



January 30, 2019

To: Members of the Board of Directors

From: Jennifer L. Bergener, Managing Director

Subject: Capital Improvement Program – Priority Projects List

Overview

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency receives funding for small capital improvement projects on an annual basis. Funding is provided by California Department of Transportation, Division of Rail and Mass Transportation minor capital projects funds, as well as State Rail Assistance Formula funds administered by the California State Transportation Agency. A capital improvement program has been developed in coordination with Amtrak engineering, member agencies, and station owners and hosts for the use of these funds. A capital improvement program is presented for Board of Directors review and discussion.

Recommendations

- A. Review and approve the proposed Los Angeles – San Diego – San Luis Obispo rail corridor capital improvement program.
- B. Authorize the Managing Director to negotiate and execute the necessary agreements and program supplements to facilitate the utilization of State Rail Assistance and minor capital improvement project funding.
- C. Authorize the Managing Director to utilize up to \$100,000 in either minor capital project or State Rail Assistance funds for emergency capital projects.

Background

The California Department of Transportation (Caltrans) Division of Rail and Mass Transportation (DRMT) allocates approximately \$500,000 annually for the delivery of minor capital improvement projects to passenger rail facilities on the Los Angeles – San Diego – San Luis Obispo (LOSSAN) rail corridor. Projects funded through this program include station and track improvements, informational signage, and minor safety and security enhancements.

Additionally, Senate Bill 1 (SB 1) includes approximately \$440 million directed specifically to commuter and intercity rail services through the State Rail Assistance (SRA) program. The SRA is intended to fund both operational and capital improvements through a combination of formula and competitive distribution. The LOSSAN Rail Corridor Agency (Agency) is an eligible recipient of these funds. LOSSAN Agency staff is requesting Board of Directors' (Board) approval of the LOSSAN rail corridor capital improvement program for the utilization of available fiscal year (FY) 2016-17 and 2017-18 minor capital improvement funds and FY 2017-18 and 2018-19 SRA funds.

Discussion

Minor capital improvement projects must follow the approval process specified by the State Public Contract Code and the Master Fund Transfer agreement with Caltrans DRMT. In general, the program guidelines require eligible projects to involve the construction, installation, alteration, or repair of a physical improvement to rail facilities, such as stations, maintenance yards, or tracks. Projects submitted for funding under the program must also be under the cost limit established by the California Public Contract Code for a "minor" capital improvement (currently set at \$291,000). On August 21, 2017, the Board approved a list of priority projects to utilize available FY 2015-16 minor capital projects funding as shown in Attachment A.

The SRA program is intended to provide intercity rail agencies with a source of supplemental revenue that can be used to fund both operational and capital Improvements and is administered by the California State Transportation Agency (CalSTA). No dollar threshold for projects is included under the SRA program.

Currently, the LOSSAN Agency has approximately \$640,000 in available minor capital projects funding, with an additional \$5.2 million in SRA funding. Recently, LOSSAN Agency staff and personnel from Amtrak engineering, in cooperation with member agencies, station owners, and the state of California, conducted a thorough audit of all stations and facilities on the LOSSAN rail corridor. An expansive list of capital improvement projects was developed as part of that effort. Additional time was spent with Amtrak engineering to refine the list and identify projects that could be completed under the two funding programs, with consideration given to any dollar thresholds and completion deadlines associated with each fund type.

On January 17, 2019, LOSSAN Agency staff met with the LOSSAN Agency Technical Advisory Committee and reviewed the potential project list against the available funding. The proposed LOSSAN Agency Capital Improvement Program is included in Attachment B. The list was developed with the highest priority given to safety-critical projects and consideration given to maintain

geographic equity, while giving attention to specific needs that have been identified as part of station and facilities audits. The specific source of funds, whether minor capital or SRA funds, has not been identified. This is to allow the flexibility to move projects between the two funding programs should project deadlines change or additional funds become available.

Emergency Capital Project Funding

Occasionally, capital project funding is needed to fund unanticipated projects that arise as a result of an identified safety hazard or security issue. These situations have been encountered in the past, and in some cases, the repairs were put on hold pending the approval of funding through the Board. Currently, there is no available fund source to effect emergency repairs to facilities along the LOSSAN rail corridor. Because of this, LOSSAN Agency staff is requesting that the Board authorize the Managing Director to utilize up to \$100,000 in either minor capital or SRA funds for the quick implementation of any future emergency capital projects. Any use of these funds would be only for emergency projects that address an immediate safety and/or security need. These projects, as well as a justification of the use of the available emergency funds, would be reported on to the Board as part of the semi-annual capital improvement program status report.

Next Steps

Upon Board approval of the proposed program of projects, LOSSAN Agency staff will submit the projects for approval by Caltrans DRMT and CalSTA. Depending on feedback received during the approval process, projects and/or scopes of work may be adjusted as needed to receive approval. Once the project implementation process begins, LOSSAN Agency staff will return to the Board with semi-annual status updates on all minor capital improvement projects.

Summary

The Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency receives funding for capital improvement projects on an annual basis by way of the minor capital and State Rail Assistance programs. Staff has developed a capital improvement program that will utilize available fiscal year 2016-17 and 2017-18 minor capital improvement funds and fiscal year 2017-18 and 2018-19 State Rail Assistance funds. The draft capital improvement program is presented for Board of Directors' review and approval.

Attachments

- A. LOSSAN Minor Capital Improvement Projects – FY 2015-16 Funding Allocations
- B. DRAFT LOSSAN Agency Capital Improvement Program – 2018 – 2020

Prepared by:



Roger M. Lopez
Principal Transportation Analyst
(714) 560-5438