

Memorandum

To: Chair and Commissioners

Date: October 24, 2005

From: Diane C. Eidam

**File No:
Reference Number 2.1e(2)
Action**

Ref: Project Approval to the Peninsula Corridor Joint Powers Board for the Tamien Layover Yard Project

Issue:

Should the Commission:

- Approve the Peninsula Corridor Joint Powers Board (JPB) application for \$280,000 in Proposition 116 (PUC 99636)?
- Approve the JPB's request to waive the Commission's 5% limitation on project development activities and allow approximately 12 percent for this work? A total of \$33,400 in Proposition 116 funds is being requested for Plans, Specifications, and Estimates, and the remaining \$246,600 will be used for construction. The project total is \$1,400,000 with 20 percent coming from Proposition 116 funds and 80 percent from Federal funds.

Recommendation:

Commission staff has reviewed the Proposition 116 amended application, as well as subsequent clarifications and recommends that the Commission approve the attached resolution, which would grant approval of the Peninsula Corridor Joint Powers Board's application for Proposition 116 funds (PUC Section 99636) for the Tamien Layover Yard Project in the amount of \$280,000, and waives the Commission's policy of 5 percent for pre construction activities.

Background:

Proposition 116 (PUC Section 99636 [a], [b], [c], and [d]) authorizes \$173,000,000 to Peninsula Corridor Joint Powers Board (JPB) for CalTrain capital improvements and acquisition of rights-of-way.

In July 2005, the Commission approved amended applications from the JPB that resulted in Proposition 116 funds remaining unprogrammed due to previous cost savings.

In October 2005, the Commission received an application for \$280,000 in Proposition 116 (PUC Section 99636 [a] \$93,333, [b] \$93,333, and [c] \$93,334) funds and a waiver of the Commission's policy of 5 percent for preconstruction activities for the Tamien Layover Yard Project that will construct a new layover facility to alleviate congestion and ensure efficient and orderly service. This project includes three stub-ended tracks that will accommodate two eight-car consists and two five-car consists; a power switch and power derail to provide access to and from the mainline tracks; a train crew trailer; as well as a paved access road to the trailer with a small parking lot, private crossing of the tracks for train crews only; and accessway and fencing.

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The Commission's Policy regarding limiting preconstruction costs to 5 percent of the total Proposition 116 request was implemented in 1991 to ensure that the capital project would be constructed. Since then the total project costs have increased including the preconstruction (PS&E) activities. It is not uncommon for an applicant to request this waiver when requesting Proposition 116 funds now fourteen years later.

The total project cost is as follows:

Proposition 116	\$ 280,000 (PUC Section 99636[a] \$93,333, [b] \$93,333, and [c] \$93, 334)
FTA	<u>\$1,120,000</u>
	\$1,400,000

CALIFORNIA TRANSPORTATION COMMISSION

Commission Project Application Approval Amendment
Peninsula Corridor Joint Powers Board
Proposition 116 Application for the
Tamien Layover Yard Project

Resolution PA-05-__

- 1.1 WHEREAS, in June 1990 the voters approved Proposition 116, the Clean Air and Transportation Improvement Act, 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, 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, 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
- 1.8 WHEREAS, in December 1990 the Commission adopted policy and application guidelines (#G-90-23) for the Proposition 116 rail program; and
- 1.9 WHEREAS, Proposition 116 (PUC Section 99636 authorizes \$173,000,000 to the Peninsula Corridor Joint Powers Board for CalTrain capital improvements and acquisition of rights-of-way, as follows:
 - (a) In the City and County of San Francisco, \$13,000,000
 - (b) In San Mateo County, \$19,000,000

- (c) In Santa Clara County, \$21,000,000, to be allocated for expenditure as follows:
 - 1) Existing service from San Jose, \$17,000,000.
 - 2) Extension of service south of San Jose to the county line, \$4,000,000
- (d) Acquisition of rights-of-way, \$120,000,000; and

1.10 WHEREAS, in October 2005, the Peninsula Corridor Joint Powers Board submitted an application for \$280,000 in Proposition 116 funds (PUC Section 99636[a] \$93,333, [b] \$93,333, and [c] \$93,334) for the Tamien Layover Yard project to construct the layover yard to alleviate congestion and ensure efficient and orderly service.

1.11 WHEREAS, the October 2005 application also requested a waiver of the Commission's Policy to limit the Proposition 116 funds to 5 percent for preconstruction activities of the funds requested.

2.1 NOW, THEREFORE BE IT RESOLVED, that the Commission hereby approves the request for \$280,000 in Proposition 116 funds (PUC Section 99636[a] \$93,333, [b] \$93,333, and [c] \$93,334) for the Tamien Layover Yard project and waives the Commission's Policy of 5 percent to preconstruction activities to allow for up to 12 percent of the Proposition 116 funds for preconstruction; and

2.2 BE IT FURTHER RESOLVED, that a Proposition 116 project approval by the Commission reserves the State funding within the Program, and allows project development work to be undertaken by the applicant agency, which will be subject to state reimbursement pursuant to the Commission's "Guidelines for Allocating, Monitoring, and Auditing Funds for Local Assistance Projects" and subsequent fund transfer agreement.