CITY OF OAKLAND
CITY COUNCIL

LEGISLATIVE ANALYST MEMORANDUM

To: Oakland City Council
From: Alice Glasner, Legislative Analyst
Date: October 6, 2009
Re: Agenda item on the Oakland Airport Connector Project (09-0595)

The Public Works Committee had two opportunities to discuss the proposed Oakland International Airport Connect project. I have attached here, for your convenience, the council questions that were generated by the meetings of July 14, 2009 and September 15, 2009. BART has submitted responses to the first set of questions and it is anticipated that BART will submit responses to the additional questions. Transportation planning staff of the Community and Economic Development Agency will submit supplemental information for this agenda item separately.

Please find the following attachments for your review:

1. Public Works Committee questions forwarded to BART on August 7, 2009 (Attachment X).
2. Responses from BART, distributed to the public on September 15, 2009 (Attachment Y- 14 pages).
3. Committee questions to BART as a follow-up to September 15 meeting (Attachment Z).

CITY OF OAKLAND
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To: Tom Dunscombe, Project Manager, Airport Connector Project, BART
From: Alice Glasner, Legislative Analyst, Oakland City Council, Public Works Committee
Date: August 7, 2009
Re: **Questions from Public Works Committee regarding the Airport Connector**

As you know, the topic of the Oakland Airport Connector project raised a number of questions during City Councils' Public Works Committee meeting on July 14, 2009. Per Committee direction, I have collated questions from Committee members. Questions have been grouped into broad categories and listed below. Since this item is scheduled to return to Committee on September 15, please submit your responses in writing by September 1, so that they may be presented to the City Clerk for publication that week.

Thank you,
Alice Glasner

Analysis of the Preferred Oakland Airport Connector (OAC) Alternative: Automated Guideway Transit (AGT)

1. What is the current total travel time for BART's proposed OAC? (Both on-peak and off-peak/night). What is the walk time from the Automated Guideway Transit (AGT) Station outside the airport, into the Airport Terminal? What is the proposed required speed for the AGT connector?

2. What is the current projected Cost Per Rider for the AGT system? What is the current projected Cost Per NEW Rider for the AGT system?

3. The original AGT system was described as "seamless" connection from BART. However, now we have learned that passengers will have to go upstairs from Coliseum BART to board the AGT, and then, when arriving at the Airport, passengers will have to go downstairs, and then walk outdoors across multiple lanes of traffic prior to entering the airport. Nonetheless, BART staff has still claimed that the project is "seamless." Please explain what, specifically, BART means by the word "seamless."

4. Does the EIR's traffic analysis include Airport passenger projections without a third terminal?

5. By what percentage will the addition of the OAC, as a single factor, increase airport use?

Ridership and Passenger fares

6. What are the assumptions/projections of Oakland Airport Passenger totals that the ridership projections are based upon? Please provide a graph or chart showing the number of million annual passengers (MAP) anticipated to be flying out of OAK which are being used to project Connector ridership. In what year does BART project that Oakland Airport will exceed 20 MAP? (20 million annual passengers?).

7. What percentage of Airline passengers is BART projecting that the AGT OAC would carry?

8. What is the number of daily passengers this represents for the OAC? What is the current projected ridership in year 2020 for the AGT system? How many stops is this based upon?

9. What percentage of OAC riders does BART anticipate will then transfer from the OAC to BART? What percentage is anticipated to transfer to an AC Transit Bus? What percentages are anticipated to exit to an automobile or taxi? What percentage is anticipated to exit to the Coliseum/Arena (sports facilities)?

10. What percentage of Airline passengers does the AirBART connection to OAK currently carry?

11. What is the projected passenger fare for the AGT OAC?

12. What will the passenger fare be to ride the OAC to the Intermediate Station at Doolittle?

13. What is the projected passenger fare for the BRT alternative?

14. What is the projected Passenger Facility Charge per person that will be added by the Port of Oakland to pay for this project?

15. If the Port of Oakland gives the passenger facility funds for the OAC, what other Port projects will then be delayed or cancelled? (E.g. Terminal 1 renovation?) How many lost jobs does this represent?

16. How much funding for this project will come from "core BART" fares?

17. Which other BART extension projects are including, in their revenue projections, the passenger fares on the "core BART" system?

18. Why do ridership projections for the AirBART (no project) predict that it will carry fewer people in 2020 than it did in the year the 2005 ridership revision was released?

19. What are the existing mode-shares of existing airport connectors throughout the Country? What is the data basis for BART's projection of the mode-share that would be captured by the OAC?

20. Please clarify the intentions regarding Terminal 3. At some meetings, BART staff has asserted that the Port of Oakland is responsible for paying for the extension of the Connector to Terminal 3, but no such financing plan appears to actually exist. More recently, BART staff has stated that the OAC plans exclude the costs to reach Terminal 3 because it is projected that Terminal 3 will NEVER be built. Please clarify what assumptions about Terminal 3 are the basis for BART's

projections. If the projections are now based on Terminal 3 never being built, how has the projected ridership of the OAC been adjusted to take this into account? Please provide the projected ridership through the projected life of the project when it included Terminal 3, AND a copy of the revised projected year-by-year ridership for the OAC, under your new assumption that Terminal 3 will not be built. What is the projected highest-possible MAP upon which this option is based?

21. What is the difference in ridership assumptions between the OAC and the Quality Bus Options without intermediate stops? What OAK MAP ridership assumptions do these include, and how were these assumptions derived?

22. How many airport and concession employees (as a percentage of total) are expected to use the OAC on a daily basis?

23. Is there any plan to allow for discounted monthly fares for employees working at the airport?

24. What is the difference between the pre-construction, projected ridership and the actual ridership (2008-2009) with respect to the **SFO** airport connector?

25. What percentage of Airline passengers does the BART **SFO** connector CURRENTLY carry? Airport Workers?

26. What was the planned Passenger Fare surcharge for the BART SFO Connection at the time the RFP was issued for the BART **SFO** Connection? What is the passenger fare surcharge for the BART SFO Connection today?

27. What was the impact of the fare increase for the BART **SFO** connector on ridership?

Other Alternatives considered (but not chosen) to link BART to the Airport

28. What alternatives to the OAC were considered during development of the current proposal and which ones were fully analyzed? How does each alternative compare in terms of ease of transition between different modes and the airport (especially for people carrying luggage).

29. What is the total travel time for the Bus Rapid Transit (BRT) and/or "Quality Bus" options? What is the walk time from a Quality Bus/BRT stop into the Airport Terminal?

30. What percentage of Airline passengers is BART projecting that the BRT system alternative would carry?

31. What is the current projected Cost Per Rider for the BRT system? What is the projected Cost Per NEW Rider for the BRT system?

32. Please provide information about what the specifications are for the BRT and/or "quality bus" systems. E.g. cue jump lanes? Traffic signal prioritization? Which traffic projections are road-speed assumptions based upon? Is time based on including delay for fare payment through the single front door, or based upon all-door boarding with prepayment system?

33. What is the current projected ridership in year 2020 for the BRT system? How many stops in this based upon? What would the projected ridership be with the Intermediate stops?

34. Why do ridership projections for the AirBART (no project) predict that it will carry fewer people in 2020 than it did in the year of the 2005 ridership revision was released?

Intermediate Stations

35. The EIR description of the (preferred) AGT option for the OAC stated that it would include 2 intermediate stations on the Hegenberger corridor to promote economic development of the area. What is the current status of the intermediate station(s)?

36. What is the price quote to add the Intermediate station at Doolittle?

37. What is the price quote to add another Intermediate station at an additional location along Hegenberger?

38. Who has the authority to make the decision about adding intermediate stations? Who has the responsibility to pay for intermediate station(s)?

Construction, funding, and construction jobs related to OAC

39. What is the projected total cost of building the OAC?

40. BART described the funding plan presented to MTC in July as a "full funding" plan. However, it appears that BART is now also applying for additional Federal TIGER funds which were not identified in the July presentation. Is this correct?

41. Please present a table showing funding sources for OAC construction, allocations, and potential disposition of funds if they are not used for the OAC, as proposed. Please include whether these funds could be available for other local projects.

42. If MTC gave the $70 million in stimulus funds to the other option ("transit system preservation and maintenance") how many jobs would this save or create?

43. How many jobs will the OAC save or create? For what time period?

44. Why isn't there a local hire component for construction of this project and how can BART ensure that Oakland residents are hired to work on this project?

45. The BART Project Manager mentioned that BART is working with the Port on the local hire issue; what is the essence of this discussion and how will it translate into local jobs? How will this be documented?

46. What percentage of the total dollars spent are the DBE Subcontracting goals applied to? (In other words, what percent of the total funds are "subcontracting" funds which are covered by the DBE requirement?

47. What is the dollar value of the recent improvements to the Hegenberger median? How much of these improvements will be removed or destroyed for the OAC guideway?

48. What kind of upgrades in the Coliseum Station (separate from the AGT) will be necessary to improve passenger sense of security at that station, and is this included in the OAC budget?

49. Is there any requirement that any part of the construction budget, whether for labor, materials or equipment, professional services, etc., must be spent in Oakland?

Operating the OAC

50. What would be the operation costs of the OAC in current dollars?

51. What will be all of the funding sources needed to pay operating costs?

52. How will airline ticket fees, systemwide BART fares, and any other current fees be affected by OAC construction and/ or operation?

53. How will any potential cost overruns (e.g., construction, lower than projected OAC use) be supported financially?

54. Explain how passenger projections affect long-term ridership assumptions for OAC.

55. What impacts will the OAC have on AC Transit, if any?

56. How many permanent jobs will be necessary to operate the OAC? How does this compare to the current AirBART operations?

57. List the benefits to the City of Oakland, financial or otherwise, from construction and operation of the OAC.

58. How will BART benefit from construction and operation of the OAC?

59. How will the OAC benefit the Port of Oakland?

60. How will residents of Oakland benefit from the OAC?

Contractual agreements between BART and City of Oakland

61. How will BART reconcile past breaches of the contract with the City of Oakland?

62. What are the consequences when such breaches occur?

63. What is the estimated fair market value of the real property and easements which BART is obtaining/seeking to obtain from Oakland for the OAC?

ATTACHMENT Y

FROM BART

This is in response to questions about the BART Oakland Airport Connector Project asked by members of the Oakland City Council Public Works Committee.

Benefits to City

Ridership: The Connector will increase ridership on the region's existing transit systems including BART, AC Transit, and the Capitol Corridor Train by improving the link between the inter-modal Coliseum BART Station and the Oakland International Airport.

Airport Growth/Traffic Congestion Relief: Specific benefits to the City of Oakland (City) include supporting future growth at the airport, increased access to the airport for Oakland residents, reduced traffic in the Interstate I-880 corridor, and reducing the number of diesel buses in the corridor.

Jobs: The OAC project is providing 25 to 50 permanent jobs and 2,500 to 5,300 construction jobs in Oakland (more detail in jobs section below).

Local Hire Program: BART recently completed a project stabilization agreement (Agreement) that includes a local hire program. The local hire program requires that 50 percent of all hours worked on the OAC Project, on a craft by craft basis, will be worked by Local Area Residents in the four BART District counties and 25 percent will be worked by residents of Oakland.

As recognized by one of the City of Oakland's early resolutions supporting the Oakland Airport Connector (OAC) project (Resolution 76153, November 28, 2000), Oakland International Airport is a vital economic engine for the State of California, the San Francisco Bay Area, and Oakland and Alameda County in particular. When roads and highways leading to the airport become increasingly congested, the BART-Oakland Airport Connector would offer a marketable, highly reliable, rapid, safe, convenient, and pleasant alternative to the automobile. This project is designed to serve the Oakland community for the next 40 years and beyond.

City Support for OAC Project

The following list of one ordinance, seven resolutions and a Cooperative Agreement represents support for the Oakland Airport expressed by the City of Oakland to date.

Oakland City Council
Ordinance No. 12764 C.M.S.
An ordinance authorizing the City Administrator to negotiate and convey real property interests to BART as required for the Oakland Airport Connector Project without returning to Council

PWA
9/15/09

Redevelopment Agency of the City of Oakland
Resolution No. 2006-0040 C.M.S.
Resolution authorizing an agency payment to the City under the Cooperation Agreement in an amount not to exceed $725,000 to cover the City's costs for plan review, construction monitoring and administration for the Oakland Airport Connector Project

Redevelopment Agency of the City of Oakland
Resolution No. 2006-0058 C.M.S.
Resolution authorizing the agency administrator to negotiate and convey temporary real property interests to BART as required for the Oakland Airport Connector Project without returning to the agency

Oakland City Council
Resolution No. 74071 C.M.S.
Resolution in support of full build-out of the BART Coliseum Station/Oakland Airport Connector with intermediate stops

Oakland City Council
Resolution No. 74072 C.M.S.
Resolution approving Alameda County Expenditure Plan for reauthorization of 1/2 cent sales tax for transportation and recommendation to Board of Supervisors to place extension of the sales tax on the June 1998 Ballot

Oakland City Council
Resolution No. 77025 C.M.S.
Resolution supporting the draft EIR/EIS Oakland Airport Connector Automated Guideway Transit ("AGT") alternative, the straight-in alignment into the west side of the Oakland International Airport Terminal Garage, the alignment along the Hegenberger median between Edgewater Road and Pardee Drive and urging BART Board to adopt the AGT Airport Connector Project with an alignment along the Hegenberger median between the Elmhurst Channel and Coliseum Way

Oakland City Council
Resolution No. 79874 C.M.S.
Resolution authorizing the City Administrator to enter into a Cooperative Agreement with the San Francisco Bay Area Rapid Transit District (BART) relating to the Oakland Airport Connector Project and to negotiate reimbursements and permits

Oakland City Council
Resolution No. 79876 C.M.S.
Resolution accepting a contribution of funds from the Redevelopment Agency under the Cooperation Agreement in an amount not to exceed $725,000 to cover the City's costs for plan review, construction monitoring, and administration for the Oakland Airport Connect Project

Cooperative Agreement
Cooperative Agreement between the San Francisco Bay Area Rapid Transit and the City of Oakland Relating to the Oakland International Airport Connector
Executed May 18, 2007

No City Contributions to OAC Project

The City of Oakland is not involved in funding the OAC project. (Project funding is discussed further below.) Between the Coliseum BART Station and Doolittle Drive, the Connector alignment is largely in the public right-of-way along Hegenberger Road. From Doolittle Drive to the airport terminals, the Connector would be located on Port of Oakland land in a corridor reserved for Connector use. According to state law, BART is allowed to construct and operate within the public right-of-way located within the City (Hegenberger Road median). All city-owned parcels necessary for the project will be purchased by BART. BART is purchasing six parcels from the City at fair market value for a total cost of $230,000.

By executed agreement dated June 2, 2009, the City agreed to convey necessary rights of entry and easements to BART at the Coliseum Station. In an earlier executed agreement dated May 18, 2007, the City agreed to convey property rights to BART necessary for the project, agreed that "BART has the right to use City-owned land within the public street rights-of-way at no cost," and also agreed to issue BART the necessary permit to construct the project.

In the May 2007 agreement, the City further pledged $725,000 in future staff time for City review of BART documents and permit review as the mechanism to reimburse BART for design work completed on the City's behalf for the Edgewater Intermediate Station. The design of the intermediate stations was started and then stopped at the City's request. This work was completed in good faith on the assumption that a funding agreement between BART and the City, which was being developed at the time, was forthcoming. As outlined in the section on the intermediate stations below, the City's pledge of $725,000 is in lieu of contributing dollars to the design and engineering work on the intermediate stations.

Project Costs/Fares/Funding Plan

In 2001, the Oakland Airport Connector project was originally estimated to cost $208 million (2001 dollars). Inflation and global competition for construction resources escalated the construction cost to a current estimate of $386 to $416 million (2012 dollars). In order to be prudent, BART has added a generous 10 percent, $40 million for construction contingency and $40 million for construction management and oversight. In addition, BART has added the $33 million spent to date on project design, environmental

evaluation, property acquisition, hazardous material remediation, and utility relocation to the overall project cost. This creates a total project cost of between $522 million and $552 million. Table 1 illustrates the major cost categories for the project.

The recent economic downturn has reversed the rapidly escalating construction costs of the last decade. Each of the seven contracts BART has awarded to date for the seismic retrofit project have come in 15 to 30 percent below the engineer's estimate, realizing a collective savings of $50 million. The BART Warm Springs Extension subway contract was 45 percent below its estimate. Recent Caltrans construction bids also have been significantly below engineer's estimates. BART believes the OAC project will have similar savings. BART has held six pre-bid meetings to standing-room-only crowds, which indicates the intense competition for this contract. BART believes that the actual proposals for the OAC project will be lower than $400 million.

Table 1--OAC Construction Costs	
Capital Construction Cost	$386 – 416 million
BART Spent to Date	$33
Delivery and Contingency	$80
Project Capital Cost	$499 -529 million
Capitalized Interest	$23
Total Project Cost	**$522 -552 million***

*BART anticipates that project cost could be significantly below project estimates.

The OAC project would be funded from a number of sources. Table 2 presents the various funding sources for the project.

Table 2 – Funding	
Committed Public Funding	**$ Millions**
FTA P5	25
Alameda County Transportation Improvement Agency	89
Port of Oakland (escalated)	44
State Transportation Improvement Program (STIP)	21
Regional Measure 1 and 2 (Bridge Toll)	109
Seismic Safety under runs (MTC reallocated RM2 funds)	50
MTC State and Local Partnership Plan funds (SLPP)	20
Federal Recovery and Reconstruction Act (ARRA)	70
Total Committed Funding	**428**
Proposed New Funding	
BART Debt Financing (TIFIA)	94-124

Total Potential and Committed Funding	**522 – 552**

Source: BART

What Happens to Funding if Project Does Not Go Forward

The FTA P5 funding will return to the FTA and be lost to the region. The other funding sources return to their respective agencies – ACTIA, MTC, Port of Oakland – for reallocation.

Ridership

The OAC project was planned and environmentally evaluated between 1999 and 2002, although previous planning efforts extend all the way back to the 1970s. Ridership estimates were developed as part of the 2002 Final Environmental Impact Report/Final Environmental Impact Statement (FEIR/FEIS) and were used to plan OAC service requirements and evaluate the potential environmental impacts. OAC ridership was based on the projected number of people traveling to the airport in two future years (2005 and 2020) and what percentage of people would use the Connector to get there. The analysis forecast 13.35 million air passengers (MAP) in 2005 and 24.74 MAP in 2020.

A mode choice model was developed, which was derived from models developed by MTC for Bay Area regional airport access. It was customized for the OAC study based on specific data collected at Oakland International Airport. Trip generation and distribution estimates are based on periodic surveys of passengers and employees at Oakland International Airport by MTC and the Regional Airport Planning Committee forecasts of airline passenger travel demand prepared for MTC. The model used a comprehensive list of time and cost factors to forecast anticipated travel patterns for different groups going to the airport and what proportion of each group would use the Connector. The model forecast that approximately 16 percent of Oakland Airport patrons and approximately 2 percent of airport employees would use the Connector. The Final EIR/Final EIS projected that 9,360 people daily would ride the Connector between the Coliseum BART Station and the airport (no intermediate stations) in 2020.

A number of ridership updates have been completed over the years. In 2005, airport use reached 14.8 million air passengers per day and the existing AirBART system carried an average of 3,200 passengers. A ridership update by Wilbur Smith Associates in October 2005 estimated the airport would reach 25 million air passengers by 2020 and the Connector would carry 14,700 daily patrons.

The recent combination of weak economy, high fuel prices, and general turmoil in the airline industry has resulted in a significant decline in air travel. In April 2009, BART initiated another ridership update for Oakland International Airport and the OAC project. The intent was to provide forecasts that incorporated the changed circumstances of the economic downturn and were accordingly based on conservative assumptions to avoid

overstating potential ridership. These forecast numbers were intended to assist BART and potential private sector partners in reaching decisions related to the financial viability of the project. The ridership forecasting for the EIR/EIS took into account subjective factors such as comfort, convenience, and reliability of the AGT system compared to the current bus service. In contrast, the investment-oriented forecasts in the 2009 update purposely ignored these subjective factors and focused on quantifiable factors such as travel time and travel costs in an effort to develop data for use to make investment-grade business decisions focused on return on investment rather than rider development. It also used very conservative forecasts of air travel, projecting 13.1 million air passengers in the year 2020 as compared with the 25 million which was used in the previous forecasts. 13.1 million annual air passengers in 2020 is actually lower than the peak of 14.6 million air passengers experienced in 2006 at the airport. As a result, the 2009 patron forecasts are significantly lower than those presented in the EIR/EIS and Connector ridership was conservatively estimated at approximately 4,350 daily riders in 2020.

BART developed an additional ridership analysis to investigate the worst-case scenario for its financial modeling. It was intended to characterize the order of magnitude of BART's financial risk in implementing the OAC project in the event that the economy does not recover quickly. The financial model was developed to show a baseline financial threshold, below which the District would lose money. The model starts with anticipated capital costs of the project and on-going operating costs as expenditures. It then tries to show how many riders would be required at a specific fare to break even. The purpose was to identify the number of riders the OAC system would have to carry to remain profitable. This "investment grade" ridership forecast for the financial model predicts 3,847 daily riders by 2020 would be necessary for the connector to be profitable. This does not represent what BART actually anticipates the ridership will be, but rather is part of a profit-loss framework.

Table 3 - Ridership Studies (No Intermediate Stations)

Year (Year of Operations)	2002 FEIR/FEIS (Passengers per Day)	2005 Ridership Update (Passengers per Day)	April 2009 Ridership Study (Passengers per Day)	2009 Baseline Financial Threshold Model (Passengers per Day)
2013 (1)			2,700	2,474
2014 (2)			3,210	2,840
2015 (3)			3,720	3,267
2016 (4)			3,840	3,589
2020 (8)	9,360	14,700	4,350	3,847
2025 (13)			4,890	4,195
2030 (18)			6,030	4,576
2035 (23)			6,960	4,990
2040 (28)			8,033	5,635
2045 (33)			9,272	5,936

2047 (35)			9,820	6,145

Source: BART

How Many People will Ride the OAC?

Actual ridership will probably be somewhere between the figures shown in the FEIR/FEIS and those shown in the financial cost estimates. But this project is a legacy project being built for the future. The economy will recover, air passengers will begin to travel more frequently once again, roadways will become more crowded and the airport will need to re-visit expansion issues. The BART OAC will be needed to address these travel and regional congestion demands. Building the OAC today presents an opportunity to do so in a climate in which construction bids are coming in well under estimates. Construction costs will only go up as the economy recovers.

Just as occurred at the San Francisco International Airport when BART opened for service in 2003, ridership began at lower than anticipated levels. The economy had not yet climbed out of the dot-com bust, the post-911 slump in air travel had not yet rebounded and global issues such as the SARS outbreak were further depressing air travel. However, ridership at the BART SFO station has grown steadily and today is routinely in the 12,000 and up to 13,000 per day range.

Fares

The fare for the Oakland Airport Connector has not been established yet. Fares will be determined by the BART Board of Directors just prior to the start of service in 2013. The $6 dollar fare that has been cited was identified as part of the economic viability ridership model discussed earlier. It was intended to clarify possible pricing in the event that the economy does not rebound and it is part of the break-even formulations. Again, this pricing model was part of the "investment grade" ridership forecast for the financial model, which predicts 3,847 daily riders by 2020. This does not represent what BART actually anticipates the ridership will be, but rather is part of a profit-loss framework.

BART Studied the Bus Alternative

BART studied a bus alternative as part of its Oakland Airport Connector Project EIR/EIS, which was completed in 2002. BART called its Bus Rapid Transit (BRT) -type system the Quality Bus. The Quality Bus Alternative proposed a bus system that would be separated from auto traffic at both ends of the trip, use preferential signal treatment for the transit vehicles along the route to minimize delays, and would include customer amenities, such as improved passenger loading and unloading at the Coliseum BART Station and the Oakland International Airport terminal area. It had stations physically integrated into the Coliseum BART Station and the airport to create a

more efficient transit connection. Efficient passenger boarding and alighting was emphasized, which would be facilitated by three features of the vehicles: low floors, telescoping ramps, and three doors. Articulated buses, typically 60 feet in length, would be needed to accommodate the projected peak hour passenger demand. The Quality Bus route would follow Hegenberger Road from the Coliseum BART Station to Doolittle Drive, where an exclusive bus lane would be provided separate from Airport Drive to allow and unimpeded approach to the airport terminals. The return route from the airport terminals would follow Airport Drive and Hegenberger Road to the Coliseum BART Station.

Transform's proposal for a RapidBART bus emulates almost all of the features of the Quality Bus. In fact, the Transform proposal states that the Quality Bus alternative in the 2002 EIR/EIS was "essentially like 'rapid bus' but without a way around traffic." The queue jump lanes proposed for the RapidBART bus are effectively another version of preferential signal treatment, but would only work at intersections where there is room for a right turn lane in addition to the three through traffic lanes. Otherwise, a traffic lane would have to be displaced or the street would have to be physically widened, impacting adjacent properties. If there are other right turning vehicles at an intersection, the buses would have to wait for any vehicles making a right turn to clear the lane. In times of major congestion on Hegenberger, the queue jump lanes and signal preemption will not be very effective, because traffic will queue up from one intersection to the next. The buses could move through the intersection only to be stuck in traffic on the other side. The loading/unloading delay also increases during this time and, at peak times, the airport terminal area becomes very congested so delays to the buses are likely. Moreover, the City previously has objected to any bus proposal that would reduce the number of traffic lanes or displace parking on Hegenberger.

Job Creation/Hire Oakland

Long Term Employment. BART anticipates that the AGT system will employ 25 to 50 employees (depending on the technology used), who will be responsible for running and maintaining the system. Salaries are currently estimated to range from approximately $65,000 per year to $190,000 per year with majority of the positions being technical positions at approximately $77,000 per year. All positions would include full benefits including social security, disability, healthcare, pensions, and paid time off.

Construction Employment. BART staff has done a project-specific analysis of the jobs that will be created as a result of this project. These are conservative projections that show the OAC Project will create an estimated total of 2,542 direct and indirect jobs. Assuming that the project proceeds according to the current schedule with a final contract signed by December 30, 2009, these jobs will start immediately in January 2010. With the start of construction and manufacturing in mid-2010, BART anticipates that total employment will exceed 720 by the end of 2010 and peak at 1,800 by mid-2011.

BART's employment analysis is significantly more conservative than an analysis using the methodology established by the White House Council of Economic Advisors (CEA) for estimating jobs created by the American Recovery and Reconstruction Act of 2009 (ARRA). A simple analysis using the CEA methodology determined that the OAC project will create a total of 3,400 direct and indirect jobs. That forecast is 34 percent higher than the BART analysis. The CEA methodology also includes "induced" jobs." Including 1,900 induced jobs created as a result of the project increases the OAC employment total to 5,300 jobs. There are comparable increases in the totals for the BART project-specific analysis when induced jobs are also included. If Governor Schwarzenegger's job formula is used, 9,000 direct and indirect jobs would be generated.

Regardless of the methodology, it is clear that the OAC Project will create a significant number of high-quality jobs beginning immediately, intensifying and then peaking in 2011 and early 2012. And unlike many other rehabilitation or renovation projects, there are also ongoing job impacts (both direct and indirect) of this project, which expands the Bay Area transit system and infrastructure with enhanced long-term service.

What do all these jobs mean to Oakland? BART recently completed a project stabilization agreement (Agreement) with local hiring requirements that the selected contractor (and all subcontractors) performing construction work will be required to follow. With the exception of a provision applicable to certain Disadvantaged Business Enterprises (see next section), that Agreement requires that the OAC project be constructed with union labor.

Article 9 of the stabilization agreement describes a local hire program. The object of the local hire program is to enhance and encourage employment opportunities for the residents of Alameda, Contra Costa, San Francisco and the San Mateo Counties (Local Area Residents) and specifically residents of the Project Local Impact Area, which is defined as the City of Oakland, and to provide effective pathways into the construction industry and into union apprenticeship programs. To that end, as part of the Agreement, the BART District establishes goals for hiring and retention of Local Area Residents.

The Agreement requires that 50 percent of all hours worked on the OAC Project, on a craft by craft basis, will be worked by Local Area Residents and 25 percent will be worked by residents of Oakland. That agreement also establishes a goal that 20 percent of all craft hours be worked by apprentices and that 50 percent of the apprentice hours worked on the project will be worked by residents of Oakland.

Disadvantaged Business Enterprise. BART established a goal of 18 percent participation for Disadvantage Business Enterprises (DBE) for all civil construction activities for the Project, which includes construction of the guideway, columns, footings, stations, tunnel and maintenance facilities, and all associated facilities and roadway work.

BART expects this portion of the contract to be worth approximately $200 million to $300 million. Therefore, approximately $40 million to $60 million could be accomplished by DBEs. In order to encourage participation by DBEs in construction of the project, the Unions and BART agreed in the project stabilization agreement that $20 million of work accomplished by BART-certified small DBE's will not be subject to the Project Stabilization agreement and therefore not required to hire from the union hall or to pay union fees and dues.

Although no goals have been established for professional services, BART has traditionally done well in this area, and expects approximately 20 percent of these services to be provided by certified DBEs.

Intermediate Stations

The locations of two intermediate OAC stations, one at Edgewater Drive and a second at Doolittle Drive, were proposed and evaluated in the original 2002 environmental document. Since 2002 it has been understood that the City would be responsible for funding the design and construction of these stations, as verified through our numerous meetings and correspondence. To clarify this point, we have attached a series of letters from September 16, 2002 to July 21, 2005. The letters show that BART proceeded to design the intermediate stations at the City's direction and completed an advanced design for the Edgewater Intermediate Station.

In 2002 and 2003, the design effort was focused on the Edgewater Intermediate Station, which was an integral part of the "Metroport" proposal conceived by Simeon Commercial Properties for the corner of Edgewater Drive and Hegenberger Road. Metroport was a transit-oriented development that included 1.3 million square feet of office space, a 300-room hotel, and a conference center. In a letter dated February 10, 2003, Diane Tannenwald, Project Manager for the city's Public Works Agency, directed BART to "...move forward with the design and construction of the 'Metroport' Station...." Ms. Tannenwald continued, "Although we will not be funding the design of the 'Doolittle Station' at this time, the City intends to design and construct it in the future."

Later that year in a letter dated July 14, 2003, Daniel Vanderpriem, then Manager of Redevelopment, stated that the City's support for the interim stations had changed. He wrote, "A transit-oriented development at the Edgewater location has been impacted by an oversupply of commercial hotel and office space in the Bay Area Market. As a result, Simeon Commercial Properties recently advised the City that the big box retail project they have been planning is now receiving substantial interest from a major general merchandise retailer, drive-in restaurants and an auto dealership. **The current development concept does not lend itself to utilization of an intermediate station, and the proposed development would preclude effective development of such a station in the foreseeable future. Consequently, we are unable to proceed with our original approach of reimbursing the station design work since we cannot envision the station as an appropriate complement to the retail development."**

Ultimately, the City approved a Wal-Mart, IN-N-OUT Burger, and an auto dealership on the 23-acre Metroport (and Edgewater intermediate station) site rather than transit-oriented development. Unfortunately, the decision to allow Wal-Mart to develop the future OAC intermediate station site forced BART to relocate the guideway alignment to avoid costly impacts to these businesses.

Decisions regarding the Edgewater Station were further discussed in a letter dated July 21, 2005 from then City Administrator Debra Edgerly to then BART General Manger Thomas Margro, in which the City agreed to provide staff time as the mechanism to reimburse BART for its design efforts in lieu of providing funds. The City Council passed a Redevelopment Agency Resolution on March 29, 2006 in which the City pledged $725,000 in future staff time for City review of BART documents and permits. That letter also refers to the City's decision to "temporarily forgo the inclusion of the intermediate stations as a result of land use changes driven by the economics of office and hotel markets and Connector project funding." Even though the City decided to forgo the intermediate stations, the City continued to support the OAC and it goals, as is shown by the Resolutions it passed in support of the project and by the Comprehensive Agreement it entered into with BART May 18, 2007.

Future development of the Doolittle Intermediate Station is still possible, and it is included in the current proposal. BART has required the contractor to design and construct the project to accommodate the addition of a future intermediate Doolittle station, has issued the previously completed Doolittle and Edgewater Station design drawings in an addendum to its Request for Proposals, and has requested that the proposals provide an estimated cost to construct the Doolittle intermediate station. At this point, BART estimates the approximate cost for the Doolittle intermediate station would be $2-3 million for design and construction management and $12-15 million in actual construction costs.

Coliseum Station Upgrade and Vertical Circulation to Connector

BART and the City have been working very closely to create joint development opportunities at the Coliseum station and BART expects transit-oriented development (TOD) on the station parking lot east side of the station, which would bring retail, and commercial space, as well as hundreds of housing units to the area. To support the TOD, and at the City's request in a letter from Debra Edgerly, dated April 29, 2005, BART has relocated the Connector maintenance facility from the Coliseum Station parking lot to the property purchased by BART near the Doolittle Intermediate Station site at the corner of Airport Access Road and Hegenberger Drive. The design and location of the Airport Station was approved by Port of Oakland staff in conformance with TSA and FAA regulations.

In addition, OAC passengers would no longer stand out on the curb along San Leandro Street waiting for the AirBART bus. OAC patrons will use a new escalator/elevator connection to the OAC platform above the BART tracks. The new vertical connection

would provide an exclusive flow for Connector patrons to the Connector platform that is separate from the predominate patron flow, which travels to the ground level and out of the station. This is especially important during special events at the Oakland Coliseum.

BART patrons are accustomed to making transfers within the system, both across a platform between trains and between various levels within stations. The vertical connection at the Coliseum BART Station and at Oakland International Airport would be consistent with the BART system, and exactly as proposed in the FEIR.

Airport Station Location

The planned Airport Station is directly across the street, between terminals one and two – a short 2 minute walk of some 140 feet in length under a covered walkway that could be converted to an elevated walk in the future. The station does not drop passengers off in the middle of a far off parking lot or other remote location.

Port Passenger Facilities Charges (PFCs)

As with all airports, the Port of Oakland Aviation Division has the ability to collect passenger facility charges from passengers using the airport. **FYI; the pfc used to fund the project will be 43.00** Currently, the Port collects $4.50 in PFCs from each passenger that purchases a ticket and lands at the Oakland International Airport. This is not a new tax or fee imposed by the Port. The PFC funds collected by the Port are used for on-airport projects that are approved by the Federal Aviation Administration (FAA). The Port has approved the application to use *(another spin, not entirely inaccurate: the Port has approved using)* PFCs to fund the project and has **NOTE: the application for PFCs has not yet been submitted to FAA; Port has merely authorized application, but I would not highlight this.** reimbursed BART for $1.5 million in design costs to date and is expected to approve the balance of the Port funding commitment of approximately $43.9M.

Description of the OAC System / Travel Time / Ticketing

In an effort to include more potential technologies and provide a more competitive proposal process, BART allowed the vehicle trip time to increase by up to 3 minutes from the original project requirements. In response to the broadened specifications, BART has pre-qualified four teams that will be allowed to compete to design and build the OAC Project. Each team has its own unique automated guideway system and transit vehicle. The total patron travel time will vary depending on which system is chosen. The speeds of the four vehicles vary from approximately 27 to 45 miles per hour, and the vehicle trip times vary from 6 to 9 minutes. BART will select the proposal that offers the best overall value to the District.

Connector travel time is measured as the total travel time from the moment a BART patron steps from a BART train at the Coliseum BART Station platform, transitions to the OAC Connector, rides to the airport, disembarks at the airport, rides the escalator to the ground, and enters the Airport terminal building. Between the hours of 8 AM and 8 PM, the total trip time is estimated to be 12 to 15 minutes (depending on technology). A typical trip is composed of the segments:

- 2-minutes walk time from the BART train to the Connector platform
- 2-minute wait time for Connector transit vehicle (vehicles arrive approximately every 4 minutes)
- 6 – 9 minute travel time depending on vehicle type
- *2-minute walk time to Airport Terminal*
- Total trip time 12 to 15 minutes – again depending upon the vehicle type

In the early mornings (6 AM to 8 AM) or late evenings (8 PM to 2 AM) and when BART trains are less frequent and fewer passengers are traveling, the AGT system will also reduce vehicle frequency. This could increase wait time by 2 to 3 minutes.

The BART-OAC system would be a "seamless" connection, which means that only one ticket is required to ride the BART system and Connector, compared to buying multiple tickets to ride BART and then the bus, which is now the case. The fare to ride the connector will be charged directly to each patron's ticket.

Organizations Supporting/Funding Project

The following is a partial list of organizations support of the Oakland Airport Connector:

Larry Reid, Councilmember
Steve Grossman, Director, Oakland International Airport
Henry Gardner, ABAG
Christine Monsen, ACTIA
Dennis Fay, Alameda County CMA
Karen Engel, Oakland Chamber
Paul Cohen, Northern CA Carpenters
Michael Quigley, CA Alliance for Jobs
Sylvester Grisby, Community Leader
Mark Lindquist, Associated General Contractors of CA
Peter Garza, Carpenters Local 713
General Sheppard, Northern CA Carpenters
Jerry Grace
Darrel Carey, East Bay Small Business Council
Rich Hedges, TransForm and San Mateo County Sierra Club
Former City Council members Dick Spees and Henry Chang
African American Chamber of Commerce
Chinatown Chamber of Commerce

MTC Board of Directors
Building Trades Council
Unity Council
Oakland Port Commission
Bay Area Council
BART Board of Directors
Oakland Association of Black Board and Trade
Airport Area Business Association

Mutual Contractual Obligations – Comment Period

On July 27, 2009 the City Administrator sent a letter to the BART General Manager, Dorothy Dugger indicating City Comments would not arrive until mid August because BART did not meet it's obligation to allow for a City comment period prior to issuance of the Oakland Airport Connector (OAC) RFP. The contract documents were made available on June 5, 2009, and the City Public Works Departments determined BART had already incorporated all previous City comments. BART understands the City's need to verify that the Contract Documents are substantially unchanged from previous versions that it has reviewed and that the Proposers are aware of City requirements. The RFP had to be released in order for BART to meet very challenging deadlines set by the funding agencies but that in no way waived BART's obligation to consider City comments. BART could have issued an addendum to the RFP if needed.

BART and City Cooperation

BART and the City have worked cooperatively over the course of several years to identify intermediate station locations, undertake design work for those stations, complete a Comprehensive Agreement, initiate relocation of existing utilities on Hegenberger Road and secure the right of way. Unfortunately in 2003 the City decided to eliminate Edgewater as an intermediate station site, but that did not and has not prevented BART and the City from working together on the project and it has not lessened the benefits of the project to the City of Oakland, BART or the Region as a whole.

Attachment Z

CITY OF OAKLAND
CITY COUNCIL

To: Tom Dunscombe, Project Manager, Airport Connector Project, BART
From: Alice Glasner, Legislative Analyst, Oakland City Council, Public Works Committee
Date: September 18, 2009
Re: **Questions from Public Works Committee regarding the Airport Connector**

The following are follow-up questions from the Public Works Committee meeting of September 15. If you forward the responses prior to noon by Wednesday October 1, they will be included in the public distribution of materials for the full council meeting of October 6.

Thank you,
Alice Glasner

1. Please indicate the cost-per-rider estimates for both BART's OAC proposal and BRT/quality bus alternative.
2. What is the current ridership on the SFO Connection? What was the projected ridership prior to construction? What was the effect of the increase in fare on ridership after construction (from $1.50 to $4.00)?
3. How did BART calculate its job projections for the OAC project? Do the estimates represent full time equivalents or total workers, part-time and full-time? Are these all project-related jobs or are there some indirect job hires in the calculations?
4. Does the time saved by OAC riders over the existing AirBART justify the cost of a new system (over $500 million)?
5. What was the estimate for reduced auto use regionally for the preferred alternative OAC?
6. What is the likelihood that the core of the BART system will subsidize the OAC?