

**METROPOLITAN
TRANSPORTATION
COMMISSION**
Meeting Transcript



OCTOBER 9, 2024

1 **PROGRAMMING AND ALLOCATIONS COMMITTEE**

2 **WEDNESDAY, OCTOBER 9TH, 2024, 9:45 AM**

3

4

5 **V. CHAIR, NATE MILEY:** ALL RIGHT. I WOULD LIKE TO CALL TO ORDER
6 THIS MEETING OF THE PROGRAMMING AND ALLOCATIONS COMMITTEE.
7 THIS MEETING IS BEING WEBCAST ON MTC WEB SITE. COMMISSIONERS
8 AND MEMBERS OF THE PUBLIC PARTICIPATING BY ZOOM WISHING TO
9 SPEAK SHOULD USE THE RAISED HAND FEATURE OR DIAL STAR NINE AND
10 I WILL CALL UPON THEM AT THE APPROPRIATE TIME. ROLL CALL,
11 PLEASE.

12

13 **CLERK, CARSIE BONNER:** CHAIR CHAVEZ?

14

15 **CHAIR, CINDY CHAVEZ:** HERE.

16

17 **CLERK, CARSIE BONNER:** VICE CHAIR MILEY?

18

19 **V. CHAIR, NATE MILEY:** HERE.

20

21 **CLERK, CARSIE BONNER:** COMMISSIONER ABE-KOGA?

22

23 **V. CHAIR, MARGARET ABE-KOGA:** HERE.

24



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1 **CLERK, CARSIE BONNER:** EL-TAWANSY PRESENT BUT NOT IN HER CHAIR.

2 COMMISSIONER FLEMING?

3

4 **VICTORIA FLEMING:** HERE.

5

6 **CLERK, CARSIE BONNER:** GLOVER IS ABSENT.. AN? PRESENT BUT NOT

7 AT HER CHAIR. COMMISSIONER RONEN?

8

9 **HILLARY RONEN:** PRESENT.

10

11 **CLERK, CARSIE BONNER:** COMMISSIONER NON-VOTING SCHAFF?

12

13 **LIBBY SCHAAF:** HERE.

14

15 **CLERK, CARSIE BONNER:** COMMISSION ARE THAO IS ABSENT. ARE WE

16 HAVE A QUORUM.

17

18 **V. CHAIR, NATE MILEY:** THANK YOU. RIGHT NOW WE'LL GO TO THE

19 CONSENT CALENDAR. INCLUDES ITEMS 2A THROUGH 2G. IS THERE ANY

20 COMMISSIONER THAT WOULD LIKE TO PULL AN ITEM FROM THE CONSENT

21 CALENDAR? OKAY. DO WE HAVE ANY --

22

23 **CLERK, CARSIE BONNER:** NO PUBLIC COMMENT ONLINE, NO ONE IN THE

24 BOARDROOM AND NO WRITTEN CORRESPONDENCE RECEIVED.

25



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1 **V. CHAIR, NATE MILEY:** OKAY. CAN WE GET A MOTION?

2

3 **CHAIR, CINDY CHAVEZ:** MOVE APPROVAL, CHAVEZ.

4

5 **VICTORIA FLEMING:** SECOND, FLEMING.

6

7 **V. CHAIR, NATE MILEY:** ROLL?

8

9 **CLERK, CARSIE BONNER:** CHAIR CHAVEZ?

10

11 **CHAIR, CINDY CHAVEZ:** YES.

12

13 **CLERK, CARSIE BONNER:** VICE CHAIR MILEY?

14

15 **V. CHAIR, NATE MILEY:** YES.

16

17 **CLERK, CARSIE BONNER:** COMMISSION ARE ABE-KOGA?

18

19 **V. CHAIR, MARGARET ABE-KOGA:** AYE.

20

21 **CLERK, CARSIE BONNER:** COMMISSIONER FLEMING?

22

23 **VICTORIA FLEMING:** YES.

24

25 **CLERK, CARSIE BONNER:** COMMISSIONER GLOVER IS ABSENT. PAPAN?



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1

2 **GINA PAPAN:** YES.

3

4 **CLERK, CARSIE BONNER:** RONEN?

5

6 **HILLARY RONEN:** YES.

7

8 **CLERK, CARSIE BONNER:** THAO IS ABSENT. MOTION PASSES

9 UNANIMOUSLY BY ALL MEMBERS PRESENT.

10

11 **V. CHAIR, NATE MILEY:** THANK YOU. AGENDA ITEM 3A, MTC

12 RESOLUTION NUMBER 4663 REVISED, AMENDMENT TO NOMINATIONS FOR

13 SENATE BILL, ONE SB1 SOLUTIONS FOR CONGESTED CORRIDORS

14 PROGRAM. AMENDMENT NOMINATIONS FOR SENATE BILL SOLUTIONS FOR

15 CONGESTED CORRIDORS PROGRAM PRESENTATION FROM VTA, BART,

16 SILICON VALLEY, PHASE TWO EXTENSION PROJECT. AND KENNETH KAO

17 THE MAKE THE PRESENTATION.

18

19 **KENNETH KAO:** GOOD MORNING, COMMISSIONERS. KENNETH KAO WITH MTC

20 STAFF. TODAY IS AN ACTION ITEM AMEND BAY AREA'S SENATE BILL

21 ONE SOLUTIONS FOR CONGESTED CORRIDORS PROGRAM NOMINATIONS.

22 LAST MONTH COMMISSION APPROVED MTC NOMINATIONS FOR SCC PROGRAM

23 WITH SEVEN PROJECTS REQUESTING 434 MILLION IN SCC FUNDS THIS

24 MONTH STAFF PROPOSED TO AMEND THE PROGRAM TO REFLECT TWO

25 CHANGES. FIRST IS REVISING I 680 NORTHBOUND EXPRESS LANES



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1 PROJECTS REQUESTED AMOUNT IN CONTRA COSTA COUNTY, AND ALSO
2 ADDING SANTA CLARA VTA'S BART TO SILICON VALLEY PHASE TWO
3 EXTENSION PROJECT. FOR THE 680 PROJECT CONTRA COSTA COUNTY,
4 THE U.S. DEPARTMENT OF TRANSPORTATION RECENTLY AWARDED 166
5 MILLION IN FEDERAL MEGA GRANT AWARDS FOR THE INNOVATE 680
6 PROJECT. THE 680 AND NORTHBOUND EXPRESS LANES PROJECT AS PART
7 OF THE INNOVATE 680 SUITE OF PROJECTS AND THE EXPRESS LANES
8 PROJECT SLATED TO RECEIVE \$116 MILLION FROM FEDERAL GRANTS.
9 WHILE THE FEDERAL GRANT SUBSTANTIALLY REDUCES THE FUNDING
10 SHORTFALL ON THE PROJECT. FUNDING STILL NEEDED TO DELIVER THE
11 PROJECT AS ENVISIONED WITH VMT MITIGATION MEASURES. THAT'S
12 VEHICLE MILES TRAVELED; VMT. CCTA DOES EXPECT REVISED MAXIMUM
13 REQUEST OF \$65 MILLION FOR SCC FOR THE OVERALL PROJECT, WHICH
14 INCLUDES SHARED MOBILITY HUBS TRANSPORTATION DEMAND MANAGEMENT
15 MEASURES, OFFSET INDUCED VMT FROM THE NEW EXPRESS LANE. VTA
16 STAFF CONFIRMED INTENT -- EXTENSION TO PROJECT FEDERAL TRANSIT
17 ADMINISTRATION ANNOUNCED FUNDING FOR THE PROJECT STILL A
18 FUNDING GAP VTA PLANS TO REQUEST A TOTAL OF ONE HUNDREDS
19 MILLION IN SB1 FUNDS THAT SPLIT 75 MILLION FUNDS AND \$25
20 MILLION IN LOCAL PARTNERSHIP COMPETITIVE PROGRAM FUNDS AND VTA
21 REQUESTS LETTER ATTACHED TO THE STAFF REPORT VTA STAFF IS HERE
22 TODAY TO PROVIDE UPDATE ON THE PROJECT AND EFFORTS TO CLOSE
23 THE FUNDING GAP TO SECURE FEDERAL FTA FUNDS. I'LL TURN IT OVER
24 TO TOM MCGUIRE WHO IS VTA CHIEF MEGA PROJECTS OFFICER AND
25 AFTER HIS PRESENTATION I'LL MAKE THE RECOMMENDATION.



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1

2 **TOM MCGUIRE:** TOM, VTA HAPPY TO BE HERE TO TALK ABOUT THE
3 OVERALL PROGRAM UPDATE BART SILICON VALLEY PHASE TWO PROGRAM,
4 CONTEXT FOR FUNDING REQUEST AND WHAT WE EXPECT TO ACCOMPLISH
5 IN THE NEXT YEAR OR TWO. NEXT SLIDE. JUST A REFRESHER FOR
6 FOLKS WHO HAVEN'T SEEN A REPORT OF THIS PROJECT IN A WHILE,
7 BART SILICON VALLEY PHASE TWO IS THE FINAL PIECE OF THE
8 EXTENSION OF THE BART SYSTEM SOUTHWARD INTO SANTA CLARA
9 COUNTY, A SIX MILE RAIL EXTENSION WITH FOUR STATIONS
10 STRETCHING FROM LITTLE PORT GULL STATION ON EAST SIDE OF SAN
11 JOSE, TWO STATIONS DOWNTOWN, ONE IN THE HEART OF DOWNTOWN, ONE
12 IN DIRIDON INTERMODAL STATION AND FINAL ONE IN SANTA CLARA
13 STATION INCLUDING FOUR BART STATIONS FIVE MILE SINGLE BOARD
14 TUNNEL AND NEW STORAGE YARD AND MAINTENANCE FACILITY TO ENSURE
15 SMOOTH OPERATIONS IN THE COUNTY. NEXT SLIDE. THERE HAS BEEN A
16 LOT GOING ON INTERNALLY AND EXTERNALLY IN THIS PROJECT WE'RE
17 EXCITED TO BE ABLE TO SAY THAT AUGUST 1ST THE FEDERAL TRANSIT
18 ADMINISTRATION ADMITTED OUR PROJECT INTO THE NEW STARTS PHASE,
19 ENGINEERING PHASE OF THE NEW STARTS PROGRAM AND THAT DECISION
20 CAME WITH COMMITMENT OF MAXIMUM OF 40% PROJECT COST \$5.1
21 BILLION IN FEDERAL FUNDING NOTED WHEN THEY MADE THAT DECISION
22 THIS IS THE LARGEST POTENTIAL AWARD TO ANY PROJECT WEST OF THE
23 HUDSON RIVER PROUD TO BE ABLE TO BRING THOSE FEDERAL RESOURCES
24 HERE TO THE BAY AREA TO BUILD-OUT OUR REGIONAL TRANSIT
25 NETWORK. WE HAVE SOME WORK TO DO AND WE WILL CONTINUE TO WORK



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1 TO FILL THE FUNDING GAP WHICH WAS JUST MENTIONED BY MTC STAFF
2 AND PART OF THAT INVOLVES SEEKING NEW FUNDS AND PART OF THAT
3 INVOLVES TAKING AN AGGRESSIVE LOOK AT HOW WE CAN SAVE COSTS IN
4 OUR OWN PROGRAM. I WANT TO EMPHASIZE TO COMMISSIONERS WE'RE
5 NOT SIMPLY LOOKING TO CLOSE THE FUNDING GAP, NEXT SLIDE, BUT
6 WHAT YOU SEE ON THIS SLIDE THROUGH NEW FUNDS, WE'RE ALSO
7 LOOKING TO REDUCE OUR COSTS AND KEEP THIS PROJECT WITHIN A
8 REASONABLE COST ESTIMATE. AS YOU PROBABLY LAST HEARD IN FALL
9 2023 OVERALL COST OF THE BART SILICON VALLEY PHASE TWO
10 EXTENSION IS \$12.75 BILLION, THE CHART SHOWS ALL THE DIFFERENT
11 SOURCES WE'RE GRATEFUL TO MTC AND STATE FOR YOUR SUPPORT
12 THROUGH THE RM3 TRSIP PROGRAM. THE TOP OF THE PIE CHART SHOWS
13 THAT THE 5.1 HISTORIC 5.1 BILLION IN FEDERAL COMMITMENT IN
14 BLUE. THAT'S A GREAT NUMBER BUT LESS THAN WHAT WE ASKED FOR.
15 WE WERE HOPING TO SEE OVER \$6 BILLION IN THAT SLICE AS A
16 RESULT WE HAVE A GAP IN THE SLICE DETERMINED 700 MILLION
17 THAT'S THE PROBLEM. WE'RE LOOKING FOR WAYS TO SAVE COSTS
18 REDUCE SCOPE OF THE PROGRAM WORK WITH PARTNERSHIP WITH BART TO
19 KEEP COSTS UNDER CONTROL AS WE ENTER CONSTRUCTION AND WE WANT
20 TO EXPLORE FUNDING SOURCES WE'RE HERE TO REQUEST YOUR SUPPORT
21 FOR PUTTING THIS PROJECT FORWARD FOR THE SB1 FUNDING SOURCES.
22 NEXT SLIDE. I'LL TALK MORE ABOUT THE COST SAVING CONVERSATION.
23 IT'S IMPORTANT FOR A PROJECT OF THIS SIZE THAT WE DON'T LOSE
24 THE MOMENTUM WE HAVE. WE BROKE GROUND JUNE 14TH ARE UNDER
25 CONSTRUCTION IN THE CITY OF SANTA CLARA THAT'S MANY YEARS --



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1 THAT WAS GROUNDBREAKING MANY YEARS IN THE MAKING, AND THERE
2 WERE KEY POLICY DECISIONS THAT HELPED US GET THERE. NEED FOR
3 RECORD OF DECISION IN 2018, THE CEQA ENVIRONMENTAL IMPACT
4 REPORT THAT WAS CERTIFIED IN 2018, RIDERSHIP FORECAST
5 CERTIFIED BY THE FEDERAL TRANSIT ADMINISTRATION, AND AN
6 IMPORTANT RISK ASSESSMENT THAT WENT THROUGH THE FTA IN 2024
7 AND WHICH WILL BE REPEATED IN 2025. WE DO NOT WANT TO GO
8 OUTSIDE OF THOSE GUARDRAILS AND SAY WE CAN SAVE MONEY AND IN
9 DOING SO TAKE OURSELVES BACK IN THE PLANNING FUNDING OR
10 CONSTRUCTION, DESIGN AND CONSTRUCTION PROCESS. WE WANT TO KEEP
11 MOMENTUM WE HAVE GOING KEEP MOMENTUM THAT WE HAVE THROUGH
12 GROUNDBREAKING BUT AGAIN COST UNDER CONTROL IN A RESPONSIBLE
13 WAY. NEXT SLIDE. QUICK, I'M GOING TO GIVE A QUICK OVERVIEW OF
14 COST SAVINGS IDEAS DISCUSSED AT OUR BOARD EVERY MONTH IN GREAT
15 DETAIL. BUT KEY TO BRING YOUR ATTENTION TO, WE'RE BUILDING ONE
16 OF THE LARGEST TRANSIT TUNNELS EVER BUILT IN THE UNITED
17 STATES. THERE ARE A NUMBER OF THINGS THAT WE'RE FINDING IN
18 TERMS OF THE DESIGN THAT WE CAN OPTIMIZE. RECONFIGURING
19 INTERIOR, DIGGING FROM BOTH DIRECTIONS AT THE SAME TIME RATHER
20 THAN SIMPLY DIGGING FROM WEST TO EAST CHANGING THE APPROACH WE
21 TAKE STRUCTURAL WALLS THAT SUPPORT THE TUNNEL AND FINALLY
22 ENVIRONMENTALLY RESPONSIBLE POTENTIAL TRIPLE BOTTOM LINE WAYS
23 TO REMOVE THE MUCK FROM THE GROUND TO IMPROVE WATER POLLUTION
24 AND COASTAL RESILIENCY ISSUES WE HAVE IN SANTA CLARA COUNTY.
25 SO, WE'RE LOOKING AT ALL WAYS TO REDUCE COST AND BUILD MORE



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1 RESILIENT STRUCTURE. NEXT SLIDE. ALSO LOOKING AT OUR STATIONS
2 MAKING SURE THAT WE ARE BUILDING A STATION THAT SATISFIES OUR
3 COMMUNITY'S DESIRE FOR ICONIC ARCHITECTURE THAT DOESN'T OVER-
4 DESIGN THE STATION. PARKING SPACES EXPECTING TO BUILD 1200 --
5 1700 PARKING SPACES ON TWO SITES IN PARKING GARAGES. STATION
6 ACCESS PATTERNS FOR BART HAVE BEEN CHANGING RAPIDLY BEFORE THE
7 PANDEMIC AND WILL CONTINUE TO CHANGE. WE'RE LOOKING AT OPTIONS
8 TO DO SURFACE PARKING FIRST AND POTENTIALLY TO PIVOT
9 STRUCTURED PARKING IF DEMAND ARISES AND IF NOT LOOK AT TRANSIT
10 ORIENTED DEVELOPMENT AFFORDABLE HOUSING, PLAN STATION SITES AS
11 CAREFULLY AS WE PLAN THE TUNNEL AND STATIONS THEMSELVES. NEXT
12 SLIDE. FINALLY WANT TO GIVE A SENSE OF THE TIMELINE HERE. AS
13 YOU CAN SEE, THAT GOLD STAR IS WHERE WE'RE LOOKING TO MAKE
14 POLICY DECISION AT THE VTA BOARD LEVEL WHERE COST SAVINGS TAKE
15 PLACE, ONCE AGAIN ON TRACK TO REDUCE PROJECT COSTS THAT FLOWS
16 OUT OF THE NEW STARTS ENGINEERING \$5.1 BILLION COMMITMENT THAT
17 KEEPS US ON TRACK TO MEET THE NUMBER THAT FTA HAS SET ON THE
18 CAPITAL IMPROVEMENT SCORECARD IS ON TARGET FOR GETTING FULL
19 FUNDING GRANT AGREEMENT TO TAKE PLACE IN FALL OF 2025 WE HAVE
20 TO MAKE THAT POLICY DECISION THIS DECEMBER AND OF COURSE WE'RE
21 ASKING FOR YOUR SUPPORT TO HELP US ON THE FUNDING SIDE AS WELL
22 WITH TODAY'S ACTION. NEXT SLIDE. FINAL PIECE SOMETHING OUR
23 BOARD IS COMMITTED TO MAKING DECISIONS IN A TRANSPARENT WAY AS
24 MEGA PROJECTS AROUND THE REGION HAVE TYPICALLY ACTED WE HAVE
25 OVERSIGHT COMMITTEE THAT MEETS EVERYTHING MONTH CHAIR CHAVEZ



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1 IS VICE CHAIR OF THAT COMMITTEE WE HAVE COMMUNITY WORKING
2 GROUPS, TIGHT COORDINATION WITH FTA REGIONAL STAFF WE'RE
3 TRYING TO MAKE SURE EVERYONE WHO HAS A STAKE IN DECISIONS IS
4 AT THE TABLE AND VOICES ARE HEARD QUITE COMPRESSED DECISION-
5 MAKING PROCESS. WITH THAT I'LL TAKE ANY QUESTIONS THAT YOU
6 HAVE. THANK YOU.

7

8 **V. CHAIR, NATE MILEY:** YES, COMMISSIONER?

9

10 **GINA PAPAN:** GREAT PRESENTATION. I LOVE THE ASPECT OF COST
11 SAVINGS THROUGH THE. I DON'T REALLY HEAR THAT A LOT. SO,
12 CONGRATULATIONS ON THAT ASPECT. AND JUST BECAUSE OF PAST
13 EXPERIENCE HERE, ONE THING I DON'T SEE, AND I HOPE YOU ARE
14 MAINTAINING CONTROL OF YOUR STATION MAYBE A COMMERCIAL ASPECT
15 WITHIN. SOMETHING THAT ADDS TO THE CUSTOMER EXPERIENCE AND
16 DON'T LET BART DO ANYTHING, BECAUSE YOU WILL NEVER SEE IT. SO,
17 IN ORDER FOR YOU ALL TO BENEFIT THE MOST, YOU MAY HAVE SOME
18 OPPORTUNITIES THERE. IN ADDITION TO THAT, WHEN YOU -- I DON'T
19 KNOW ABOUT YOUR PARKING STRUCTURE OR PARKING ASPECT OF IT --
20 IT'S GREAT THAT YOU'RE TRYING TO BE FLEXIBLE THERE, BUT I DO
21 THINK THERE ARE OPPORTUNITIES TO BUILD ABOVE, WHETHER IT'S
22 HOUSING -- PROBABLY HOUSING, THE BEST IN THAT KIND OF A
23 PARTNERSHIP, WE'RE FINDING PUBLIC PRIVATE PARTNERSHIPS IN THAT
24 REALM IS VERY BENEFICIAL, AROUND OUR STATION, NOT NECESSARILY
25 IN THEM. BUT IT'S VERY HELPFUL. AND I'M SURE YOU'RE GOING TO



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1 USE THAT BIG TUNNEL DIGGER IN THE FUTURE, HIGH SPEED RAIL
2 MIGHT NEED IT WHEN YOU'RE DONE. BUT, YEAH, IT'S VERY EXCITING.
3 AND I DO LIKE THE WAY YOU JUST -- IT'S CONSTANTLY INVOLVING
4 THE PUBLIC AND MOVING THINGS IN THE RIGHT DIRECTION. SO, MY
5 COMPLIMENTS TO THAT, AND I HOPE THAT THIS IS GREATLY
6 SUCCESSFUL MOVING FORWARD. THANK YOU.

7

8 **V. CHAIR, NATE MILEY:** ANY OTHER COMMISSIONERS? OKAY. OH,
9 CINDY, DO YOU WANT TO SPEAK

10

11 **CHAIR, CINDY CHAVEZ:** I WAS JUST GOING TO SAY MOVE APPROVAL.

12 [LAUGHTER]

13

14 **KENNETH KAO:** I'M SORRY. I HAVE TO --

15

16 **GINA PAPAN:** HE HAS TO MAKE THE RECOMMENDATION. [LAUGHTER]

17

18 **KENNETH KAO:** THANK YOU. STAFF WILL NOTE TWO ADDITIONAL ITEMS
19 RELATED TO THE RECOMMENDATION. FIRST, THE REGIONAL REQUESTED
20 AMOUNT WILL INCREASE TO 472 MILLION WITH THOSE TWO MENTIONED
21 CHANGES, WHICH IS JUST SHY OF THE 480 MILLION THAT'S AVAILABLE
22 STATEWIDE FOR THE SCC PROGRAM. STAFF ALSO NOTES THAT SINCE
23 PROJECT SPONSORS ARE STILL LOOKING AT ADDITIONAL FUNDING
24 OPPORTUNITIES AND REFINING COST ESTIMATES FINAL REQUESTED
25 AMOUNTS MAY BE DIFFERENT. THEREFORE STAFF RECOMMENDS THE



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1 COMMITTEE REFER MTC RESOLUTION 4663 REVISED TO THE COMMISSION
2 FOR COMMISSION APPROVAL. HAPPY TO ANSWER ANY QUESTIONS.

3

4 **V. CHAIR, NATE MILEY:** ANY PUBLIC SPEAKERS OR ANY PUBLIC
5 COMMENTS?

6

7 **CLERK, CARSIE BONNER:** WE DO HAVE ONE MEMBER OF THE PUBLIC
8 ONLINE. HOW MUCH TIME WOULD YOU LIKE TO PROVIDE?

9

10 **V. CHAIR, NATE MILEY:** TWO MINUTES.

11

12 **CLERK:** MICHAEL BALDINI, IF YOU COULD UNMUTE YOURSELF. YOU HAVE
13 TWO MINUTES.

14

15 **MICHAEL BALDINI:** GOOD MORNING. QUESTION, MICHAEL BALDINI, VICE
16 CHAIR OF POLICY ADVISORY COUNCIL, WHAT DOES THIS EXPENDITURES
17 DO GOING FORWARD AS FAR AS OPERATIONS WISE TO THE FISCAL CLIFF
18 THAT VTA AND BART ARE ALREADY FACING WHEN THIS AMOUNT OF MONEY
19 COULD PAY FOR A LOT OTHER THINGS? AND, SECONDLY, YOU MENTION
20 NETWORK, AND THERE WAS A COMMENT BY ONE OF THE COMMISSIONERS
21 REGARDING "DO NOT LET BART HANDLE IT" AND WOULD THIS BE A GOOD
22 TIME TO STUDY A MERGER OR CONSOLIDATION WITH BART AS FAR AS
23 VTA TO HELP EXTEND THAT ALL THE WAY, PRESENT A BROADER NETWORK
24 TO THE TRANSPORTATION-RIDING PUBLIC? THANK YOU.

25



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1 **V. CHAIR, NATE MILEY:** DO WE HAVE ANY OTHER SPEAKERS?

2 COMMENTERS?

3

4 **CLERK, CARSIE BONNER:** NO FURTHER PUBLIC COMMENT ONLINE, NO ONE

5 IN THE BOARDROOM AND NO WRITTEN CORRESPONDENCE RECEIVED.

6

7 **V. CHAIR, NATE MILEY:** OKAY. WOULD YOU LIKE TO RESPOND TO THE

8 SPEAKER'S COMMENT?

9

10 **KENNETH KAO:** THANKS FOR THE CHANCE TO RESPOND. I THINK THERE

11 WERE TWO POINTS. ONE HAD TO DO WITH THE RELATIONSHIP OF THE

12 FUNDING FOR BART -- FUNDING FOR THE BART OPERATING FISCAL

13 CLIFF. I THINK THE SIMPLEST ANSWER IS THAT THE RELATIONSHIP

14 BETWEEN VTA AND BART IS GOVERNED BY THE COOPERATIVE AGREEMENT

15 AND OPERATIONS AND MAINTENANCE AGREEMENT THAT ESSENTIALLY

16 MAKES SURE THAT VTA, THE TAX -- LOCAL TAXES THAT SUPPORT VTA

17 SALES TAXES FUND ALL OPERATING AND MAINTENANCE COSTS FOR BART

18 WITHIN SANTA CLARA COUNTY. SO THE PROJECT BUDGET AND FINANCING

19 PLAN THAT WE'RE ASKING THE FEDERAL GOVERNMENT TO APPROVE, WILL

20 ESSENTIALLY ENSURE THAT OPERATING COSTS ARE FULLY FUNDED

21 WITHIN SANTA CLARA COUNTY. BROADER QUESTION OF CONSOLIDATION

22 MAY BE OUT OF MY SCOPE.

23

24 **ANDREW FREMIER:** ANDREW FREMIER, EXECUTIVE DIRECTOR. I THINK WE

25 LEARNED SOME LESSONS ABOUT THE WORD CONSOLIDATION IN



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1 DISCUSSIONS WITH 1031. ALSO THE BROADER QUESTION WE'RE TRYING
2 TO ADDRESS AT THE END, THE OVERALL CONVERSATIONS WE'RE HAVING
3 WITH THE TRANSPORTATION REVENUE SELECT COMMITTEE SO I WOULD
4 SUGGEST WE WAIT FOR THAT WORK TO GET COMPLETE SO WE CAN SEE
5 HOW GOOD OF AN ANSWER WE CAN HAVE TO THAT QUESTION.

6

7 **V. CHAIR, NATE MILEY:** ALL RIGHT. THANK YOU FOR THAT. CHAIR?

8

9 **ALFREDO PEDROZA:** THANK YOU. I WANT TO GIVE A QUICK SHOUT OUT
10 TO SAN JOSE AND SANTA CLARA. LOOK, WHEN DIRECTOR PREMIER FIRST
11 CAME ON BOARD WE SPENT A LOT OF TIME IN SAN JOSE LOOKING AT
12 THIS PROJECT THE COMMITMENT TO HOUSING AND UNDERSTANDING THE
13 RELATIONSHIP BETWEEN TRANSIT AND HOUSING CREATING HOUSING
14 WHERE THERE IS ACTIVE TRANSPORTATION WAS SOMETHING THAT STOOD
15 OUT TO ME ALL THE NICE RENDERS AND NICE PICTURES, FROM VALUE
16 SIDE THAT COMMITMENT DID STAND OUTS TO SUPERVISOR CHAVEZ AND,
17 IT'S ONE OF THOSE PROJECTS THAT WE LOOK AT TODAY AND DOWN THE
18 LINE IS GOING TO SAY THANK YOU FOR DOING IT BECAUSE IT'S THE
19 RIGHT PROJECT FOR THE COMMUNITY SO I WANTED TO ACKNOWLEDGE
20 THAT.

21

22 **V. CHAIR, NATE MILEY:** LOOKING FOR A MOTION FOR APPROVAL.

23

24 **CHAIR, CINDY CHAVEZ:** MOVE APPROVAL.

25



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1 **V. CHAIR, NATE MILEY:** IS THERE A SECOND?

2

3 **V. CHAIR, MARGARET ABE-KOGA:** SECOND.

4

5 **V. CHAIR, NATE MILEY:** MOTION AND SECOND. CALL THE ROLL.

6

7 **CLERK, CARSIE BONNER:** CHAIR CHAVEZ.

8

9 **CHAIR, CINDY CHAVEZ:** YES.

10

11 **CLERK, CARSIE BONNER:** VICE CHAIR MILEY?

12

13 **V. CHAIR, NATE MILEY:** YES.

14

15 **CLERK, CARSIE BONNER:** COMMISSION ARE ABE-KOGA?

16

17 **V. CHAIR, MARGARET ABE-KOGA:** YES.

18

19 **CLERK, CARSIE BONNER:** FLEMING?

20

21 **VICTORIA FLEMING:** YES.

22

23 **CLERK, CARSIE BONNER:** GLOVER IS ABSENT. PAPAN?

24

25 **GINA PAPAN:** YES.



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1

2 **CLERK, CARSIE BONNER:** RONEN?

3

4 **HILLARY RONEN:** YES.

5

6 **CLERK, CARSIE BONNER:** THAO IS ABSENT. MOTION PASSES
7 UNANIMOUSLY BY ALL MEMBERS PRESENT.

8

9 **V. CHAIR, NATE MILEY:** GREAT. THANK YOU. WE'RE NOW AT AGENDA
10 ITEM 4A. REGIONAL ZERO-EMISSIONS TRANSIT TRANSITION STRATEGY.
11 PRESENTATION RECENTLY COMPLETED, REGIONAL ZERO-EMISSIONS
12 TRANSIT STRATEGY, TRANSITION STRATEGY, INCLUDING SUMMARY
13 TAKEAWAY'S AND PROPOSED NEXT STEPS. CRAIG BOSMAN FROM MTC AND
14 KATE SERGEANT WILL PRESENT THIS INFORMATIONAL ITEM.

15

16 **CRAIG BOSMAN:** GOOD MORNING COMMISSIONERS. CRAIG BOSMAN MTC
17 STAFF ALONG WITH KATE SERGEANT LEAD CONSULTANT FOR MTC ON THE
18 REGIONAL ZERO-EMISSIONS TRANSIT TRANSITION STRATEGY UPDATE.
19 EXCITED TO BRING THIS TO YOU TODAY. NEXT SLIDE. STRATEGY IN
20 DEVELOPMENT FOR OVER A YEAR IDEA TO PURSUE THIS STRATEGY
21 FOCUSES ON BUSES AND FERRIES CONCEIVED BY TRANSIT OPERATORS
22 AND PARTNERSHIP BOARD IN COORDINATION WITH MTC STAFF EXECUTIVE
23 SUMMARY OF THE DOCUMENT INCLUDED IN YOUR PACKET AND WE LOOK
24 FORWARD TO DISTRIBUTING FULL-LENGTH REPORT SOON. PRESENTATION
25 WILL INCLUDE KEY FINDINGS RECOMMENDATIONS AND NEXT STEPS FOR



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1 THE STRATEGY. NEXT SLIDE. WHY DID WE UNDERTAKE THIS STRATEGY?
2 NEXT SLIDE PLEASE. THE CALIFORNIA AIR RESOURCES BOARD OR CARB
3 HAS TWO KEY REGULATIONS THAT ARE THE DRIVING FACTOR TOWARD BUS
4 AND FERRY 0-EMISSION TRANSITION. INNOVATIVE CLEAN TRANSIT RULE
5 ICT FOCUSES ON BUSES AND FEATURED PHASE IN PURCHASE
6 REQUIREMENTS WITH ALL BUSES NEEDING TO BE ZERO-EMISSIONS BY
7 2029. CURRENTLY 25% OF PURCHASES LARGE BUS OPERATORS MUST BE
8 ZERO-EMISSIONS WILL CONTINUE TO RAMP UP THE MAJORITY OF
9 OPERATORS IN THE BAY AREA HAVE INITIAL ZERO-EMISSIONS
10 DEPLOYMENTS AND REST ARE ACTIVELY PLANNING ON PROCURERS CURING
11 IS ZERO-EMISSIONS FLEETS FOR FERRIES. CARB COMMERCIAL HARBOR
12 CRAFT REGULATION REQUIRES LOWER EMISSIONS ON FERRY SUITES
13 TRANSITIONING CHALLENGES AND RISKS OVERLOOK IN ORDER TO MAKE A
14 TIMELY FULL ZERO-EMISSIONS TRANSITION BY 2040. THERE ARE MANY
15 AREAS THAT AGENCIES CAN COLLABORATE. ANOTHER SPECIFIC REASON
16 MARKET TRENDS, AS YOU CAN SEE ON THE GRAPH RAMPING UP, HOWEVER
17 BUS MANUFACTURES ARE STRUGGLING TO MEET HIGH DEMAND NATION-
18 WIDE DUE TO SUPPLY CHAIN ISSUES LABOR SHORTAGES, AND OTHER
19 CHALLENGES. FOR TRANSIT AGENCIES, THIS HAS LED TO RISING BUS
20 PRICES AND DELAYED DELIVERIES, MTC IS UNDERSTANDING COAL
21 REGIONAL COST AND MEETING MANDATES AND FUNDING SHORTFALL UNDER
22 EXPECTED FUNDING LEVELS. I'LL HAND IT OVER TO KATE SERGEANT TO
23 WALK THROUGH THE KEY FINDINGS FROM THE STUDY. NEXT SLIDE.
24



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1 **KATE SERGEANT:** THANK YOU VERY MUCH. NEXT SLIDE PLEASE. SO, I
2 CAN SHARE KEY FINDINGS RELATED TO THIS STUDY. SO, SOME OF THE
3 ASSUMPTIONS THAT WE MADE TO COME UP WITH OUR ESTIMATED
4 TRANSITION COST FOR THE FULL COST OF TRANSITIONING THE WHOLE
5 ZERO BUS AND FERRY FLEET IN THE BAY AREA INCLUDE THAT THE
6 ZERO-EMISSIONS VEHICLE COSTS ARE FOR REPLACEMENT OF CURRENT
7 NON-ZERO-EMISSIONS VEHICLES THIS INCLUDES COST TO TRANSITION
8 FLEETS FULLY ONE TIME BUT DOES NOT INCLUDE FUTURE COST OF THAT
9 OF CONTINUING TO REPLACE ZERO-EMISSIONS BUSES WITH ADDITIONAL
10 ZERO-EMISSIONS BUSES WHICH ARE MORE EXPENSIVE ON A PER UNIT
11 BASIS. COST INCLUDE MID-LIFE OVERHAULS SO THE MIDDLE OF A BUS
12 USEFUL LIFE THERE CAN BE BATTERY REPLACEMENT SIGNIFICANT COSTS
13 WHICH ARE CONSIDERED CAPITAL COST OTHER COSTS INCLUDE CHARGING
14 EQUIPMENT, HYDROGEN FUEL DISPENSERS, TANKS, ET CETERA, AND
15 THEY INCLUDE FACILITY COSTS TO UPGRADE THE BUS FACILITIES TO
16 ACCOMMODATE THE CHARGING EQUIPMENT SO THIS CAN INCLUDE UPDATES
17 TO THE ELECTRICAL CAPACITY AT THE FACILITIES AND OTHER
18 SUPPORTING UPGRADES TO INSTALL CHARGING EQUIPMENT. NEXT SLIDE
19 PLEASE. SO, TAKING ALL OF THESE ASSUMPTIONS TOGETHER, WE
20 ESTIMATE THAT THE TOTAL TRANSITION COST FOR THE REGION
21 INCLUDES -- THERE IS A RANGE, SO BETWEEN 500 -- BETWEEN 5.7
22 BILLION AND 6.6 BILLION FOR THE COST OF BUS RELATED VEHICLES
23 AND EQUIPMENT AND FACILITIES. AND THE DIFFERENCE BETWEEN THESE
24 TWO COST TOTALS IS THAT WE ASK THE OPERATORS TO BREAK OUT
25 THEIR COST BETWEEN CAPITAL COST THAT ARE SPECIFICALLY RELATED



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1 TO THE ZERO-EMISSIONS VEHICLE TRANSITION AND THOSE THAT
2 THEY'RE JUST ASSOCIATED WITH IT. SO WHEN THESE TRANSIT
3 OPERATORS DO BUS FACILITY UPGRADES, THERE ARE, YOU KNOW, COSTS
4 SPECIFICALLY ASSOCIATED WITH THE UPGRADES BUT THERE ARE ALSO
5 OFTEN STATE OF GOOD REPAIR KINDS OF PROJECT WORK THAT'S FOLDED
6 INTO THE PROJECT. AND IT CAN BE DIFFICULT FOR THE AGENCIES TO
7 PARSE THE DIFFERENCE BETWEEN THESE TWO TYPES OF COSTS AND SO
8 WE INCLUDED THE RANGE HERE TO CAPTURE WHAT WE THINK IS THE,
9 YOU KNOW, THE LIKELY RANGE OF THAT COST. AND IN ADDITION, WE
10 ESTIMATE ONE POINT -- AROUND ADDITIONAL BILLION DOLLARS OF
11 FERRY RELATED TRANSITION COSTS BRINGING THE TOTAL TO 6.6 -- TO
12 \$7.6 BILLION. NEXT SLIDE, PLEASE. I SHOULD EMPHASIZE COSTS
13 WERE PROVIDED BY TRANSIT AGENCIES THEMSELVES SO WHAT THEY'RE
14 ESTIMATING THEIR COST TO BE FOR ALL THESE CATEGORIES AND AS
15 OPERATORS ARE CONTINUING TO GET MORE EXPERIENCED WITH
16 IMPLEMENTATION AND AS PROJECTS ARE SCOPED IN GREATER DETAIL,
17 THESE COSTS ARE LIKELY TO CONTINUE TO GROW AND HAVE, AS THEY
18 HAVE BEEN ABLE TO UPDATE THEIR COSTS OVER TIME. BUT THIS
19 LEAVES A FUNDING SHORTFALL WHEN WE LOOK AT THE PROJECTED
20 FUNDING AVAILABLE FOR THIS TRANSITION. SO, CURRENT FUNDING
21 LEVELS ARE PROJECTED TO BE APPROXIMATELY 2.7 BILLION, AND THAT
22 LEAVES A FUNDING SHORTFALL BETWEEN 4 AND 4.9 BILLION ACROSS
23 THE REGION WITH NO KNOWN FUNDING SOURCES. THERE ARE ADDITIONAL
24 DISCRETIONARY FUNDING SOURCES THAT ARE JUST DIFFICULT TO
25 PREDICT AND ON A CERTAIN TIMELINE WHICH IS HARD FOR OPERATORS



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1 TO PLAN AROUND. SO THIS SHOWS A NEED FOR INCREASED FUNDING
2 SUCH AS BIPARTISAN INFRASTRUCTURE LAW WHICH PROVIDED
3 ADDITIONAL FUNDING FOR ZERO-EMISSIONS TRANSITION. AND PART OF
4 THIS GAP WILL BE FILLED WITH DISCRETIONARY SOURCES, BUT
5 THEY'RE COMPETITIVE, AND APPLICATION BASED. AND THE AMOUNT
6 THAT TRANSIT AGENCIES IN THE BAY AREA HAVE RECEIVED FROM YEAR
7 TO YEAR HAS VARIED AND MADE IT DIFFICULT TO RELY UPON. NEXT
8 SLIDE, PLEASE. SO, THAT BRINGS US TO IDENTIFIED RISKS. PART OF
9 THIS PROJECT WAS TO IDENTIFY, IN ADDITION TO COAL COST OF THE
10 TRANSITION, WHAT ARE THE RISKS TO THE TRANSITION HAPPENING, OR
11 BEING ABLE TO FULFILL CARB MANDATES. ONE NOTABLE RISK IS RISK
12 OF FACILITY UPGRADE OR DELAYS. THIS CAN BE RELATED TO THE
13 TRANSITION COST OF THE TRANSITION IF AGENCIES ARE NOT ABLE TO
14 OBTAIN FUNDING FOR THEIR PROJECTS IN THE PLANNED TIME FRAME.
15 THERE IS RISK OF DELAYS OF GETTING POWER UPGRADES ON THE
16 REQUIRED TIME FRAME JUST BECAUSE OF THE TIMELINE FOR WORKING
17 WITH PG&E, THERE IS RISK OF VEHICLE DELIVERY DELAYS. CRAIG
18 MENTIONED THAT THERE ARE CHALLENGES IN THE BUS SUPPLIER
19 MARKET, IN THE BUS OEM MARKET, AND SEVERAL OEMS HAVE WITHDRAWN
20 FROM THE U.S. MARKET IN THE LAST COUPLE OF YEARS LEAVING A
21 LIMITED NUMBER OF PROVIDERS FOR A GROWING NUMBER OF ZERO-
22 EMISSIONS BUS ORDERS. THERE ARE, YOU KNOW, AS WE JUST
23 DISCUSSED, BUDGETARY RISKS, FUNDING LEVELS ARE INSUFFICIENT,
24 AND UNCERTAIN. AND CAPITAL AND OPERATING COSTS MAY GROW BEYOND
25 THE CURRENT PROJECTIONS OF OPERATORS MORE EXPERIENCED WITH



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1 IMPLEMENTATION AS WELL AS RELATIVE COSTS OVER TIME. IF A
2 FACILITY PRESENTLY CAN'T HAPPEN ON THE ESTIMATED TIME FRAME
3 AND IT HAPPENS SEVERAL YEARS LATER IT'S LIKELY TO COST
4 ADDITIONAL MONEY FOR THEM TO IMPLEMENT THAT PROJECT. NEXT
5 SLIDE PLEASE. AND, SO, ANOTHER COMPONENT OF THE STUDY WAS
6 LOOKING AT BEST PRACTICES AND HOW TRANSIT AGENCIES CAN
7 COLLABORATE IN CERTAIN AREAS TO MAKE THE TRANSITION MANDATES
8 MORE FEASIBLE. AND, SO, SOME OF THE TOPICS THAT WE IDENTIFIED
9 FOR AGENCIES TO COLLABORATE ON INCLUDE TECHNOLOGY CHOICE. SO,
10 MANY AGENCIES ARE STILL IDENTIFYING HOW MANY HYDROGEN FUEL
11 CELLS VERSUS BATTERY ELECTRIC BUSES WOULD BEST MEET THEIR
12 NEEDS. THEY HAVE DIFFERENT PROS AND CONS, ESSENTIALLY THE TWO
13 TECHNOLOGIES, BETWEEN THE TWO TECHNOLOGIES, AND THIS IS AN
14 AREA WHERE OPERATORS CAN SHARE KNOWLEDGE ABOUT WHAT'S WORKING
15 AND WHAT CIRCUMSTANCES TO HELP WITH THAT DECISION-MAKING. WE
16 IDENTIFIED AN OPPORTUNITY FOR COLLABORATING ON ROUTE CHARGING
17 INFRASTRUCTURE. SO, BART IS CURRENTLY FACILITATING
18 CONVERSATIONS AROUND DESIGN GUIDELINES AND TECHNOLOGY CHOICE
19 FOR OPPORTUNITY CHARGING AT BART STATIONS AND THESE DESIGN
20 GUIDELINES CAN ALSO BE USED AT FERRY TERMINALS AND CALTRAIN
21 STATIONS AND TRANSIT CENTERS WHERE MORE THAN ONE AGENCY HAS A
22 NOTABLE AMOUNT OF TIME TO LAY-OVER AND DO OPPORTUNITY
23 CHANGING. WE IDENTIFIED AN OPPORTUNITY TO DEVELOP A WORK
24 STREAM WITH PG&E SO THAT TRANSIT OPERATORS HAVE A BIT MORE
25 CERTAINTY IN THE PLANNING PROCESS, THAT THE CAPACITY, THAT



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1 THEY ASSUME WOULD BE AVAILABLE COULD IN FACT BE AVAILABLE ON
2 THE NEEDED TIME FRAME. NEXT SLIDE, PLEASE. AND WE IDENTIFIED
3 AN OPPORTUNITY TO DEVELOP A HYDROGEN FUEL PURCHASES
4 COLLABORATIVE WITH AGENCIES THAT ARE PURSUING HYDROGEN FUEL --
5 HYDROGEN FUELCELL BUSES. ARCHES IS A HYDROGEN HUB THAT
6 RECEIVES FEDERAL FUNDING TO, TO BE THE HYDROGEN FUELING HUB
7 FOR NORTHERN CALIFORNIA. AND AGENCIES CAN COLLABORATE ON A
8 PURCHASING AGREEMENT TO RECEIVE MORE CERTAINTY IN COST AND
9 POTENTIALLY BETTER COST FOR PURCHASING HYDROGEN FUEL. WE
10 IDENTIFIED AN OPPORTUNITY WITH AC TRANSIT WHO IS DEVELOPING
11 WHAT THEY CALL DEBU WHICH IS A MAINTENANCE FACILITY AND ALSO A
12 WORKFORCE TRAIN FASHION SILT WHERE THEY WILL PROVIDE THE
13 OPPORTUNITY FOR OTHER TRANSIT AGENCIES TO PAY TO TRAIN THEIR
14 WORKFORCE AND LEARN BEST PRACTICES IN TERMS OF ZERO-EMISSIONS
15 BUS MAINTENANCE AND OPERATIONS. AND WE ALSO IDENTIFIED AN
16 OPPORTUNITY FOR AGENCIES TO COLLABORATE ON COMMON BUS
17 SPECIFICATIONS WHICH CAN ALLOW THEM TO RECEIVE BETTER PRICING
18 ON BUS PROCUREMENTS AND ALSO TO POTENTIALLY SHORTEN THE
19 DELIVERY TIMELINE. NEXT SLIDE, PLEASE. AND, SO, WE IDENTIFIED
20 THAT TO COLLABORATE ON ALL OF THESE TOPICS, AS WELL AS
21 ADDITIONAL TOPICS THAT IT WOULD BE GREAT FOR TRANSIT OPERATORS
22 TO ESTABLISH A KNOWLEDGE SHARING AND BEST PRACTICES WORKING
23 GROUP WHERE THEY CAN WORK THROUGH THESE ISSUES AND CONTINUE TO
24 COLLABORATE, IN ADDITION TO THE TOPICS I MENTIONED ALREADY, WE
25 IDENTIFIED THE OPPORTUNITY FOR THEM TO COLLABORATE ON THE



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1 TRANSITION TO ZERO-EMISSIONS PARATRANSIT, WHICH ARE
2 ANTICIPATED TO BE SUBJECT TO CARB REQUIREMENTS IN THE NEXT
3 COUPLE OF YEARS AND ALSO EMERGENCY RESPONSE IS SOMETHING THAT
4 THE OPERATORS ARE JUST STARTING TO ADDRESS IN TERMS OF FIRE
5 SAFETY REQUIREMENTS AND RESILIENCY NEEDS. NEXT SLIDE, PLEASE.
6 WITH THAT, I'LL TURN IT BACK TO CRAIG.

7

8 **CRAIG BOSMAN:** ONE MORE NEXT SLIDE, PLEASE. SO, GIVEN THE BEST
9 PRACTICES THAT KATE HIGHLIGHTED COMING OUT OF STUDY, SOME
10 RECOMMENDATIONS AND NEXT STEPS INCLUDE CONTINUED COLLABORATION
11 AT THE REGIONAL LEVEL THROUGH THE PROVISION OF A FORUM,
12 CONVENED AND SUPPORTED BY MTC, FOCUSING ON ZERO-EMISSIONS ON
13 KNOWLEDGE SHARING AND BEST PRACTICES THROUGH COORDINATED
14 ADVOCACY EFFORT TO STRENGTHEN PARTNERSHIPS WITH OUR TRANSIT
15 ALLIES AT THE STATE AND NATIONAL LEVEL TO ADDRESS THE
16 TRANSITION IN A RATIONAL AND STRATEGIC MANNER GIVEN THE RISKS
17 AND FUNDING SHORTFALLS. THIS MAY INCLUDE BOTH SUPPORTING THE
18 TRANSITION WHERE OPERATORS ARE READY AND WILLING AND ABLE TO
19 DO SO AND SUPPORTING ALTERNATIVES WHERE IT MAKES SENSE THIS
20 COULD LOOK LIKE DEFERRALS OF 0-EMISSION BUS PURCHASING
21 REQUIREMENTS STATE RIDE COORDINATION ALTERNATIVE COMPLIANCE
22 GREENHOUSE GAS REDUCTIONS THROUGH MORE TRANSIT SERVICE AND
23 HIGHER RIDERSHIP WE WANT TO SET CLEAR FUNDING GRANT STRATEGIES
24 FOR FEDERAL AND STATE AND OTHER SOURCES INCLUDING NON-
25 TRADITIONAL SOURCES THAT ARE AVAILABLE FOR ZERO-EMISSIONS TO



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1 ADVANCE AGENCY AND SUBREGIONAL PARTNERSHIPS CONSISTENT WITH
2 FTA GUIDANCE AND REGIONAL COORDINATION EFFORTS AND FINALLY WE
3 WANT TO IDENTIFY FOURTH AREAS FOR DETAILED STUDIES. NEXT
4 SLIDE. THIS CONCLUDES OUR PRESENTATION THIS MORNING WHICH IS
5 AN INFORMATION ITEM. WE LOOK FORWARD TO PUBLISHING THE FINAL
6 REPORT AND ARE HAPPY TO TAKE ANY QUESTIONS NOW.

7

8 **V. CHAIR, NATE MILEY:** COMMISSIONERS HAVE QUESTIONS? CINDY?

9

10 **CINDY CHAVEZ:** YES, THANK YOU. THANK YOU FOR THE REPORT. AND I
11 LOVE THESE IDEAS ABOUT MORE COLLABORATION. COULD YOU TALK JUST
12 A MINUTE ABOUT, IF YOU KNOW, HOW THE COST OF ELECTRICITY, OR
13 ENERGY, MAY BE IMPACTING APPROACHES THAT YOU WOULD BE
14 RECOMMENDING?

15

16 **CRAIG BOSMAN:** I THINK -- AND KATE, FEEL FREE TO CHIME IN --
17 WHAT WE HAVE SEEN IN APPROACHES FOR FLEET PLANNING HAS BEEN A
18 LITTLE BIT MORE ON THE CONSTRUCTION COST AND COST OF BRINGING
19 IN ADDITIONAL ELECTRICITY MORE SO THAN ONGOING OPERATIONS COST
20 YOU KNOW, OBVIOUSLY OPERATORS ARE WEIGHING THE COST OF DIESEL
21 FUEL THEY MAY BE PAYING VERSUS FUTURE HYDROGEN PURCHASE VERSUS
22 FUTURE ELECTRICITY YOU KNOW, INCREASED BILLS BUT WE WOULD BE
23 HAPPY TO FULL AND PROVIDE MORE INFORMATION.

24



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1 **CINDY CHAVEZ:** THE REASON I MENTION IT, IS CALTRAIN WAS BEING
2 ELECTRIFIED AND I THINK WE WERE TAKEN ABACK BY THE CHANGE IN
3 WHAT WE THOUGHT THE COST WAS GOING TO BE SAY FIVE OR TEN YEARS
4 AGO. AND THERE'S NO WAY TO LOOK INTO THE FUTURE, AND I WOULD
5 JUST WANT TO MAKE SURE THAT AS YOU'RE DOING THESE COOPERATIVE
6 DISCUSSIONS THAT WE MAY WANT TO INVOLVE WHETHER YOUR DISTRICT
7 OR SOMEONE ELSE WHO HAS EXPERIENCE WITH LOOKING AT NOT JUST
8 THE INFRASTRUCTURE BUT THEN ONGOING COST BECAUSE WHAT I'M
9 LOOKING AT WILL THAT SLOW DOWN AGENCIES THAT MIGHT BE MORE
10 EXCITED ABOUT MOVING FORWARD. IS THE COST GOING TO BE BIG
11 DIFFERENCE. SISTER-IN-LAW WAS FOR CALTRAIN. IF YOU COULD
12 INCLUDE THAT IN YOUR WORKING GROUP, I THINK THAT WOULD
13 SUFFICE. THANK YOU.

14

15 **CRAIG BOSMAN:** INCREASED COLLABORATION WITH PG&E IS REALLY AN
16 IMPORTANT ASPECT OF THIS AND CERTAIN TRANSIT AGENCIES HAVE
17 EXPERIENCE WITH GETTING EV SPECIFIC RATES AND WORKING WITH
18 THEM TO GET THE BEST RATE POSSIBLE AND I THINK KATE MAY HAVE
19 MORE TO ADD, AS WELL.

20

21 **KATE SERGEANT:** YEAH, BUILDING ON WHAT CRAIG SAID, SO TRANSIT
22 AGENCIES USUALLY EXPERIENCE, AT THE COST OF ELECTRICITY IS
23 LESS THAN THE COST OF WHAT THEY'RE PAYING FOR DIESEL TODAY BUT
24 ALSO SIGNIFICANTLY LESS THAN THE COST OF HYDROGEN FUEL WHICH
25 TENDS TO BE MORE EXPENSIVE THAN DIESEL. BUT OPERATORS ARE



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1 REALLY MAKING THE DECISION WHETHER TO GO FUELCELL OR BATTERY
2 ELECTRIC, BASED ON RANGE AND OTHER OPERATIONAL REQUIREMENTS.
3 SO, IT -- THE COST OF ELECTRICITY DOESN'T TEND TO BE A
4 LIMITING FACTOR, ALTHOUGH HAVING MORE FRIENDLY RATE SCHEDULE
5 CERTAINLY CAN HELP AND THE ABILITY FOR OPERATORS TO CHARGE
6 OFF-PEAK FOR MIDDAY TO THE EXTENT POSSIBLE, OPERATIONALLY,
7 ALSO HELPS WITH THAT.

8

9 **CHAIR, CINDY CHAVEZ:** THANK YOU FOR THAT. VERY HELPFUL.

10

11 **SPEAKER:** THANK YOU.

12

13 **GINA PAPAN:** THANK YOU. VERY INTERESTING. THIS MIGHT BE A DUMB
14 QUESTION, BUT IS THERE ANY INTERCHANGEABILITY IF SOMEONE GOES
15 HYDROGEN AND ELECTRIC -- HOWEVER THIS COMES OUT. I MEAN, I
16 LOVE THE FACT THAT EVERYBODY IS TRYING TO COLLABORATE, BUT IF
17 A JURISDICTION MAKES A HUGE INVESTMENT IN HYDROGEN, THEN THAT
18 DOESN'T TURN OUT TO BE THE BEST AVENUE, IS THERE ANYTHING
19 ALONG THOSE LINES?

20

21 **KATE SERGEANT:** SO, IT IS ACTUALLY DIFFICULT TO MAKE THAT --
22 TO, SORT OF, REVERSE THAT DECISION. AC TRANSIT, I GUESS, IS
23 MAYBE AN EXAMPLE WHERE THEY INVESTED IN ELECTRIC BUSES, BUT
24 THEN THEY DID NOT -- WERE NOT ABLE TO GET THE POWER UPGRADE
25 FROM PG&E ON TIME, SO THEY WERE ACTUALLY PRODUCING HYDROGEN TO



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1 TURN IT INTO ELECTRICITY TO FUEL THEIR BUSES, WHICH WAS QUITE
2 AN INEFFICIENT PROCESS. SO AGENCIES TENDS TO START WITH LESS
3 SMALL NUMBER OF TECHNOLOGY ONE OR THE OTHER AND IF THAT PROVES
4 TO BE THE RIGHT CHOICE FOR THEM, THEN SCALE UP THE EXPERIENCE
5 BECAUSE IT'S NOT EASY TO CHANGE ONCE YOU HAVE INVESTED A BUNCH
6 OF INFRASTRUCTURE IT'S TOTALLY A DIFFERENT INFRASTRUCTURE FOR
7 ONE TECHNOLOGY OR THE OTHER.

8

9 **GINA PAPAN:** ALONG THOSE LINES, I FIND WHAT YOU'RE DOING GREAT
10 HERE IT WOULD BE HELPFUL FOR US AND PROBABLY OUR LEGISLATORS
11 TO KNOW PG&E'S COLLABORATION OR LACK DELIVER, BECAUSE COSTS GO
12 THROUGH THE ROOF WAITING POWER THEM. SO WE MAY NEED HELP AT
13 ANOTHER LEVEL SO IF DIFFERENT PROVIDERS ARE TRACKING THAT,
14 WHAT DELAY YOU JUST MENTIONED, THEY WEREN'T ABLE TO POWER UP,
15 THAT'S REALLY IMPORTANT TO US AND PROBABLY THE STATE LEVEL FOR
16 THE REDUCTION OF GREENHOUSE GASSES AND ALL OF THAT, WE HAVE TO
17 HAVE -- THEY HAVE TO BE MORE ACCOUNTABLE. I DON'T KNOW HOW YOU
18 DO IT, BUT THEY ARE RAISING COSTS FOR JUST DAILY, ON ALL OF
19 US, AND THEN TO HAVE THEM DELAY ON PROJECTS LIKE THIS, IT
20 SEEMS LIKE A LOSE-LOSE SITUATION. THAT I DON'T HAVE THE
21 ANSWER, TO BUT DATA IS HELPFUL TO ANYONE WHO IS TRYING TO FIX
22 THAT PROBLEM. AND WE DO NEED TO HAVE ASSURANCES. I THINK EVERY
23 OPERATOR NEEDS AN ASSURANCE, PROBABLY BEFORE THEY WRITE THAT
24 FIRST CHECK. [LAUGHTER] SO, AGAIN, IF YOU COULD MAKE SURE
25 EVERYONE IS TRACKING THEIR COMMUNICATIONS WITH PG&E AND HOW



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1 THAT PROGRESSES. WE NEED TO KNOW, BECAUSE THEY'RE JUST COSTING
2 EVERYBODY A LOT, A LOT OF MONEY AND A LOT OF DELAYS.

3

4 **KATE SERGEANT:** YEAH. ABSOLUTELY, AND I DON'T KNOW IF CRAIG
5 WANTS TO SAY MORE, BUT THE WORK --

6

7 **GINA PAPAN:** IF YOU HAVE NAMES OF PG&E PEOPLE YOU WANT TO THROW
8 IN, GO AHEAD.

9

10 **KATE SERGEANT:** THERE IS A PERSON CRAIG WANTS TO SAY MORE, PG&E
11 OPERATORS DON'T GET TO THIS POINT THEY PUT IN APPLICATION BASE
12 UNDERSTAND ASSUMPTIONS AND POWER IS GOING TO BE AVAILABLE IN
13 LATER DESIGN PROCESS THEN GETS REJECTED BECAUSE SOME OTHER
14 CUSTOMER GOT THERE FIRST SO SUBJECTIVE IS TO CREATE MORE
15 CERTAINTY IN THAT PLANNING PROCESS. BUT ALSO MENTION IT'S THE
16 PRIMARY REASON A NUMBER OF OPERATORS ARE SELECTING HYDROGEN
17 FUELCELL BUSES INSTEAD OF ELECTRIC BUSES AT THIS POINT BECAUSE
18 OF THAT RISK.

19

20 **GINA PAPAN:** THANK YOU.

21

22 **KATE SERGEANT:** THANK YOU.

23

24 **V. CHAIR, NATE MILEY:** A COUPLE OF QUESTIONS, THIS WAS FOCUSED
25 ON BUSES, NOT FERRIES?



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1

2 **CRAIG BOSMAN:** THE REPORT FOCUSES ON BOTH BUS AND FERRIES OUR
3 PRESENTATION TODAY TALKED MORE ABOUT BUSES. YOU KNOW, BRIEFLY
4 ON FERRIES, WETA IS PURSUING A PLAN THAT INVOLVES
5 ELECTRIFICATION OF FERRIES WHICH SOME ARE FUNDING THROUGH RM3
6 AND GOLDEN GATE IS PURSUING, FOR NOW, A PLAN OF LOWER
7 EMISSIONS FERRY VESSELS. AND BOTH OF THEM WERE RECENTLY
8 SUCCESSFUL IN FTA DISCRETIONARY FUNDING LAST MONTH, ACTUALLY.

9

10 **V. CHAIR, NATE MILEY:** FERRY OPERATORS, DO THEY FACE THE SAME
11 CHALLENGES AS THE TRANSIT?

12

13 **CRAIG BOSMAN:** THERE ARE MANY SIMILAR CHALLENGES ESPECIALLY
14 WITH PG&E AND, KIND OF, YOU KNOW, JUST PLANNING FOR THE POWER.
15 SOME OF THE -- THE CHALLENGES SPECIFIC TO, YOU KNOW, BUS
16 PROCUREMENT, AND SO FORTH, ARE PRESENT IN DIFFERENT WAYS WHERE
17 THEY'RE BREAKING NEW GROUND, TESTING NEW TECHNOLOGIES, THE
18 PICTURE WE HAD AT THE LAST SLIDE, THAT DOESN'T EXIST YET,
19 THAT'S ONE OF THE ELECTRIC VESSELS THAT WETA IS GOING TO
20 PROCURE. SO, THERE IS MANY SIMILAR CHALLENGES AND WE CERTAINLY
21 WANT TO HAVE ALL THE OPERATORS PRESENT IN OUR ZERO-EMISSIONS
22 FORUM.

23



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1 **V. CHAIR, NATE MILEY:** THAT ONE SLIDE, WHICH SHOWED THE TOTAL
2 NUMBER OF ELECTRIC BUSES, LIKE 1400, OR SO, THAT'S IN THE
3 U.S.?

4

5 **CRAIG BOSMAN:** YES.

6

7 **V. CHAIR, NATE MILEY:** DO WE HAVE A SIMILAR SLIDE OR FIGURE
8 FOR, JUST, OUR REGION?

9

10 **CRAIG BOSMAN:** YES IN THE FULL REPORT WE HAVE A GOOD BREAKDOWN
11 OF OPERATOR'S CURRENT FLEET IT'S A PERCENTAGE 10% REGION-WIDE
12 RIGHT NOW HEAVY PORTION THAT'S SFMTA'S ELECTRIC TROLLEY BUSES
13 YOU KNOW BATTERY ELECTRIC BUSES OR HYDROGEN FUEL CELLS MORE
14 LIKE 5% AND WHERE OPERATORS ARE PLANNING TO GO GIVEN THE
15 FUTURE 2040 STATE OF THE FLEET AND BREAK DOWN OF BATTERY AND
16 HYDROGEN.

17

18 **V. CHAIR, NATE MILEY:** THEN MY FINAL QUESTION IS, THIS IS AN
19 INFORMATIONAL REPORT. SO, WITH THE RECOMMENDATIONS, THE NEXT
20 STEPS, WHERE ARE WE GOING WITH THAT?

21

22 **THERESA ROMMELL:** THERESA ROMMEL FUNDING POLICY AND PROGRAMS. I
23 THINK THE RECOMMENDATIONS FOR GREATER COLLABORATION AND
24 WORKING WITH OUR TRANSIT OPERATORS ON SOLUTIONS, I THINK
25 THAT'S GOING TO TAKE PLACE IN THE NEAR FUTURE, WE'LL



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1 DEFINITELY GET THAT GOING. TRYING -- I'M BLANKING ON THE OTHER
2 RECOMMENDATIONS. ADVOCACY EFFORTS ARE, OBVIOUSLY, ONGOING. AND
3 I THINK ONE QUESTION IS WHETHER WE WANT TO TALK ABOUT
4 DEFERRALS WHERE IT MAKES SENSE, AS CRAIG MENTIONED, BECAUSE
5 THERE IS A TRADEOFF INVOLVED WITH FUNDING THE 3 BILLION, \$4
6 BILLION IN FUNDING -- WHERE WE'RE SHORT ON FUNDING. YOU KNOW,
7 WE CERTAINLY DON'T WANT OPERATORS REDUCING FUNDING FOR
8 OPERATIONS AS A RESULT OF TRYING TO TRANSITION TO ZERO-
9 EMISSIONS. SO I THINK THERE IS MORE ADVOCACY ON THAT IN THAT
10 AREA AS WELL. AND THEN I THINK NEXT STEPS IN TERMS OF REALLY
11 LOOKING AT OUR STRATEGY FOR GOING AFTER COMPETITIVE GRANTS TO
12 TRY TO MAXIMIZE THE FUNDING FOR THE REGION, THAT WOULD BE IN
13 TERMS OF NEXT STEPS HOW WE CAN SEQUENCE APPLICATIONS OR GRANT
14 APPLICATIONS TO ACCOMPLISH A TRANSITION THAT GETS US AS FAR AS
15 WE CAN POSSIBLY GO. THOSE ARE KIND OF WHAT WE'RE DOING IN THE
16 NEAR FUTURE.

17

18 **V. CHAIR, NATE MILEY:** ALL RIGHT. WELL, THANKS. BECAUSE I DON'T
19 KNOW IF THERE IS ANY FLEXIBILITY WITH THE CARB IMPLEMENTATION
20 2040. I MEAN THAT'S 15 YEARS, OR SO, FROM NOW. 16 YEARS. THERE
21 IS JUST A LOT OF CHALLENGES. MONEY IS NOT THE LEAST OF IT.
22 OKAY. DO WE HAVE ANY PUBLIC SPEAKERS ON THIS?

23

24 **CLERK, CARSIE BONNER:** NO PUBLIC ONLINE, AND NO ONE IN THE
25 BOARDROOM AND NO WRITTEN CORRESPONDENCE RECEIVED.



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1

2 **V. CHAIR, NATE MILEY:** OKAY. SO, THIS IS INFORMATIONAL. SO, I
3 THINK WE'RE READY TO GO TO ITEM -- AGENDA ITEM FIVE. PUBLIC
4 COMMENT ON --

5

6 **CLERK, CARSIE BONNER:** I SEE NO ONE IN THE ZOOM SPACE, NO ONE
7 IN THE BOARDROOM AND NO WRITTEN CORRESPONDENCE WAS RECEIVED.

8

9 **V. CHAIR, NATE MILEY:** OKAY. ITEM SIX IS ADJOURNMENT. SO WE CAN
10 ADJOURN. WE'RE ADJOURNED. THANK YOU, ALL. [ADJOURNED]

11



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