

## MEMORANDUM

To: CHAIR AND COMMISSIONERS  
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: October 17-18, 2024

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.8v.(5), Action Item

Prepared By: Dee Lam, Chief  
Division of Local Assistance

Subject: **REQUEST TO AMEND THE PERIOD OF PROJECT COMPLETION FOR A  
LOCALLY-ADMINISTERED TRAFFIC CONGESTION RELIEF PROGRAM  
PROJECT  
WAIVER 24-168, AMENDING WAIVER 21-57**

### **ISSUE:**

Should the California Transportation Commission (Commission) amend the period of project completion for the locally-administered Traffic Congestion Relief Program (TCRP) Project 7.3 – Caltrain Service Improvement Project Phase III (PPNO T0073), in Monterey County, for the time period as identified in the attachment?

### **RECOMMENDATION:**

The California Department of Transportation recommends that the Commission amend the period of project completion for the locally-administered TCRP Project 7.3 – Caltrain Service Improvement Project Phase III (PPNO T0073), in Monterey County, for the time period as identified in the attachment.

### **BACKGROUND:**

In June 2013, the Commission amended Project 7.2 – Caltrain; Extend Caltrain to Gilroy; Platform modification & Gilroy Storage Tracks to add Project 7.3 – Caltrain Service Improvement Project Phase III and change the implementing agency from Santa Clara Valley Transportation Authority (VTA) to Transportation Agency for Monterey County (TAMC), under TAA-10-14. At the same meeting, the Commission re-allocated TCRP funds from Santa Clara VTA to TAMC for Project 7.3 – Caltrain Service Improvement Project Phase III; \$890,000 for Plans, Specifications, and Estimate (PS&E) and \$17,233,000 for Construction (CON) phase for a total of \$18,123,000, under Resolution TFP-07-08.

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

In May 2018, the Commission re-allocated a total of \$17,927,000 in TCRP funding to the project; \$702,000 for PS&E and \$17,225,000 for CON, under Resolution TFP-17-05. The re-allocation of CON and PS&E was approved to enable TAMC to continue design work. In May 2021, the Commission approved Waiver 21-57, which extended the deadline for the period of project completion for the CON phase by 42 months to November 30, 2024.

The TAMC is unable to meet the completion deadline for the project. Therefore, an exception to the TCRP Timely Use of Funds Policy is needed for additional time. The TCRP Close-out Policy, under Resolution G-17-13, states that the Commission will use State Transportation Improvement Program (STIP) Timely Use of Funds Guidelines for allocations approved after the enactment of SB1. STIP Guidelines stipulate the Commission may approve waivers to the timely use of funds deadline, one time only, for up to 20 months.

Attachment

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

**Amendment Time Extension/Waiver – Project Completion  
Traffic Congestion Relief Program**

Project Number: 1  
Applicant: Transportation Agency for Monterey County  
County: Monterey  
District: 5  
PPNO: T0073  
Allocation Amount: \$17,225,000  
Remaining Balance: \$14,538,015  
Phase: Construction  
Allocation Date: 5/17/2018  
1st Waiver: Waiver 21-57  
Approved: May 2021  
Number of Months Requested: ~~42 Months~~ **84 Months**  
Extended Deadline: ~~11/30/2024~~ **5/31/2028**  
Department Recommendation: Support

**Project 7.3 – Caltrain Service Improvement Project Phase III**

The Transportation Agency for Monterey County (TAMC) requests an additional 42 months, from 42 months to 84 months, for the period of project completion for the Construction (CON) phase of the locally-administered TCRP Project 7.3 – Caltrain Service Improvement Project Phase III. TAMC has experienced unexpected delays during the design phase, which has also delayed the completion of the Right of Way (RW) phase.

This project will extend passenger rail service from Santa Clara County to Salinas in Monterey County, by constructing track improvements between the Cities of Gilroy and Salinas, including vehicle/pedestrian grade crossing improvements. The proposed track improvements are connected to Union Pacific Railroad (UPRR) mainline tracks and UPRR owns the land needed for the project. Therefore, TAMC is required to coordinate with UPRR for the review and approval of their design documents. The delays associated with UPRR not completing design reviews has also caused delays with negotiations for leases, easements, or property purchases from UPRR, which are needed in Gilroy and Salinas for track improvements.

In June 2013, under Resolution TAA-10-14, the Commission approved a Project Amendment and Allocation Amendment to add TCRP Project 7.3 – Caltrain Service Improvement Project Phase III to TCRP Project 7.2 Extend Caltrain to Gilroy, Platform modifications & Gilroy storage tracks. Additionally, the Commission approved Resolution TFP-07-08 to reprogram funds that were previously allocated to Project 7.2. These Commission actions created Project 7.3 – Caltrain Service Improvement Project Phase III and changed the implementing agency from Santa Clara VTA to TAMC.

In May 2018, under Resolution TFP-17-05, the Commission approved an Allocation Amendment to re-allocate previously programmed TCRP funds from the CON phase to the PS&E phase, due to unexpected delays with UPRR reviewing and approving design

documents. A total of \$17,927,000 was re-allocated to the project, which extended the PS&E and CON phase deadlines by two years to June 30, 2020. In May 2021, the Commission approved Waiver 21-57, which extended the CON phase period of project completion deadline by 42 months to November 30, 2024.

In January 2022, TAMC submitted 25 percent design plans to UPRR, and a meeting to resolve comments was held May 2022. At the May 2022 Commission meeting, under Waiver 22-62, the PS&E deadline was extended by 14 months, which lapsed August 31, 2023. UPRR has a separate process for approving design plans; they must approve 10 percent, 25 percent, 30 percent, and 90 percent plans, prior to reaching 100 percent design approval that integrates comments from previous revisions.

In August 2022, UPRR temporarily stopped design reviews and requested that TAMC coordinate with the planned High-Speed Rail (HSR) project in Gilroy. TAMC coordinated design reviews with HSR stakeholders from October 2022 through April 2023. Based on HSR discussions, TAMC re-submitted design documents to UPRR in August 2023.

In December 2023, TAMC received feedback from UPRR that resulted in revisions to the 10 percent design submittal. In April 2024, UPRR approved the 10 percent design documents, and TAMC received approval from UPRR to move forward with the 25 percent design plans. The TAMC incorporated all UPRR's comments from these reviews and re-submitted the 25 percent design package to UPRR on August 30, 2024.

Currently, HSR stakeholder coordination with TAMC is complete and 25 percent design documents have been re-submitted to UPRR for approval. After 25 percent design is approved by UPRR, TAMC will resume negotiations regarding the acquisition of the five remaining UPRR-owned parcels. The TAMC has contracted with Bender Rosenthal and Nossaman to assist with the acquisition of these UPRR parcels, because both firms have experience negotiating with UPRR for land acquisition. The TAMC's current schedule shows RW completion by December 2025.

TAMC will repeat the design review process for the 30 percent and 90 percent design plans, until 100 percent design is approved by UPRR. TAMC's current schedule shows 100 percent design approval by UPRR in September 2025. Construction will begin after UPRR approves the 100 percent design plans and the RW Certification has been acquired.

Therefore, TAMC is requesting an additional 42 months for the period of project completion for the CON phase from November 30, 2024 to May 31, 2028.