



ITEM ID: 2023-373-0

TRANSMITTAL DATE: December 1, 2023

MEETING DATE: December 8, 2023

TO: Board of Directors

FROM: Justin Fornelli, Chief, Program Delivery

SUBJECT: Capital Program Status Report

Issue

Staff is providing an update on the progress of the Authority’s Capital Program, including the Southern California Optimized Rail Expansion (SCORE) Program and the State of Good Repair Program.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The report provides our Board with timely updates on the progress of the Capital Program. The new capital program, including SCORE, adds to the safety, expansion, and growth of the system while the State of Good Repair Program ensures the safety and reliability of the Authority’s existing assets.

Background

The Capital Program consists of two major components: New Capital Projects and State of Good Repair (SoGR) Projects. The Authority’s Capital Program, outside of SCORE, is

budgeted annually, and projects are typically delivered over multiple years. Funding for capital projects is provided by Member Agencies through the annual budget process. The Authority also applies for local, state, and federal funds for additional SoGR and New Capital Projects.

New Capital Projects expand railroad infrastructure and include items such as new sidings, safety enhancements to grade crossings, modernizing signal and communication systems, and new rolling stock.

The SoGR Program addresses existing capital assets to keep them in a state of good repair through activities such as:

- Rehabilitation of tunnels, bridges, and culverts
- Replacement of worn ties and rail
- Replacement of worn or outdated signal system components
- Programmed rehabilitation of rolling stock components such as car door operators and heating/ventilation/air conditioning (HVAC), and mid-life overhaul of rail cars and locomotives

All project progress is tracked through the Authority's project reporting system, which is maintained by Program Management Oversight (PMO). Regular meetings are held with project managers to review the progress of active projects. Staff also prepare quarterly project expenditure forecasts to estimate cash flow requirements.

As part of the PMO's effort to improve its reporting and tracking capabilities, key performance indicators (KPIs) have been developed and are included in this report.

This item has been updated to reflect financial expenditures through September 30, 2023, while project schedule and status are up to date as of end of October 2023.

Discussion

Key Activities

Since the last Capital Program Status Update, multiple key accomplishments were achieved, as follows:

SCORE Program

- Antelope Valley Line
 - Canyon Siding and Lancaster Terminal Projects – 30% design submittal completed.
 - Burbank Junction Project - Substantially completed construction.
- San Bernardino Line
 - Rancho Cucamonga Siding Project – Acquired ROW with two property owners for easements; commenced Request for Qualifications (RFQ) effort for construction package; completed design for all utility relocations.
 - Marengo Siding Project - Secured ROW settlement agreements with two property owners for separate TCEs; commenced RFQ effort for construction package.
 - El Monte Siding Improvement Project – Secured ROW settlement agreement with

property owner for TCE; commenced RFQ effort for construction package; completed design for all utility relocations.

- BNSF SBS Projects – Fullerton Interlocker and 3rd Main Track Corona - Commenced environmental efforts.
- Ventura County Line
 - Chatsworth Station Improvements – Early Signals and Rehab Project – Substantially completed construction.
 - Burbank Junction Project – Completed construction.
 - Sequoia Ave Grade Crossing Improvements Project – 30% design submittal completed.
 - Simi Valley Double Track Project – Filed ROW Resolution of Necessity (RON) for TCE; secured ROW settlement agreements with three property owners for separate TCEs; completed design for all utility relocations.
- Orange County Line
 - Avery to Songs Signal Project – Completed construction.
 - La Palma to Avery Signal Project – Completed CEQA environmental clearance.

State of Good Repair Program

- Bombardier Car Rebuild Program:
 - Eighteen (18) cars have been delivered to LA, of which sixteen (16) cars are in service.
 - Eight (8) additional cars to be delivered to LA by March 2024.
 - Seventeen (17) cars are in the Milwaukee factory undergoing rebuild.
- On-Board Train Control Systems Rehabilitation:
 - Simulator Upgrade: Sole-source request approved at Sep 2023 Board Meeting for renewed simulator maintenance contract, including \$2M for Hardware and Software Simulator upgrades.
- Back Office Train Control Systems Rehabilitation:
 - Disaster Recovery: Server, hardware, and equipment have been setup and installed. PTC back office continuing the configuration of equipment for failover testing.
 - Rehab of CAD workstations and monitors in process for testing.
- Other Rolling Stock Rehabilitation:
 - Rotem HVAC Overhaul: 40 of 40 HVAC units overhauled; 1/44 control panels overhauled; Amendment #2 executed for option order of 24 additional car sets to be overhauled.
 - Bombardier HVAC Overhaul: 138 of 180 HVAC units overhauled; Amendment #5 executed for time extension to July 2024.
- SoGR Track, Structures, & Signal Projects by Line:
 - Antelope Valley Line
 - Procurement of rail was completed and was delivered in October 2023.
 - Developing signal design CTOs for CP Portal & CP Canyon with anticipated CTO issue date of Jan 2024.

- Ventura Line
 - Completion of construction for FY21 structure projects is anticipated by the end of 2023.
 - Additional signal design CTOs are in progress with anticipated design completion of Jun 2024.
- Orange Line
 - FY20 culvert Rehab Project is in the Environmental Phase awaiting concurrence from Tribal Consultation.
 - Additional signal design CTOs are executed with anticipated design completion of Jun 2024. Additional signal construction CTO is in progress with anticipated construction completion date of Dec 2024 to Dec 2025 due to long material lead-time.
- San Bernardino Line
 - 12,000 ties are in the process of being installed with completion date of November 2023. Seven crossings have been rehabilitated. Punchlist items to be addressed by Contractor.
 - Work Directive for FY20 Structure Rehab was executed and construction mobilization started in Oct 2023.
- Perris Valley Line
 - Issued signal design CTO with anticipated completion date of Jun 2024.
 - Hydrology report will be updated following the finalization of 30% Design.
- River Corridor
 - Final design for Arroyo Seco Bridge to complete by Q1 of 2024.
 - Approved material for Soto St bridge and currently scheduling construction based on material lead time and necessary street closures.
- SoGR LA Union Station Rail Yard Rehabilitation & Modernization (RYRM) Project
 - All track work construction components and punch-list items are complete.
 - The signal system cut-over and testing is the last remaining item to substantially complete the project. This cut-over and testing requires a continuous four-day service outage. In coordination with Amtrak and LOSSAN, staff have scheduled this outage to occur from December 26 through 29, 2023 as this is a period of historically low ridership for the Authority. Since a majority of Metrolink service would be affected due to no access in or out of Union Station, in addition to impacts to the East and West Bank Subdivisions that provide access to the Central Maintenance Facility, it was determined that a system-wide service shutdown would be implemented. The Authority will utilize this system-wide service shutdown to complete other maintenance items on the platforms and tunnel of Union Station, in addition to state of good repair projects on the Antelope Valley and San Bernardino Lines. A customer communications plan is being developed to notify customers of the outage which will be implemented by the Authority's Marketing and Communications team over the next two months leading up to the closure. Bus bridges will not be utilized for Metrolink service during this outage.
- SoGR San Juan Creek Bridge Replacement Project

- Due to construction cost escalation, cooperative agreement update with OCTA is being drafted and will be presented to the Board in Dec 2023.
- SoGR Communication Systems Projects
 - Antelope Valley: Designs for Customer Information System Upgrades at Sun Valley and Santa Clarita Stations in-progress.

Attachment A provides an overview of the Authority’s project portfolio as well as more detailed status by project type.

Quarter Ended September 30, 2023, Performance Summary

New Capital Projects

The latest performance results for the Authority are included in the following summaries. Table 1 below provides a summary of major New Capital Projects currently in progress, excluding \$1.09 Billion of SCORE funding secured by the Authority and other agencies that will be performed by entities other than the Authority.

Table 1. Capital Program by Department (\$K) (Active Projects Only)

ASSET CATEGORY	BUDGET	EXPENDED	BALANCE
Capital PTC / CRISI Grants (Communications)	\$20,304	\$10,342	\$9,962
Track, Structures, & Signals	\$85,417	\$26,093	\$59,323
SCORE (SCRRA)	\$734,018	\$66,578	\$667,440
F125 Locomotive Procurement (Rolling Stock)	\$280,845	\$276,846	\$3,999
Miscellaneous Capital Equipment (Facilities)	\$3,403	\$100	\$3,303
Other (IT)	\$2,540	\$43	\$2,497
TOTAL	\$1,126,527	\$380,003	\$746,524

Note: Numbers may not sum to total due to rounding.

SoGR Program

The adjusted currently funded SoGR Program budget for the period of FY2015 -16 through FY2022- 23 is \$478 million (including reprogrammed projects of \$84 million). SoGR projects are primarily delivered over a four-year period within the departments of Program Delivery, Operations, Information Technology and Customer Experience. Reprogrammed projects are created when projects completed under budget have remaining funds and are transferred to new projects. The new projects are referred to as reprogrammed projects.

SoGR Project Status

From FY2016-17 through September 30, 2023, the Authority completed and closed 96 SoGR

Projects totaling \$68 million in expenditures.

Table 2 summarizes the progress of SoGR Projects as of September 30, 2023.

Table 2. SoGR Project Status for Active and Completed Projects Fiscal Years 2016-17 to 2022-23 and Reprogrammed Projects (\$K)

YEAR of ADOPTION	CURRENT BUDGET	EXPENDED	BALANCE
FY2016-17	\$34,946	\$34,878	\$68
FY2017-18	\$44,138	\$38,915	\$5,223
FY2018-19	\$89,201	\$49,306	\$33,895
FY2019-20	\$63,198	\$44,822	\$18,376
FY2020-21	\$52,994	\$18,433	\$34,561
FY2021-22	\$57,672	\$5,575	\$52,097
FY2022-23	\$51,427	\$1	\$51,426
Reprogrammed	\$84,342	\$61,918	\$22,425
³Total	\$477,918	\$253,848	\$224,070

Note:

1. When a project is closed or reprogrammed, the baseline budget is replaced with actual expenditures to reflect 100% of the budget being used. This adjusted budget for closed and reprogrammed projects along with the baseline budget of active projects make up the current budget.
2. Expended amounts on Table 2 are for paid and accrued invoices and do not reflect amounts billed to grantor.
3. Numbers on Table 2 may not sum to total due to rounding.

Next Steps

Through monthly review of the Capital Program, staff continues to identify areas of improvement to accelerate the delivery of projects and improve processes. Staff will also continue to keep Member Agencies informed and provide regular updates to the Board. The next Capital Program Status report is scheduled for March 2024.

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Approved by: Justin Fornelli, Chief, Program Delivery

Attachment(s)

Attachment A - Capital Sheets Project Status

Presentation - Capital Program Status Report December 2023