

Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: September 19-20, 2007

Reference No.: 4.11c.
Action Item

From: CINDY McKIM
Chief Financial Officer

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Chief
Division of Rail

Subject: **APPROVAL OF PROPOSITION 1B INTERCITY RAIL PROJECT LIST**
RESOLUTION ICR1B-P-0708-001

RECOMMENDATION:

The Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the Resolution ICR1B-P-0708-001, adopting the list of Potential Intercity Rail Proposition 1B Projects to be funded from Proposition 1B bond proceeds.

ISSUE:

The attached Potential Intercity Rail Proposition 1B Projects list includes \$445 million in intercity rail projects. This is the same list as was presented at the June 2007 Commission meeting. This amount is above the \$400 million designated for intercity rail projects in the Public Transportation Modernization, Improvement, and Service Enhancement Account. This is because intercity rail projects may also be eligible for funding from other Proposition 1B bond programs, such as the Highway-Railroad Crossing Safety program.

The Department is requesting that, if necessary, it be able to return to the Commission to request formal approval to modify the project list. This is because project eligibility determinations and guidelines for other bond programs where intercity rail may be eligible for funding have not yet been determined. Thus, some projects on this list may become eligible for other bond programs. Also, the Department may need to fund high priority rail projects from bonds in lieu of using STIP funds, as a result of potential changes in availability of State transportation funds.

BACKGROUND:

Enabling legislation (Chapter 25, 2006) for Proposition 1B, approved by the voters in November 2006, provides \$400 million to the Department of Transportation (Department) for intercity rail improvements of which at least \$125 million shall be used for procurement of additional intercity railcars and locomotives.

At the June 2007 California Transportation Commission (Commission) meeting, the Department presented the Proposition 1B Intercity Rail Capital Program. The item outlined the two-part process the Department proposes to use for the Commission to approve a list of intercity rail Proposition 1B bond projects, and then subsequently, to provide concurrence with the Department's requests to

proceed with the execution of funding agreements for individual projects. The Commission concurred with the process for approval of the rail bond program project list and projects outlined in the June 2007 information item. However, prior to approval of the project list, they requested additional information on the specific benefits of each project as they relate to capital project goals identified in the Department's Strategic Business Plans for rail corridors. That information is presented in a companion book item (Reference No. 4.11b.).

A companion item -Reference 4.11a.- provides background information on how intercity rail fits into the Proposition 1B bond program and how projects were selected, which was requested by the Commission at their June 2007 meeting.

Attachment

Potential Intercity Rail Proposition 1B Projects

(Funding shown in millions)

Project/Description	Corridor	Funding Request	Other Funding	Total Project Cost	Cumulative Funding Request
Procure New Rail Cars: Purchase bi-level intercity rail cars and locomotives (estimate 36 cars and 6 locomotives)	Capitol Corridor, Pacific Surfliner, San Joaquin	\$150.0		\$150.0	\$150.0
Triple Track: Construct 7 miles of triple track between Commerce/Fullerton	Pacific Surfliner, Metrolink	\$70.0		\$70.0	\$220.0
Rosecrans/Marquardt Grade Separation: Construct grade separation	Pacific Surfliner	\$59.3	\$6.2 STIP \$4.5 BNSF \$20.0 Grade Sep Account	\$90.0	\$279.3
San Diego Layover Facility: Design, acquire ROW, and construct facilities	Pacific Surfliner	\$50.0		\$50.0	\$329.3
Coast Daylight: Construct new track or extend sidings to connect Pacific Surfliner to Capitol Corridor	Pacific Surfliner, Capitol Corridor	\$25.0		\$25.0	\$354.3
Van Nuys Station: Design/construct 2nd platform and track work	Pacific Surfliner, Metrolink	\$25.6		\$25.6	\$379.9
Construct New Station Track in LA Union Station: Build new track, platform and renovate canopies	Pacific Surfliner, Metrolink	\$35.1	\$3.0 Metrolink	\$38.1	\$415.0
Fresno Layover Facility: Design and build storage track and related facilities	San Joaquin	\$15.0		\$15.0	\$430.0
Sacramento Layover Facility: Design and build storage track and related facilities	Capitol Corridor, San Joaquin	\$15.0		\$15.0	\$445.0

CALIFORNIA TRANSPORTATION COMMISSION

Commission Advice and Consent Intercity Rail Capital Program – Proposition 1B

Resolution ICR1B-P-0708-001

- 1.1 WHEREAS, Proposition 1B, passed by California voters on November 7, 2006, called for \$4 billion to be deposited into the Public Transportation Modernization, Improvement, and Service Enhancement Account; and
- 1.2 WHEREAS, of the \$4 billion, \$400 million was designated, to be available upon appropriation by the Legislature, for intercity rail capital projects, including at least \$125 million for the purchase of rolling stock; and
- 1.3 WHEREAS, the California Transportation Commission (Commission) reviewed the California Department of Transportation's (Department's) list of projects for the Proposition 1B program and proposed processes at the June 2007 meeting; and
- 1.4 WHEREAS, the Commission concurred with the processes and requested additional background on how the rail bond program relates to the other Proposition 1B programs; and
- 1.5 WHEREAS, the Department provided the additional background and the Potential Intercity Rail Proposition 1B Projects list at the September 2007 Commission meeting, and
- 1.6 WHEREAS, the Potential Intercity Rail Proposition 1B Projects list has \$445 million in projects, which is above the \$400 million designated for intercity rail projects in the Public Transportation Modernization, Improvement, and Service Enhancement Account, because intercity rail projects may also be eligible for funding from other Proposition 1B bond programs, such as the Highway-Railroad Crossing Safety program.
- 2.1 NOW THEREFORE BE IT RESOLVED, the Commission does hereby consent to the information on the list of Potential Intercity Rail Proposition 1B Projects; and
- 2.2 BE IT FURTHER RESOLVED, the Commission agrees the Department can request formal approval from the Commission to modify the project list based on changes in available State transportation funds and project eligibility determinations for other bond programs; and
- 2.3 BE IT FURTHER RESOLVED, the Department agrees to advise the Commission of its intent to enter into a Proposition 1B funding agreement for individual projects.