PROPOSITION 116

INTERCITY RAIL PROGRAM GUIDELINES

PASSED BY
CTC
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CALIFORNIA
TRANSPORTATION COMMISSION

INTERCITY RAIL PROGRAM GUIDELINES

I. PURPOSE AND AUTHORITY

These guidelines implement the Intercity Rail Program (IRP) in accordance with the basic program requirements established in Section 164.55 of the Streets and Highways Code, as added by Chapter 106 of the Statutes of 1989 (AB 471). Section 164.55(a) requires that program guidelines be developed by the Department of Transportation in cooperation with local transportation officials, to be adopted by the California Transportation Commission.

Section 164 of the Streets and Highways Code, as added by Chapter 105 of the Statues of 1989 (SB 300), states the intent of the Legislature to establish a ten-year state transportation funding plan, including $3 billion for the intercity and commuter/urban rail programs. The intent of the IRP is to implement and maintain a cost-effective system of intercity rail services connecting the major population centers of the state and flexible enough to provide feeder services to or interface with future public or private transit systems such as high-speed rail lines, commuter and urban rail and other modal systems.

The purpose of these guidelines is to promote the identification, selection, coordination and development of those projects that have the greatest potential for meeting the intent of the IRP. Projects will be evaluated with respect to contributions made to the total state and regional transportation systems, including coordinated improvements to streets, roads and highways.

II. OVERVIEW

Although the Amtrak Act allows any public or private entities to contract for intercity passenger service under Section 403(b) of the Amtrak Act, only state transportation agencies have done so because funding has traditionally come from State sources. In California, the lead role for implementing intercity rail services is at the state level through the Department of Transportation. Local and regional agencies are encouraged to share their ideas and concerns regarding the service provided to their areas, submitting input to the Department on a continuing basis. The Department encourages the coordination between intercity rail and other rail systems, and other travel modes to maximize the quality of the State's transportation system.

Pursuant to Section 14529 of the Government Code, the California Transportation Commission has the responsibility of programming funds to transportation improvement projects through its seven-year State Transportation Improvement Program (STIP). The STIP includes all programs funded from State transportation funds, except transit capital improvements, but including intercity, commuter and urban rail capital improvements, flexible congestion relief, interregional road systems, and retrofit soundwalls. Rail projects are programmed based upon funding availability and the relative priorities of the projects as identified by the Department (intercity rail, presented in the PSTIP) and the regions (commuter/urban rail, presented in the RTIP). Sections 2701.08, 2702.08, and 2703.08 of the Streets

and Highway Code require at least fifteen percent (15%) of the total Passenger Rail Bond Fund (created pursuant to Section 2701.05 of the Streets and Highway Code) be allocated to intercity rail.

Government Code Section 14036 requires the Department to prepare a Rail Passenger Development Plan (RPDP) on an annual basis. The RPDP reviews the State's total involvement in intercity rail passenger service and identifies and discusses the Department's policies and plans for the continuation of existing services and for the coordination and implementation of new services. This plan also provides the basis for intercity rail improvements to be included in the Intercity Rail Program and incorporated into the Department's Proposed State Transportation Improvement Program (PSTIP).

Local public entities, including transit districts and operators, cities and counties, regional transportation planning agencies, rail corridor agencies, Amtrak and railroads, may nominate intercity projects to the Department, subject to the criteria outlined in Sections III, IV, and V. There are no requirements for a local match. The Department is the implementing public agency for all intercity rail projects in California, however, intermodal facilities may be implemented by local public entities who will also be responsible for coordination with all other travel modes.

III. ELIGIBILITY

A. Eligible Agencies

To be eligible for funding under the Intercity Rail Program, a project shall either be proposed by the Department or nominated by a local public entity.

B. Eligible Areas

To be eligible for funding under the Intercity Rail Program, projects shall lie in those corridors listed in Sections 164.55(e) and 2701.07 of the Streets and Highways Code, as follows:

(1) Los Angeles-San Diego

(2) Santa Barbara (County)-Los Angeles

(3) Los Angeles-Fresno-San Francisco Bay Area and Sacramento

(4) San Francisco Bay Area-Sacramento-Auburn

(5) San Francisco-Santa Rosa-Eureka

C. Eligible Costs

Eligible project costs may include environmental studies, engineering work, preparation of plans, specifications and estimates, construction or rehabilitation of facilities, facilities purchase, right-of-way acquisition and guideway rolling stock acquisition.

Acquisition of rights of way, facilities and guideway rolling stock is defined as obtaining a fee simple title, an acquired vested interest, or a permanent easement for guideway uses secured through a single payment.

Project costs incurred prior to State allocation of the funds are not eligible for reimbursement.

D. Eligible Project Types

"Intercity Rail Passenger Service" has been defined in the Rail Passenger Service Act (45 U.S.C. Sec. 502.11). For the purposes of the Intercity Rail Program, "Intercity Rail" will refer to that form of passenger transportation that is operated by common carriers and utilizing fixed guideway technology. The service is characterized by interregional passenger travel oriented towards noncommute hours, provision for personal carry-on baggage, and possible use of specialized cars for food service, sleeping accommodations, checked baggage, mail and package express.

Projects in this program should contribute to the enhancement of an efficient and effective intercity passenger rail system in the state (Sec. 164.55(c) of the Streets and Highways Code).

Eligible project types include, but are not limited to, the following:

1. Purchase of fee-simple title or any lesser estate or interest in right-of-way that represents the buying of real property for on-line passenger railroad service. Permanent use easements acquired through a contractual agreement may, under some circumstances, qualify as "purchase" if the acquisition schedule can be completed before June 30, 2001.

2. Alternative analyses that result in the type of guideway and facilities to be constructed.

3. Design, construction or rehabilitation of railroad roadbed, way structures, and superstructure trackwork, including mainline facilities, sidings, crossovers, storage tracks, and grade crossings.

4. Design and installation of wayside and electrification equipment for signal, control or power delivery for passenger trains.

5. Design, construction or rehabilitation of on-line railroad passenger stations and boarding facilities, to include passenger waiting, ticketing and service structures, baggage storage and handling facilities and equipment, parking areas and structures, access roads and sidewalks, boarding platforms, and transfer facilities to other connecting modes.

6. Design, construction or rehabilitation of maintenance and servicing facilities for locomotives or other guideway rolling stock, to include buildings, installed equipment, trackwork, and wayside equipment and electrification.

7. Design, acquisition or rehabilitation of locomotives and other guideway rolling stock.

8. Design and construction of grade separation projects.

9. Design, construction or rehabilitation of exclusive busways (facilities for the exclusive use by bus vehicles that are operated by a public entity or under authority of a commercial certificate of public convenience and necessity or transportation permit issued by the California Public Utilities Commission or Interstate Commerce Commission). In accordance with Sections 2701.06, 2702.06 and 2703.06 of the Streets and Highways Code, these exclusive busways must be converted to intercity rail line operation within ten years after completion of busway construction.

E. Projects Which Benefit Commuter/Urban and Intercity Services

Projects which benefit both the commuter/urban rail transit and intercity rail programs will be allotted funds based on the pro rata value of the project to each service. In the event that the Department and a local public entity disagree on the pro rata value of a project, the Commission will make a final determination of value based on the two agencies' input.

IV. PROGRAM PROCEDURES

A. Intercity Rail Program

The Department shall develop a list of prioritized Intercity Rail projects for the Proposed State Transportation Improvement Program.

B. Intercity Rail Program Project Nominations

Local public entities may nominate intercity rail capital projects. Nominations shall be submitted to the Department through its Chief of the Division of Mass Transportation in Sacramento. A project nomination shall include all of the information described in Appendix A to these guidelines.

The Department will give full consideration in its evaluation to the information provided in the nominations submitted by December 1, 1989, for the 1990 PSTIP, and by August 15th of every odd-numbered year thereafter.

C. Rail Passenger Development Plan (RPDP) Content

The Rail Passenger Development Plan (RPDP) is prepared by the Department as required by Section 14036 of the Government Code. It includes discussions of prior year operations of intercity and commuter passenger rail service, revenues, subsidies, identification and cost of capital facilities, enhancements to the services, and provides the basis for including capital projects in the Department's PSTIP.

D. Project Priorities

The PSTIP lists intercity rail projects in priority order on a statewide basis. The Department's determination of project priorities will be based on the criteria specified in these guidelines. The determination will be made

using the best information available to the Department. The Department will rely on information provided by Amtrak, consultants, railroads, independent studies made by its own staff, and on project nominations provided directly to the Department by local public entities.

The Commission will incorporate the Department's intercity rail priority list of projects into the STIP. When the total rail program budget exceeds the total available funds and the total intercity rail program budget exceeds fifteen percent of the total rail program budget, the Commission will then determine the allocations for intercity rail projects based on the STIP.

E. Multi-year Projects

For projects with multiple elements that require funding over more than one fiscal year, the PSTIP shall identify all the elements requiring funding in each fiscal year and those elements shall be carried over into the STIP.

F. Allocation Priorities

The Department and the Commission will give high priority to funding projects that will provide for the development and enhancement of an efficient and effective system of intercity passenger rail service and coordinate with urban and commuter rail systems and other travel modes in the state. Funds will be allocated in accordance with the adopted STIP.

G. Allocation of Funds

The Commission will consider allocating funds for a project when the Department has determined that the project is ready to proceed. The Department's recommendation will include a determination of the availability of cash to support the proposed disbursements. In accordance with Section 21150 of the Public Resources Code, funds may be allocated for any project which may have a significant effect on the environment only after receipt of an environmental impact report or other documentation of environmental clearance under the California Environmental Quality Act.

Funds may be expended only for the project for which they are allocated. Allocated funds that are not expended will revert and be made available for reallocation.

H. Timely Use of Funds

The local public entity must demonstrate that it can encumber (i.e., let a contract for) the State funds by the end of the State fiscal year in which the funds become available, plus three months.

If the implementing agency cannot encumber the State funds for the approved project within the year of state budget appropriate plus three months, then that agency may request an extension from the Commission with an explanation of why the original deadline could not be met. Any extension by the Commission of this encumbrance deadline will include a series of milestones that the implementing agency must meet in order to ensure continued progress on the project.

I. Transfer of Funds

After the beginning of a fiscal year when an allocation has been made for a project, the Department will enter into a contract or fund transfer agreement with the Department's contractor or intermodal facilities implementing agency.

In order to monitor closely the progress of projects and review cost control procedures and efforts, a systematic monitoring process will be implemented. For those projects having financial plans that include federal funds, the Department's inclusion as a participant in the federal agency's regular review meetings shall be required. For those projects that do not have federal funds, a Department-sponsored quarterly review meeting shall be required.

J. Project Scope

A contract award cannot exceed the amount of the CTC allocation. The scope of the project may not be altered after the allocation is made without the expressed consent of the Commission.

If the bid prices plus other eligible costs exceed the allocation, the Department's contractor or implementing agency may elect to fund the excess with its own resources. When bids exceed the allocation by more than twenty percent and the contractor or implementing agency do not fund the excess, then the project must be revised or resubmitted in a future PSTIP cycle.

K. County Minimums

Pursuant to Sections 182.5 and 188 of the Streets and Highways Code, allocations for intercity rail guideway projects shall not be applied toward meeting the highway county minimum funding level of the county in which the project is located.

L. Financial Guidelines

The transfer and expenditure of funds allocated to local agencies shall be consistent with the financial guidelines adopted by the California Transportation Commission in accordance with Section 164.4 of the Streets and Highways Code.

V. PROJECT EVALUATION CRITERIA

The Commission and the Department may give due consideration to the accuracy, reliability, and completeness of the information made available in the RPDP or local entity nominations. The Commission and the Department shall use the following criteria when setting priorities for funding the projects:

THRESHOLD CRITERIA. All Intercity Rail Program projects must meet the following criteria:

1. Regional Review. The implementing entity must demonstrate that applicable Regional Transportation Planning Agencies, air quality

management districts, County Transportation Commissions and rail corridor study groups or agencies have been given an opportunity to review the project and that no conflicts with Commuter and Urban Transit Rail Plans have been identified.

2. Financial Capacity. The implementing agency has the financial capacity to carry out, maintain and operate the project. Projects nominated by local agencies must be certified by the Department as to the availability of operating funds.

3. Allowable Time Frame. The project must be completed and in use no later than June 30, 2001.

4. Cost Control Measures. The implementing agency must outline the cost control measures that it will have in place to systematically monitor costs, assure timely use of funds, and plan the orderly flow of cash. For intermodal projects, a project management oversight plan will be described that includes Department participation in regularly scheduled project review meetings.

RANKING CRITERIA. A project in the first two years of the PSTIP will be evaluated and ranked statewide according to the criteria listed below.

1. Multi-year Funding Commitment

If the Commission has adopted a multi-year funding commitment resolution for a project, then that project will be placed at the top of the priority list. However, if a previously Commission-committed project has experienced a significant change of the State funding (more than 20 percent) in the scope of work or change in its funding plan, then the project will be re-evaluated without regard to the multi-year funding commitment status.

2. Project Benefits

A. Passenger Railway Ranking Criteria

(1) Passenger Carrying Ability. Projects that are new passenger rail starts, extensions or system enhancements should show an ability to increase passenger carrying ability. Performance measures will include both annual number of passengers and annual passenger miles carried. Peak travel season loads should also be addressed.

(2) Amenities for Passengers. Passenger comfort and safety, including impacts on waiting conditions, baggage transportation and storage, overcrowding, frequency of service and accessibility to disabled travelers must be described.

(3) Travel Time Savings. The impact on the travel time experienced by pre-project train riders should be estimated.

(4) Service Reliability. Rehabilitation or replacement projects should show improvement in on-time performance, reliability and peak-period train through-put.

(5) Service Life. The service lives of new and rehabilitated facilities and equipment should be estimated and compared to rail industry standards.

(6) System Value of Project. Impacts, if any, to the passenger rail system if the proposed project is not funded or not otherwise implemented must be shown. The relationship of the project to service standards, alternative transportation methods (including coordination with other rail services and travel modes), land use and trip reduction strategies of the applicable Congestion Management Program should be identified.

(7) Matching Requirements. Although no matching funds are required for projects funded under the Intercity Rail Program, a local funding match is permissible and encouraged. Added weighting will be given to projects when local match is provided.

(8) Mixed Use Operation. The extent and frequency of shared use of right of way and arrangements for priority traffic and pre-emption use must be shown.

(9) Operating Cost Efficiencies. The annual net change in system operating costs per system passenger mile should be estimated for the project opening and at some future time for which the applicant has performed traffic studies (e.g., 15 to 20 years from opening date).

(10) Cost Effectiveness. The cost effectiveness of the passenger rail investment must be estimated by using common performance criteria, to include, but not be limited to,

-- annual project capital cost per passenger mile,
-- annual system operating cost per passenger mile,
-- annual project capital cost per passenger,
-- annual passenger miles per train mile,
-- annual revenue per passenger.

(11) Busway Conversions. For a railroad conversion of a project that is first built and operated as an exclusive busway, it must be shown that the conversion project has been programmed and can be financed and constructed within ten years of completion of the busway.

(12) Accessibility. The project's ability to be fully accessible to older persons and persons with disabilities, including wheelchair users, must be described.

(13) Emission Reduction Savings. Annual reductions in vehicle emissions from increased rail ridership, as compared to travel by air or private vehicle, shall be estimated.

(14) Passenger Service Priority. The extent and frequency of present and future joint right of way use by freight operations, and the priority to be given to passenger operations must be detailed.

The financial arrangements which would require payment by any potential rail freight operation or other passenger operation for the use of right of way in the future must be described.

B. Railroad Right of Way Ranking Criteria

(1) Real Property Purchases. Eligible projects will be limited to the purchase of fee simple title or any lesser estate or interest in right of way that represents the buying of real property, or a fixed-price permanent easement for right of way used for rail service. Permanent use easements that are acquired at a fixed price through contractual agreement may, under some circumstances, qualify for purchase if the acquisition schedule can be completed before year 2001. The likelihood of rail line abandonment by the present owner must be addressed, including any proposals to sell or use the corridor for nontransportation purposes.

(2) Market Influence. The likelihood of rail line abandonment by the present owner must be addressed, including any proposals to sell or use the corridor for nontransportation purposes.

(3) Passenger Service Priority. The extent and frequency of present and future joint right of way use by freight operations, and the priority to be given to passenger operations, particularly during peak travel periods, must be detailed.

(4) Track Use Fees. The financial arrangement which would require payment by any potential rail freight operation or common carrier passenger operation for the use of the right of way in the future must be outlined.

(5) Permanent Guideway. The possibility that an acquired piece of railroad right of way could be used for any purpose other than as a guideway for mass transportation must be addressed.

C. Railroad Intermodal Passenger Station Ranking Criteria

(1) System Value of the Station. Identify how this intermodal station contributes to the total regional transportation system including other rail services and travel modes. Describe impacts expected on the street, road and highway networks, and note any coordinated network improvements related to this project.

(2) Station Services. Evidence of commitment by transportation carriers to use the station once it has been completed must be presented. Tenants providing passenger services and other potential joint-use tenants should be identified as well as those features of the station that will facilitate transfer among modes. Public agencies receiving an allocation for funding of an intermodal transfer station shall, upon the request of the Department, allow State-supported bus services such as Amtrak use the facility without any charge to the