

Short-Line Railroad Improvement Program Kickoff Workshop



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Welcome & Introductions

Roles and Responsibilities



California Transportation Commission

- Program Management
 - Guideline Development and Adoption
 - Project Evaluation
 - Project Selection and Adoption (Programming)
 - Allocate Program Funds
 - Program Amendments and Closeout

Guideline Development Workgroup

- Collaborate on Guideline Development and Content
- Provide Feedback and Industry, Agency, and Stakeholder Perspectives.

Program Purpose



Authority – Senate Bill (SB) 87 [June 2019]

- Est. Short-Line Infrastructure Improvement Act of 2019
- Directed the Commission to develop a competitive funding program
- Est. total program funding capacity of \$7.2 million

Program Purpose

- Support short-line rail projects.
- Promote recommendations made in the 2018 California State Rail Plan
- Enable short-lines to meet critical volume thresholds, by providing financial assistance that will provide funding for infrastructure improvements necessary for short-line rail.

Eligible Applicants



The following are eligible to apply for and implement a project that is programmed and allocated Short-Line Railroad Improvement Program funds:

- California Department of Transportation (Caltrans); or
- Regional Transportation Planning Agencies (RTPAs); or
- Both
- Short-Line (Class III) operators are **not eligible** to apply for or implement projects funded in this program, the projects must be sponsored by an eligible applicant.
- What is meant by “project sponsorship” for the purposes of this program?



Guideline Development Discussion Topics

Program Funding



Total Funding Capacity (one-time appropriation of program funds)

- \$7.2 million

Program Funding Requirements (per statute)

- Project Program Funding Requests
 - In order to receive program funding, at least 30% of the total project cost shall be provided from nongovernmental sources; and
 - Amount of funding allocated shall not exceed 50% of the total project cost; and
 - Funding allocated to an individual project **shall not** exceed 25% of the total funding available in a fiscal year. (continued on slide 9)

Program Funding (cont'd)



The “funding allocated to an individual project **shall not** exceed 25% of the total funding available in a fiscal year” requirement will have program impacts.

- Number of programming fiscal years (cycles).
 - Determine the programming capacity and allocations per project in one fiscal year, two fiscal years, etc.
- Determine program funding restrictions.
 - Construction only, no cost increases?

What is the average project cost for the type of projects that would be delivered as a part of this program?

Program Funding and Cycle(s)



| Options | Programming Cycle(s) | Funding Capacity | Funding Cap on Requests | Project Programming Amount Max | # of Projects |
|---------|----------------------|------------------|-------------------------|--------------------------------|---------------|
| A | 1 Fiscal Year | \$7.2 million | 25% | \$1,800,000.00 | 4 |
| B | 2 Fiscal Years | \$3.6 million | 25% | \$900,000.00 | 8 |
| C | 2 Fiscal Years | \$3.6 million | 17% | \$600,000.00 | 12 |

Option D:

- Set a 2 or 3 fiscal year programming cycle; and
- Funding capacity per fiscal year will be determined by the delivery schedules for the funding requests received; and
- If a funding request is greater than the 25% of funds available, the applicant must provide a funding plan that makes up for the shortfall.

Eligible Projects



Statute identifies the following as the eligible project purposes for funding:

- Reconstruction
- Maintenance
- Upgrade
- Replacement

Which means the reconstruction, maintenance, or replacement of railroad right-of-way infrastructure, including, but not limited to, track, roadbed, bridges, industrial leads, and track-related structures on Class III railroads.

As of January 1, 2020 this also includes new construction of industrial leads, switches, spurs and sidings, and extensions of existing sidings.

Project Evaluation Criteria



These are some of the potential options for project evaluation criteria:

- Freight Mobility
- Cost Effectiveness
- Deliverability
- Match Funding
- Rail/System Preservation
- Air Quality & Greenhouse Gases
- Regional & Industry Support
- Safety

Project Performance Metrics



Projects must provide documentation to support the following performance measures and metrics per statute:

- 15 year minimum useful life of improvement
- Demonstrate the how the project will improve the ability to move freight.
 - How could this be demonstrated?

What type of data can be tracked, collected, aggregated for quantitative purposes?

What type of information can be gathered for the qualitative details needed?

Next Steps



Workshops and Draft Guidelines

| | |
|-----------------------------------|-------------------|
| Workshop – Central Valley | February 28, 2020 |
| Workshop – Bay Area (tentative) | March 10, 2020 |
| Presentation of Draft Guidelines | March 25-26, 2020 |
| Open 90-Day Public Comment Period | March 25-26, 2020 |
| Workshop – Southern CA | March 26, 2020 |

Workshops and Guideline Adoption

| | |
|---------------------------------|-------------------|
| Workshops As Needed | April – May, 2020 |
| Present Guidelines for Adoption | June 24-25, 2020 |

Thank You!



More Information

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