

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 30-31, 2025

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.6g.(9), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR THE MULTI-FUNDED TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM AND PROPOSITION 1B INTERCITY RAIL - (2018:12) BUILDING UP: LOSSAN NORTH IMPROVEMENT PROGRAM (CANADA HONDA BRIDGE REPLACEMENT) COMPONENT RESOLUTION TIRCP-2425-43S RESOLUTION ICR1B-A-2425-02S**

ISSUE:

Should the California Transportation Commission (Commission) approve a request for an additional \$8,124,000 for the Construction (CON) phase of the multi-funded Transit and Intercity Rail Capital Program (TIRCP) and Proposition 1B (Prop 1B) Intercity Rail (ICR) (2018:12) Building Up: LOSSAN North Improvement Program (Canada Honda Bridge Replacement) component (PPNO CP042B), in Santa Barbara County?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission approve a request for an additional allocation of \$8,124,000 for the CON phase of the multi-funded TIRCP and Prop 1B ICR (2018:12) Building Up: LOSSAN North Improvement Program (Canada Honda Bridge Replacement) component (PPNO CP042B), in Santa Barbara County.

BACKGROUND:

In December 2023, the Commission approved an allocation of \$32,114,000 for the CON phase of this multi-funded TIRCP and Prop 1B ICR project, under Resolutions TIRCP-2324-35 and ICR1B-A-2324-01. The Canada Honda Bridge Replacement component includes a replacement bridge with materials and design similar to the existing steel trestle across Canada Honda Creek and associated track infrastructure improvements on the Union Pacific Railroad Company (UPRR) Santa Barbara Subdivision.

PROJECT LOCATION AND DESCRIPTION:

This multi-funded TIRCP and Prop 1B ICR project is on the UPRR Santa Barbara Subdivision. The component will improve operational flexibility and reliability by removing existing speed restrictions, enabling the expansion of services. This will lead to reduced travel time, increased ridership and reliability, and greenhouse gas emission reduction.

FUNDING STATUS:

In December 2023, the Commission approved \$32,114,000 for the CON phase of the multi-funded TIRCP and Prop 1B ICR Canada Honda Bridge Replacement component (PPNO CP042B). An additional \$8,124,000 is needed to complete the CON phase. To address this need, the Los Angeles-San Diego-San Luis Obispo Corridor Agency (LOSSAN) is requesting a supplemental allocation of \$7,170,000 from unallocated existing TIRCP funding. Additionally, two concurrent allocation amendments will deallocate a combined total of \$954,000. Together, the unallocated existing funds and deallocations total \$8,124,000, to fully cover the funding needed to complete the CON phase.

REASON(S) FOR THE COST INCREASE:

Construction on the multi-funded TIRCP and Prop 1B ICR Canada Honda Bridge Replacement component (PPNO CP042B), began in April 2024. As the CON phase has progressed, the component has encountered significant cost increases due to inflation. The increases are primarily attributed to inflationary pressures on equipment, fuel, labor, and other indirect costs. The labor increases are associated with construction management field support, design services during construction, biological field support, tribal cultural field support and preservation, mitigation and restoration work, and monitoring. This is due to the area's cultural sensitivity, where many of the processes are necessary to preserve its significance. Another large cost driver was the inflation of weatherproofing for the bridge structure. In addition, there were increases in the deliverables in the project – including the need to replace the foundations, which had not been originally projected.

Program	Allocated Amount	Supplemental Amount	Revised Allocation Amount	Percent Over Allocated Amount
TIRCP	\$21,114,000	\$8,124,000	\$29,238,000	38.5
Prop 1B ICR	11,000,000	-	-	-
Total:	\$32,114,000	\$8,124,000	\$40,238,000	38.5

CONSEQUENCES:

This multi-funded TIRCP and Prop 1B ICR Canada Honda Bridge Replacement component cannot be delivered if the supplemental funds are not approved. If LOSSAN cannot deliver the component, the bridge may be declared unsafe, leading to potential disruptions in Amtrak, Pacific Surfliner and freight services. Approval of this supplemental funding is critical, as the work must be completed during the single available wet winter cycle in 2024-25.

FINANCIAL RESOLUTION:

Be it Resolved, that an additional \$8,124,000 be allocated from the Budget Acts of 2023 and 2024, Budget Act Items 2660-101-0046 and 2660-301-0046R to complete the CON phase of the multi-funded TIRCP and Prop 1B ICR (2018:12) Building Up: LOSSAN North Improvement Program (Canada Honda Bridge Replacement) component (PPNO CP042B).

Attachment

2.6 Mass Transportation Financial Matters

Project #	Allocation Amount	Recipient	Project Title	Location	Project Description	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
<u>RTPA/CTC</u>									
District-County									
2.6g.(9)	Supplemental Allocation - Multi-Funded Proposition 1B ICR and TIRCP Project							Resolution TIRCP-2425-43S Resolution ICR1B-A-2425-02S	
1	\$8,124,000	Los Angeles-San Diego-San Luis Obispo Rail Corridor Agency <u>SBCAG</u> 05-Santa Barbara	(2018:12) Building Up: LOSSAN North Improvement Program (Canada Honda Bridge Replacement). Construction of a replacement bridge with similar materials and design to the existing bridge across Canada Honda Creek along the Union Pacific Santa Barbara Subdivision, and overall track infrastructure improvements.			05-CP042B TIRCP/2024-25 CONST 101-0046 PTA 30.10.030.200		\$4,522,000	\$4,522,000
			<u>Outcome/Outputs:</u> Reduction of greenhouse gas emissions and increased ridership by expanding and improving service through improving operational flexibility and reliability and removing existing speed restrictions; improved safety through repairing the bridge, which is currently deteriorating.			TIRCP/2023-24 CONST 301-0046R GGRF 30.20.301.100		\$3,602,000	\$3,602,000
			Total revised amount \$40,238,000.			TIRCP/2023-24 CONST 301-0046R GGRF 30.20.301.100	\$9,361,000		\$9,361,000
			CEQA - CE 15302, 9/15/2023			TIRCP/2022-23 CONST 101-0046 PTA 30.10.030.200	\$11,753,000		\$11,753,000
			Right of Way Certification:12/07/2023						
			As a condition of this request, Proposition 1B ICR funding will be invoiced on a non-proportional basis, with Proposition 1B ICR funding being expended first for this project.			ICR/2023-24 CONST 304-6059 ICR 30.20.090.000 0025000104 S,S4 R402GT	\$11,000,000		\$11,000,000
			Concurrent Allocation Amendments under Resolutions TIRCP-2425-40S and TIRCP-2425-41S; January 2025.						