

# Memorandum

**To:** CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

**CTC Meeting:** June 22-23, 2011

**Reference No.:** 2.1c.(5c)  
Action Item

**From:** NORMA ORTEGA  
Chief Financial Officer

**Prepared by:** Sharon Scherzinger  
Division Chief  
Transportation Planning

**Subject:** TRADE CORRIDORS IMPROVEMENT FUND-PROJECT BASELINE AMENDMENT  
RESOLUTION TCIF-P-1011-29

## RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) amend the Trade Corridors Improvement Fund (TCIF) Project Baseline Agreement for Project 15, San Gabriel Valley Grade Separation Program (PPNO TC15). The Southern California Consensus Group concurs with this amendment and the requested changes.

## ISSUE:

The Alameda Corridor-East Construction Authority (ACE) proposes to amend the TCIF Project Baseline Agreement for Project 15, San Gabriel Valley Grade Separation Program (San Gabriel Program) to split it into two phases. Phase One consists of the relocation of fiber optic lines and pre-construction archaeological investigation. Phase Two is construction of the 2.2 mile San Gabriel Trench project and other grade separation projects within the San Gabriel Program. The phasing proposal will alleviate project delay due to limited Proposition 1B Bond sales. Concurrent funding allocations for both phases and a Letter of No Prejudice (LONP) for Phase One work to commence early construction activities are on this month's Commission meeting agenda for approval. This amendment will also update the project schedule, cost and funding plan for the entire project.

## BACKGROUND:

The San Gabriel Program consists of multiple grade separation projects where major urban arterials cross freight mainlines in eastern Los Angeles County. It was adopted in the TCIF Program by the Commission on April 10, 2008. The Baseline Agreement was executed between ACE, the Department, and the Commission, and approved by the Commission on October 29, 2008, under Resolution TCIF-P-0809-04B. The scope includes the 2.2 mile San Gabriel Trench project, and a series of grade separation projects within the San Gabriel Program. The completed project will increase efficiency, reliability and throughput on the Union Pacific Railroad (UPRR) Alhambra Subdivision mainline east-west corridor to accommodate the existing freight train traffic as well as projected increases in train traffic. It will also reduce roadway traffic delays, enhance traffic safety and reduce air and noise pollution in the local area.

The proposal to split the San Gabriel Program into two phases enables ACE to start early construction activities and alleviate potential delays due to the lack of TCIF funding. The requested phasing does not impact the benefits and outcomes of the overall project, but delivers it in two phases. Due to coordination with UPRR, the Design and Right of Way schedule are delayed by three months. Subsequently, Phase One construction start will be delayed by four months. The schedule for Phase Two construction assumes a TCIF allocation by November 2011 to allow for construction contract award in January 2012. The updated schedule for the two phases is summarized below.

<b>Project Milestone</b>	<b>Current Approved</b>	<b>Phase One</b>	<b>Phase Two</b>
Begin Environmental Phase	Jul-03	Jul-03	Jul-03
End Environmental Phase	Nov-10	Nov-10	Nov-10
Begin Design Phase	Jun-09	Jun-09	Jun-09
End Design Phase	Dec-10	Feb-11	Feb-11
Begin Right of Way Phase	Nov-10	Apr-10	Apr-10
End Right of Way Phase	Mar-11	June-11	June-11
Begin Construction Phase	Apr-11	Aug-11	Jan-12
End Construction Phase	Jul-14	Oct-11	Apr-15
Begin Close Out Phase	Dec-14	Aug-12	Apr-15
End Close Out Phase	Mar-16	Oct-12	Jul-16

The total project cost has increased by \$100,817,000, which will be fully funded by local and federal funds illustrated in the following table. The Right of Way and Design costs have increased due to updated cost estimates of additional grade separation structures within the San Gabriel Grade Separation Program. Reduction in Construction cost is due to a revised estimate on one of the grade separation projects within the San Gabriel Program. The total programmed TCIF amount remains unchanged.

The updated funding plan for the entire project is as follows:

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<b>(DOLLARS IN THOUSANDS) San Gabriel Valley Grade Separation Program</b>										
<b>FUND SOURCE</b>	<b>TOTAL</b>	<b>Totals by Fiscal Year</b>					<b>Totals by Project Phase</b>			
		<b>Prior</b>	<b>10/11</b>	<b>11/12</b>	<b>12/13</b>	<b>13/14</b>	<b>PA&amp;ED</b>	<b>PS&amp;E</b>	<b>R/W</b>	<b>CONST</b>
<b>State Funds (TCIF)</b>										
Current Approved	336,600	0	336,600	0						336,600
Change	0	0	(336,600)	336,600						0
Proposed	<b>336,600</b>	<b>0</b>	<b>0</b>	<b>336,600</b>						<b>336,600</b>
<b>Existing Federal Appropriations</b>										
Current Approved	133,500	133,500	0	0	0			12,144	1,770	119,586
Change	34,638	(59,711)	21,998	47,404	24,947			6,898	63,995	(36,255)
Proposed	<b>168,138</b>	<b>73,789</b>	<b>21,998</b>	<b>47,404</b>	<b>24,947</b>			<b>19,042</b>	<b>65,765</b>	<b>83,331</b>
<b>MTA Committed Funds</b>										
Current Approved	161,464	129,536	30,900	1,028				21,956	20,000	119,508
Change	3,181	(26,029)	238	28,972				(3,547)	7,066	(338)
Proposed	<b>164,645</b>	<b>103,507</b>	<b>31,138</b>	<b>30,000</b>				<b>18,409</b>	<b>27,066</b>	<b>119,170</b>
<b>PUC Section 190</b>										
Current Approved	25,000	5,000		20,000						25,000
Change	0	0		0						0
Proposed	<b>25,000</b>	<b>5,000</b>		<b>20,000</b>						<b>25,000</b>
<b>Railroad Contribution</b>										
Current Approved	24,000			19,472	4,528					24,000
Change	(3,000)			1,528	(4,528)					(3,000)
Proposed	<b>21,000</b>			<b>21,000</b>	<b>0</b>					<b>21,000</b>
<b>Measure R</b>										
Current Approved	0	0								
Change	109,000	5,173	36,827	67,000				15,075	26,925	67,000
Proposed	<b>109,000</b>	<b>5,173</b>	<b>36,827</b>	<b>67,000</b>				<b>15,075</b>	<b>26,925</b>	<b>67,000</b>
<b>Container Revenue</b>										
Current Approved	43,002				27,772	15,230				43,002
Change	(43,002)				(27,772)	(15,230)				(43,002)
Proposed	<b>0</b>				<b>0</b>	<b>0</b>				<b>0</b>
<b>TOTAL</b>										
Current Approved	723,566	268,036	367,500	40,500	32,300	15,230		34,100	21,770	667,696
Change	100,817	(80,567)	(277,537)	481,504	(7,353)	(15,230)		18,426	97,986	(15,595)
Proposed	<b>824,383</b>	<b>187,469</b>	<b>89,963</b>	<b>522,004</b>	<b>24,947</b>	<b>0</b>		<b>52,526</b>	<b>119,756</b>	<b>652,101</b>

## **Proposed Phases**

### Phase One

Phase One includes fiber optic relocation and archeological/paleontological work. Sprint and Level 3 fiber optic communication lines will be relocated along the full 2.2 miles of the San Gabriel Trench project in order to provide a clear work area for Phase Two of the project. The archeological and paleontological work entails professional services to implement cultural, natural and paleontological resource mitigation measures. The work will be performed in accordance with an already executed Memorandum of Agreement between the Department and the California State Historic Preservation Office.

The total cost of Phase One is \$26,000,000 (\$13,000,000 TCIF funds and \$13,000,000 Measure R funds). ACE is requesting a concurrent allocation and approval for a LONP for Phase One from the Commission.

### Phase Two

Phase Two includes the 2.2 mile San Gabriel Trench project, which will lower a 1.4 mile section of UPRR railroad track in trench along the Alhambra Subdivision with bridges constructed at Ramona Street, Mission Road, Del Mar Avenue and San Gabriel Boulevard and construct additional grade separation structures, allowing vehicles and pedestrians to pass over the tracks. The total cost for Phase Two is \$798,383,000. ACE is requesting a concurrent allocation for Phase Two.

## **RESOLUTION TCIF-P-1011-29**

Be it Resolved, that the California Transportation Commission does hereby amend the Trade Corridors Improvement Fund Baseline Agreement for Project 15, San Gabriel Valley Grade Separation Program, in accordance with the changes described and illustrated above.

Attachments



**Metro**

May 6, 2011

Ms. Bimla G. Rhinehart  
Executive Director  
California Transportation Commission  
1120 "N" Street, Mail Stop: 52  
Sacramento, CA 94273-0001

Dear Ms. Rhinehart:

The Southern California Consensus Group has discussed and approved the requests by our partner agency. It is our understanding that the Alameda Corridor-East Construction Authority is requesting allocation for \$326,000,000 of FY 2011-12 TCIF funds. Secondly, they are requesting allocation for \$13,000,000 with a simultaneous Letter of No Prejudice.

Please see the attached letter from ACE detailing the requested changes. Please direct any questions or comments regarding this issue to me at (213) 922-3061. We appreciate the ongoing support and guidance provided by you and your staff.

Sincerely,

Shahrzad Amiri  
Deputy Executive Director

cc: Southern California Consensus Group  
Andre Boutros  
Maura Twomey



## Alameda Corridor-East Construction Authority

4900 Rivergrade Rd. Ste. A120 Irwindale, CA 91706 (626) 962-9292 fax (626) 962-3552 [www.theaceproject.org](http://www.theaceproject.org)

April 20, 2011

Ms. Shahrzad Amiri  
Deputy Executive Officer  
Los Angeles County Metropolitan Transportation Authority  
One Gateway Plaza  
Los Angeles, CA 90012-2952

Dear Ms. <sup>Shahrzad</sup>Amiri:

The Alameda Corridor-East Construction Authority (ACE) is requesting concurrence of the Southern California Consensus Group to submit to the California Transportation Commission for approval at the June 22-23 meeting the following:

1. An amendment to the phasing of the SAN GABRIEL VALLEY GRADE SEPARATION PROJECT to provide for two construction phases. ACE is requesting the phasing in order to segregate and commence with construction of early construction activities. Phase One will consist of fiber optic line relocation and archeological work. Phase Two will consist of the main construction contract. This phasing request is intended to alleviate Project delay due to the cancellation of the spring bond sale by the State.
2. A Request for Funding Allocation for \$13 million to commence and complete the early construction activities identified above (Phase One) with a simultaneous Letter of No Prejudice permitting the use of committed and available local funds to fund this early construction work.
3. A Request for Funding Allocation for the remaining balance of previously committed \$323.6 million in TCIF funds for the main construction contract (Phase Two) for the Project, with the understanding that funds may not be allocated until State bonds are issued.

These requests will not affect the total TCIF amount programmed for the San Gabriel Valley Grade Separation Project.

Thank you for your assistance and leadership of the Southern California Consensus Group. If you have any questions, please do not hesitate to contact me or Paul Hubler at (626) 962-9292.

Sincerely,

A handwritten signature in black ink, appearing to read 'Rick Richmond', is written over the word 'Sincerely,'.

Rick Richmond  
Chief Executive Officer