

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

Date: March 23-34, 2011

Reference No.: 4.11
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: William D. Bronte
Chief
Division of Rail

Subject: AMENDMENT TO PROPOSITION 1B INTER-CITY RAIL PROJECT LIST
RESOLUTION ICR1B-P-1011-04, AMENDING RESOLUTION ICR1B-P-0708-01
AND RESOLUTION ICR1B-P-0809-02

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the California Transportation Commission (Commission) amend Resolution ICR1B-P-0708-01 to provide advice and consent to add \$5,000,000 in Proposition 1B Intercity Rail (ICR) funds for the Mid-Route Layover Facility project, increasing the original programmed amount of \$9,601,000 to \$14,601,000 and to amend Resolution ICR1B-P-0809-02 to reduce the ICR funds for the Kings Park Track and Signal Improvements project by \$5,000,000 to \$3,500,000 due to the receipt of a federal 'Capital Assistance to States-Intercity Passenger Rail Service' grant (federal grant) for that project.

ISSUE:

The attached Intercity Rail Proposition 1B Projects list includes \$392.157 million in intercity rail projects and \$7.843 million in bond issuance costs. The Department recommends that this list be amended to show changes to the Kings Park Track and Signal Improvements project and the Mid-Route Layover Facility project. A federal grant award for \$5,000,000 for Kings Park Track Signal Improvements will allow that project's unused ICR funds to be programmed for expanded scoping options for the Mid-Route Layover Facility project.

BACKGROUND:

The Highway Safety, Traffic Reduction, Air Quality, and Port Security Bond Act of 2006, approved by voters as Proposition 1B, provides \$400 million, upon appropriation by the Legislature, to the Department for intercity passenger rail improvement projects. A minimum of \$125 million is designated for procurement of additional intercity passenger railcars and locomotives. This \$400 million program is part of the \$4 billion Public Transportation Modernization, Improvement, and Service Enhancement Account (PTMISEA). This account is to be used to fund public transportation projects. Pursuant to paragraph (2) of subdivision (c) of

Section 8879.50 of the Government Code, the Department is the administrative agency for the PTMISEA.

At its December 2007 meeting, the Commission approved the guidelines for intercity passenger rail projects in the PTMISEA. The guidelines allow the Department, if necessary, to return to the Commission to request its consent to modify the project list.

The necessary changes are reflected in strikethrough and bold underline in the attached revised Proposition 1B Intercity Rail Projects lists.

RAIL PROPOSITION 1B BOND PROJECTS AMENDMENT (Proposed)

Project/Description	Corridor	Funding Request
New Projects		
Procure New Rail Cars: Purchase bi-level intercity rail cars and locomotives (est. 36 cars and 6 locomotives).	Capitol Corridor, Pacific Surfliner, San Joaquin	\$ 150,000,000
Commerce/Fullerton Triple Track: Construct 8 miles of triple track between Commerce/ Fullerton	Pacific Surfliner, Metrolink	\$ 70,000,000
New Station Track at LA Union Station:² Build new track, platform and renovate canopies.	Pacific Surfliner, Metrolink	\$ 35,100,000
San Onofre - Pulgas Track Project in San Diego County: Construct double track.	Pacific Surfliner	\$ 30,000,000
Sacramento Maintenance Facility: Design and build storage track and maintenance facility.	Capitol Corridor, San Joaquin	\$ 30,000,000
Coast Daylight Track and Signal: Track and signal project to allow Pacific Surfliner extension to San Francisco Bay Area.	Pacific Surfliner, Coast Daylight	\$ 25,000,000
Mid-Route Layover Facility: Design and build layover facility.	San Joaquin	\$ 9,601,000 <u>14,601,000</u>
Kings Park Track and Signal Improvements: Improve track and signals along San Joaquin Intercity rail line near Hanford in Kings County.	San Joaquin	\$ 8,500,000 <u>3,500,000</u>
Wireless Network for Northern California IPR Fleet: Install a wireless communication network on the Northern California IPR fleet for passenger amenity, support of safety and security, and expand ADA compliance for on-train communications.	Capitol Corridor, San Joaquin	\$ 3,750,000
NEW PROJECTS SUBTOTAL		\$ 358,201,000
Projects Reprogrammed from 2006 STIP		
Santa Margarita Bridge and Double Track:² Replace bridge with 2-track bridge and construct additional double track.	Pacific Surfliner	\$ 16,206,000
Emeryville Station and Track Improvements:² Extend siding track with associated signal and other track.	Capitol Corridor, San Joaquin	\$ 6,250,000
Bahia Benicia Crossover:² Construct crossover between two mainline tracks and additional track improvements and upgrades including frog replacement and tie tamping on the Capitol Corridor.	Capitol Corridor	\$ 4,750,000
SCRRA Sealed Corridor:² Enhance safety of grade crossings and Railroad Right of Way.	Metrolink	\$ 3,000,000
STIP Projects Subtotal		\$ 33,956,000
SUB-TOTAL ALL PROJECTS		\$ 392,157,000
Bond Issuance Costs - Loan admin costs, arbitrage rebates, etc. ¹		\$ 7,843,000
TOTAL RAIL BOND FUNDS		\$ 400,000,000

1. Bond Issuance Cost is 2 percent of the Bond amount.

2. Projects with CTC allocations.

RAIL PROPOSITION 1B BOND PROJECTS AMENDMENT (Adopted)

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CALIFORNIA TRANSPORTATION COMMISSION

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

Resolution ICR1B-P-1011-04, Amending Resolution ICR1B-P-0708-01 and Amending Resolution ICR1B-P-0809-02

- 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 additional rail cars and locomotives; and
- 1.3 WHEREAS, the initial intercity rail Proposition 1B project list was approved at February 2008 California Transportation Commission (Commission) meeting; and
- 1.4 WHEREAS, the Commission approved at its December 2007 meeting, the “Guidelines for Intercity Passenger Rail Projects in the Public Transportation Modernization, Improvement, and Service Enhancement Account”, that provide guidance on the implementation of the Proposition 1B Intercity Passenger Rail Program; and
- 1.5 WHEREAS, the guidelines state the California Department of Transportation (Department) can return to the Commission to request formal approval to modify the project list and project scope; and
- 1.6 WHEREAS, the amended intercity rail proposition 1B projects list includes \$392.2 million in intercity rail projects and \$7.8 million in bond issuance costs; and
- 1.7 WHEREAS, all projects on the attached amended Proposition 1B project list are consistent with the guidelines.
- 2.1 NOW THEREFORE BE IT RESOLVED, that the Commission does hereby provide its advice and consent to the amended list of intercity rail proposition 1B projects; and
- 2.2 BE IT FURTHER RESOLVED that the Department shall report on a quarterly basis to the Commission on the allocation status of the Proposition 1B intercity passenger rail projects as part of the Department’s quarterly delivery report.