

Memorandum

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 19-20, 2011

Reference No.: 4.21
Action Item

From: NORMA ORTEGA
Chief Financial Officer

Prepared by: William D. Bronte
Chief
Division of Rail

Subject: AMENDMENT TO PROPOSITION 1B INTERCITY RAIL PROJECT LIST
RESOLUTION ICR1B-P-1011-03, AMENDING RESOLUTION ICR1B-P-0708-01

RECOMMENDATION:

The California Department of Transportation (Department) recommends the California Transportation Commission (Commission) approve the attached Resolution ICR1B-P-1011-03 providing advice and consent to amend the list of intercity rail (ICR) projects to be funded from Proposition 1B ICR bond proceeds.

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 the list be amended to include an additional project - the Wireless Network for Northern California Intercity Passenger Rail (IPR) Fleet project. Funding for the wireless network project would come from cost savings on the Emeryville Station and Track Improvement project, which has a project savings of \$3,750,000. The \$3,750,000 savings will be used for installation of a wireless communication network on the Northern California IPR fleet. The wireless network would be a significant amenity for passengers, support current and future operational applications for safety and security, as well as allow on-train communications to comply with the Americans with Disabilities Act requirements.

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 proposed changes are reflected below as strikethrough and underline.

RAIL PROPOSITION 1B BOND PROJECTS AMENDMENT (As 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
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>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.</u>	<u>Capitol Corridor, San Joaquin</u>	<u>\$ 3,750,000</u>
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	\$ 10,000,000 <u>6,250,000</u>
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
SCRRRA 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 (As adopted)

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
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
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
SCRRRA 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.

CALIFORNIA TRANSPORTATION COMMISSION

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

Resolution ICR1B-P-1011-03, Amending Resolution ICR1B-P-0708-01

- 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.