



March 18, 2024

To: Members of the Board of Directors 
From: Jason Jewell, Managing Director
Subject: Reimbursement Agreement with Union Pacific Railroad for Corridor Hardening and Coastal Resiliency Improvements

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency has programmed \$10,406,000 in funding to long-term corridor hardening and coastal resiliency improvements along the Santa Barbara Subdivision in partnership with the Union Pacific Railroad. Staff have worked with the Union Pacific Railroad to identify the most critical and urgent locations where there is the need to stabilize the track and adjacent bluffs. To advance work at these critical locations, staff are seeking Board of Directors approval to negotiate and execute an agreement with the Union Pacific Railroad to deliver the improvements.

Recommendation

Authorize the Managing Director to negotiate and execute an agreement between the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency and Union Pacific Railroad for a not-to-exceed amount of \$10,406,000, to construct the long-term improvements necessary to stabilize the track and adjacent bluffs at Mileposts 324.4 and 328.2 along the Santa Barbara Subdivision.

Background

In February 2020, the Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) Board of Directors (Board) approved an agreement with the Union Pacific Railroad (UPRR) to design and construct the capital improvements necessary to implement two additional roundtrips north of Los Angeles. This agreement included \$9,400,000 committed to Corridor Hardening and Other Safety Improvements, which included small bluff stabilization projects.

In 2023, as part of the efforts to address the accelerating coastal resiliency challenges being faced by the rail corridor from San Diego to San Luis Obispo, the

LOSSAN Agency partnered with Union Pacific Railroad to prepare a Project Study Report (PSR) to identify critical and urgent coastal resiliency areas and define long-term solutions for addressing them.

Discussion

The PSR identified roughly \$90 million in critical corridor hardening or coastal resiliency improvements. The extent of these improvements goes beyond the scope of the original agreement with UPRR, requiring a new agreement to be executed.

The LOSSAN Agency has been successful over the past two years in working with the State of California to reprogram savings from various projects, as well as receiving funds through the 2022 Supplemental Transit and Intercity Rail Capital Program awards and applying this funding towards the corridor hardening projects along the Santa Barbara Subdivision that were identified in the PSR. Currently, there is roughly \$29.6 million programmed towards coastal resiliency efforts in Ventura and Santa Barbara counties.

LOSSAN Agency staff has been working with UPRR to develop the designs and environmentally clear these resiliency projects as quickly as possible. Two of the locations identified in the PSR, located at mileposts 324.4 and 328.2 are experiencing accelerated erosion due to recent inclement weather and require immediate attention.

The improvements identified to stabilize the railroad at these locations includes:

- Installation of drilled tie-back walls
- Construction and expansion of soldier pile walls
- Replacement and enhancement of drainage

Staff have been working with UPRR to prepare a draft agreement to help fund the work required at these two locations. Following Board approval of the recommendation, the next steps following execution of the reimbursement agreement with UPRR will be for UPRR to execute an agreement with the contractor. The term of this agreement will be for three years, terminating in March 2027.

Fiscal Impact

Funding for this project is included in the Fiscal Year 2023-24 Working and Fiscal Year 2024-25 Proposed Budgets under account code 0085-7831-X2024-D9K. The value of the agreement is a maximum obligation, not to exceed amount.

Summary

Staff have been working with the Union Pacific Railroad to draft a reimbursement agreement for the construction of two coastal resiliency projects along the Santa Barbara Subdivision. The projects are consistent with those identified in the PSR prepared by the LOSSAN Agency in 2023. Staff are seeking the Board of Directors' approval to negotiate and execute the agreement with the Union Pacific Railroad.

Attachment

None.

Prepared by:

A handwritten signature in blue ink that reads "James D. Campbell". The signature is written in a cursive style with a large initial "J".

James D. Campbell
Operations Officer
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