



Meeting of the Board of Directors

Location: Rancho Cordova Council Chambers
2729 Prospect Park Drive
Rancho Cordova, CA

Date: Friday, October 23, 2009, 8:30 a.m. – 10:00 a.m.

Roll Call: Directors Budge, Hume, Knight, Nottoli, Starsky

Members of the public may comment on any item on the agenda at the time that it is taken up by the Board. We ask that members of the public complete a request to speak form, submit it to the Clerk of the Board, and keep their remarks brief. If several persons wish to address the Board on a single item, the Chair may impose a time limit on individual remarks at the beginning of the discussion.

Public Communications: Any person wishing to address the Board on any item not on the agenda may do so at this time. After ten minutes of testimony, any additional testimony may be heard following the New Business Items.

1. Executive Director's Report

Consent Agenda

2. Minutes of September 25, 2009, Meeting
3. 2010 Board Meeting Schedule

New Business Items

4. Discussion – Transit Component Policy Introduction
 - a. Attachment – Staff Report
5. Discussion – Environmental Process Options
 - a. Attachment – Staff Report
6. Discussion – Update on Project Schedule
 - a. Attachment – Staff Report
7. Adjournment

The Board may take action on any matter, however listed on this Agenda, and whether or not listed on this Agenda, to the extent permitted by applicable law. Staff Reports are subject to change without prior notice.

If requested, this agenda can be made available in appropriate alternative formats to persons with disabilities, as required by Section 202 of the Americans with Disabilities Act of 1990 and the Federal Rules and Regulations adopted in implementation thereof. Persons seeking an alternative format should contact the Board Secretary for further information. In addition, a person with a disability who requires a modification or accommodation, including auxiliary aids or services, in order to participate in a public meeting, should telephone or otherwise contact the Board Secretary as soon as possible. The Board Secretary may be reached at 428 J Street, Suite 400, Sacramento, California 95814, or by telephone at (916) 447-7933. The Connector JPA's address is 10640 Mather Blvd., Suite 120, Mather, CA 95655. The Connector JPA's phone number is (916) 876-9094.



Capital SouthEast Connector Board of Directors

Item # 1
Receive and File

October 23, 2009

Issue: Executive Director's Report

Recommendation: Receive and file.

Discussion: The following is a brief status report on some of the more significant issues and activities currently being pursued by the Connector JPA staff.

Administrative

- An additional Board meeting has been scheduled for November 17, 2009, at 2:30 p.m. in the Rancho Cordova Council chambers. The meeting is necessary to provide guidance on policy items required for the initiation of the environmental document in January, 2010.
- Staff has entered into an agreement with the California Fair Services Authority (CFSA) to provide review and analysis of options available to the JPA for various administrative and personnel elements related to independent agency status. The results of their analysis will be presented to the board in Spring, 2010.
- Staff continues to refine the Connector website to provide better accessibility to prior documents, meeting minutes, and design information of significance. All comments regarding the functionality of the website should be directed to Pam Keen at keenp@connectorjpa.net.

Project

- Staff and the Sheldon/Wilton working group conducted a public meeting to present the results of their work to the Sheldon/Wilton community on October 6, 2009. Approximately 80 people attended the meeting to listen and comment on the project alignment alternatives for the Sheldon/Wilton area. A formal recommendation regarding these alternatives will be presented to your Board at the November meeting.
- Work continues on the development of an Memorandum of Understanding (MOU) for participation of the JPA into the South Sacramento Habitat Conservation Plan (SSHCP) as presented to your Board last month. The MOU for the SSHCP and a separate policy to advance and secure the purchase of individual mitigations properties will be presented to your Board later this year.
- Screening criteria to be used as the basis for the selection of a preferred project alternative is under development by staff and the Project Development Team (PDT). These criteria along with the recommended alternative will be presented to the board at your December meeting.

- Discussions with Alternative Transportation Group representatives regarding the details of the multi-modal elements of the project will take place over the next six weeks. It is anticipated that a recommendation for the configuration of this system will occur at your December meeting.
- Revisions to alignment alternative #4 were presented and approved by the PDT at the October meeting. This revision is located south of Mather field and is intended to avoid an area designated as Critical Resource Habitat by the Federal Government. This revision is consistent with the negotiations that have been underway between Sacramento County and the Federal Resource Agencies.
- Staff continues to work with the Sacramento County Dept of Transportation (SacDOT) to coordinate the alignment of a four lane project along White Rock Road in the vicinity of Grant Line Road. This project is being developed by SacDOT using State bond monies obtained in 2007 and is slated to go to construction by 2012. Coordination with the JPA on this project is considered critical since it is located in a common alignment section of the future Connector project.

Fiscal

- Staff is currently working with a private concessionaire to investigate the potential for a Public/Private Partnership (P3) delivery mechanism on selected segments of the current connector alignments. Staff will be presenting the results of this investigation as part of the Plan of Finance update in early 2010.
- The JPA has entered into its annual Capital Project Allocation and Expenditure Contract with the Sacramento Transportation Authority (STA) for FY 09-10 in the amount of \$2,558,000. This is approximately \$154,000 or 5% less than what was anticipated in the approved JPA FY 09-10 budget. This is due to action on the part of the STA to reduce all Capital Project budgets for FY 09-10 to make up for an imbalance in overall project revenues.
- Staff is investigating the potential for obtaining short term “bridge” financing to provide for the continued pursuit of project objectives over the next 4 years despite the significant decrease in project STA revenues over those years. Currently, a number of opportunities may exist in the local public bond market as well as from commercial interests. This financing is considered critical to maintain project momentum and to take advantage of current opportunities in a “down” market. A report on possible financing opportunities will be presented to your Board later in the year.

Miscellaneous

- Staff participated in a transportation workshop before the El Dorado County Board of Supervisors on October 5, 2009. The Board inquired about the County’s participation in the JPA and its financial obligations in addition to discussing project elements and timing. An additional presentation focusing exclusively on the Connector project will be presented to the EDC Board in January, 2010.
- The initial distribution of the Connector newsletter is expected in late October/early November. The newsletter will provide background information on the work performed to date as well as that anticipated over the next six months. Distribution of hard copies will be provided to all those on the Connector mailing list as well as posted on the website. Copies will also be available at all future public meetings and at the front counters of all member jurisdictions’ administrative centers.

- An update on the East County Mining Applications and its relationship to the Connector project will be provided to your Board in November, time permitting.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Tom Zlotkowski". The signature is stylized and cursive.

Tom Zlotkowski
Executive Director



Capital SouthEast Connector Board of Directors

Item # 2
Receive and File

October 23, 2009

Action Minutes of the September 25, 2009, Meeting

The Capital SouthEast Connector Authority's Board of Directors met in regular session on September 25, 2009, in the Rancho Cordova Council Chambers, located at 2729 Prospect Park Drive, Rancho Cordova, CA, at 8:30 a.m.

Call to Order: Chairperson Nottoli called the meeting to order at 8:46 a.m.

Roll Call: Present: Directors Budge, Hume, and Knight
Director Nottoli arrived at 8:50, during the Executive Director's Report

Executive Director's Report: Mr. Tom Zlotkowski, the Executive Director of the Authority, summarized the highlights from his Executive Director's Report, including the status of STA funding, the Connector's updated website, and ongoing public outreach efforts.

Consent Agenda:

The consent agenda included the Minutes of the July 31, 2009, Board Meeting. It was moved by Director Budge, seconded by Director Nottoli, and passed by unanimous vote with one abstention by Director Knight, that:

THE CAPITAL SOUTHEAST CONNECTOR AUTHORITY BOARD OF DIRECTORS APPROVES THE MINUTES OF THE JULY 31, 2009, MEETING.

New Business Items:

Resolution: Adopting Capital SouthEast Connector Credit Card Use Policy and Petty Cash Policy and Adopting Revisions to Travel Policy: The Directors asked questions regarding the proposed policies, which the Executive Director answered. Director Budge recommended changes regarding how the policy addresses the requirement of a receipt and the Executive Director stated that those changes would be implemented in the final policies. It was moved by Director Nottoli, seconded by Director Budge, and passed by unanimous vote that:

THE CAPITAL SOUTHEAST CONNECTOR AUTHORITY BOARD OF DIRECTORS APPROVES THE CREDIT CARD USE POLICY AND PETTY CASH POLICY, AND APPROVES THE REVISIONS TO THE TRAVEL POLICY SUBJECT TO THE AMENDMENTS APPROVED BY THE BOARD.

Discussion: Proposed Initial Project Design Concepts: The Executive Director introduced John Long of DKS, who presented proposed initial design concepts for the project. The Directors, the Executive Director, and Mr. Long had a discussion regarding the proposed alignments and design options. Public comment was offered by John Jakowatz of the Four Seasons Group, Paul Filly of the Sacramento Metropolitan Air Quality Management District, and Jerry Drobish of Rancho Cordova.

Discussion: Introduction of Connector Environmental Mitigation Strategies: The Executive Director presented the staff report regarding potential mitigation strategies for the project, including the South Sacramento Habitat Conservation Plan ("SSHCP") and individual purchases of mitigation lands by the JPA. The Board directed the Executive Director to move forward with full participation in the SSHCP. Director Budge recommended that if the Connector chooses to purchase mitigation lands outside of the SSHCP, it should engage the services of a consultant with that expertise.

Adjournment: The meeting was adjourned by Chairperson Hume at 10:35 a.m.

Approved By:

Attest:

Director Hume
Chairperson

Kirk Trost
Secretary



Capital SouthEast Connector Board of Directors

Item # 3
Resolution

October 23, 2009

Adoption of a 2010 Board Meeting Schedule

Issue: Adoption of a Board meeting schedule for 2010, as required by the Joint Exercise of Powers Agreement.

Recommendation: Staff recommends that the Board adopt the proposed Board meeting schedule presented at this meeting.

Discussion: Section 6(b) of the Joint Exercise of Powers Agreement requires the Board to establish, by resolution, the number of regular meetings to be held each year and the date, hour, and location at which such regular meetings will be held, provided that the Board shall meet at least once every three months.

At this time, Staff recommends that the Board continue to meet on the fourth Friday of each month, at 8:30 a.m., with two exceptions, November and December. Due to conflicts with holidays, Staff recommends that the Board hold its November meeting on November 19, 2010, and hold its December meeting on December 17, 2010. The proposed Board schedule is attached to the draft Resolution for this item.

Respectfully Submitted:

Tom Zlotkowski
Executive Director



Item #3
Attachment

RESOLUTION NO. 2009-13

RESOLUTION OF THE BOARD OF DIRECTORS
OF THE CAPITAL SOUTHEAST CONNECTOR AUTHORITY
ADOPTING THE 2010 BOARD MEETING SCHEDULE

BE IT RESOLVED by the Board of Directors ("Board") of the Capital SouthEast Connector Authority that the 2010 Board Meeting Schedule presented to the Board at this meeting is hereby adopted in substantially the same form as attached hereto.

This Resolution shall take effect from and after the date of its passage and adoption.

* * * * *

PASSED AND ADOPTED this 23rd day of October, 2009, by the following vote:

AYES:

NOES:

ABSENT:

Chairperson

ATTEST:

Secretary



2010 Capital SouthEast Connector JPA Board Schedule

Rancho Cordova City Hall Council Chambers
 2729 Prospect Park Drive, Rancho Cordova
 8:30 am - 10:30 am

JANUARY						
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Note: Meeting in November and December early due to the holiday.



Capital SouthEast Connector Board of Directors

Item # 4
Presentation

October 23, 2009

Transit Components of Connector Project

Issue: To define policies related to the transit components of the Connector Project

Recommendation: Hear a staff presentation on the proposed transit elements and provide feedback for adoption at your November meeting.

Discussion: The attached Transit Polices paper was developed by the project team after consultation with Sacramento Regional Transit District (RT) and the Sacramento Area Council of Governments (SACOG). The policy paper is intended to provide the Board with options for the inclusion of transit services on the project that will enhance service along routes that are considered strong transit oriented corridors. These corridors are defined by a number of positive attributes such as higher density land uses, readily available connections, available or pre-arranged transit rights of way, and strong interest on the part of the provider.

At this point, it is staff's recommendation to adopt overall policies for future implementation as opposed to identifying a particular fixed service provision or level of service commitment. Taking this approach does not foreclose the possibility that such a feature may eventually be implemented once future ridership is projected and the desired support elements are identified. The commitment of the project to transit must be further defined as a percentage of the overall project cost or through the establishment of on-going criteria that would commit the JPA to the implementation of some yet to be defined capital improvement elements. It is not required that the transit element be defined to that degree at this time. Rather, the Board should define the JPA's overall perspective regarding establishing transit as an integral component of the project.

A presentation of the attached report from the project traffic consultant, DKS and Associates, will provide the Board on options to consider as the transit component of the project is further defined. The Project Development Team (PDT) has discussed this report and has provided comments that will be included in today's presentation.

Respectfully Submitted,

Tom Zlotkowski
Executive Director

Draft Transit Policies **Capital Southeast Connector Project**

Introduction

While most proposed roadway based infrastructure can provide facilitation of transit directly, it must be recognized that such provisions are not necessarily the most effective way to achieve the desired goals of increased transit ridership in both the project corridor and region-wide. Recognizing this, the Connector transit policy is proposed to provide the necessary flexibility to take advantage of opportunities both directly on the selected alignments but also where analysis shows the potential for successful service through the partnership of several elements including:

- Support for higher density land uses that would be designated by the appropriate land use authority
- A receptive development market that desires to attract higher transit ridership via product density and designation
- A supportive transit provider that indicates strong interest in the corridor through a priority designation in a TMP(transit master plan)
- Ability to implement the desired corridor improvements as outlined in this policy without significant impediment or financial obligation above and beyond what is considered practical

Background

The Purpose and Need Statement calls for the Capital Southeast Connector Project to provide transportation options that “enable flexibility among automobile, transit service, bicycle, and pedestrian uses, while incorporating ITS elements where possible”.

The Consultant Team has been working with RT and SACOG to define and test several future transit scenarios to help determine the range of transit services that would be effective at attracting transit ridership under the long-range (2045) development assumptions approved by the PDT. This analysis indicates the following:

- The 2045 No Build Alternative involves a substantial increase in transit service over today’s levels but is not financially constrained by Federal SAFETEA-LU requirements for the MTP 2035 revenue projections. It assumes that the transit services identified by SACOG in the 2035 MTP would be enhanced to include additional future transit services that have been proposed by member jurisdiction General Plans and Specific Plans in the Connector Corridor. These additional services include BRT routes proposed

by Sacramento County and the cities of Rancho Cordova and Folsom, a LRT extension in Elk Grove from CRC to Kammerer Road and additional local bus services to some new growth areas, such as the Grant Line East area. These new and enhanced transit services would be operated by Regional Transit and other transit providers in the Connector Corridor (such as e-tran, Folsom Stage Line, El Dorado Transit and Paratransit).

- The 2035 MTP and General Plans do not show future bus service on some of the roadway segments that are part of the three Connector alignment alternatives and have limited bus service on most of the rest. Thus the No Build Alternative reflects this level of transit service.
- While the overall level of “transit service per capita” within the Connector Corridor under the 2045 No Build Alternative is close to the “transit service per capita” in SACOG’s “funded constrained” 2035 MTP, funding for future transit services is uncertain. The MTP 2035 is financially constrained in accordance with SAFETEA-LU guidance. Transit service in the 2045 No Build Alternative can be viewed as “possible” at best.
- A number of potential transit services that could be implemented as part of the Connector project were evaluated. That analysis determined that some additional transit services would attract a significant number of riders while others would not. BRT service along Bradshaw Road and bus service along portions of Connector Alignment Alternatives 1 and 2 look promising, while a transit route that travels the full length of Connector Alignment Alternative 2 should focus on commute periods. Park and ride lots at strategic locations would increase transit ridership by commuters in the Corridor.

Draft Transit Policies

1. The transit services operating on the Connector Project and on parallel routes will be operated by Regional Transit and/or other transit providers in the Connector Corridor (such as e-tran, Folsom Stage Line, El Dorado Transit and Paratransit). The Capital Southeast Connector JPA will work with those transit providers to plan future transit services, identify methods to fund operating costs and provide facilities that would help make those services effective. New and enhanced transit services in the Connector Corridor will be added over time as new development occurs in the Corridor.
2. The Capital Southeast Connector Project will help provide right-of-way and/or facilities that create a meaningful travel time improvement for transit routes within the Connector Corridor, such as:
 - Exclusive transit right-of-way **or HOV lanes** on targeted segments of roadway where exclusive transit lanes would be cost effective

- Bus “queue jumps” at targeted intersections where such facilities would be warranted and cost effective
 - Traffic signal interconnect systems with transit priority and other ITS enhancements
3. The Capital Southeast Connector Project will also help provide park-and-ride lots and transit centers at strategic locations within the Corridor.
 4. While the emphasis of the Capital Southeast Connector Project will be to provide cost-effective transit facilities along the selected Connector alignment, it may also provide some funding for strategic, cost-effective transit queue jumps and transit signal priority/ITS equipment on other roadway segments in the Connector Corridor, especially on routes that parallel the selected Connector alignment and show strong potential for successful, well utilized service.
 5. Desired levels of transit ridership will be dependent on smart growth in the Connector Corridor, especially the creation of villages or “nodes” of development of significant size and density that are easy to serve by transit. Capital funding and provision of facilities by the Connector will encourage jurisdictions and developers to partner with the JPA to provide transit-friendly development within the Connector Corridor.

These draft policies will be applied on an on-going basis as the project and corresponding Corridor development evolves. The JPA will provide the necessary commitments to insure that a desired level of capital support is provided as required. Additional detail on the policy will be developed if and once the concept is advanced through Board direction and the appropriate environmental review.



Capital SouthEast Connector Board of Directors

Item # 5
Presentation

October 23, 2009

Environmental Review Process Options

Issue: To consider the appropriate environmental review process for the program aspect of the Connector Project.

Recommendation: Hear a staff presentation on the various environmental review options and provide input on a course of action.

Discussion: The Project Development Team (PDT) for the Connector project has reassessed the initial environmental strategy developed for the project in August 2008, based on new developments and the current assumptions regarding design information and potential availability of federal funding. The initial approach developed in August 2008 was to complete a hybrid Tier 1/Tier 2 EIS/EIR; this approach would enable the local agencies and the JPA to pursue federal funding for both the 35-mile-long corridor planning process and up to 3 project-level segments within the selected corridor at the same time. The approach would also allow the JPA and its member agencies to identify and preserve right-of-way along the 35-mile-long preferred corridor, once it is selected, and address cumulative and growth-related impacts on a program level. At the time the initial strategy for environmental clearance was developed, it was assumed that sufficient federal funds would be available for the corridor level planning and that the level of design information for the project segments would be available. However, changes in the PDT's key assumptions and new developments in supporting processes have prompted further analysis. The following considerations are listed below and described in detail in the attached memo:

- Likely short-term unavailability of federal funds for the Connector project and project-specific segments
- The potential for public-private funding options and concessionaire involvement
- Progress on South Sacramento Habitat Conservation Plan and Connector JPA participation in that plan
- Level of design information not yet available for project-level analysis in the environmental document

Because of these key changes, the PDT is recommending that a Program EIR be prepared, and not a Tier 1/Tier 2 EIS/EIR; the new strategy is described in detail in the attached memo. Proceeding with a program EIR-only option will help expedite the environmental review schedule and help the JPA pursue private funds while not precluding the opportunity for the JPA or the member agencies to request federal funds in the future for the corridor or the segments. A separate NEPA process for the corridor or the individual segments would need to be initiated if federal funding became available.

The attached report from the project's environmental consultant, ICF Jones and Stokes, details the justification for the recommendation to proceed with a CEQA-only program level analysis. Additional details on that report will be provided during today's meeting.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Tom Zlotkowski". The signature is stylized and cursive.

Tom Zlotkowski
Executive Director

Memorandum

Date: October 15, 2009

To: Tom Zlotkowski, Executive Director Capital Southeast Connector JPA

From: Maggie Townsley, Vice President

Subject: Assessment of Current Environmental Review Options for Consideration by the Capital Southeast Connector Project Joint Powers Authority

Introduction

When the Capital SouthEast Connector project environmental review team first began work in August 2008, the anticipated environmental review document at the time was a joint Tier 1/Tier 2 “hybrid” EIR/EIS to allow the Joint Powers Authority (JPA) to maximize the use of tiering under the California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA) and minimize subsequent environmental reviews for the later segments of the Connector project. The term “hybrid” refers to one environmental document that includes both program-level and project-level analyses to support both broad-based decisions by agencies, such as transportation corridor preservation, and project-specific approvals for project segments that have sufficient level of design information developed at the time of the decision to move the project segments forward through construction.

The hybrid approach was developed by the Team based on the assumption that detailed design information for as many as 3 specific project segments of the corridor would be available at the time the tier 1, program level analysis was conducted. Furthermore, the need to clear the project under NEPA was based on the assumption that federal funding for the Connector corridor-level project planning and project-specific segments would also be available at the time of the environmental review.

The purpose of this memo is to reassess the initial environmental strategy developed for the project in August 2008, based on new developments and the current assumptions regarding design information and availability of federal funding, and to make recommendations for adjusting the environmental review under the current assumptions. Recommendations provided in this memo are based on consultation made with the project development team (PDT), which includes representatives from each JPA member agency (Elk Grove, Rancho Cordova, Folsom, Sacramento County, and El Dorado County), Caltrans, Sacramento Regional Transit District, SACOG, and the JPA consultant team.

Initial Development of Environmental Review Strategy

Both funding options and decisions needed by lead and permitting agencies drive the type of

environmental document needed for any given project. For the Connector project, in August 2008, the team had identified three major decisions needed from the JPA (and Caltrans and the counties and cities), and hence three primary environmental clearance components to address as part of the environmental review; a technical approach was developed to address those components. The initial approach developed in August 2008 was to complete a hybrid Tier1/Tier 2 EIS/EIR and the key decisions and environmental components tied to the agency decisions is described below and summarized in Table 1.

Decision I (Concurrent): Approve Connector Preservation Corridor (Tier I EIS/Program EIR)

Approval of the preservation corridor would be a discretionary action by the JPA and local agencies and, as such, the action would be subject to CEQA. If federal funds are available for the Connector project planning, the action by the federal agency (in this case, FHWA, or Caltrans as assumed under SAFETEA-LU) in granting the funds would be subject to NEPA. The corridor preservation alternatives for the 35-mile-long alignment, although not fully defined to allow a project-level analysis, would need to be analyzed under CEQA (and NEPA if federal funding were available) to identify and preserve the preferred corridor and address cumulative and growth-related impacts.

As identified in US DOT FHWA NEPA Regulations, “tiering” is considered appropriate for “major” transportation actions, such as the corridor preservation for the Connector project. Broad issues such as general location, mode choice, and area wide air quality and land use implications of the major alternatives can be evaluated in a first tier EIS (i.e., Tier 1) (23 CFR 71.111 (g)). Similarly, CEQA and the State CEQA Guidelines allow for “program-level” analyses for large programs to address the broad-based large-scale impacts (State CEQA Guidelines Section 15168).

At the time the initial strategy for environmental clearance was developed, it was assumed that sufficient federal funds would be available for the corridor level planning. *Therefore, the recommended level of documentation for the Corridor preservation in August 2008 was a Tier 1 EIS and program-level EIR, or a joint Tier 1 EIS/program EIR, which is shown in Table 1.*

Modified NEPA/404 MOU

The recommended Tier 1 EIS approach decision point, as shown in Table 1, would also allow the JPA to consult with the federal regulatory agencies to obtain early buy-in on the selection of a preferred alternative corridor via a NEPA/404 MOU process. The purpose of the MOU process is to obtain concurrence from these agencies on the identification, evaluation, and selection of alternatives. The NEPA/404 MOU, which is a signed agreement among FHWA, Caltrans, the USACE, U.S. EPA, and USFWS, applies to federal-aid surface transportation projects that have 5 or more acres of permanent impacts on waters of the US and that require a NEPA EIS. Because the entire 35-mile-length Connector project is likely to result in “fill” of more than 5 acres of USACE jurisdictional wetlands, a process known as the “Modified NEPA/404 MOU Integration” was identified to be initiated during the Tier 1 scoping phase. Because of its program-level nature, a

NEPA Tier 1 EIS evaluation will not result in the actual submittal of a CWA Section 404 permit application. However, Tier 1 evaluations generally result in a subsequent Tier 2 project that would be subject to this MOU that will require a permit from the USACE. Therefore, the NEPA/404 integration process is “modified” for Tier 1 EISs to reflect programmatic decisions made at Tier 1, and to anticipate the permit application requirements at Tier 2. The Tier 1 (modified) and Tier 2 (standard) NEPA/404 integration processes are similar in many respects. Both processes include the same checkpoints. The main difference between the Tier 1 and Tier 2 NEPA/404 integration processes occurs at the last checkpoint. In Tier 2, the Transportation Agencies seek Responding Agency comment, agreement, or USCOE concurrence on the least environmentally damaging practicable alternative (LEDPA) and the conceptual mitigation plan for the LEDPA. In Tier 1, however, the Transportation Agencies seek Responding Agency comment, agreement, or USACE concurrence on the alternative (corridor) “most likely” to contain the LEDPA, and on the general framework for mitigation. All other elements of the standard NEPA/404 integration process apply, unless otherwise indicated. *Therefore, a modified NEPA/404 MOU process was recommended as part of the level Tier 1 EIS analysis (Table 1).*

Decision 2 (Concurrent): Approve 3 Specific Segments for Construction (NEPA Tier 2 EIS /CEQA Project-level EIR

In August 2008, the Team understood that up to 3 project segments would have sufficient design information and have federal funds available to move forward concurrently with the Tier 1 process and that the environmental document would therefore address project-level clearance under NEPA and CEQA for these segments—i.e., a “hybrid” EIS/EIR. It was assumed that the federal funds would be awarded for the project-specific components and the hybrid EIS/EIR would evaluate the project-level, detailed design information on the 3 initial segments and allow these segments to move forward to construction at the same time the decision on the overall corridor selection was made. *Therefore, 3 project-level components were identified as the likely project-level components to be analyzed in the Hybrid EIS/EIR (Table 1).*

Decision 3 (Subsequent): Approve Remaining Segments for Construction

At some point after adoption/certification of the hybrid Tier 1/Tier 2 EIS/EIR, the JPA, or any one of the participating member agencies (i.e., El Dorado County, Sacramento County or the member cities), will need to consider the additional segments for construction. Before approving these additional segments, the agencies must comply with CEQA, and if federal funds are available from FHWA and Caltrans, NEPA clearance. The EIS/EIR would identify the remaining segments (in addition to the 3 segments to be cleared) and analyze the potential impacts on a program-level, which will minimize the need to for subsequent environmental reviews on a project-level for the remaining segments. *The third decision point would enable the JPA to obtain later NEPA and CEQA clearances and approval for program funding, purchase right-of-way, and construct the later segments (Table 1).* Subsequent permitting will be required before final design and construction can proceed with the individual segments.

Unavailability of Federal Funding

In August 2008, the Team understood that the Connector project itself and up to 3 project segments would have federal funding available, which triggers NEPA compliance. However, with the delay in the next surface transportation act authorization and the limited availability of the annual federal appropriations, these assumptions have not played out. Consequently, the likelihood of sufficient federal funding becoming available for the Connector project in the next 18 months appears to be low. However, federal funding for constructing the various project segments could become available to the individual agencies or the JPA over the next 18 months. If this were to occur, an individual project-level NEPA review would be required before the funds would be disbursed.

Public Private Funding Options and Concessionaire

One funding option currently under consideration by the JPA is a concession-based Public-Private Partnerships (P3) model, which can be an efficient way to build large public infrastructure projects such as roadways, and enhance the quality and delivery of public services. Under a concession model P3, a private investor would enter into a long-term concession agreement with the JPA in return for either a significant cash payment up front, a recurring stream of payments over time, or a combination of both. The private investor would be responsible for the design and construction and the operation and maintenance of the project, while the JPA would retain ownership rights and control over areas of public interest, such as quality standards, safety issues, price increases and labor protection. One requirement however, of a successful P3, is that the project can reach key milestones, including CEQA compliance and project right of way preservation in an expeditious manner. The potential for a P3 funding option for the Connector therefore requires that the JPA obtain CEQA compliance for the corridor as soon as possible.

South Sacramento HCP

At the time the initial environmental review was developed for the Connector, the South Sacramento Habitat Conservation Plan (SSHCP) was not as far along in the approval process and the JPA was not part of the HCP. The JPA is currently reviewing whether to join the SSHCP, which is expected to be approved in the next 12 months. Participation in the HCP would allow the JPA to mitigate impacts of its projects and obtain permits required under the federal and state ESAs, the federal Clean Water Act, and the state's Porter-Cologne Water Quality Act. Participation could also allow the JPA to make a CEQA finding that the Connector project-related biological impacts on sensitive species have been fully mitigated. Participation could also reinforce public awareness of the JPA's sensitivity to regional natural resources and its desire to create a Project that protects and preserves those resources. By participating in the HCP, the JPA would not need to rely on FHWA and Caltrans to comply with the federal ESA and participate in the federal agency alternatives screening processes such as the NEPA/404 MOU process and the Tier 1 EIS process that were originally planned for by the JPA.

Level of Design information Not Yet Available for Project-level Review

In August 2008, the Team understood that as many as 3 project segments along the project corridor could be at a detailed design stage sufficient to allow for project-level environmental review to proceed concurrently in the same environmental document for the larger Corridor Tier 1 level analysis. However, this scenario has not happened, and no segments within the Connector project design have proceeded with design at a level sufficient for project-level review.

Recommendations and Issues of Concern

Based on the new developments and changes in key assumptions on the project since August 2008, we recommend that the JPA proceed with a CEQA-only, program EIR. This approach will ensure that the environmental compliance for selecting a corridor will proceed in the most expeditious manner. If the opportunity for federal funding for the Connector corridor becomes available in the future, then a Tier 1 level EIS can be prepared under NEPA; so the proposed recommendation does not preclude the preparation of a NEPA document. Table 2 summarizes the changes (shown in strikethrough text) in the key project decisions that have arisen since the original strategy was developed in August 2008.

Table 2. Updated Approach to Completing Environmental Review for the Connector Project (Program EIR)			
JPA/FHWA/Caltrans' Key Decision	Environmental Compliance Requirement	Component in Environmental Document	Recommended Agency Consultation
<p>Decision 1 (Concurrent) Approve Connector Preservation Corridor (program-level)</p> <p>Disburse Federal Funds for Corridor Planning (program-level)</p> <p>Likely LEDPA (program-level)</p>	<p>NEPA and CEQA clearance to support preferred corridor selection and address cumulative impacts of Decisions 2 and 3</p> <p>No permitting at this level.</p>	<p>NEPA Tier 1 EIS/CEQA program EIR to preserve connector corridor/address cumulative impacts for initial 3 segments and future segments.</p>	<p>Early agency outreach (pre-scoping)</p> <p>Implement Tier 1 Modified NEPA 404 on corridor alternatives</p>
<p>Decision 2 (Concurrent) Approve 3 Specific Segments for Construction (project-level)</p> <p>Disburse Federal Funds for 3 project-level segments</p>	<p>NEPA and CEQA clearance to support purchase right of way and construct the initial 3 segments. Permitting required before final design/construction.</p>	<p>NEPA Tier 2 EIS /CEQA project-level EIR to clear 3 initial segments (combine with Tier1/Program level).</p>	<p>Avoid/minimize sensitive resources along 3 project-specific alignment segments to minimize/avoid agency consultation requirements</p>

(project level)			
Decision 3 Subsequent Decisions (Future Dates) Disburse Federal Funds and Approve Remaining Segments for Construction (project-level)	NEPA and CEQA clearance to purchase right-of-way and construct the later segments. Permitting required before final design/construction	Subsequent NEPA/CEQA compliance (NEPA FONSI, CE, or EIS, and CEQA MNDs or focused EIRs) to be prepared when segments are programmed for funding.	Follow up with agencies during subsequent environmental reviews

Implementing these recommendations will enable the JPA to proceed forward with its key decision making, but will not preclude future federal funding option if they arise. Table 3 provides an overview of the benefits and potential issues associated with this change in environmental strategy.

Table 3. Benefits/Risks associated with Changes in the Proposed Connector Project Environmental Strategy Approach	
Benefits	Potential Risks/Issues
<p>1) Expedited CEQA Review. By eliminating the Tier 1 EIS at this time and preparing a Program EIR, the JPA can reduce the environmental review schedule by up to 12 months, which will allow the JPA to move forward with the right of way preservation for the corridor and project-level segments ready for final design and construction sooner than if the joint EIR/EIS approach were continued.</p> <p>2) Reliance on SSHCP for ESA consultation. One of the benefits provided by a Tier 1 EIS would be the JPA can achieve Section 7 consultation for the Connector project under the federal Endangered Species Act. However, if the JPA becomes a member of the HCP for the Connector project, then it can comply with the federal ESA and rely on mitigation solely through Section 10 consultation for the SSHCP.</p> <p>3) Improved Chances for P3 Opportunities. Reaching completion of the CEQA milestone sooner and proceeding with a selected corridor will assist in right-of-way preservation for the selected corridor and in attracting potential private investors.</p> <p>4) Subsequent Project-level CEQA Reviews continue to be streamlined. JPA/local jurisdictions can use the tiering concept under CEQA to reduce subsequent segment-level</p>	<p>1) Delayed SSHCP Schedule: A key aspect of completing only a program EIR at this time is the assumption that the SSHCP will proceed and the JPA will participate in the HCP. Currently the SSHCP schedule is proceeding with Alternatives Screening under NEPA. If the HCP process is delayed or the JPA does not participate in the HCP, then the ESA compliance for the Connector and the segments would need to be achieved on a project basis, which would substantially delay schedules and cost more.</p> <p>2) NEPA review if federal funding comes through for Connector. Although the team feels that the likelihood of federal funding is minimal, if federal funding became available for the Connector project, then NEPA compliance would need to be initiated at the time the funds become available. Initiating a separate NEPA review at a later date would delay the overall schedule than if the JPA continued with a joint Tier 1 EIS/program EIR. However, alternatives screening under Program EIR can be done to essentially meet NEPA screening requirements, JPA can consult with federal agencies to solicit input on alternatives screening for Program EIR, and Federal consultation for Connector project would occur for SSHCP</p>

<p>CEQA efforts for construction.</p>	<p>3) NEPA review if federal funding comes through for project level segments. If federal funding for project segments becomes available, then project-level NEPA would be triggered at that time. However, as long as the segments demonstrate independent utility and logical termini, then project –level NEPA could be attained. The cumulative analysis in the program EIR could be used in the project-level NEPA reviews.</p>
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Capital SouthEast Connector Board of Directors

Item # 6
Presentation

October 23, 2009

Update on Project Schedule

Issue: To keep the Board and public informed as to the environmental review process and associated opportunities for public input. Proposed revisions to the environmental process were discussed under Item #5 of today's Board Agenda.

Recommendation: Hear the report on the revised project schedule and provide comment to Staff.

Discussion: After the Board's approval of a revised environmental process for the project today, the project schedule has been updated to reflect the preparation of a CEQA Program EIR (environmental impact report). The key milestones of the environmental process are listed below and illustrated in the attached schedule:

- Refined Project Definition to Board, including options for Sheldon/Wilton area and definition of multi-model project features: November and December, 2009
- Screening of Project Alternatives using screening criteria: December, 2009
- Updated Plan of Finance for construction: January 2010
- Issuance of Notice of Preparation (NOP): January 2010
- NOP Comment Period and Scoping Meetings: January-March 2010
- Prepare Administrative Draft EIR: March-July 2010
- Prepare Draft EIR: July-August 2010
- Draft EIR public review period: September-October 2010
- Prepare Response to Comments and Final EIR: October-December 2010
- Public Hearing on Final EIR: December 2010
- Notice of Determination: December 2010

Opportunities for formal public input will be provided:

- During the comment period for the NOP at scoping meetings
- During the comment period for the Draft EIR at public meetings/workshops
- During the Public Hearing for the Final EIR

Community outreach and stakeholder meetings will also be held throughout the environmental review process as required to discuss significant project elements and features.

The updated project schedule reflects the current status of project activities and the proposed changes to the environmental process discussed in Item #5 of today's Board Agenda. The completion of the Program EIR by

December 2010 is consistent with the schedule provided to the Board in December 2008 as part of the Draft Improvement Plan.

Respectfully Submitted,

A handwritten signature in blue ink, appearing to read "Tom Zlotkowski". The signature is stylized with a large initial "T" and "Z".

Tom Zlotkowski
Executive Director

Capital SouthEast Connector Project Schedule																
Task	2009			2010												
	Oct	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	
Community Outreach	[Shaded]															
Stakeholder Meetings	[Shaded]															
Refined Project Description		[Shaded]	[Shaded]													
Screening of Alternatives			[Shaded]													
Updated Plan of Finance for Construction				[Shaded]												
Board Approval of Notice of Preparation (NOP)				[Shaded]												
Scoping Meetings & Public Comment Period				[Shaded]												
Preparation of Admin Draft EIR					[Shaded]											
JPA Board Review of Draft EIR										[Shaded]						
Preparation of Draft EIR										[Shaded]	[Shaded]					
Public Circulation of Draft EIR & Public Meetings												[Shaded]	[Shaded]			
Response to Comments													[Shaded]	[Shaded]	[Shaded]	
Preparation of Final EIR													[Shaded]	[Shaded]	[Shaded]	
Final EIR to JPA Board and commenting agencies														[Shaded]	[Shaded]	
Final Public Hearing															[Shaded]	
Notice of Determination (NOD)															[Shaded]	