

PROPOSITION C FORECAST - 2010-2011 PROPOSED BUDGET

ATTACHMENT 2

	2008-09 Actual	2009-10 Estimated	2010-11 Proposed	2011-12	2012-13	2013-14	2014-15	2015-16
Revenue								
Beginning Cash Balance	10.7	6.9	0.2	0.0	0.0	0.0	38.4	50.6
Prop C Sales Tax Receipts	46.7	45.0	47.0	47.0	48.0	51.2	52.2	53.2
TG Reimbursements (front funding)	10.6	23.1	15.0	7.6	25.5	65.5	40.2	43.1
Prop C, Reimbursements Other Agencies	10.9	3.7		1.1	1.1	1.1	1.1	1.1
Miscellaneous	0.2	0.0	0.3	0.2	0.2	0.2	0.2	0.2
Interest	0.8	0.5	0.6	0.5	0.5		0.8	2.1
Interest Transferred from TG Fund	0.0	4.4	4.4	2.0	1.0	1.0	1.0	1.0
Total Revenue	79.9	83.6	67.5	58.4	76.3	119.0	133.9	151.3

	2008-09 Actual	2009-10 Estimated	2010-11 Proposed	2011-12	2012-13	2013-14	2014-15	2015-16
Expenditures								
Departmental Appropriations (Does not include (1) BSS Street Resurfacing, or (2) TG on-budget costs)	11.6	9.8	13.7	14.0	13.4	13.7	14.0	14.3
Transportation Demand Management	1.2	1.4	1.4	1.4	1.4	1.5	1.5	1.5
Operating Programs	1.1	5.7	0.2	0.2	0.2	0.2	0.2	0.2
Support Programs	6.9	10.8	8.7	8.3	8.6	8.8	9.1	9.4
Street Resurfacing	10.2	10.4	11.1	11.1	11.1	11.1	11.1	11.1
CEP	1.1	0.5	0.5	0.5	0.5	0.5	0.5	0.5
Bridge Program	12.0	4.7						
Transportation Grant Fund Annual Work Program	27.0	14.9	20.3	22.7	40.4	44.1	46.2	49.0
Temple Street Widening	0.3							
2nd Street Widening	0.5							
US Hwy 101 Corridor Congestion Relief	0.2							
Exposition Light Rail		23.7	11.3					
Street Lighting Project Unit XI	0.9	1.3	0.1		0.5	0.5	0.5	0.5
Wilshire Bus Lane -- Phase II		0.2	0.2	0.2	0.2	0.2	0.2	0.2
Total Expenditures	73.0	83.4	67.5	58.4	76.3	80.6	83.3	86.7
Ending Balance	6.9	0.2	0.0	0.0	0.0	38.4	50.6	64.5

Total TGFAWP in Budget/Forecast	27.0	14.9	20.3	22.7	40.4	44.1	46.2	49.0
Estimated Cash Flow Needs		23.3	39.0	35.4	40.4	44.1	46.2	49.0
Difference		(8.4)*	(18.7)	(12.7)	-	-	-	-

*In 2009-10 the \$8.4 million shortfall in the TGFAWP will be covered through reappropriations of prior year funding in the Transportation Grant Fund No. 655

- *Pacific Surfliner* in coordination with Metrolink and the Coaster to program positive train control (PTC) projects from Moorpark to San Diego. Caltrans' proposal will improve safety along the line and permits speeds up to 90 mph. PTC is required by the federal government with an implementation deadline of 2015. PTC will improve safety, passenger train headways, provide the potential for increased frequencies, and on-time performance on the interconnected intercity and commuter regional rail system in the southern California basin. PTC will help the regional and intercity rail system become more robust. Patrons of the proposed high-speed rail system would be more likely to use high-speed rail system if they know they can take a regional/intercity rail system or transit on to their final destination.
- *San Joaquin* to install positive train control and double tracking from Merced to Le Grand. PTC will improve safety, passenger train headways, potentially increased frequencies, and on-time performance on the intercity system that will connect at several stations with the proposed high-speed rail system. Double tracking will permit increased average speed, trip time reductions, and increased on-time performance.
- *Capitol*, with operating agency the Capitol Corridor Joint Powers Agency, double tracking and improvements between Oakland and San Jose, as well as a third main track on the north end of the line in Roseville and a layover facility. Double tracking will permit increased average speed, trip time reductions, and increased on-time performance. Double tracking will eliminate most of the single-tracking between Oakland and San Jose. The proposed high-speed rail system is proposed to stop at the San Jose Diridon station, which is also the terminus for the *Capitol*.

Commission staff recommends that the eight projects be programmed.

COMMUTER RAIL

North County Transit District (Coaster) is proposing to program:

- Positive train control from San Onofre to San Diego for \$15.5 million.

North County Transit District, Caltrans and Metrolink are coordinating their proposals to program positive train control projects from Moorpark to San Diego. As described earlier, PTC will improve safety, passenger train headways, potentially increased frequencies, and on-time performance on the interconnected intercity and commuter regional rail system.

Commission staff recommends that the project be programmed.

Southern California Regional Rail Authority (Metrolink) is proposing to program two projects:

- Positive train control on the 215-mile Metrolink system, \$45 million; and
- Renovation and rehabilitation of the existing system, \$52.7 million.

Positive train control is the highest priority for Metrolink. Metrolink is looking at PTC technology that will permit train speeds up to 110 miles per hour. Even with the increased speed, PTC will allow safer track usage and connections at higher speeds between joint stations for the Metrolink and the proposed

high-speed rail system. PTC is mandated by the federal 2008 Rail Safety Improvement Act and passenger railroads will not be permitted to operate after 2015, if PTC is not implemented.

Renovation and rehabilitation of the existing Metrolink system is the agency's second highest priority. Metrolink must keep its system in a state of good repair. Similar to the highway system, a rail system will deteriorate over time with use. Metrolink is proposing to use the Proposition 1A programming in conjunction with matching revenues controlled by its member agencies to renovate/rehabilitate the 215-mile system with regard to its signals, control points, voice and data network, crossings, dispatch center and its rail fleet.

Commission staff recommends that the projects be programmed. Commission staff further recommends that prior to allocation that Metrolink submit a detailed list of proposed projects by fiscal year that make up the renovation and rehabilitation program.

Altamont Commuter Express (ACE) is proposing two projects for programming:

- A gap closure (Stockton Passenger Track Project) that will provide a dedicated passenger rail track north of the track interlock between UP and BNSF (\$4.9 million).
- Joint environmental studies of the corridor with High-Speed Rail Authority in order to select an alignment suitable for ACE train service and the proposed high-speed rail service. (\$0.75 million).

The proposed Stockton Passenger Track project would permit ACE passengers at the Stockton station to board and deboard safely without being exposed other rail traffic.

ACE is working with the California High-Speed Rail Authority (HSRA) to upgrade the regional rail services between Stockton and San Jose. The goal is to provide a connector to the future high-speed rail line in the Central Valley, while improving the connectivity of the ACE train service with the Bay Area Rapid Transit (BART) and the Santa Clara Valley Transportation Authority (VTA) light rail system. The HSRA is proposing to program \$2 million from its share of Proposition 1A.

Commission staff recommends that both projects be programmed.

Peninsula Corridor Joint Powers Board (PCJPB) is proposing to program:

- Pre-construction phase of a corridor electrification project (\$4.1 million)

The PCJPB is proposing to electrify the 52-mile corridor from San Jose to San Francisco. Electrifying the corridor will permit trains to operate with reduced travel times, thereby encouraging more ridership, as well as reducing pollutant emissions and noise by replacing the existing diesel locomotive fleet. The PCJPB is coordinating with the California HSRA on a federal American Recovery and Reinvestment Act (ARRA) grant to jointly design electrification of the Peninsula Corridor. How the ARRA revenues are distributed is yet unclear. Accordingly, the PCJPB is only requesting funding for the pre-construction activities. The PCJPB may request capital funding from Proposition 1A once the ARRA grant distribution becomes clear, by either requesting an amendment to the FY 2011/12 three-year program or in later programming cycles.

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The PCJPB is also requesting that the Commission permit it to program 9.9 percent of its share for pre-construction (\$4.1 million) rather than the 5 percent (\$2 million) set forth in the Commission's guidelines. The Commission can program up to 10 percent of an agency's share for pre-construction activities under its guidelines. Programming \$4.1 million towards pre-construction is not unreasonable; since the proposed project's total cost is estimated to be \$785 million.

Commission staff recommends that the project be programmed and that the Commission permit the PCJPB to program up to 10 percent of its share for preconstruction.

URBAN RAIL

San Diego Trolley (SANDAG) is proposing to program:

- The rehabilitation of its light rail Blue Line from Old Town State Park to the California/Mexico border for \$57.8 million.

The Blue line was originally built in the late 1970s and began service in 1981. The proposed project is to rehabilitate the line by replacing worn rail and track, replace or rehabilitate switches and signaling and re-construct the existing station platforms to accommodate low-floor vehicles. The proposed rehabilitation will improve the speed, reduce headways and improve service flexibility and reliability. Further, the proposed high-speed rail system will extend from Los Angeles to San Diego via the Inland Empire and is considering the Santa Fe Depot in downtown San Diego for its terminus. The Blue Line will provide future high-speed rail patrons with a connection to the border, as well as to other major destinations in south and east San Diego County.

Commission staff recommends that the project be programmed.

Los Angeles Metropolitan Transportation Authority (MTA) is proposing to program:

- A two-mile light rail project (Regional Connector Transit project) that will link the Metro light rail Blue, Gold and Green lines in downtown Los Angeles so that the lines are seamless (\$114.9 million). By linking the lines, the number of transfers will be reduced and congestion at various stations can be reduced. The Regional Connector Transit project will have direct connectivity with the proposed high-speed rail system at Union Station.

Although the Regional Connector Transit project is in the draft environmental review phase, MTA is requesting that the Commission program both the pre-construction (\$5.7 million) and construction components (\$109.1 million) of the project. MTA is requesting the programming of the \$109.1 million so that it can demonstrate to the Federal Transit Administration (FTA) that it has the financial capacity with local (and state) funds to fully fund the proposed Connector Transit project. Without the programming, MTA will not be able to pursue the federal New Starts transit funds it is seeking.

The Commission is in a similar position and asks that the local agency demonstrate that a project, phase or component is fully funded. Commission policy is to maximize federal funds being sought for California's transit projects. As a funding partner, the Commission has over the years showed the State's commitment to funding large transit projects. Under Proposition 1A, each eligible agency has a defined share. Accordingly, those funds could be programmed in a manner to show FTA that MTA has the funding capacity needed.

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Commission staff recommends that the Regional Connector Transit project be programmed as follows:

- The pre-construction phase for environmental work is programmed as requested.
- The construction phase is programmed in FY 2012/13 with the following condition. Prior to receiving an allocation for construction, MTA must demonstrate to the Commission's satisfaction that the project is fully funded and that MTA has successfully secured from FTA an agreement to provide federal funds or permission to begin expending funds with later federal reimbursement. If MTA does not have the federal funding secured, then the state programming in FY 2012/13 will be re-programmed.

San Francisco Municipal Transportation Agency (Muni) is proposing to program:

- The tunnel component (\$27 million) of its Central Subway light rail line (Phase 1) that starts at the Caltrain (PCJPB) depot and goes north to Chinatown. The Central Subway will be the first major north-south rail connection to the east-west BART/Muni subway at Market.

Muni is proposing to extend the connectivity of its system with the existing BART system, the Caltrain system and the proposed high-speed rail system. The connectivity should increase ridership and reduce travel times, similar to the benefits that would occur with Los Angeles' Regional Connector. The tunnel component will permit Muni to begin the tunneling.

Commission staff recommends that the project be programmed.

Bay Area Rapid Transit District (BART) is proposing to program:

- A Phase 1 of a car replacement program for \$30 million.
- A car reconfiguration project for \$1 million.
- A cover board enhancement project for \$ 3 million.

BART is requesting the initial match of \$30 million with the intent of replacing 200 of its original 669 vehicle fleet over the next 16 years. BART will be making future programming requests. BART worked with the Metropolitan Transportation Commission to secure the majority of the federal funds needed for replacing its vehicles. The Proposition 1A programming will be used as part of the 20 percent match for the federal funds to purchase the first 200 vehicles. The replacement of the fleet will enable the users of the future high-speed rail system to connect with the BART system at common stations and travel onto their destination on a reliable regional system.

BART's car reconfiguration project is intended to increase the carrying capacity of its fleet. The reconfiguration will remove eight seats and permit more people to stand in the cars, as well as handling more luggage, bicycles, strollers and wheelchairs. The standees will have more stability with more hand straps and rails.

BART's cover board enhancement project is intended to protect the system's third rail. The existing cover boards are failing and cause system delays throughout the entire 104 mile system. The proposed

project will reinforce 22 miles of the double main and increase the overall system reliability and on-time performance.

Commission staff recommends that the three projects be programmed.

Background:

Proposition 1A, a rail bond for \$9.95 billion, was passed by the voters in November 2008. Proposition 1A partially funds a \$40+ billion, 800-mile high-speed train under the supervision of the California High-Speed Rail Authority. The initial segment of the high-speed rail system is between San Francisco and Los Angeles, with Anaheim, California as the designated southern terminus of the initial segment. \$950 million is available for capital projects on other passenger rail lines to provide connectivity to the high-speed train system and for capacity enhancements and safety improvements to those lines.

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CALIFORNIA TRANSPORTATION COMMISSION
Adoption of the Program of Projects for the
High-Speed Passenger Train Bond

RESOLUTION HST1A-P-0910-01

- 1.1 WHEREAS, the Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century approved by the voters as Proposition 1A on November 4, 2008, authorized the California Transportation Commission (Commission) upon appropriation by the Legislature to allocate funds for capital improvements to intercity rail lines, commuter rail lines, and urban rail systems that provide direct connectivity to the high-speed train system and its facilities, or that are part of the construction of the high-speed train system as set forth in Streets and Highways Code, Division 3, Chapter 20, Section 2704.04, subdivision (b) or that provide capacity enhancements and safety improvements; and
- 1.2 WHEREAS, in accordance with Streets and Highways Code Section 2704.095 the Commission, at its February 2010 meeting, adopted the High-Speed Passenger Train Bond Program Guidelines which provide direction to project sponsors for programming the net proceeds of \$ 950 million in bonds authorized under Proposition 1A; and
- 1.3 WHEREAS, the High-Speed Passenger Train Bond Program Guidelines directed agencies to submit project applications by March 15, 2010; and
- 1.4 WHEREAS, the guidelines require that projects proposed for funding from either the Intercity Rail Program or the Commuter and Urban Rail Program will be usable or provide usable segments and be a reasonable expenditure, even if the high-speed train system as identified in the Streets and Highway Code, Division 3, Chapter 20, Section 2704.04, subdivision (b) is delayed, postponed or cancelled; and
- 1.5 WHEREAS, the guidelines require that the useful life of a project under the High-Speed Passenger Train Bond Program shall not be less than the required useful life (15 years or more) for capital assets pursuant to the State General Obligation Bond Law, specifically subdivision (a) of Section 16727 of the Government Code; and
- 1.6 WHEREAS, the Commission staff has reviewed the project applications in accordance with the guidelines and published their recommendations; and

- 1.7 WHEREAS, the Commission has considered comments regarding the staff recommendations; and
- 2.1 NOW THEREFORE BE IT RESOLVED THAT the Commission hereby adopts the High-Speed Passenger Train Bond Program of projects for funding as presented by Commission staff.