

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: February 26-27, 2003

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Information Item

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Ref: **FOLLOW-UP TO JANUARY ITEM ON FFY 2003-04 PACIFIC SURFLINER AND SAN JOAQUIN ROUTE BUSINESS PLANS**

At the January CTC meeting, the Commission requested that the Department provide additional information at the February CTC meeting on the FFY 2003-04 Pacific Surfliner and San Joaquin Route Business Plans. The purpose of this memo is to provide that additional information.

The CTC requested follow-up information on three questions.

- What will be the process for revising the intercity rail capital program as described in the Business Plans in the event that Traffic Congestion Relief Program (TCRP) funds are reduced or eliminated?
- How will the intercity rail operating program (service levels) be affected by potential budget reductions in the current year (2002-03) and budget (2003-04) year?
- How will operating improvements (including marketing) and performance measures for the intercity rail operating program be impacted by potential budget reductions in the current year (2002-03) and budget (2003-04) year?

## **Capital Program**

There is currently a total of \$206.5 million in TCRP funds programmed for intercity rail capital projects. \$148.5 million is reserved for the Pacific Surfliner Route, \$25 million for the San Joaquin Route and \$33 million for the Capitol Corridor. A total of \$40.3 million of these funds have already been allocated. The table below details the specific TCRP funded projects, project amounts, and allocated and unallocated amounts.

<b>TCRP – INTERCITY RAIL PROJECTS</b>			
<b>(Amounts in 000)</b>			
<u>Project</u>	<u>Project Amount</u>	<u>Allocated</u>	<u>Unallocated</u>
<b>CAPITOL CORRIDOR</b>			
Harder Road Double Track	\$600	\$600	\$0
Emeryville Station Trackage	\$4,900	\$225	\$4,675
Oakland-S.J. Track Improvements	\$19,500	\$19,500	\$0
Hercules Station	\$3,000	\$100	\$2,900
<u>Richmond Station</u>	<u>\$5,000</u>	<u>\$680</u>	<u>\$4,320</u>
<b>TOTAL CAPITOL CORRIDOR</b>	<b>\$33,000</b>	<b>\$21,105</b>	<b>\$11,895</b>
<b>PACIFIC SURFLINER ROUTE</b>			
LA Union Station Run Through Tracks	\$28,000	\$12,000	\$16,000
LA Co. Triple Track – LA- Fullerton	\$66,936	\$0	\$66,936
LA Union Station 5 <sup>th</sup> Lead Track	\$5,064	\$389	\$4,675
Oceanside Double Track	\$6,000	\$500	\$5,500
San Diego Co. Double Track	\$15,262	\$2,498	\$12,764
National City Layover Facility	\$22,000	\$0	\$22,000
Fallbrook Siding Improvements	\$450	\$450	\$0
Encinitas Passing Track	\$3,288	\$0	\$3,288
<u>Oceanside Station Improvements</u>	<u>\$1,500</u>	<u>\$385</u>	<u>\$1,115</u>
<b>TOTAL PACIFIC SURFLINER</b>	<b>\$148,500</b>	<b>\$16,222</b>	<b>\$132,278</b>
<b>SAN JOAQUIN ROUTE</b>			
Shirley-Hanford Double Track	\$15,000	\$0	\$15,000
Calwa-Bowles Double Track	\$3,000	\$3,000	\$0
<u>Stockton Escalon Double Track</u>	<u>\$7,000</u>	<u>\$0</u>	<u>\$7,000</u>
<b>TOTAL SAN JOAQUIN ROUTE</b>	<b>\$25,000</b>	<b>\$3,000</b>	<b>\$22,000</b>
<b>TOTAL ALL ROUTES</b>	<b>\$206,500</b>	<b>\$40,327</b>	<b>\$166,173</b>

The Division of Rail is reviewing project priority for all intercity passenger rail capital projects in light of the potential suspension of TCRP funding. The first priority will be to protect funding for projects that have been started, whenever possible, in order to assure that partially completed projects can be finished. Also, project priority will be reviewed across all three routes, not just within each route.

The project criteria detailed in the *California State Rail Plan 2001-02 to 2010-11* will provide the guide for reviewing projects on existing routes. The project criteria is the following:

- increase the effectiveness of rail service by increasing revenues and reducing costs;
- increase capacity, improve reliability and on-time performance;
- reduce running times;
- and improve safety.

Once, project priorities are reviewed and revised if necessary, the Department will work with the Commission to re-program funds to the highest priority projects.

Additionally, as a result of the potential suspension of TCRP funding:

- The Division is reviewing all STIP (non-TCRP) projects that are ready for funding to assure that they are high priority projects. Allocation requests for lower priority STIP projects may be postponed, pending decisions on TCRP funding. If TCRP funding is suspended, the Department will work with the Commission to reprogram available STIP funding to the highest priority projects.
- The Division is reviewing TCRP funded projects to determine if projects can be combined to assure complete funding for projects that are high priority and ready for implementation. For example, on the San Joaquin route, the Shirley to Hanford double track project is ready for implementation, but it is not fully funded. The Department may recommend that funds from the Stockton to Escalon double track project be re-programmed to Shirley-Hanford to assure that project is fully funded. On the Pacific Surfliner Route, currently funded engineering and environmental work will continue on major projects that need TCRP (or replacement funding) to be constructed, such as L.A. Union Station run-through tracks and the L.A.–Fullerton triple track.

### **Operating Program**

The Governor has not proposed any reduction in Public Transportation Account (PTA) funds for intercity rail operating support (service levels) for the current year (2002-03) or budget year (2003-04). Thus, for these years, the Department is planning to continue the same level of intercity passenger rail service, and the business plans will show no changes in service levels.

The business plans also show projected service levels from 2004-05 through 2006-07. Due to the status of the economy and the PTA, it is unlikely there will be any increases in PTA funding for intercity rail services for the near future – through 2006-07. Therefore, the final 2003-04 business plans will be revised to include no increases in service in 2004-05 through 2006-07, except for one Pacific Surfliner daily round-trip from Los Angeles to San Luis Obispo in 2005-06. (The Union Pacific Railroad has agreed to run this additional train, which can operate with existing equipment, and possibly within the existing budget.)

### **Operating Improvements and Performance Measures**

The Governor has not proposed any reduction in Public Transportation Account (PTA) funds for intercity rail administration, marketing, on-board service amenities (i.e. food service and information and reservations) or equipment maintenance and overhaul for the current fiscal year (2002-03) or budget year (2003-04). Thus, for these years, the Department is planning no reductions in these functions.

Performance measures (ridership, revenues, expenses and related measures) for the current and budget year will be revised in the final business plans based on actual operating results to date. This information will provide the Commission, the Legislature and the Governor with the most up-to-date information on the performance of the three intercity passenger rail routes. Also, performance measures for fiscal years 2004-05 through 2006-07 in the final business plans will be revised to reflect no increases in service in fiscal years 2004-05 through 2006-07, except for one Pacific Surfliner daily round-trip from Los Angeles to San Luis Obispo in fiscal year 2005-06.