

State of California
Business, Transportation and Housing Agency
Department of Transportation

PTC ITEM 1
PROGRAM AMENDMENTS
Traffic Congestion Relief Applications
Action Item

CTC Meeting: October 3-4, 2001

Agenda Item: 2.1c.(2)

Prepared By:
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MARK LEJA
Acting Chief Financial Officer
October 1, 2001

TRAFFIC CONGESTION RELIEF (TCR) PROGRAM
APPLICATION AMENDMENT APPROVALS

RESOLUTION TAA-01-07
Amending Resolutions TA-01-08, TAA-01-01, and TAA-01-04

At the October 3-4, 2001 California Transportation Commission (Commission) meeting, the Commission will be asked to consider the following four Traffic Congestion Relief Program application amendments for the North Coast Railroad Authority. The Department recommends the Commission approve the requested actions. A fact sheet describing each project is attached.

- Project #32.3 – North Coast Railroad; Sub-paragraph (c) completion of rail line from Willits to Arcata. Amend application to update project schedule. No other changes to TCR application approval of \$1,000,000 under Resolution TAA-01-04. North Coast Railroad Authority is requesting this amendment.
- Project #32.4 – North Coast Railroad; Sub-paragraph (d) upgrade rail line to class II or II standards. Amend application to update project schedule. No other changes to TCR application approval of \$5,000,000 under Resolution TA-01-08. North Coast Railroad Authority is requesting this amendment.
- Project #32.5 – North Coast Railroad; Sub-paragraph (e) environmental remediation projects. Amend application to update project schedule. No other changes to TCR application approval of \$100,000 under Resolution TAA-01-01. North Coast Railroad Authority is requesting this amendment.
- Project #32.9 – North Coast Railroad; Sub-paragraph (i) long term stabilization projects. Amend application to update project schedule. No other changes to TCR application approval of \$31,000,000 under Resolution TA-01-08. North Coast Railroad Authority is requesting this amendment.



TCR Program – Application Amendment Approval Request for Project # 32.3

Regional North Coast Railroad; Sub-paragraph (c) completion of rail line from Willits to Arcata.

(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$9,300	<i>TCRP Funds covered by the application:</i>	\$0
<i>Total TCRP Funds Available:</i>	\$1,000	<i>Phases(s) covered in application:</i>	All
<i>Lead Agency:</i>	North Coast Railroad Authority (NCRA)	<i>Implementing Agency:</i>	NCRA

TCRP funds Allocation requested concurrently with applications: **\$0** *for Phases(s):* N/A

Advance requested: **N/A**

Amendment Summary: This Amendment updates the overall project schedule for work to complete the rail line from Willits to Arcata. The delay is attributed to the consultant selection process for work to be completed under subparagraphs (c), (d), and (i). In order to hire the consultant, extensive coordination and concurrence was required among multiple State Agencies - Fish and Game, Regional Water Quality Control Board, Department of Toxic Substance Control, and Attorney General. The purpose of the assessment is to determine the scope, schedule, and cost of the anticipated improvements. The Commission allocated \$400,000 in May 2001, for the Comprehensive Assessment for work north of Willits.

Changes proposed by this amendment are reflected in ~~strikethrough~~ and **Bold**.

Project Summary: The overall project is to reopen the railroad between Willits and Arcata to Federal Railroad Administration (FRA) Class I standards. Will repair storm damage and deferred maintenance to provide suitable track, and crossing protection to permit reopening to FRA Class 1 service.

Cost and Schedule (\$ X 1,000)

Phase	Scope	Start	End	Cost
1	Comprehensive Assessment for all work north of Willits	8/1/00 9/1/01	8/1/01 12/31/01	\$400
1	Environmental and Permits	8/1/00 12/01/01	8/1/01 03/31/02	\$100
2	Consultant will provide complete PS&E	06/01/01 9/01/01	10/01/01 04/30/02	\$2,100
3	N/A			\$0
4	Construct Improvements	8/01/01 6/1/02	12/01/01 12/31/02	\$6,700
Total:				\$9,300

Total Funding Plan (\$ X 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP	State	Committed	\$400	\$600			\$1,000
		Proposed					
FEMA/OES	Fed/State	Committed	\$100	\$1,500		\$6,700	\$8,300
		Proposed					
Totals:		Committed	\$500	\$2,100		\$6,700	\$9,300
		Proposed					
		Totals:	\$500	\$2,100		\$6,700	\$9,300

Discussion/Issues

No Issues. Recommend Approval.

Additional changes to the schedule are expected based upon the results of the assessment.

Note: Future allocation requests by NCRA are subject to review and approval, by Department and CTC staff, of a design workplan developed from the comprehensive assessment, prior to consideration by the Commission, per CTC Resolution TA-01-08.

TCR Program – Application Amendment Approval Request for Project # 32.4

Regional **North Coast Railroad; Sub-paragraph (d) upgrade rail line to class II or III standards.**

(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$46,400	<i>TCRP Funds covered by the application:</i>	\$0
<i>Total TCRP Funds Available:</i>	\$5,000	<i>Phases(s) covered in application:</i>	All
<i>Lead Agency:</i>	North Coast Railroad Authority (NCRA)	<i>Implementing Agency:</i>	NCRA

TCRP Allocation requested concurrently with application: **\$0** *for Phases(s):* N/A
Advance requested: N/A

Amendment Summary: This Amendment updates the overall project schedule for all work south of Willits. The delay is attributed to the consultant selection process for work to be completed under subparagraphs (c), (d), and (i). In order to hire the consultant, extensive coordination and concurrence was required among multiple State Agencies - Fish and Game, Regional Water Quality Control Board, Department of Toxic Substance Control, and Attorney General. The purpose of the assessment is to determine the scope, schedule, and cost of the anticipated improvements. The Commission allocated \$100,000 in May 2001, for the Comprehensive Assessment for work south of Willits.

Changes proposed by this amendment are reflected in ~~strikethrough~~ and **Bold**.

Project Summary

The overall project involves upgrading of the entire railroad to provide operation at Federal Railroad Administration (FRA) Class 2 and 3 standards pursuant to Government Code Section 14556.50 (d). Work will be combined with funding from ISTEA and other TCRP Project 32 funding (Subparagraphs (g) and (i)) to include landfill stabilization concurrently with upgrading. The segment referred to as "South of Willits" extends from Lombard to Willits and is the subject of this application.

Funding Plan (North and South segments, including Class 2/3 Upgrade and Stabilization) (\$ X 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP (Sub (d))	State	Committed	\$200	\$500		\$4,300	\$5,000
		Proposed					
TCRP (Sub (g))	State	Committed				\$1,800	\$1,800
		Proposed					
TCRP (Sub (i))	State	Committed	\$820	\$5,100	\$110	\$24,970	\$31,000
		Proposed					
ISTEA	Federal	Committed				\$8,600	\$8,600
		Proposed					
	Totals:	Committed	\$1,020	\$5,600	\$110	\$39,670	\$46,400
		Proposed					
		Totals:	\$1,020	\$5,600	\$110	\$39,670	\$46,400

- Breakout by Segment, Phase, and GC Section 14556.50 (Subparagraph) reflected on Page 2.

Cost and Schedule – South of Willits (By GC Section 14556.50 subparagraph) (\$ X 1,000)

Phase	Scope	Start	End	Cost
1	Comprehensive Assessment	5/1/01 9/1/01	5/1/02 12/1/01	\$100 TCRP (d)
1	Environmental Review, Permits	5/1/01 1/1/02	5/1/02	\$100 TCRP (d) \$ 20 TCRP (i) \$120
2	PS&E	5/1/01 3/1/02	5/1/02	\$500 TCRP (d) \$100 TCRP (i) \$600
3	Right of Way	1/1/02 5/1/02	6/1/02	\$10 TCRP (i)
4	Construct project (Some construction (tie replacement) is exempt from CEQA, requires virtually no engineering, and can commence almost immediately. Other construction activities will not commence until completion of the environmental process and PS&E.)	7/1/01 6/1/02	10/1/02	\$4,300 TCRP (d) \$2,000 (ISTEA) \$400 TCRP (g) \$370 TCRP (i) \$7,070
Total:				\$5,000 TCRP (d) \$2,000 (ISTEA) \$400 TCRP (g) \$500 TCRP (i) \$7,900

Cost and Schedule – North of Willits (By GC Section 14556.50 subparagraph) (\$ X 1,000)

Phase	Scope	Start	End	Cost
1	Environmental Review, Permits	5/1/01 1/1/02	5/1/02 3/1/03	\$800 TCRP (i)
2	PS&E	5/1/01 1/1/02	5/1/02 3/1/03	\$5,000 TCRP (i)
3	Right of Way	1/1/02 3/1/03	6/1/02 7/1/03	\$100 TCRP (i)
4	Construction	7/1/02 7/1/03	11/1/04 11/1/05	\$6,600 (ISTEA) \$1,400 TCRP (g) \$24,600 TCRP (i) \$32,600
Total:				\$6,600 (ISTEA) \$1,400 TCRP (g) \$30,500 TCRP (i) \$38,500

Discussion/Issues

No Issues. Recommend Approval.
Additional changes to the schedule are expected based upon the results of the assessment.

Note: Future allocation requests by NCRA are subject to review and approval, by Department and CTC staff, of a design workplan developed from the comprehensive assessment, prior to consideration by the Commission, per CTC Resolution TA-01-08.

Additionally, NCRA shall demonstrate environmental approval for proposed capital improvements prior to an allocation of funds for right of way acquisition or construction.

TCR Program – Application Amendment Approval Request for Project # October 3-4

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(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$4,100	<i>TCRP Funds covered by the application:</i>	pLgg
<i>Total TCRP Funds Available:</i>	\$4,100	<i>Phases(s) covered in application:</i>	1
<i>Lead Agency:</i>	North Coast Railroad Authority (NCRA)	<i>Implementing Agency:</i>	NCRA

TCRP Allocation requested concurrently with application: pLgg *for Phases(s):* 1

Advance requested: N/A

vh u AdhuA -jChhE rlf This Amendment updates the overall project schedule to reflect the current status for all environmental remediation projects identified in the Consent Decree and Stipulated judgment. The delay is attributed to the consultant selection process for work to be completed under subparagraphs (c), (d), and (i). In order to hire the consultant, extensive coordination and concurrence was required among multiple State Agencies - Fish and Game, Regional Water Quality Control Board, Department of Toxic Substance Control, and Attorney General. The purpose of the assessment is to determine the scope, schedule, and cost of the anticipated improvements. The Commission allocated \$100,000 in September 2000, to hire a consultant to complete a study and analysis of the Environmental Consent Decree (ECD).

Changes proposed by this amendment are reflected in ~~strike through~~ and *ea d*.

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The overall project will provide for environmental remediation as identified in the Consent Decree and Stipulated Judgment; Contract with consultant to complete all the identified actions in the corrective actions and compliance monitoring sections of the Consent Decree.

4 es -EAd-j) 3udCau (\$ X 1,000)

<i>Phase</i>	<i>Scope</i>	<i>Start</i>	<i>End</i>	<i>Cost</i>
1	Review the Consent Decree and other available info and develop a scope of work for addressing all of NCRA's Environmental Compliance issues.	10/1/00 L gL	6/1/04 LL gc	\$100
4	Implement the scope of work developed for environmental remediation and monitoring as well as completion of activities initiated with prior studies funded under AB 2782.	10/1/00 OL gc	9/1/05	\$4,000
Total:				\$4,100

CAdmAR-a EA (\$ X 1,000)

<i>Source</i>	<i>Type</i>		<i>Phase 1</i>	<i>Phase 2</i>	<i>Phase 3</i>	<i>Phase 4</i>	<i>Total</i>
TCRP	State	Committed	\$100				\$100
		Proposed				\$4,000	\$4,000
		Proposed					
	Totals:	Committed	\$100				\$100
		Proposed				\$4,000	\$4,000
		Totals:	\$100			\$4,000	\$4,100

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No Issues. Recommend Approval.

Additional changes to the schedule are expected based upon the results of the assessment.

Note: Conditions for future allocation requests by NCRA set forth in CTC Resolution TAA-01-01 are still in effect. Additionally, NCRA shall demonstrate environmental approval for proposed capital improvements prior to an allocation of funds for construction, pre CTC Resolution TA-01-08.

TCR Program – Application Amendment Approval Request for Project # 32.9

Regional North Coast Railroad; Sub-paragraph (i) long term stabilization.

(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$46,400	<i>TCRP Funds covered by the application:</i>	\$31,000
<i>Total TCRP Funds Available:</i>	\$31,000	<i>Phases(s) covered in application:</i>	All
<i>Lead Agency:</i>	North Coast Railroad Authority (NCRA)	<i>Implementing Agency:</i>	NCRA

TCRP Allocation requested concurrently with application: **\$0** for Phases(s): N/A
Advance requested: **\$0**

Amendment Summary: This Amendment updates the overall project schedule to reflect the current status for all landslide remediation projects. The delay is attributed to the consultant selection process for work to be completed under subparagraphs (c), (d) and (i). In order to hire the consultant, extensive coordination and concurrence was required among multiple State Agencies - Fish and Game, Regional Water Quality Control Board, Department of Toxic Substance Control, and Attorney General.

Changes proposed by this amendment are reflected in ~~strikethrough~~ and **Bold**.

Project Summary

The overall project involves the stabilization of landslides pursuant to Government Code Section 14556.50 (i). The work will be combined with funding from ISTE A and other TCRP Project 32 funding (Subparagraphs (g) and (d) to include upgrading to Federal Railroad Administration (FRA) Class 2 and 3 standards. This application includes funding to complete all phases of the "North of Willits" segment, as well as the "South of Willits" segment. Additional funding for Phase 4 – Construction, of both the North and South segments will be programmed separately under Section 14556.50, subparagraph (g).

Funding Plan (North and South segments, including Class 2/3 Upgrade and Stabilization) (\$ X 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP (Sub (d))	State	Committed	\$200	\$500		\$4,300	\$5,000
		Proposed					
TCRP (Sub (g))	State	Committed				\$1,800	\$1,800
		Proposed					
TCRP (Sub (i))	State	Committed	\$820	\$5,100	\$110	\$24,970	\$31,000
		Proposed					
ISTEA	Federal	Committed				\$8,600	\$8,600
		Proposed					
Totals:		Committed	\$1,020	\$5,600	\$110	\$39,670	\$46,400
		Proposed					
		Totals:	\$1,020	\$5,600	\$110	\$39,670	\$46,400

- Breakout by Segment, Phase, and GC Section 14556.50 (Subparagraph) reflected on Page 2.

Cost and Schedule – South of Willits (By GC Section 14556.50 subparagraph) (\$ X 1,000)

Phase	Scope	Start	End	Cost
1	Comprehensive Assessment	5/1/01 9/1/01	5/1/02 12/1/01	\$100 TCRP (d)
1	Environmental Review, Permits	5/1/01 1/1/02	5/1/02	\$100 TCRP (d) \$ 20 TCRP (i) \$120
2	PS&E	5/1/01 3/1/02	5/1/02	\$500 TCRP (d) \$100 TCRP (i) \$600
3	Right of Way	4/1/02 5/1/02	6/1/02	\$10 TCRP (i)
4	Construct project (Some construction (tie replacement) is exempt from CEQA, requires virtually no engineering, and can commence almost immediately. Other construction activities will not commence until completion of the environmental process and PS&E.)	7/1/01 6/1/02	10/1/02	\$4,300 TCRP (d) \$2,000 (ISTEA) \$400 TCRP (g) \$370 TCRP (i) \$7,070
Total:				\$5,000 TCRP (d) \$2,000 (ISTEA) \$400 TCRP (g) \$500 TCRP (i) \$7,900

Cost and Schedule – North of Willits (By GC Section 14556.50 subparagraph) (\$ X 1,000)

Phase	Scope	Start	End	Cost
1	Environmental Review, Permits	5/1/01 1/1/02	5/1/02 3/1/03	\$800 TCRP (i)
2	PS&E	5/1/01 1/1/02	5/1/02 3/1/03	\$5,000 TCRP (i)
3	Right of Way	4/1/02 3/1/03	6/1/02 7/1/03	\$100 TCRP (i)
4	Construction	7/1/02 7/1/03	11/1/04 11/1/05	\$6,600 (ISTEA) \$1,400 TCRP (g) \$24,600 TCRP (i) \$32,600
Total:				\$6,600 (ISTEA) \$1,400 TCRP (g) \$30,500 TCRP (i) \$38,500

Discussion/Issues

No Issues. Recommend Approval.
Additional changes to the schedule are expected based upon the results of the assessment.

Note: Future allocation requests by NCRA are subject to review and approval, by Department and CTC staff, of a design workplan developed from the comprehensive assessment, prior to consideration by the Commission, per CTC Resolution TA-01-08.

Additionally, NCRA shall demonstrate environmental approval for proposed capital improvements prior to an allocation of funds for right of way acquisition or construction.

CALIFORNIA TRANSPORTATION COMMISSION
Approval of Traffic Congestion Relief Program
Project Application Amendment

RESOLUTION TAA-01-07
Amending Resolutions TA-01-08, TAA-01-01, and TAA-01-04

- 1.1 WHEREAS the Traffic Congestion Relief Act of 2000 (herein after referred to as "statute"), which was established by Chapters 91 (AB 2928) and 656 (SB 1662) of the Statutes of 2000, establishes the Traffic Congestion Relief Program, providing \$5.39 billion for projects throughout the State of California to reduce traffic congestion, provide for safe and efficient movement of goods, and provide system connectivity; and
- 1.2 WHEREAS in accordance with Government Code Section 14556.11 the California Transportation Commission (Commission) has adopted guidelines, in consultation with the Department of Transportation (Department) and regional agencies, to implement the Traffic Congestion Relief Program (TCRP); and
- 1.3 WHEREAS the statute and guidelines require applicants to specify full and complete project applications, including scope, cost and schedule, financial plans and funding sources; and
- 1.4 WHEREAS on February 21, 2001, the Commission approved Resolution TAA-01-01, amending Resolution TA-00-01, clarifying conditions set forth for Project #32.5 – subparagraph (e), environmental remediation, under Resolution TA-00-01; and
- 1.5 WHEREAS on May 2, 2001, the Commission approved Resolution TAA-01-04, amending Resolution TA-00-02, authorizing the use of \$400,000 approved for Project #32.3 - Sub-paragraph (c) completion of rail line from Willits to Arcata, to complete a comprehensive assessment for all work north of Willits; and
- 1.6 WHEREAS on May 2, 2001, the Commission approved Resolution TA-01-08 for \$5,000,000 for Project #32.4 - Sub-paragraph (d) upgrade rail line to class II or III standards, and \$31,000,000 for Project #32.9 - Sub-paragraph (i) long term stabilization projects, including the use of \$100,000 from #32.4 - Sub-paragraph (d) upgrade rail line to class II or III standards, to complete a comprehensive assessment for all work south of Willits; and
- 1.7 WHEREAS future funding for Project #32.3 - Sub-paragraph (c) completion of rail line from Willits to Arcata, Project #32.4 - Sub-paragraph (d) upgrade rail line to class II or III standards, Project #32.5 – subparagraph (e), environmental remediation, and Project #32.9 - Sub-paragraph (i) long term stabilization, is contingent upon the completion of comprehensive assessments to determine the scope of work, schedule, and use of the funds available; and

- 1.8 WHEREAS the consultant selection process for the comprehensive assessments has taken longer than anticipated due to the need to coordinate with, and seek concurrence from, multiple State agencies and other stakeholders; and
- 1.9 WHEREAS the NCRA has submitted revised applications for Project #32.3 - Sub-paragraph (c) completion of rail line from Willits to Arcata, Project #32.4 - Sub-paragraph (d) upgrade rail line to class II or III standards, Project #32.5 - subparagraph (e), environmental remediation, and Project #32.9 - Sub-paragraph (i) long term stabilization, to update the project schedules to reflect the current status.
- 2.1 NOW THEREFORE BE IT RESOLVED the Commission does hereby approve the following four TCRP project application amendments for the North Coast Railroad Authority (NCRA) as submitted, with subsequent clarifications and revisions:
- Project #32.3 – North Coast Railroad; Sub-paragraph (c) completion of rail line from Willits to Arcata. Amend application to update project schedule. No other changes to TCR application approval of \$1,000,000 under Resolution TAA-01-04. North Coast Railroad Authority is requesting this amendment.
 - Project #32.4 – North Coast Railroad; Sub-paragraph (d) upgrade rail line to class II or III standards. Amend application to update project schedule. No other changes to TCR application approval of \$5,000,000 under Resolution TA-01-08. North Coast Railroad Authority is requesting this amendment.
 - Project #32.5 – North Coast Railroad; Sub-paragraph (e) environmental remediation projects. Amend application to update project schedule. No other changes to TCR application approval of \$100,000 under Resolution TAA-01-01. North Coast Railroad Authority is requesting this amendment.
 - Project #32.9 – North Coast Railroad; Sub-paragraph (i) long term stabilization projects. Amend application to update project schedule. No other changes to TCR application approval of \$31,000,000 under Resolution TA-01-08. North Coast Railroad Authority is requesting this amendment.
- 2.2 BE IT FURTHER RESOLVED, as stipulated in Resolution TA-01-08, prior to subsequent requests to the Commission for an allocation of funds for the “South of Willits” segment authorized under Project #32.4 – Upgrade to Class II/III Standards, or Project #32.9 – Long Term Stabilization, NCRA shall submit for review and approval to Department and CTC staff a design workplan for the Class II/III upgrade and stabilization activities developed from the comprehensive assessment for the “South of Willits” segment; and
- 2.3 BE IT FURTHER RESOLVED, as stipulated in Resolution TA-01-08, prior to submitting a request to the Commission for an allocation of funds for the “North of Willits” segment authorized under Project #32.9 – Long Term Stabilization, NCRA shall submit for review and approval to Department and CTC staff a design workplan for the Class II/III upgrade and stabilization activities developed from the comprehensive assessment for the “North of Willits” segment to be funded under Government Code Section 14556.50, subparagraph (c); and

- 2.4 BE IT FURTHER RESOLVED, as stipulated in Resolution TAA-01-01, prior to submitting a request to the Commission for an allocation of funds for projects authorized under Project #32.5 – Environmental Remediation, the following conditions must be met:
- Prior to the release of the \$100,000 to the NCRA, NCRA must demonstrate to the Department and the Commission that NCRA and the state agencies party to the Environmental Consent Decree (ECD) have entered into a Memorandum of Understanding that outlines the parameters and schedule for delivery of the interim and final products necessary to prepare a scope of work and schedule to implement the ECD within the funding available; and
 - Written certification that, in the course of completing the study and analysis of the ECD and developing the scope of work to address the ECD, NCRA has actively consulted and solicited input from those state agencies, party to the ECD and has obtained concurrence of those ECD parties to the interim and final products; and
 - Said final product, within the funding available, must satisfy the requirements of the ECD and must also include a schedule for satisfactory completion of required ECD actions; and
 - Written certifications from NCRA shall be signed by the Executive Director of the NCRA and each representative of the ECD state agency parties and shall be submitted as part of the future project application for the remaining \$4,000,000 available to the project; and
 - The remaining \$4,000,000 for environmental remediation will not be allocated by the Commission until the NCRA submits certifications to the Department and the Commission verifying that the NCRA and the state agencies party to the ECD have reached agreement regarding the scope of work, schedule and use of those funds.
- 2.5 BE IT FURTHER RESOLVED that prior to an allocation of funds for right of way acquisition and construction NCRA shall demonstrate environmental approval for the proposed capital improvements under the above mentioned applications; and
- 2.6 BE IT FURTHER RESOLVED that the TCRP project application amendment approval by the Commission reserves the State funding for the projects as specified by the statute, and allows NCRA to incur costs in accordance with the approved project application, statute and guidelines.

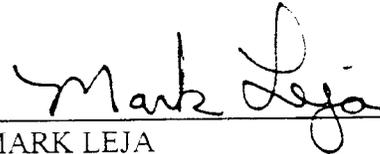
PTC ITEM 1
PROGRAM AMENDMENTS
Traffic Congestion Relief Applications
Action Item

CTC Meeting: October 3-4, 2001

Agenda Item: 2.1c.(3)

State of California
Business, Transportation and Housing Agency
Department of Transportation

Prepared By:
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Traffic Congestion Relief
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MARK LEJA
Acting Chief Financial Officer
October 1, 2001

TRAFFIC CONGESTION RELIEF (TCR) PROGRAM
APPLICATION AMENDMENT APPROVALS

RESOLUTION TAA-01-08
Amending Resolution TA-00-01

At the October 3-4, 2001 California Transportation Commission (Commission) meeting, the Commission will be asked to consider the following Traffic Congestion Relief Program application amendment for the North Coast Railroad Authority. The Department recommends the Commission approve the requested action. A fact sheet describing the project is attached.

- Project #32.6 – North Coast Railroad; Sub-paragraph (f) debt reduction. Amend application to update project schedule and modify debtor list. No other changes to TCR application approval of \$10,000,000 under Resolution TA-00-01. North Coast Railroad Authority is requesting this amendment.

TCR Program – Application Amendment Approval Request for Project # 32.6

Regional **North Coast Railroad; Sub-paragraph (f) debt reduction.**

(\$ X 1,000)

<i>Estimated Project Cost:</i>	\$10,000	<i>TCRP Funds covered by the application:</i>	\$10,000
<i>Total TCRP Funds Available:</i>	\$10,000	<i>Phases(s) covered in application:</i>	All
<i>Lead Agency:</i>	North Coast Railroad Authority (NCRA)	<i>Implementing Agency:</i>	NCRA

TCRP Allocation requested concurrently with application: **\$10,000** *for Phases(s):* All
Advance requested: \$10,000

Amendment Summary: This Amendment updates the overall project schedule and modifies the debtor list originally approved in September 2000, and subsequently modified in January 2001, to eliminate creditors that did not respond, adjust interest payments based on a negotiated method, and to include creditors that were not identified at the time of the original application.

A negotiated amount of \$188,167.51 (of a \$235,045.23 judgment) remains to be paid to a company (FCM Rail, Inc.) that was not included on the original list of debtors due to legal issues regarding jurisdiction of the judgment. The legal issues regarding the jurisdiction of the judgment has been resolved, and it has been determined that this judgment must be paid. The funds available for this judgment are from creditors on the original debtor list that did not respond to either of the three contact notices sent to the companies.

Project Summary

The overall project provides funds to NCRA for payment to creditors for principal and interest owed.

Cost and Schedule (\$ X 1,000)

Phase	Scope	Start	End	Cost
4	Pay Creditors			\$10,000
Total:				\$10,000

Funding Plan (\$ X 1,000)

Source	Type		Phase 1	Phase 2	Phase 3	Phase 4	Total
TCRP	State	Committed				\$10,000	\$10,000
		Proposed					
		Proposed					
	Totals:	Committed				\$10,000	\$10,000
		Proposed					
		Totals:				\$10,000	\$10,000

Discussion/Issues

Recommend Approval. The \$10,000,000 in TCRP funds does not fully pay-off the outstanding debt owed by NCRA, as originally thought. There are still businesses that have negotiated to hold off on outstanding interest owed payments until additional funds become available. There are also additional notes and loans that have not been paid and will be due in the years to come (PALCO note due November 2006). The Union Pacific obligation left unpaid is the result of an invoice received for the car hire obligation. This obligation continues to grow due to the cars trapped on the line and cannot be returned to UP until the line is operational. According to NCRA documents a total of \$1,279,295 in debt remains to be paid. NCRA has indicated that they intend to pay the remaining debt by using funds generated by property revenues and future freight and passenger services fees. NCRA has been unable to submit a timetable on the growth of the outstanding debt, since it is not yet known when the line will be in full operational service.

Recommended Resolution Language: The \$188,167.51 made available from the unclaimed debt and the negotiated debt amounts shall be used to pay the FCM Rail, Inc. judgment; and all remaining unpaid debt shall be paid by NCRA using funds generated from property revenues and future freight and passenger services.

Recommended Resolution Language: Starting in January 2002, NCRA shall update the Commission on a quarterly basis to identify the sources, amounts and growth rate of all outstanding debt and the projected point in time when NCRA will generate enough revenues to pay down the debt.

Recommended Resolution Language: NCRA shall retain an independent auditor to conduct a final accounting of all payments upon completion of all payments or liquidation of all TCRP funds; and that the audit report will include identifying payments made to each creditor and identifying remaining unpaid creditors, including principal and interest payment outstanding, and descriptions of work or services rendered by the creditor.

CALIFORNIA TRANSPORTATION COMMISSION
Approval of Traffic Congestion Relief Program
Project Application Amendment

RESOLUTION TAA-01-08
Amending Resolution TA-00-01

- 1.1 WHEREAS the Traffic Congestion Relief Act of 2000 (herein after referred to as "statute"), which was established by Chapters 91 (AB 2928) and 656 (SB 1662) of the Statutes of 2000, establishes the Traffic Congestion Relief Program, providing \$5.39 billion for projects throughout the State of California to reduce traffic congestion, provide for safe and efficient movement of goods, and provide system connectivity; and
- 1.2 WHEREAS in accordance with Government Code Section 14556.11 the California Transportation Commission (Commission) has adopted guidelines, in consultation with the Department of Transportation (Department) and regional agencies, to implement the Traffic Congestion Relief Program (TCRP); and
- 1.3 WHEREAS the statute and guidelines require applicants to specify full and complete project applications, including scope, cost and schedule, financial plans and funding sources; and
- 1.4 WHEREAS on September 28, 2000, the Commission passed Resolution TA-00-01 approving 31 project applications totaling \$359,100,000, including \$10,000,000 for Project #32.6 – Subparagraph (f) debt reduction, to the North Coast Railroad Authority (NCRA); and
- 1.5 WHEREAS the project approval for Project #32.6 included a list of the outstanding debts known to NCRA, as a result of loans, notes, judgments, and trade accounts; and
- 1.6 WHEREAS not all outstanding debts had been identified on the September 2000 list of debts and was subsequently updated in January 2001, to reflect a more accurate account of the outstanding debt to be paid with the \$10,000,000 in TCR funds; and
- 1.7 WHEREAS three trade creditors have not responded to NCRA's attempts in January 2001, March 2001, and April 2001, to contact and pay the creditors, and two other expenses identified on the January 2001 list are expected to be eliminated through negotiations or were deemed invalid; and
- 1.8 WHEREAS several of the contractor and trade account creditors have agreed to forgo interest payments until such time as additional funding is available from property revenues and future freight and passenger services; and
- 1.9 WHEREAS the FCM Rail, Inc judgment from 1999 was originally considered invalid for jurisdictional reasons because the judgment was not registered in California and was not included in the January 2001 creditor list; and

- 1.10 WHEREAS FCM Rail, Inc was successful in registering the judgment in California and has negotiated with NCRA for payment of that judgment for an amount of \$188,167.51, of the original amount of \$235,045.23, made available from the deferred interest payments and unclaimed debts discussed in Sections 1.7 and 1.8 above; and
- 1.11 WHEREAS the January 2001 list of creditors indicated debt in the amount of \$531,809 remained after the \$10,000,000 in TCR funds were utilized; and
- 1.12 WHEREAS since the January 2001 list, new creditors have been identified and existing debt, such as the UP car lease, continues to grow bringing the September 2001 remaining debt to \$1,279,295, after all known creditors on the list have been paid; and
- 1.13 WHEREAS the NCRA is unable to determine the additional debt that will accumulate as a result of the unpaid debt of \$1,279,295 that remains, but has indicated that all remaining debt will be addressed by funds generated by property revenues and future freight and passenger services.
- 2.1 NOW THEREFORE BE IT RESOLVED the Commission does hereby approve the following TCRP project application amendment for the North Coast Railroad Authority (NCRA) as submitted, with subsequent clarifications and revisions:
- Project #32.6 – North Coast Railroad; Sub-paragraph (f) debt reduction. Amend application to update project schedule and modify debtor list. No other changes to TCR application approval of \$10,000,000 under Resolution TA-00-01. North Coast Railroad Authority is requesting this amendment.
- 2.2 BE IT FURTHER RESOLVED that the \$188,167.51 made available from the unclaimed debt and the negotiated debt amounts shall be used to pay the FCM Rail, Inc. judgment; and
- 2.3 BE IT FURTHER RESOLVED that all remaining unpaid debt shall be paid by NCRA using funds generated from property revenues and future freight and passenger services; and
- 2.4 BE IT FURTHER RESOLVED that starting in January 2002, NCRA shall update the Commission on a quarterly basis to identify the sources, amounts and growth rate of all outstanding debt and the projected point in time when NCRA will generate enough revenues to pay down the debt; and
- 2.5 BE IT FURTHER RESOLVED that NCRA shall retain an independent auditor to conduct a final accounting of all payments upon completion of all payments or liquidation of all TCRP funds; and
- 2.6 BE IT FURTHER RESOLVED that the audit report will include identifying payments made to each creditor and identifying remaining unpaid creditors, including principal and interest payment outstanding, and descriptions of work or services rendered by the creditor; and
- 2.7 BE IT FURTHER RESOLVED that CTC Resolution TA-00-01 is hereby amended.