing indicated that their EIS/EIR staff would be reaching out to Victorville to increase communications, as requested by Director McEachron.

Mr. Failing introduced Robert Machuca, Project Manager for the High Desert Corridor EIS/EIR with Metro, to present an update and progress on the EIS/EIR.

Robert Machuca presented the progress report on the EIS/EIR. (See PowerPoint)

Ann Kerman made a presentation on the outreach being conducted regarding the High Desert Corridor Project.

Presentation was turned back to Doug Failing for closing remarks.

Director Ledford asked a question and stated a concern about the right of way. He indicated that he is focused on the green energy corridor as an emphasis. He stated that his concern about other elements such as natural and gas telecommunication provisions to the alignment. He stated that these are areas where private sector could engage. Mr. Failing stated that there are new laws at federal level having to do with telecommunications in new highway corridors. They have also looked at CNG for fueling stations.

Michael Cano stated that there is a role the private sector is going to play if the Board does partner and ask for ideas. He asked if there was insight as to how far the Board can go in terms of proposing ideas regarding right of way and private sector participation.

Mr. Failing stated that he had already been approached by other participants in the clean energy corridor, transmission corridor and telecommunications companies.

Director Mitzelfelt stated that a group came in to a High Desert SANBAG meeting to discuss a project to bring wind energy that is DC current. Also, LADWP trying to bring in geothermal from Imperial County having trouble brining it through the east/west desert passes. Mr. Failing wants to be careful about expanding the limits of the existing project footprint. Director Mitzelfelt indicates that we should envision who might come along with opportunities later.

Mr. Cano would like to see more in connection with Palmdale airport, housing and regionalizing air traffic to make it a component.

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| 7. | Presentation by InfraConsult of the Financial Feasibility Evaluation | <p>Director Mitzelfelt introduced Kern Jacobson with consulting P3 firm InfraConsult and Metro's Kathleen Sanchez to present the draft P3 Financial Evaluation. (See PowerPoint)</p> <p>Of particular interest was the financial contribution prospect from rail connectivity between Downtown LA Union Station and Las Vegas, without a transfer. A significant revenue stream from rail, when combined with tolls, could finance the HDC without need for federal dollars.</p> <p>Director Mitzelfelt stated that one of the charts that spoke about tolling said the middle segment contribution to gap financing was minimal to none and asked what the gap is in that scenario. Mr. Jacobson stated that it assumes no available public funding, and the gap that remains after considering the toll revenue and what the private sector would contribute to the capital costs on basis of the toll revenue.</p> <p>Michael Cano stated for clarification that the assumptions for the eastern and western segments are not just financial but impacts on the cities. Mr. Jacobson stated yes.</p> <p>Director Ledford asked questions about solar in the corridor and how to get to a net zero status of entirely powering electrified high speed rail and expressway operations and maintenance, and discussed private sector economies of scale or trade for power.</p> <p>Michael Cano stated that high speed rail is an integral portion of this project and asked if there has there been any comment from High Speed Rail Authority on the Feasibility Plan. Mr. Jacobson stated that he has not spoken with them as of this time. Mr. Failing said they have been in contact with the High Speed Rail Authority regarding access to power. The initial conversations are going well.</p> <p>Jose Martinez from High Speed Rail Authority stated that they are interested in the coordination with the project.</p> <p>Michael Cano stated that assuming there is an off ramp, that there is a potential and developing trade based parcels, and asked if there has been any analysis regarding land use value. Mr. Jacobson stated that there was no quantitative assessment and hopes that this could be proposed by private sector if this is put out for proposals.</p> |
| 8. | XpressWest Update | <p>Director Mitzelfelt stated that the support of putting rail into the alignment began about three and one half years ago. At the August 2009 JPA meeting action was taken to authorize Laurie Hunter to start discussions to see if collaborations could take place to get federal funding to include rail in the HDC EIS, however this did not succeed as earmarks became toxic.</p> <p>Director Mitzelfelt introduced Andrew Mack of XpressWest who presented an update on Federal approval of their Environmental Document from Las Vegas to Victorville. (See PowerPoint).</p> <p>Laurie Hunter reminded the JPA that they took a vote in January to support the loan for XpressWest.</p> |

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| | | There were no additional questions. |
| 9. | Palmdale Station and EIS/R Configuration and Issues (Possible Action) | <p>Director Mitzelfelt indicated that this item may result in the JPA registering a preference in comments to the EIS/EIR for the rail alignment at the Palmdale end. Michael Cano and Jim Ledford lead discussion on the prospects for two separate stations for Metrolink and the California High Speed Rail Authority stations coming in from Bakersfield and how it relates to the HDC alignment coming west from Victorville to Palmdale. Director Mitzelfelt also stated that Mr. Martinez from the High Speed Rail Authority was welcome to join discussion.</p> <p>Mr. Cano stated that said they are excited by the idea that there would be a northwest station in Palmdale to be a hub of high speed rail from Los Angeles to Las Vegas. The issues are the financial aspect of how to fund this and how to provide most efficient service to connect all these corridors through Palmdale. This body should work together collaboratively to figure out how to support the Palmdale station instead of moving any further forward discussing separate stations for the California High Speed Rail project.</p> <p>Mayor Ledford stated that the vision for the Palmdale station is as a true intermodal station, with two high speed rail operations, Metrolink and a regional airport. As studies progress the JPA may want to consider taking a position as a board.</p> <p>He further stated that there are three issues that affect Palmdale. The first is how to bring the bike trail at 100st St. all the way in to Palmdale. He stated that this is something that this Board may not want to take on. Another issue is connectivity to the High Desert Corridor via Palmdale Blvd. There is a currently a disconnect and proposes access via the SR14, which is an issue relevant to Palmdale, and maybe not to this Board.</p> <p>The third issue relevant to the Board is the HSR station location. Mr. Ledford stated that he is promoting an eastern station location. He stated that Palmdale thinks the Board should take a position in support of the Northeast station. Support the partner's position and push for a single intermodal facility. This would also enable a trip with no transfer from LA Union Station to Las Vegas to help financing as just presented by InfraConsult.</p> <p>On motion by Director Ledford, seconded by Director McEachron, the Board indicated support for the northwestern station along the easterly alignment location on the EIS/EIR high speed rail alternatives for Palmdale.</p> <p>Motion is amended and seconded to authorize the chair to transmit these comments and include a recommendation to the California High Speed Rail Authority's environmental process for the station alternative.</p> <p>Mr. Cano added that as the various system plans integrate and are developed, there is a need to focus on how integrate and connect the rail lines.</p> |

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| | | <p>Motion is further amended to tell the High Desert Corridor EIS/EIR team of the preference of the JPA in the route alignment that is the Y configuration which eliminates the need for a transfer between LA Union Station and Las Vegas. The amendment is seconded by McEachron</p> <p>All in favor, the motion, as amended, passed.</p> |
| 10. | Legislative Strategy to Adopt a Three-Agency Federal Pilot Program and State Coordination | <p>Laurie Hunter stated that there have been discussions with SANBAG and Metro officials that the JPA should work with respective legislative staffs to agree on a common legislative platform and have lobbyists working off the same page. Miss Hunter stated that she is investigating the idea of a P3 project that combines three agencies' loan programs into a federal 3-agency block package: the Federal Highway Administration, the Federal Railroad Administration and the Department of Energy. This would be bigger than the limits of each of these individually. She will work with the P3 team to put a strategy together to bring something back in the future.</p> <p>Mr. Cano stated that what the Board is doing is unique in terms of this project. This may end up transforming categories, especially with authorization, coming up in 18 months. The point of this legislative strategy is to help the two counties work together and to speak in one voice at the state and federal level. Also to figure out how to proactively shape how federal government views these types of projects. This project has potential to be ground breaking and to change how the federal government funds future projects</p> <p>Chairman Mitzelfelt thanked presenters who came for today's meeting.</p> |
| 13 | Set Next meeting date/adjourn | <p>Mr. Cano stated that there is no specific date set. Laurie Hunter stated that after Supervisor Lovingood takes office a date will be set.</p> |
| | Other | <p>The Board presented Chairman Mitzelfelt a golden shovel for the ground breaking in 2015. Mr. Cano stated that Supervisor Antonovich is appreciative of Director Mitzelfelt leadership, moving the project forward and making it happen.</p> <p>Counsel Carol Greene stated that there was instruction in the motion for Item #9 for the chairman to take action and technically the JPA will be without a chair and asked if the Board wishes to take a motion to have Supervisor Antonovich to become chair. Discussion takes place regarding Vice Chair Supervisor Antonovich taking on the duties of in the absence of the Chair in the interim.</p> <p>By consensus the Vice Chair will take over as Chair until the next meeting.</p> |
| | Public Comment | <p>No general public comment. There being no further business, the meeting adjourned at 11:56 and a future meeting will be set as needed.</p> |