



ITEM ID: 2025-276-0

TRANSMITTAL DATE: July 3, 2025

MEETING DATE: July 11, 2025

TO: Audit and Finance Committee

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Senate Bill 1 Trade Corridor Enhancement Program (TCEP) Resolution

Issue

The Senate Bill 1 Trade Corridor Enhancement Program (TCEP) requires that the Board adopt Resolution 2025-148 and delegate authority to negotiate and execute actions necessary to facilitate administration of the grant. The TCEP grant also requires entering into a baseline agreement with the CTC, Caltrans, and OCTA for use of the funds.

Recommendation

It is recommended the Committee recommend the Board adopt Resolution 2025-148 and delegate authority to negotiate and execute actions necessary to facilitate administration of the grant.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Safety is Foundational:** We will stay on the leading edge by deploying new technologies and processes to enhance the safety and security of our riders, our fellow employees, and the communities we serve. The Coastal Rail Infrastructure Resiliency (CRIR) Project will implement strategies to protect the railroad in place for up to 30 years and ensure uninterrupted rail operations while minimizing passenger and freight service disruptions on the seven miles of critical coastal rail corridor between Dana Point and San Clemente at the San Diego County line.

- **Advancing Key Regional Goals:** We will grow the role of regional rail in addressing climate change, air quality, and other pressing issues by advancing toward zero emissions, making rail a compelling alternative to single-occupant automobiles and advancing equity-focused opportunities for all communities throughout Southern California. The rail line is vulnerable to catastrophic failure due to changing environmental conditions and coastal erosion, potentially rendering passenger rail service inoperable for extended periods. Implementation of the CRIR project takes a proactive approach in addressing vulnerabilities, ensuring the continued operation of passenger and freight rail service through the area.

Background

On August 15, 2024, The California Transportation Commission (CTC) adopted program guidelines and initiated a call for projects for the SB 1 Trade Corridor Enhancement Program (TCEP) making approximately \$1.071 billion available for projects that improve infrastructure for designated freight corridors. The TCEP guidelines include advanced programming, which allows applicants to apply for TCEP funds in advance of the general call for projects. On July 3, 2024, the Orange County Transportation Authority (OCTA) submitted an application to the CTC requesting \$80 million in advance programming for the Coastal Rail Infrastructure Resiliency (CRIR) Project through the TCEP. In October 2024, the CTC awarded OCTA's full request, \$80 million in advance programming of 2024 TCEP funds.

As required by the TCEP program guidelines, SCRRA is required to adopt a resolution and delegate authority to negotiate and execute actions necessary to facilitate administration of the grant.

Discussion

The Orange County Transportation Authority (OCTA), in coordination with SCRRA, is taking emergency action to advance emergency projects in San Clemente that will immediately protect a critical link in the state's rail network along the Los Angeles - San Diego - San Luis Obispo (LOSSAN) Rail Corridor. In May, SCRRA staff, in coordination with OCTA and Caltrans, initiated efforts to administer the CRIR project implementing strategies to protect the rail infrastructure from coastal erosion. Passenger rail service through San Clemente recently resumed on Saturday, June 7, following the completion of the initial emergency rail work, five days ahead of schedule.

The SCRRA related work is anticipated to include the following:

1. Area 1 addresses eroded and steepened areas by installing rock gradation to enhance coastal protection between Mile Post 203.8-204.4 while minimizing rock encroachment on the beach.
2. Area 2 targets critical erosion points, utilizing rock gradation while ensuring minimal impact on the beach.
3. Area 3 involves removing the pedestrian bridge between Mile Post 204.07 to Mile Post 204.34. SCRRA will provide project management support activities, including design review, maintenance support, project coordination, and provision of Railroad Operational Protection throughout the design and construction period.

SCRRA support of the project is essential to ensure all work will be undertaken in compliance with SCRRA safety practices, standards and criteria to maintain safe and reliable operation of the adjacent railroad.

By approving Resolution 25-148, the Board will:

- Authorize the CEO or designee to execute all required documents of the TCEP program.
- Agree to comply with all conditions and requirements set forth in the TCEP program guidelines.

Budget Impact

There is no budget impact as a result of this report. A budget amendment to support the next phase of work for the project was approved by the Board in June 2025.

Next Steps

Staff will execute all agreements necessary to receive TCEP funds for the Coastal Rail Infrastructure Resiliency Project.

Prepared by: Jennifer Farinas, Manager, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Attachment A - Resolution No. 2025-148 Trade Corridor Enhancement Program](#)

[Attachment B - TCEP Term Sheet](#)