



Community Working Group Meeting #16 - Summary

Meetings Schedule

CWG meetings are held at the Upper Merion Township Building and begin at 7:00 PM. Below is the schedule of the next meeting. Future meetings are held on the third Wednesday of every other month, unless otherwise noted.

Tentatively Scheduled: Wednesday, July 17, 2019 – Valley Forge Room

Meeting #15 Summary

Location: Upper Merion Township Building, Valley Forge Room

Date: Wednesday, May 15, 2019

Time: 7:00 PM – 9:00 PM

Attendees:

KOP Rail project team members

Ryan Judge, SEPTA

Erika Morgan, McCormick Taylor

CWG members

Vivian Peikin

Craig Greenwood

Eric Hun

Marty Trumpler

The CWG held its sixteenth meeting on Wednesday, May, 2019. The purpose of the meeting was to discuss King of Prussia Rail project (KOP Rail) funding. The presentation reviewed the Federal Transit Administration's Capital Improvement Grant (New Starts), the Southeastern Partnership for Mobility Report, and the KOP Rail project 20-year Financial Plan.

New Starts

What are the chances of KOP Rail winning the New Starts grant? Do you have an idea of where the KOP Rail project falls within the FTA Capital Investment Grant Evaluation and Rating Criteria?

SEPTA will seek up to 50 percent of the project's funding from the Federal Transit Administration's (FTA) New Starts Program. New Starts is a discretionary and competitive federal grant program that appropriates available federal funding. The program funds specific capital investments including light rail, heavy rail, commuter rail, streetcar, and bus rapid transit projects. It is the only federal infrastructure-funding program large enough to support these important transit investments.

The FTA uses a point system to rate and rank projects for funding approval. Using established criteria, the project will receive points for the way that it positively impacts the local community, economy,



environment, and transportation network. The KOP Rail project has not yet entered the FTA New Starts program grant process, therefore it has not been rated by the FTA.

Assistance with the FTA grant process is included in the design consultant's Preliminary Design contract. Based on a preliminary evaluation, SEPTA feels that the KOP Rail project can receive a favorable review by FTA.

What if KOP Rail does not win the New Starts grant?

Some New Starts grant funding is necessary to the future of the KOP Rail project. It is the only federal source of transit funding that is large enough to support this type of project.

Is the construction start time flexible? When would construction begin?

Construction start time is dependent upon funding and other approvals as well as the type of construction method. The KOP Rail project is currently in the preliminary engineering phase. This phase includes an evaluation of different construction techniques and methods, such as traditional design-bid-build or design-build. With a traditional "design-bid-build" option, the transportation agency fully completes the design documents and specifications before requesting bids from contractors to build. The design and construction efforts are treated as separate projects. "Design-build" is an innovative method that combines the design work and the construction work under one contract. The design-build "team" works under one contract to provide design and construction services. In order to qualify for federal funding, the KOP Rail project must follow the federal project development process before a full-funding grant agreement for the project can be completed.

How do you fund the remaining costs?

To apply for the New Starts Program, the FTA requires the development of a 20-year Financial Plan. This Financial Plan, currently in development, will consider a wide range of future funding options. It could include state, regional, or county funding, private investment and innovative finance options. The 20-year Financial Plan is expected to be completed by early 2020. FTA requires 30-percent of the non-New Starts funds be committed at time of application. Public-Private funding options are among the options to be evaluated.

Are there transit projects in the US that are privately funded or funded through a business tax?

Public private partnerships (P3s) are contractual agreements between a public agency and a private entity that allow for greater private participation and investment in the delivery of projects. In transportation projects, this participation typically involves the private sector taking on additional project risks such as design, construction, finance, long-term operation, and traffic revenue.

New Starts Success Story: Silver Line – 49% is funded by the New Starts grant. Where did the rest of the money come from?

The Silver Line is Phase 1 of the Dulles Corridor Metrorail Project. The Dulles Corridor Metrorail Project is a 23-mile extension of Washington's existing Metrorail System. It is being built in two phases by the Metropolitan Washington Airports Authority (MWAA). In addition to the New Starts program, it is being funded largely by state and county funds.

The Silver Line opened on July 26, 2014, connecting East Falls Church with Tysons Corner and Reston, Virginia's largest employment centers, with downtown Washington and Largo, Maryland. It is operated



by the Metropolitan Washington Area Transit Authority (WMATA). Preliminary construction for Phase 2 began in 2014. It will run from the eastern edge of Reston west to Washington Dulles International Airport and to Ashburn in eastern Loudoun County.

New Starts Success Story: Central Link – Where did the rest of the money come from?

Central Link is a light rail line in Seattle, Washington and part of Sound Transit's Link light rail system. It serves 16 stations in the cities of Seattle, SeaTac, and Tukwila. It received \$500 million from the Federal Transit Administration. Through a voter-supported ballot measures, \$63 billion was provided by the State of Washington to expand Sound Transit's system, including Central Link.

Are there other projects in SEPTA's pipeline that would compete with KOP Rail project or will be affected if KOP Rail is funded?

KOP Rail will seek federal funding separate from other projects and not re-direct federal money from the Philadelphia region's other transportation needs. Many regions have multiple projects in the pipeline at one time. KOP Rail and other major transit projects such as the Broad Street Extension to the Navy Yard and the Trolley Modernization Project are not either/or propositions. Each project will be considered on its own merits for potential funding.

Don't you find out if a project can be funded before project development/planning or engineering begins?

No, large projects such as KOP Rail do not usually have funding in place at this stage. Planning, analysis, and some design work must be completed in order to confidently estimate project costs, operations, and timing. In fact, the FTA requires planning and some engineering work be completed before it will evaluate projects for potential funding.