

PFC #16 Public Notice – Oakland International Airport

SECTION 158.24 (a)(1): PUBLIC NOTICE OF PFC APPLICATION

In accordance with Section 158.24 (a)(1), the public is hereby provided with notice of a proposed PFC application at Oakland International Airport.

SECTION 158.24 (a)(2): DURATION OF PUBLIC COMMENT PERIOD

In accordance with Section 158.24 (a)(2), written comments will be received through **Monday, February 22, 2010**

SECTION 158.24 (b)(1): NOTICE CONTENTS

In accordance with Section 158.24 (b)(1), this public notice includes: (i) project description, (ii) project justification, (iii) PFC level, (iv) total PFC revenue used for each project, (v) proposed Charge Effective Date, (vi) estimated Charge Expiration Date, (vii) estimated total PFC revenue, and (viii) a Port contact for submitted comments. Under the PFC #16 PROJECT header below, the description, justification, and total PFC revenue used are combined for clarity. Following is information that applies to the entire PFC application.

(iii) PFC Level: OAK is requesting a collection level of \$3.00 per enplaned passenger for the total application amount.

(v) Proposed Charge Effective Date: Collection of PFC's is currently approved through April 1, 2021.

(vi) Estimated Charge Expiration Date: May 1, 2023, or until collection and interest total the approved PFC amount.

(vii) Estimated Total PFC Revenue: \$70,259,000

(viii) Port Contact for Submitted Comments: See below.

RESPOND TO:	Hugh Johnson Port of Oakland 530 Water Street Oakland, CA 94607
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PFC #16 PROJECT

The PFC #16 application will request authorization to impose and use PFC funds for the following projects:

Project Description	Estimated Project Cost	Estimated PFC Funds	Interest	Total PFC Funds
BART Airport Connector	\$529,000,000	\$43,894,000	\$26,365,000	\$70,259,000

In accordance with Section 158.24 (b)(1), provided below are the (i) project description, (ii) project justification, and (iv) total PFC revenue used for the project.

PROJECT - BART AIRPORT CONNECTOR (\$70.3 million)

The San Francisco Bay Area Rapid Transit District (BART) is proposing a BART-Oakland International Airport Connector (Connector) project to improve access to the airport by providing a direct and convenient people mover connection to the existing regional rail transit system. The Airport’s funding approach for the BART Connector Project includes approximately \$45.4 million of PFC eligible project costs, plus financing costs. Eligible project costs totaling \$1.5 million were imposed and used for the project as part of the Port’s PFC Application #13. The Port’s funding approach for its remaining share of the BART Connector project is to impose and use \$43.9 million of PFC eligible project costs, plus up to \$26.4 million of financing costs. PFC Application #16 requests the authority to use PFC for the remaining share of eligible project costs.

The BART Connector project proposes an Automated Guideway Transit (AGT) system comprised of an exclusive guideway for driverless transit vehicles. AGT stations would be constructed at Oakland International Airport and at the Coliseum BART station where fares would be collected. A maintenance facility would be located between the two stations, outside of the Airport property boundary. Three or four power substations would be required depending on the selected AGT technology; these would be located at each end of the guideway and at intermediate point(s) along the alignment.

An aerial guideway for AGT vehicles would be constructed from the Coliseum BART Station to Pardee Drive near the Airport, running parallel to Hegenberger Road and over Highway I-880. At Pardee Drive near the Airport, the guideway would shift toward 98th Avenue and descend into a 430-foot tunnel under Doolittle Drive to avoid

encroachment into the Metropolitan Links golf course, jurisdictional wetlands, and FAA-defined airspace associated with the North Field runways at OAK. The guideway would return to grade on Airport property within a 35-foot right-of-way adjacent to Airport Drive, and continue to the intersection at Ron Cowan Parkway, where it would transition to an aerial alignment for the remainder of the route into the terminal area parking lot. The Airport station would be elevated above the parking lot, adjacent to the airport terminal curbside roadway. The entire on-Airport length of the alignment is approximately 1.1 mile.

Because of foreseeable growth in airport use, local and regional roadway congestion and delay, the demand for transit alternatives is expected to rise, particularly for a reliable system that air passengers can depend upon to meet their scheduled flights. Specifically, the Connector project has the following objectives:

- Provide reliable scheduled service between BART and OAK
- Provide flexibility to increase transit frequencies during periods of increased travel demand
- Offer a competitive alternative over those who drive to OAK by providing predictable connections and travel time savings.
- Provide a convenient, safe, and comfortable connection between BART and OAK.

PROJECT JUSTIFICATION

The request to impose PFC funding for the BART Connector Project is justified because it accomplishes the PFC objective of preserving and enhancing the capacity of the air transportation system by reducing roadway congestion and delay for air passengers related to access to the Airport. Further, it is cost effective compared to other reasonable and timely means to reduce air passenger roadway congestion and delay, and the cost is reasonable compared to the capacity benefits attributable to the project.

Based on the EIR/EIS prepared by BART, “the need for the Connector project is based on recognition of existing and future transportation constraints in the study area. The anticipated future public and private development in the Coliseum and [the Airport] area, increased air travel growth at OAK, and related congestion along roadways that serve the airport and study area establish an overarching need to improve public transportation linkages in the area. Improvements to the existing transit service to OAK would encourage some current motorists to use BART services to OAK, thereby providing some relief to the congested traffic conditions in the study area and beyond.”

The transportation problems referenced in the BART EIR/EIS relate to anticipated traffic congestion, and transit reliability as measured by trip time and ticketing convenience.

Currently, a shuttle bus (AirBART) provides direct shuttle bus service between OAK and the Coliseum BART station. The AirBART system has recently carried as many as 1,269,232 riders, but ridership of the system has decreased in the past couple of years. In 2009, the AirBART system carried 772,395 riders, comprised of 736,020 air passengers and 36,375 employees. By 2020, the Connector system is anticipated to carry more than 2.2 million riders, including more than 2.1 million air passengers.

Air traveler delays as a result of roadway traffic congestion negatively impact air passengers, employees, and others trying to access the Airport. The project would facilitate the passenger's ability to utilize the airport by alleviating congestion on the freeway, local roads, and on-airport roadways, thus facilitating passenger's ability to utilize the airport. The BART Connector would use an exclusive right-of-way that would remove the AGT vehicles from traffic congestion of the surrounding roadways. In addition, implementation of the BART Connector would remove all AirBART buses from the roadways.

The Cost-Effectiveness Section of the BART EIR/EIS includes a metric based on annualized cost per transit trip. The preferred alternative of the BART Connector was calculated at \$6.25 per new transit trip, as compared to \$2.97 per new transit trip for a Quality Bus (i.e., improved bus service) alternative. Although the Quality Bus alternative was less expensive per new transit trip, such a service would be delayed by and further contribute to ever increasing traffic congestion. In terms of comparison to other transit projects, each of the BART Connector alternatives indicate a better cost efficiency than the median value of \$10.39 for other New Starts transit projects submitted to FTA at the time of the BART EIR/EIS.

Expenditure of PFC funds for the Connector would be for on-Airport fixed facilities; however, operation of the system is dependent on completion of the entire project, including off-Airport portions. BART has completed some of the off-Airport project work prior to selecting a preferred contractor, including purchasing land parcels and relocating sub-grade utilities along the guideway route. BART has determined that the project must have a full funding plan in place before awarding the Design-Build and O&M contracts. Therefore, PFC funds from this application would only be expended after the project is fully financed.

PROJECT BENEFITS

Because of foreseeable growth in Airport use, as well as local and regional roadway congestion and delay, the demand for transit alternatives is expected to increase, particularly for a reliable system that air passengers can depend upon to meet their scheduled flights. Specifically, the Connector project would provide:

- Reliable scheduled service between BART and OAK;
- Flexible transit frequencies to accommodate passengers during periods of increased travel demand;
- Predictable connections and travel time savings that results in a competitive alternative to driving to OAK;
- A convenient, safe, and comfortable connection between BART and OAK;
- An Airport access alternative to remove air passengers from highway congestion during peak periods.

The AirBART shuttle service currently operates using a 10-minute scheduled headway, but travel time can be delayed up to an additional 15 minutes per trip due to traffic congestion. The BART Connector would increase air passenger and employee ridership of BART to access OAK as compared with the current AirBART operation, primarily due to improved schedule adherence, faster in-vehicle travel times, and elimination of delays to purchase tickets as BART tickets would be accepted by the new system. Compared to the existing AirBART service, the BART Connector is anticipated to increase the share of air passengers and employees that access OAK using BART by approximately 50%. Ridership forecasts by BART estimate that the BART Connector will increase airport employee utilization of BART to 1.9 percent, and increase the local air passenger utilization of BART from a current level of 8.4 percent to 12.2 percent.

PROJECT OBJECTIVE

The project will preserve and enhance the capacity of the national air transportation system by increasing the capacity of transit access to the Airport and generally improving the regional rail transit alternative. The high reliability of service that the project would provide will decrease the number of air passengers delayed in traffic congestion compared with a scenario without the project by removing them from the roadways. Further, air passengers that continue to drive to the airport would experience less roadway congestion due to a decrease in the number of automobiles utilizing the Airport facilities.

It is anticipated that passengers would increasingly use transit to access the Airport rather than use private vehicles based on access improvements introduced by the BART Connector project. This shift away from private vehicles would further alleviate congestion on the freeway, local roads, and On-airport roadways, thus facilitation the ability of air passengers to utilize the airport. As a result, the project would reduce roadway congestion during the peak hour, and enhance traffic flow at the Airport by reducing parking demand and congestion. Accordingly, the BART Connector project would both increase passenger access by offering alternatives to roadway access through an improved connection to the regional rail system and enhance the ability of the existing Airport roadway capacity to accommodate future vehicular demand. Also, air passengers on airport roadways would experience less congestion and delay.

SCHEDULE

BART received bids to design, build, operate, and maintain the project and identified a preferred bidder in December 2009. It is anticipated that a contract will be awarded in early 2010. The system is projected to be complete and in service in 2013.

FINANCIAL PLAN

The planning estimate for the project capital cost in its entirety was \$529 million for the two station AGT system. The project cost contained in the preferred bidder proposal is \$440 million. The Port contribution to the project is fixed. In addition to the Port contribution, project funding is expected to be met by a combination of funds obtained by BART, including: Federal Transit Administration (FTA) P5 funds; Alameda County Transportation Improvement Agency (ACTIA) funds; Metropolitan Transportation Commission (MTC) proposed Federal Recovery Act Allocation (Stimulus) funds; State Transportation Improvement Program (STIP) funds; Regional Measure Tax funds; and Transportation Infrastructure Finance and Innovation Act (TIFIA) loans.

The Airport is seeking to fund specific PFC eligible components of the project. Port will own all or some portions of civil components of the Connector constructed on Port Property. Those components are anticipated to include:

- Single-column Aerial (elevated) guideway consisting of piles, footings, columns, guideway running surface, and emergency walkway.
- At-grade (ground level) guideway consisting of roadbed subgrade treatment, road (running) surface, parapet walls, and fencing.
- U-Wall construction
- Airport station, platform, canopy, and vertical circulation building.

The cost and anticipated PFC funding for these project components is approximately \$70.3 million. No airport funds will be used to fund project costs outside of the Airport property.

PROJECT FINANCE

Project Description	Estimated Project Cost	Estimated Eligibility/ Share	Estimated PFC Funds	Interest	Total PFC Funds
BART Airport Connector	\$529,000,000	8.3%	\$43,894,000	\$26,365,000	\$70,259,000