



February 16, 2021

To: Members of the Board of Directors

From: Donna DeMartino, Managing Director *Donna DeMartino*

Subject: Fiscal Year 2020-21 First Quarter Grant Reimbursement Status Report

Overview

The Quarterly Grant Reimbursement Status Report summarizes grant activities for the Los Angeles – San Diego – San Luis Obispo Rail Corridor Agency's Board of Directors. This report focuses on activity for the period of July through September 2020.

Recommendation

Receive and file as an informational item.

Discussion

The Los Angeles – San Diego – San Luis Obispo (LOSSAN) Rail Corridor Agency (Agency) has secured approximately \$380.0 million in competitive and formula grant funding from state grant agencies to deliver programs, projects, and services to improve mobility along the LOSSAN rail corridor. The use of these funds is consistent with capital programming policies approved by LOSSAN's Board of Directors (Board). The Quarterly Grant Status Report summarizes awarded/executed, current, and closed grant agreements.

Summary of Grant Funding			
Grant Program	Total Award	Reimbursed to-Date	Remaining Balance
State Rail Assistance	\$14,573,297	\$718,933	\$13,854,364
Transit and Intercity Rail Capital Program	\$310,760,161	\$70,638,324	\$240,121,837
Proposition 1B	\$34,971,000	\$0	\$34,971,000
State Transportation Improvement Program	\$12,500,000	\$583,533	\$11,916,467
California Office of Emergency Services	\$7,171,080	\$3,549,069	\$3,622,011
Total	\$379,975,538	\$75,489,859	\$304,485,679

Awarded/Executed Grant Agreements:

During the first quarter of Fiscal Year (FY) 2020-21, The LOSSAN Agency was awarded formula funding allocations which are summarized below.

The State Rail Assistance (SRA) Program is intended to provide a dependable source of supplemental revenue that is flexible and can be used to fund a variety of rail service improvements. It is available for both operational and capital improvements through both formula and competitive distribution. In July 2020, the California State Transportation Agency (CalSTA) allocated the LOSSAN Agency's remaining FY 2018 – FY 2020 SRA formula funds, while the funding for several previously approved projects was reprogrammed, potentially as continuity of operations funding, due to the related effects of the coronavirus (COVID-19) pandemic. This concluded the LOSSAN Agency's first round of SRA funding, which totaled approximately \$13.9 million. This will be followed by a second round of SRA funding expected to total \$29.8 million over five years.

In addition to the continuity of operations funding listed above, new projects approved by CalSTA for the first round of SRA funding include: Design of the Goleta Layover Facility, Funds for a Business Class Refresh, and Viriato Software Maintenance. There are also several continuing projects which include: San Luis Obispo Tactile and Electrical Repair, Corridor Optimization Software, and the Grover Beach Station Improvements project, which is currently pending close-out. These projects and related funding details are listed in Attachment A.

Current Grant Agreements:

In addition to the \$13.9 million in SRA formula funds, the LOSSAN Agency received an additional \$719 thousand in SRA competitive funding for the Integrated Wayfinding Signage Upgrade project. Through the first quarter of FY 2020-21, approximately \$719,000 of formula funding has been spent, leaving a balance of \$13.1 million. The entire competitive balance remains, with work on the Integrated Wayfinding Signage Upgrade project expected to begin in FY 2021-22.

The Transit and Intercity Rail Capital Program (TIRCP) was created to provide grants for capital improvements that modernize California's intercity, commuter, and urban rail systems. The goal of these improvements is the reduction of greenhouse gas emissions and vehicle miles travelled. There are currently four awarded TIRCP grant agreements, which were awarded by CalSTA in 2015, 2016, 2018, and 2020. The four awarded TIRCP grant agreements total \$310.8 million in funding for multiple projects and programs. A total of \$70.6 million has been received to date, leaving a balance of \$240.1 million. The balance of TIRCP grant agreements will fund projects throughout the LOSSAN rail corridor including: Installation of Centralized Traffic Control, Upgrades and Replacement of Ties, Rail, and Non-Powered Switches, Signal and Fencing Upgrades, Station Improvements, Safety and Corridor Hardening Improvements, Bridge Replacements, Capital Access and On-Time Performance Agreements, Expansion of the Central Coast Layover in San Luis Obispo, and Phase One of a new San Diego County Maintenance and Layover Facility. Many of these projects are funded by multiple sources.

The Proposition 1B (Prop 1B) Program, approved by voters in November 2006, authorized the issuance of \$19.9 billion in general obligation bonds for specified transportation purposes including: congestion reduction, highway and local road improvements, public transportation, goods movement, air quality, safety and security. In May 2020, the LOSSAN Agency was awarded a total of \$35.0 million in Prop 1B funding. Invoicing has not commenced for any of the funded projects, leaving the entire balance of \$35.0 million intact. The balance of the Prop 1B grant agreements will primarily fund the Los Alamos Creek (Narlon) and Canada Honda Bridge Replacement projects, with funding also included for the Interim San Luis Obispo Facility, Camarillo Station Improvements, and Phase One of the Central Coast Layover Facility Expansion. Work has begun on several of the projects, with invoicing expected to begin in the subsequent quarters of FY 2020-21.

The State Transportation Improvement Program (STIP) is a five-year plan updated on a biannual basis and adopted by the California Transportation Commission for future allocations of certain state transportation funds for state highway improvements, intercity rail, and regional highway and transit improvements. The Central Coast Layover Expansion project includes \$12.5 million in STIP funding and is currently in the Project Approval & Environmental Document (PAED) phase. These awarded funds were programmed as part of the 2018 STIP. Through the first quarter of FY 2020-21, approximately \$584,000 has been received from the state, leaving a balance of \$2.9 million for this phase of the project. The PAED phase of this project is expected to conclude in FY 2021-22, with the design phase to follow shortly after.

The California Transit Security Grant Program is an element of Prop 1B that specifically addresses transit system safety, security, and disaster response projects. Approximately \$7.2 million of the California Governor's Office of Emergency Services funding has been awarded for surveillance upgrades at stations throughout the corridor. The total amount received through the first quarter under these grant agreements is nearly \$3.6 million, leaving a balance of \$3.6 million. The installation of the surveillance equipment continues to progress, which completion of the project anticipated in June 2022.

Grant Agreements Pending Close-out:

The Grover Beach Station Improvements project was completed in the second quarter of FY 2019-2020. The City of Grover Beach submitted project invoices totaling \$400 thousand, which were paid in August 2020. This grant agreement is summarized in Attachment D.

Closed Grant Agreements:

No grants were closed in the first quarter of FY 2020-21.

Summary

This report provides an update of the grant agreement funded activities for the first quarter of FY 2020-21, July through September 2020. Staff recommends this report be received and filed as an informational item.

Attachments

- A. First Quarter Grant Reimbursement Status Report, LOSSAN Agency Grant Agreements, Formula and Competitive State Rail Assistance (SRA), July through September 2020
- B. First Quarter Grant Reimbursement Status Report, Transit and Intercity Rail Capital Program (TIRCP), July through September 2020
- C. First Quarter Grant Reimbursement Status Report, Other Discretionary Grants, July through September 2020
- D. First Quarter Grant Reimbursement Status Report, Grant Pending Close-Out, July through September 2020

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