Mr. Richard Fernandez  
General Manager  
AC Transit  
1600 Franklin Street  
Oakland, CA 94612

Dear Mr. Fernandez:

I am pleased to inform you that the Federal Transit Administration (FTA) has approved Alameda Contra Costa County Transit’s (AC Transit) request to initiate Project Development (PD) for the East Bay Bus Rapid Transit (BRT) Project. The proposed project is designed to provide reliable and efficient transit service connecting the regional and local activity centers from Downtown Berkeley through Downtown Oakland and San Leandro.

In accordance with the July, 2007 Interim Guidance and Instructions for Small Starts, this project meets all of the requirements for consideration by FTA as a “Small Start” and was evaluated as such. The East Bay BRT Project has received an overall project rating of High. This rating, as well as FTA’s determination of the project’s readiness to proceed into PD, serves as the basis for FTA’s approval.

With this approval, AC Transit has pre-award authority to incur costs for continued design and engineering as part of its PD activities prior to grant approval and to retain eligibility of those activities for future FTA grant assistance. Once FTA has completed its environmental determination, AC Transit will also have pre-award authority to incur costs for further design, right-of-way acquisition, and utility relocation, if such costs are necessary for fulfilling the project scope. This pre-award authority does not constitute a commitment that future Federal funds will be approved for PD or any other project cost. As with all pre-award authority, relevant Federal requirements must be met prior to incurring costs in order to preserve the eligibility of the costs for future FTA grant assistance. FTA’s approval to initiate PD is not a commitment to fund further design activities or construction of any project that may result.

AC Transit’s continued demonstration of its technical, legal, and financial capability to implement this project must occur prior to approval of a Project Construction Grant Agreement (PCGA). FTA expects AC Transit to continue progress on the following activities as part of the PD process:
• Develop the Project Management Plan (PMP), to be updated as appropriate, which outlines how this project will be managed, including:
  o At a summary level, the PMP for this project shall define the strategy to deliver the project within budget and on schedule;
  o Briefly describe the organization, resources, schedule, procurement strategy (which includes the draft Project Implementation Plan incorporated in the PMP), and project controls necessary to design, construct, test and start up a quality system that assures the safety and security of the riding public; and
  o Ensure that real estate acquisitions comply with the Uniform Relocation Assistance and Real Estate Acquisition Policies Act
• Complete engineering and other technical work necessary to:
  o Develop a firm definition of the scope of the project;
  o Complete a detailed resource loaded critical path schedule (utilizing Microsoft Project) for all aspects of the project;
  o Develop reliable and complete cost estimates,
  o Compile a risk register of scope, schedule, and cost uncertainties associated with design and construction and develop related risk-mitigation strategies to be implemented in the course of managing the project; and
  o Finalize any necessary environmental analysis
• Revise the financial plan to reflect the estimates of engineering and construction costs and provide confirmation of all non-Federal funding commitments by the completion of PD;
• Conduct value engineering toward the end of PD;
• Address any major right-of-way needs and any major utility relocation issues through written agreements or other unambiguous means;
• Formalize any arrangements regarding multi-use bus lanes and with local authorities through written agreements or other unambiguous means;
• Provide quarterly project status reports; and,
• Conduct Quarterly Project Review Meetings with FTA

FTA reminds you that projects exceeding $250 million in total project cost or requesting more than $75 million in New Starts funds would render this project ineligible for the Small Starts Program. Specifically, FTA requires AC Transit to perform prudent cost containment activities in order to avoid exceeding the Small Starts dollar threshold. Also, AC Transit should explore opportunities to reduce the duration of schedule activities in an effort to shorten project delivery and provide potential cost savings.

FTA looks forward to working with you on the work scope for the PD effort, and providing you with any additional assistance that you or your staff may need. Please contact me if you have any questions or comments at (415) 744-3133 or Ms. Lucinda Eagle of the Region IX staff at (415) 744-0140.

Sincerely,

[Signature]
Leslie T. Rogers
Regional Administrator
November 18, 2011

Mr. Ray Sukys
Director, Office of Planning and Program Development
Federal Transit Administration Region 9
201 Mission Street, Suite 1650
San Francisco, CA 94105-1839

Re: AC Transit East Bay Bus Rapid Transit Project, Final Environmental Impact NEPA Re-evaluation

Dear Mr. Sukys:

Based on our discussions with my staff, AC Transit has revised the NEPA Re-evaluation documentation to ensure consistency between the environmental impacts disclosed in the Administrative Draft of the East Bay Bus Rapid Transit (BRT) project and the Final Environmental Impact Statement/Environmental Impact Report (EIS/EIR). That Administrative FEIS was provided to FTA for review on November 1.

At your direction, the re-evaluation documentation has been reviewed by AC Transit legal counsel for accuracy and NEPA adequacy. Our counsel concurs with the findings, conclusions and recommendations of the re-evaluation. Key findings of the re-evaluation are that:

- All of the changes to the project definition made between the release of the Draft EIS in 2007 and release of the Final EIS (expected in January 2012) are intended to address public and agency concerns and to reduce project impacts.
- Updated analysis years have been incorporated to reflect the availability of revised socioeconomic data from 2025 in the DEIS to 2015 and 2035.
- There are no new environmental impacts anticipated as a result of either the revised project definition or the updated analysis years.
- However, there are differences in transportation impacts as previously disclosed in the DEIS, which are attributable largely to the changes in analysis years. These impacts and mitigation have been discussed with corridor cities.

If you have any questions, please do not hesitate to contact me.

Sincerely,

Mary V. King
Interim General Manager

MVK/jc/ct
Ms. Mary King  
Acting General Manager  
Alameda Contra Costa Transit District  
1600 Franklin Street  
Oakland, CA 94612

Re: Reevaluation of the East Bay Bus Rapid Transit Project Draft Environmental Impact Statement (DEIS)

Dear Ms. King,

FTA has received your reevaluation and letter dated November 18, 2011, of the East Bay Bus Rapid Transit Project DEIS. 23 CFR Part 771.129 (a), states that "A written evaluation of the draft EIS shall be prepared by the applicant in cooperation with the Administration if an acceptable final EIS is not submitted to the Administration within three years from the date of the draft EIS circulation. The purpose of this evaluation is to determine whether or not a supplement to the draft EIS or a new draft EIS is needed." Since the East Bay Bus Rapid Transit Project DEIS was circulated in May 2007, an evaluation is warranted. Upon reviewing the information in your letter and the attached re-evaluation consultation, FTA has concluded that the passage of time has not resulted in changes to the affected environment or to the project itself that would result in significant impacts not already evaluated in the DEIS; therefore, neither a new nor a supplemental DEIS is necessary.

The submitted reevaluation, as well as this correspondence, should be incorporated into the FEIS when it is submitted to FTA. Additionally, the need for the reevaluation and FTA's determination regarding the reevaluation should be described in the introductory portion of the FEIS.

If you have any questions, please contact Lucinda Eagle, Community Planner, at (415) 744-0140, or Debra Jones, Environmental Protection Specialist, at (415) 744-3112.

Sincerely,

Leslie T. Rogers  
Regional Administrator