

Memorandum

To: Chairman and Commissioners

Date: October 15, 2008

From: John Barna

**File No:
Book Item 2.1e
Action**

**Ref: PROPOSITION 116 RAIL PROGRAM APPLICATION AMENDMENT
PA-08-04, REPLACING PA-02-10 AND PA-05-07**

RECOMMENDATION:

Commission staff recommends that the Commission approve the attached resolution, to de-program \$3,045,753 in savings, which along with \$5,171,684 previously de-programmed, provides a total project savings of \$8,217,437 in Proposition 116 funds available for reprogramming from PUC Section 99624.

Staff recommends that \$8,200,000 of the savings be available for the High Speed Rail Authority.

Staff also recommends that the Authority present, at the December 2008 Commission meeting, a report on the uses of, and activities funded with, the Proposition 116 allocations.

ISSUE:

Should the Commission approve the Department's application to adjust the final approved funding for the Alameda Corridor projects to \$71,782,563, and to de-program \$3,045,753 in savings?

BACKGROUND:

In October 2008, Commission staff received an application from the Department requesting that the final approved funding for the Alameda Corridor projects be adjusted from \$74,828,316 to \$71,782,563, and that \$3,045,753 be de-programmed to reflect that the Pacific Coast Highway and Del Amo Boulevard grade separations were completed with savings.

The \$3,045,753 in savings, together with \$5,171,684 previously de-programmed, provides a total project savings of \$8,217,437 in Proposition 116 funds available for reprogramming from PUC Section 99624.

Due to State budget funding constraints, the California High Speed Rail Authority was forced to

seek alternate sources of funds to continue preliminary activities on the Los Angeles-Fresno-San Francisco Bay Area passenger rail corridor for the High Speed Rail project. Shifting the Proposition 116 funds will allow this work to continue without interruption.

AB 1781 (Chapter 268 of the Statutes of 2008) appropriates \$8,200,000 in unspent Proposition 116 funds assigning them to the High Speed Rail Authority. The Authority indicates that the \$8,200,000 will be allocated as follows:

SEGMENTS	ALLOCATIONS
Los Angeles - Orange County	\$1,500,000
Los Angeles - San Diego	\$ 500,000
Los Angeles - Palmdale	\$1,200,000
Palmdale - Fresno	\$1,700,000
Fresno - Sacramento	\$1,200,000
Project Manager	\$2,100,000
TOTAL	\$8,200,000

Approval of the attached resolution makes the \$8,200,000 in Proposition 116 funds (PUC Section 99624) available for reallocation to the High Speed Rail Authority.

Attachment

CALIFORNIA TRANSPORTATION COMMISSION

Commission Project Application Approval Amendment
Department of Transportation Proposition 116 Application
for the Alameda Corridor Grade Separation Projects

Resolution PA-08-04, Replacing
Resolutions PA-02-10 and PA-05-07

- 1.1 WHEREAS, in June 1990 the voters approved the Clean Air and Transportation Improvement Act, Proposition 116, for \$1.99 billion for rail and mass transportation purposes; and
- 1.2 WHEREAS, the California Transportation Commission is designated in Proposition 116 to oversee the five grant programs over the 20-year term of the Proposition; and
- 1.3 WHEREAS, Proposition 116 calls for the Commission to establish an application process and to develop and adopt guidelines to implement those programs; and
- 1.4 WHEREAS, Proposition 116 establishes as a purpose of the application process that it "facilitate implementation of improved cost-effective transit service to the maximum number of Californians and to prevent the funds provided for by this part from being spent on needlessly costly features"; and
- 1.5 WHEREAS, Proposition 116 requires applications to specify full and complete capital plans, financial plans, and operating plans, including schedules and funding sources; and
- 1.6 WHEREAS, the financial plans include a back-up funding plan, and should the project exceed the cost approved by the Commission, the increased cost shall be covered by funds other than Proposition 116; and
- 1.7 WHEREAS, in December 1990 the Commission adopted policy and application guidelines (#G-90-23) for the Proposition 116 rail program; and
- 1.8 WHEREAS, the Commission has established a Hazardous Waste Identification and Clean-up Policy (#G-91-2) that requires the local agency to have performed full due diligence in identifying the hazardous waste in the right-of-way and easements and properties as well as clean-up, and that the state has been indemnified from clean-up liability of damages, both present and future; and
- 1.9 WHEREAS, Proposition 116 (PUC Section 99624[a]) authorizes \$80,000,000 to be allocated to the California Department of Transportation (Department) for grade separations along the Alameda-San Pedro Branch Line connecting the Los Angeles and Long Beach Harbors with downtown Los Angeles and paralleling Alameda Street, to alleviate vehicle traffic congestion, conserve energy, reduce air pollution in the area, and facilitate the efficient and expeditious shipment of freight to and from the Los Angeles and Long Beach Harbors; and

- 1.10 WHEREAS, the Commission approved applications from the Department for the \$80,000,000 to be used for right-of-way acquisition, preliminary engineering and construction of four grade separations along Alameda Street in Los Angeles County including PA-94-25 in December 1994; PA-96-16 in June 1996 (amending PA-94-25); PA-99-19 in August 1999; PA-99-21 in September 1999 (amending PA-96-16); and PA-02-10 in August 2002 (amending PA-02-03). Proposition 116 funds for the grade separations included:
- Pacific Coast Highway - \$18,000,000 Proposition 116 Rail Bond funds – A 2,900 foot viaduct spanning the Southern Pacific rail line and Alameda Street;
 - Del Amo Boulevard - \$34,100,000 Proposition 116 Rail Bond funds – A 2,300 foot viaduct spanning the Southern Pacific rail line and Alameda Street;
 - Sepulveda Boulevard - \$16,000,000 Proposition 116 Rail Bond funds – A 1,200 foot viaduct spanning the Southern Pacific rail line and Alameda Street;
 - Alameda Street - \$11,900,000 Proposition 116 Rail Bond funds – A grade separation that involves an extension of Santa Fe avenue under the existing Southern Pacific rail line connecting Santa Fe Avenue with Alameda Street near Laurel Park Road; and
- 1.11 WHEREAS, in August 2005, the Commission approved PA-05-07, adjusted the total approved amount for the four Alameda Corridor projects to \$74,828,316, de-programmed a total of \$5,171,684, and reduced funding for three of the grade separations as follows:
- Del Amo Boulevard – reduced approved amount by \$1,521,298 to \$32,578,702;
 - Sepulveda Boulevard – project completed with cost savings of \$2,104,098. Final total for Proposition 116 Rail Bond funds on Sepulveda Boulevard is \$13,895,902;
 - Alameda Street – project completed with cost savings of \$1,546,288. Final total for Proposition 116 Rail Bond funds on Alameda Street is \$10,353,712; and
- 1.12 WHEREAS, in October 2008 the Department submitted an amended application requesting that the final approved funding for the Alameda Corridor projects be adjusted from \$74,828,316 to \$71,782,563, and that \$3,045,753 be de-programmed to reflect that the Pacific Coast Highway and Del Amo Boulevard grade separations were completed with savings, as follows:
- Pacific Coast Highway - project completed with cost savings of \$2,976,206. Final total for Proposition 116 Rail Bond funds on Pacific Coast Highway is \$15,000,794;
 - Del Amo Boulevard – project completed with cost savings of \$69,547. Final total for Proposition 116 Rail Bond funds on Del Amo Boulevard is \$32,509,155; and
- 1.13 WHEREAS, the amended application from the Department, including all supplemental information, has been reviewed by Commission staff, and appears to meet all the basic requirements as specified in Proposition 116 and the Commission’s policies and guidelines.
- 2.1 NOW, THEREFORE BE IT RESOLVED, that the Commission hereby approves the amended application from the Department, and hereby adjusts the final approved funding for the four Alameda Corridor grade separations to \$71,782,563, de-programs \$3,045,753 in additional savings that, with \$5,171,684 previously de-programmed, provides a total project savings of \$8,217,437 for future uses to be determined; and
- 2.2 BE IT FURTHER RESOLVED, that Resolutions PA-94-25, PA-96-16, PA-99-19, PA-99-21, PA-02-03, PA-02-10, and PA-05-07 are hereby replaced.