

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: December 6-7, 2023

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8d.(4), Action Item

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Division of Local Assistance

Subject: REQUEST TO EXTEND THE PERIOD OF PROJECT DEVELOPMENT EXPENDITURE FOR A LOCALLY-ADMINISTERED MULTI-FUNDED PROPOSITION 1A HIGH SPEED PASSENGER TRAIN BOND FUND/PROPOSITION 1B INTERCITY RAIL/TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM PROJECT, PER TIRCP ALLOCATION POLICY WAIVER 23-187

ISSUE:

Should the California Transportation Commission (Commission) extend the period of project development expenditure for two project phases of the locally-administered multi-funded Proposition 1A High Speed Passenger Train Bond Fund (HSPTBF)/Proposition 1B Intercity Rail (ICR)/Transit and Intercity Rail Capital Program (TIRCP) Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project (CP023), in various counties, for the time period as identified in the attachment?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission extend the period of project development expenditure two project phases of the locally-administered multi-funded Proposition 1A HSPTBF/Proposition 1B ICR/TIRCP Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project (CP023), in various counties, for the time period as identified in the attachment.

BACKGROUND:

In June 2017, the Commission allocated \$8,692,000 for the Plans, Specifications, and Estimate and Right of Way phase of Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project (PPNO CP023). The Capitol Corridor Joint Powers Authority will not be able to complete the project in accordance with the deadline under the Timely Use of Funds (TUF) policy. Current TIRCP Allocation Policy stipulates that the agency implementing a

“Provide a safe and reliable transportation network that serves all people and respects the environment.”

project requests a time extension if the project will not be completed within the specified timeline. Under the TUF policy, an extension can be requested for up to 20 months for each delivery milestone, where permissible by statute. The attachment describes the project details and the explanations of the delays.

Attachment

**Time Extension/Waiver – Project Development Expenditure
Multi-funded Proposition 1A HSPTBF/Proposition 1B ICR/TIRCP**

Project Number: 1
Applicant: Capitol Corridor Joint Powers Authority
County: Various
District: 3
PPNO: CP023
Allocation Amount: \$8,317,000 (Prop 1A \$5,492,000, Prop 1B \$1,939,000, TIRCP \$886,000)
Remaining Balance: \$4,052,503
Phase: Plans, Specifications, and Estimates
Allocation Dates: 6/29/2017
Allocation Resolutions: HST1A-A-1617-02, ICR1B-A-1617-03, TIRCP-1617-11
Number of Months Requested: 26 Months
Extended Deadline: 4/30/2026
Department Recommendation: Support

Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1

The Capitol Corridor Joint Powers Authority (CCJPA) requests a 26-month time extension for the period of project development expenditure for the Plans, Specifications, and Estimate (PS&E) phase of the Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project. CCJPA has experienced unexpected delays in completing the PS&E phase of this project.

In June 2017, the Commission allocated \$8,317,000 for the PS&E phase of the Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project. In August 2018, the Commission approved an additional allocation of \$2,000,000 for the PS&E phase under the project title Increased Rail Service to Roseville, Service Optimization and Standby Power Investments. In January 2023, the Commission approved a supplemental allocation for the PS&E phase totaling \$7,911,000, bringing the PS&E allocated total of this project to \$18,228,000.

To complete the PS&E and Right of Way (RW) phases, CCJPA must relocate fiber optic cables owned by AT&T, Lumin, and Zayo, and a gas pipeline owned by Kinder Morgan. These relocations will be performed under the RW phase of the project and have a large impact on the project design and schedule because the utilities are arranged longitudinally along the length of the project, rather than merely crossing the project. This longitudinal arrangement also creates a need for a high degree of coordination with these utilities on the track design. The relocations for the fiber optic cables must be designed before the utility relocation for the gas pipeline can be designed. The relocations for the utilities must be designed before the track segments impacted by these relocations can be designed.

In July 2022, CCJPA began to experience delayed responses from the fiber optic utilities during a time when their input was crucial to allowing CCJPA to proceed with the design for the gas pipeline relocation. Between July 2022 and August 2023, CCJPA made repeated requests to fiber optic utilities and to Kinder Morgan to obtain the necessary design input to proceed with design work. This process took thirteen months because CCJPA did not receive the necessary input from the fiber optic utilities that would allow design of the gas pipeline relocation to proceed until August 2023. The impact of this set back delayed the beginning of design work that would include fiber optic and gas pipeline relocations until September 2023.

The PS&E and RW phases were also delayed when Union Pacific Railroad (UPRR) did not approve a proposed layover yard location within the central part of UPRR yard. This required CCJPA to fall back on a layover yard location on the edge of the UPRR yard in March 2023, which required CCJPA to spend additional time and funds to establish design parameters for the new layover yard location.

The PS&E phase is currently 45 percent complete. The project has a concurrent time extension request for its RW phase on this month's Commission agenda under this same item.

Therefore, CCJPA is requesting a 26-month time extension for the period of project development expenditure for the PS&E phase from February 29, 2024 to April 30, 2026.

Project Number: 2
Applicant: Capitol Corridor Joint Powers Authority
County: Various
District: 3
PPNO: CP023
Allocation Amount: \$375,000 (Prop 1A \$248,000, Prop 1B \$87,000, TIRCP \$40,000)
Remaining Balance: \$3,227,379
Phase: Right of Way
Allocation Dates: 6/29/2017
Allocation Resolutions: HST1A-A-1617-02, ICR1B-A-1617-03, TIRCP-1617-11
Number of Months Requested: 26 Months
Extended Deadline: 4/30/2026
Department Recommendation: Support

Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1

The CCJPA requests a 26-month time extension for the period of project development expenditure for the RW phase of the Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project. CCJPA has experienced unexpected delays in completing the PS&E phase of this project.

In June 2017, the Commission allocated \$375,000 for the RW phase of the Capitol Corridor - Sacramento to Roseville 3rd Mainline Track Phase 1 project. In January 2023, the Commission approved a supplemental allocation for the RW phase totaling \$17,044,000, bringing the RW allocated total of this project to \$17,479,000.

To complete the PS&E and RW phases, CCJPA must relocate fiber optic cables owned by AT&T, Lumin, and Zayo, and a gas pipeline owned by Kinder Morgan. These relocations will be performed under the RW phase of the project and have a large impact on the project design and schedule because the utilities are arranged longitudinally along the length of the project, rather than merely crossing the project. This longitudinal arrangement also creates a need for a high degree of coordination with these utilities on the track design. The relocations for the fiber optic cables must be designed before the utility relocation for the gas pipeline can be designed. The relocations for the utilities must be designed before the track segments impacted by these relocations can be designed.

In July 2022, CCJPA began to experience delayed responses from the fiber optic utilities during a time when their input was crucial to allowing CCJPA to proceed with the design for the gas pipeline relocation. Between July 2022 and August 2023, CCJPA made repeated requests to fiber optic utilities and to Kinder Morgan to obtain the necessary design input to proceed with design work. This process took thirteen months because CCJPA did not receive the necessary input from the fiber optic utilities that would allow design of the gas pipeline relocation to proceed until August 2023. The impact of this set back delayed the beginning of design work that would include fiber optic and gas pipeline relocations until September 2023.

The PS&E and RW phases were also delayed when UPRR did not approve a proposed layover yard location within the central part of UPRR yard. This required CCJPA to fall back on a layover yard location on the edge of the UPRR yard in March 2023, which required CCJPA to spend additional time and funds to establish design parameters for the new layover yard location.

The RW phase is currently 28 percent complete. The project has a concurrent time extension request for its PS&E phase on this month's Commission agenda under this same item.

Therefore, CCJPA is requesting a 26-month time extension for the period of project development expenditure for the RW phase from February 29, 2024 to April 30, 2026.