

June 3, 2024

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By Email

TAMC Board of Directors
Transportation Agency for Monterey County
55-B Plaza Circle
Salinas, CA. 93901

<https://www.tamcmonterey.org/contact-us>

Re: A Low-Cost Rail Option Consistent with Prop. 116
instead of Marina-Seaside/Sand City Busway

Dear TAMC Board of Directors:

The Train Riders Association of California (TRAC) has advocated for improving passenger rail in California for four decades. Our organization is currently involved in several efforts around the state to restore rail lines to service including Mendocino County and Santa Cruz (see <https://calrailnews.org/trac-releases-santa-cruz-rail-study/>).

As the new President of TRAC, I rely on my Master of Urban Planning (MUP), my background as a Monterey Peninsula resident and 40+ years of experience as a transit planner to offer a proposal for an affordable rail project that could replace the stalled busway project.

Shortcomings of the Proposed Marina-Seaside/Sand City Busway

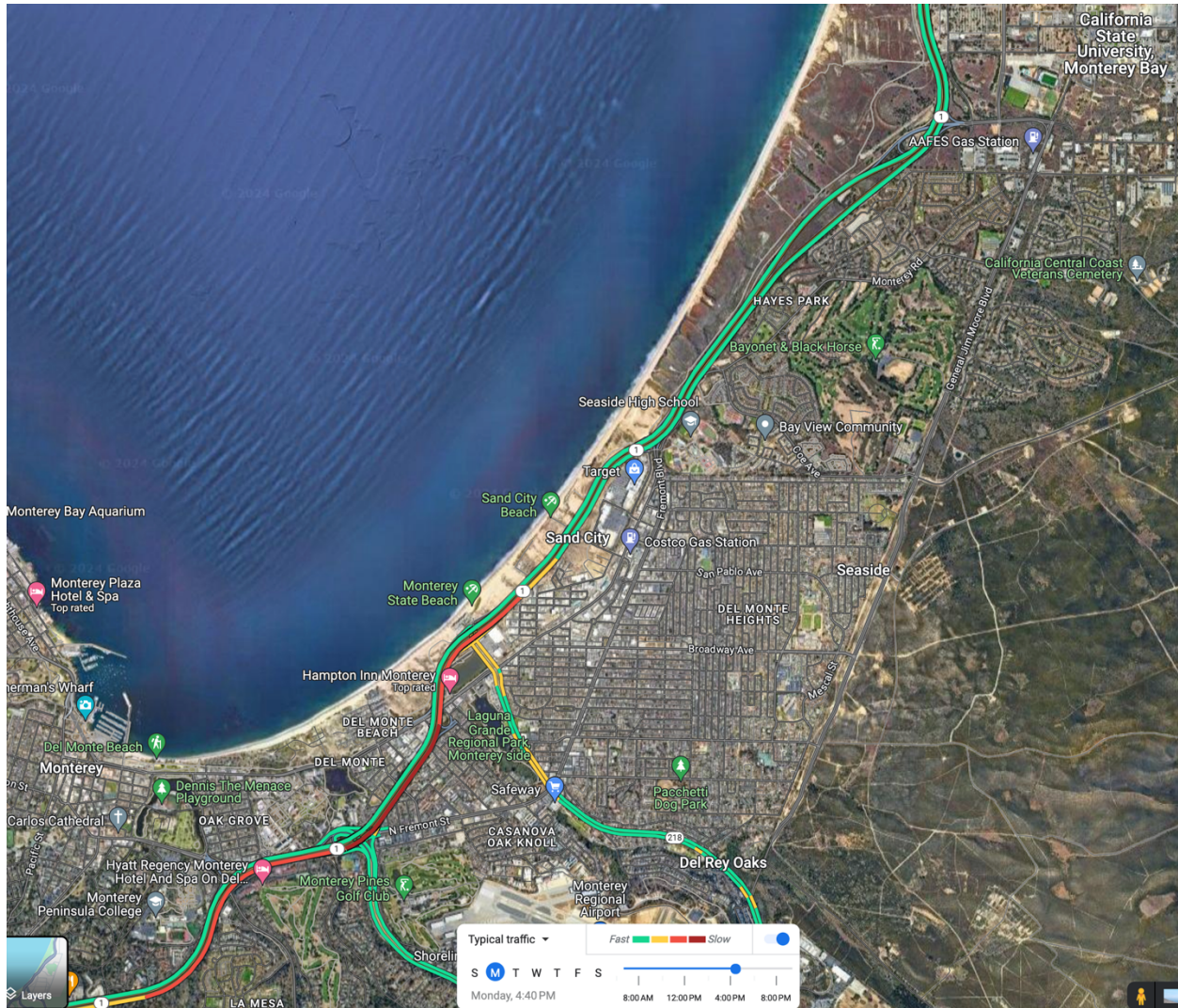
In reviewing the locations of traffic congestion on the Monterey Peninsula, TRAC finds that the main congested segment of Highway 1 during weekday evening peak periods starts before the Aguajito Road interchange and ends east of the Canyon Del Rey interchange (Figure 1 on page 2, from Google Maps).

During the same peak period, Highway 1 traffic on the six-lane segment between the Fremont Boulevard and Marina exits is generally free flowing. That suggests to us that a busway using the railroad right-of-way between Marina and Seaside/Sand City would have relatively little effect on congestion.

We don't see how the busway can provide a net savings of time between Marina and the Sand City Station compared to current bus operations on Highway 1. Currently, MST Route 20 requires 16 minutes in each direction between the Marina Transit Exchange and Sand City Station. To access the busway, buses will still have to travel over Marina surface streets, perhaps saving a minute or two each way due to bypassing the traffic signal at Del Monte Boulevard and Reindollar Avenue. TRAC believes its rail proposal would provide the residents

and visitors of Monterey County with far greater benefits using the grants totaling \$78 million.

Figure 1. Typical Weekday Highway 1 Congestion, Monterey & Seaside



A Low-Cost Rail Alternative

We propose an alternative: redirect the \$78 million Busway grant to upgrading the 9.7-mile rail line to Class II and Class II conditions and offering an innovative rail shuttle between Beach Road in Marina and downtown Monterey, aimed at both local residents and perhaps as importantly, a shuttle service for visitors. Unlike previous TAMC studies, TRAC proposes to upgrade existing trackage like railroads do, which is relatively inexpensive. Most government-sponsored rail projects are very costly complete rail and sub-ballast replacements, which is what made TAMC's earlier rail proposal infeasible.

The largest expenses would be tie replacement, replacement of some existing rails, regrading portions of the rail alignment to modern standards, and some realignments of the Monterey Bay Recreational Trail, mostly east of the Park Avenue/Del Monte Avenue intersection in Monterey to Canyon Del Rey Boulevard.

TRAC's Proposal

The proposed rail line would operate between Beach Road near the Marina Walmart Supercenter and the Monterey Depot parking lot in downtown Monterey. Between Beach Road and Sand City Center, the rail line would use and restore the existing rails, mostly with tie replacement, and replacement of existing worn rails with "relay rail" that is available on the open market relatively cheaply compared to completely new rails (there are four miles of welded rail on the line, which should not require replacement). Similarly, regrading portions of the existing rail grade and applying new ballast is inexpensive compared to completely new alignments.

Rather than light rail, as proposed initially by TAMC, this proposal is for intercity-compatible rail.

Unlike Marina-Sand City, reestablishing rail use of the right-of-way between Sand City Station and Canyon Del Rey Boulevard will require removing the interim uses of the right-of-way, such as by a local car dealer and concrete/building supplies operation. Between Canyon Del Rey Boulevard and Park Avenue in Monterey, restoring the rail alignment will require relocating the existing trail at several locations where the tracks have been paved over, and restoring the tracks.

Between Park Avenue and the Monterey Depot parking lot, TRAC proposes locating a new rail alignment on the north side of Del Monte Avenue using portions of landscaping and lawn areas. This would preclude major disruption of the current recreational trail and park facilities east of the Figueroa Street crossing. In our view, this alignment is safer and more acceptable than disrupting the existing trail, the established boating and kayaking activities in the area, and Monterey Beach House's operations.

We anticipate that three passing track sections would be needed on the line, adequate to accommodate a total of four trains operating during peak periods. Roughly speaking, passing tracks would be needed along the alignment in the vicinity of the Naval Postgraduate School, the Sand City Station, using the existing double track section from the former main entrance of Ford Ord from Highway 1 almost to the Imjin Parkway overpass, and near the Del Monte Avenue exit into Marina. If properly scheduled, each passing siding need not be longer than 0.5 miles. In Europe, many rail lines operate passenger service on tight schedules with much shorter passing tracks, often 0.5 kilometer (0.3 miles) or less.

Stations

We recommend inexpensive initial stations that are little more than platforms, at the following locations, which we believe will best serve Monterey residents and visitors:

Beach Road in Marina. This location is within easy walking distance of the Marina Gardens/Sunset West neighborhoods as well as the Walmart Supercenter. TAMC's original proposal for light rail included a station at Marina Gardens; however, Beach Road is within walking distance. More importantly, there is a large vacant parcel (5-6 acres+/-) between the railroad and Walmart which can serve as intercept parking for visitors, with direct access on Beach Road from Highway 1. This site can also serve as a drop off and pickup area for shuttles from local motels and tour buses. The site is also large enough to interest potential developers of rail/transit joint development projects.

Del Monte Avenue/Reservation Road. This location can serve adjacent residential and commercial areas in Central Marina, and as one of the transfer locations between the rail line and Route 20 to/from Salinas.

Palm Avenue/Del Monte Avenue. This location has sufficient room for several bus bays and some limited parking. Bus circulation would be enhanced by the adjacent traffic signal at Palm and Del Monte.

We anticipate a future station adjacent to the Imjin Parkway overpass, but this location requires major civil works and earthworks to be feasible, so we have omitted it for now.

Divarty Street/First Street/Fort Ord. This location is the closest feasible location for shuttles to/from California State University, Monterey Bay. This station would also serve recreational uses at Fort Ord Dunes State Park and adjacent locations.

Sand City Station/Playa Avenue. This is a major MST bus hub at an important shopping center. There are also a significant number of motels in the area, as well as other commercial activity. There is sufficient space within the railroad right-of-way for improved off-street bus bays, improving bus circulation.

Seaside Contra Costa Street/Foot of Broadway. This location would serve several residential neighborhoods in Sand City and Seaside, as well as downtown Seaside. This location is also within easy walking distance of Home Depot, hotels at Canyon Del Rey and Del Monte Avenue, Roberts Lake, and a portion of Monterey State Beach.

Casa Verde Way. This stop would serve the Del Monte Beach and Casa Verde neighborhoods of Monterey, as well as access another part of Monterey State Beach. Some minor structural work such as retaining walls would be needed to squeeze in the rail line and recreational trail under the westbound offramp from Highway 1 to Del Monte Avenue.

We recommend eliminating a Naval Postgraduate School stop at the North Gate location due to the low projected ridership in TAMC's original light rail proposal.

Park Avenue/Del Monte Avenue. This stop would serve the Oak Grove neighborhood of Monterey, and peripherally serve the Naval Postgraduate School and at least two hotels in the vicinity. The alignment could be behind the current Roto Rooter facility, but this would require taking more parkland if the Roto Rooter building isn't acquired.

Monterey Depot. This terminal stop should have a 250-foot center island platform located in the current Depot parking lot. Large vehicle parking can be relocated to Monterey's large waterfront parking lot north of the trail/former rail alignment. Sufficient short-term parking for the businesses now located in the Monterey Depot should be retained.

A 250-foot rail platform is recommended to accommodate two-car trains of the rolling stock we recommend later in this proposal, we believe the parking lot (about three acres total size) has sufficient room for both the proposed trackage and platform, an area for ticket sales and machines, and a turn-around area for shuttle buses.

Proposed Rail and Bus Operations

TRAC's proposal mirrors the recommendations of TAMC's original 2010 light rail proposal. That is, trains every 15 minutes during peak periods and every 30 minutes midday, evenings, weekends and holidays.

Our proposal includes timed connections with Route 20 buses and a new, timed-transfer direct bus connection to Castroville, and perhaps also the Watsonville Transit Center. TRAC's proposal also includes new visitor shuttle bus connections at the Monterey Depot to (1) Cannery

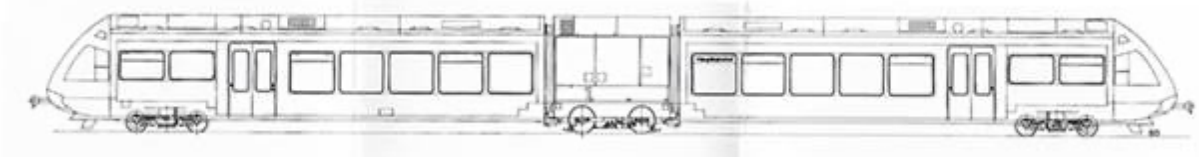
Row, Monterey Bay Aquarium, Downtown Pacific Grove, and Asilomar Conference Grounds; (2) Carmel, Carmel Rancho, and perhaps the winery-oriented service to/from Carmel Valley; and (3) revival of Monterey-Big Sur recreational transit service at select times and selected seasons.

TRAC believes much more is possible for recreational transit service on the Monterey Peninsula than MST's "trolley" service between Downtown Monterey and the Aquarium. Unlike the parking garages that serve as the current anchor for the MST Trolley, a rail service catering to residents that also provides an attractive option for visitors would be a much stronger anchor. Unlike the current situation, we believe an attractive rail service—which might become an attraction in itself—would be an "easy sell" to many visitors, particularly "day trippers" from the S.F. Bay Area, particularly Santa Clara County.

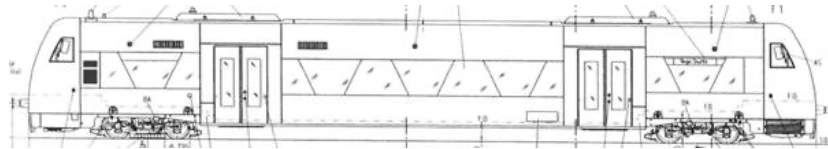
Proposed Rolling Stock

In order to keep first-time capital costs down, TRAC recommends purchasing used diesel-multiple units (DMUs), that are regularly available on the European market. This equipment is usually in very good condition, particularly if the equipment was operated in Northern Europe. For example, one broker of used European rolling stock has two types of DMUs available:

- 11 sets, Stadler GTW 2/6 units, seating about 100 persons each



- 8 vehicles, Regioshuttle RS 1.1, seating about 80 persons each



Both types of vehicles are diesel-electric, have air conditioning and low floor sections. The GTW 2/6 vehicles also have a central section where the engines and drive systems are located. The Regioshuttle design has engines above each truck at each end of the vehicle. The GTW 2/6 design could be converted to battery operations by removing one of the engines; whether the Regioshuttle design could be converted to battery operation is unclear.

The asking price for the GTW 2/6 vehicles is approximately 1.2 million Euros (~\$1.3 million) for each trainset. For the eight Regioshuttles, estimated asking price is about 800,000 Euros (~\$870,000) each. For budget purposes, we estimate purchase of the GTW 2/6 fleet, plus 20% contingency, for shipping, interior renovations as needed, parts, etc.

In this Marina-Monterey proposal, rail operations would be independent of the national rail network, thereby simplifying regulatory requirements. Positive train control (PTC) would not be required, since no freight trains would operate on the route. These vehicles meet European crash standards, which is accepted by the Federal Railroad Administration (FRA) with modifications.

Dozens of units of the Stadler GTW 2/6 design operate on two lines in Texas (Austin and Denton County), on BART's eBART route in East Contra Costa County, and with an earlier GTW design on the Trenton–Camden RiverLINE in Southern New Jersey. Similar vehicles operate on the TexRail route between Fort Worth and Dallas-Ft. Worth International Airport, and on the 9-mile Arrow route between Redlands and San Bernardino in San Bernardino County.

Projected Patronage

TRAC believes the patronage projections made by TAMC's original 2010 proposal for light rail is reasonable. Based on those projections, we expect 2,500 to 3,000 daily trips made by residents living near the rail corridor. We also expect about 1,000 transfers+/- to/from MST Route 20 serving Salinas, for a total of 3,500 to 4,000 daily trips. This compares to an average daily boardings of more than 3,000 daily on SMART, the 43-mile Marin-Sonoma rail project, which suffers from severe peak hour capacity constraints.

A key part of the TRAC proposal that differs from the original TAMC proposal is the addition of a parking lot at Beach Road designed to intercept a portion of Monterey Peninsula visitors, enticing them to use the rail line as a shuttle to downtown Monterey, connecting to additional shuttle buses to Cannery Row, the Monterey Bay Aquarium, Pacific Grove including the Asilomar, Carmel, Carmel Valley, and selected service to Big Sur. The attractiveness of the rail trip to visitors, besides being a beautiful rail trip along the Bay, is the avoidance of traffic congestion and a substantially lower parking charge than Downtown Monterey.

A recent study, the *Vallejo Passenger Rail Study*, found that connecting the City of Napa to the Vallejo Ferry Service operating from San Francisco could attract more than 1,000 visitor trips daily in the peak season (<https://sta.ca.gov/wp-content/uploads/2023/10/Vallejo-PRS-Final-Report-FINAL-2024-05-10-PDF.pdf>, p.63). The Vallejo study was based on only five months of service per year, with no direct trains from the ferry running north of the City of Napa, and a 25% transfer penalty (which should be closer to a 10% penalty, as timed connections would be provided between quality transit services like ferries and trains). I adjusted the estimate to a range of 182,500–274,000 annual round trips to the Napa Valley via rail, which is 5%–7% of all visitors. Unlike the Vallejo study, this estimate assumes all-year service, direct train service to the Napa Valley north of the City of Napa, and an adjustment for transfers.

Applying that 5%-7% factor to the 4.5 million estimated annual Monterey Peninsula visitors reported by visitor associations, TRAC estimates that 225,000-315,000 visitors traveling to the Monterey Peninsula could be attracted to a Marina-Monterey rail service. This is in the same ballpark as the 200,000 annual riders currently attracted by the MST Trolley between downtown Monterey and the Aquarium.

We believe a rail shuttle would be more attractive than most visitor-oriented bus services, though we expect at least half of rail-using visitors would use connecting shuttles with timed connections at the Monterey Depot. This is because our proposal calls for a visitor day- or multi-day pass being available, including validity on connecting shuttles as well as any MST bus. Unlike the MST Trolley, we think a rail service would be a stronger anchor than downtown Monterey Parking garages.

Projected Fare Revenues

Regular transit trips by residents are projected to total about 1.0-1.2 million annually. Based on current MST fares, this would raise about \$1.5-\$1.8 million annually.

All-day parking in Downtown Monterey for MST trolley users and other visitors is \$12.00 per day. This suggests an all-day parking charge at the Beach Road intercept lot of \$8.00-\$10.00 would be fair pricing. Assuming an average vehicle occupancy for intercept parking users of 2.5 persons per vehicle, between 90,000 and 126,000 cars would be parked annually. In turn, annual parking revenues could range between \$720,000 and \$1,260,000 annually.

Assuming a base rail/shuttle bus day pass priced at \$25.00-\$30.00 per person (averaged for discounts) and average revenues adjusted for group pricing and those buying multi-day passes at \$30.00 to \$35.00 per person, annual pass revenues could range between \$6,750,000 and \$11,025,000 annually.

It is important to point out that parking rates at the Cannery Row garage varies between \$5.00 and \$20.00 daily. Parking at the Santa Cruz Boardwalk is typically \$20.00 plus varying charges for the various rides and attractions. The Roaring Camp Railroad usually charges \$10.00 for parking, \$40.00 per adults and \$25.00 for children for the Redwood Forest Steam Train (an 8-mile round trip), and \$42.95 for adults and \$27.95 for children for a 12-mile round trip. Various state beaches in Santa Cruz typically charge a \$10.00 entry/parking fee per vehicle. The Monterey Bay Aquarium is relatively expensive at walk-up pricing of \$65 for adults 18-69, \$50 for youth 13-17, \$45 for children 5-12, and \$50 for seniors age 70+. Six Flags Discovery Kingdom entry prices are relatively low starting at \$39 for adults, but parking reportedly is \$40.00 per vehicle, without discounts made for season passholders.

In TRAC's view, our proposed day pass pricing is quite reasonable, and are substantially below many Monterey Bay Area and S.F. Bay Area attractions.

We estimate total potential revenues as follows:

	<u>Low</u>	<u>High</u>
Regular MST Fares	\$1,500,000	\$1,800,000
Parking Charges	\$720,000	\$1,260,000
Day Passes	<u>\$6,750,000</u>	<u>\$11,025,000</u>
TOTAL	\$8,970,000	\$14,085,000
Estimated Operating Expenses (see below for details)	\$10,300,000	\$10,300,000
Profit (Loss)	\$(1,330,000)	\$ 3,785,000

TAMC's original 2010 light rail proposal estimated another \$3 million in annual lease revenues for various users of the right-of-way including a water line. TRAC cannot judge the likelihood of these potential revenues and have thus excluded them from our calculations.

Estimated Operating Expenses

TAMC's original proposal for light rail between Marina and Monterey estimated rail operating expenses of about \$4.2 million in 2007 dollars for 325,000 annual train miles (9.8 miles X 45 round trips X 365 days) and 17,000 annual train hours (45 round trips—one hour X 365 days). This is an average of \$14.29 per train mile and \$354.00 per vehicle hour. We understand that

this was a net cost, arrived at after applying net savings from discontinuing MST Route 20 service between Marina and downtown Monterey, as it was obsolete by rail service.

Adjusted for inflation through 2024, transit operating expenses are calculated to have increased by 51% (<https://www.calculator.net/inflation-calculator.html>), to \$6.3 million.

Based on this adjustment, TRAC is assuming that the savings from discontinuing Route 20 is about \$3.0 million annually in 2024 dollars. We propose this savings be used to operate connecting shuttle buses to other visitor destinations such as Cannery Row, Pacific Grove, Asilomar, and the Carmel area.

This results in estimated operating expenses of \$9.3 million for both rail and connecting bus shuttles, to which we would add \$1.0 million for administration and marketing.

Therefore, TRAC believes the rail/shuttle bus system can be operated at a small loss of about \$1 million annually, or perhaps a modest profit of a few million annually if visitor ridership is at the higher end of TRAC's estimate.

Estimated Capital Costs

Upgrading of existing trackage to FRA Class II and Class III	\$12.0 million
Bridge Repairs, Replacement	\$3.0 million
Passing Tracks & Del Monte Blvd realignment (4 x 0.5 mile + 0.8 mile)	\$12.0 million
Non-Terminal stations	\$7.0 million
Monterey Depot (2-track terminal)	\$8.0 million
Maintenance & storage facility (prefabricated buildings)	\$10.0 million
Contingencies, Engineering, Project Management	<u>\$11.0 million*</u>
Subtotal	\$63.0 million
11 Used trainsets Purchase, Shipping, Minor Refurbishment	<u>\$15.0 million**</u>
Grand Total	\$78.0 million***

* Refurbishing existing tracks is a standard railroad industry function, and does not require large contingencies

** Unlike "wild cards" such as structures and other potential capital surprises, careful selection of vehicles should not result in any unknown surprises.

*** TRAC recommends used vehicles in this exercise in order to keep capital costs to affordable levels. If new battery-electric vehicles were chosen, a fleet of 8-11 trainsets would cost over \$100 million at current pricing, just for rolling stock.

TRAC is pleased to offer TAMC this proposal for initiating rail service on its line. For questions, please contact me at the email listed in the letterhead.

Sincerely yours,

/s/ MICHAEL D. SETTY

Michael D. Setty, President