



**ITEM ID:** 2024-137-0

**TRANSMITTAL DATE:** March 22, 2024

**MEETING DATE:** March 29, 2024

**TO:** Board of Directors

**FROM:** Justin Fornelli, Chief, Program Delivery

**SUBJECT:** Quarterly 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) Programs. 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 improve the customer experience, including 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- Replacement of worn or outdated signal system components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) department. 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 December 31, 2023, while project schedule and status are up to date as of end of January 2024.

## **Discussion**

### **Key Activities**

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

#### **SCORE Program:**

- Antelope Valley Line
  - Balboa Double Track Extension, Canyon Siding and Lancaster Terminal Projects – Completed 60% design.
  - Completed Value Engineering Analysis for AVL projects.
- Orange County Line
  - La Palma to Avery Project Signal Respacing Project - Completed 100% design.
- San Bernardino Line
  - Rancho Cucamonga Siding Project – Completed the Caltrans right-of-way (ROW) certification.
  - Cogswell Road Grade Crossing Project – Submitted Federal NEPA environmental clearance documentation to Caltrans.

- El Monte Siding Improvement Project – Concluded negotiations for the City of El Monte property acquisitions.
- Ventura County Line
  - Simi Valley Double Track Project – Finalized the utility relocation reimbursements with fiber optic companies.
- BNSF San Bernardino Subdivision - Fullerton Interlocker and 3rd Main Track - Concluded negotiations with BNSF to commence 30% design.

**State of Good Repair Program:**

- Bombardier Car Rebuild Program – (50 cars currently funded for refurbishment):
  - Twenty-two (22) cars have been delivered to LA, of which twenty (20) are in service.
  - Four (4) additional cars to be delivered to LA by March 2024.
  - Eighteen (18) cars are in the Milwaukee factory undergoing rebuild.
- On-Board Train Control Systems Rehabilitation:
  - Global Positioning System (GPS) Upgrade: Radio frequency (RF) study completed Jan 2024, on each equipment model from five (5) rolling stock vehicles. Pilot phase of 5 units will begin once RF study report is received by Metrolink.
- Back Office Train Control Systems Rehabilitation:
  - Dell rehab server equipment purchased and will be installed and configured in Q1 CY2024.
- Rolling Stock State of Good Repair:
  - Rotem HVAC Overhaul: 10 of 48 units overhauled for option order.
  - Bombardier HVAC Overhaul: 149 of 180 HVAC units overhauled.
- SoGR Track, Structures, & Signal Projects by Line:
  - Antelope Valley Line
    - Rail welding started in November 2023 and finished in December 2023. Welded rail unloading began in December 2023.
    - Installed 11,018 feet of rail on Valley Sub during December 26-29 outage.
  - Ventura Line
    - FY21 structure projects are now complete, and closeout process is underway.
    - Completed light upgrade for Tunnel 26 with LED.
  - Orange Line
    - Completed signal rehabilitation at Beach Rd. in January 2024.
    - Replaced 15,000 ties between Fullerton and San Juan Capistrano.

- San Bernardino Line
  - Additional signal design CTOs were issued with estimated completion date of June 2024.
  - Seven (7) crossings were rehabilitated.
- Perris Valley Line
  - NEPA-CE for PVL Box Springs and CP Citrus is under review by FTA. SCRRRA comments for 30% Design submittal review are being addressed by the Designer.
- River Corridor
  - Additional signal construction CTO is in progress for CP Capitol and CP Dayton with construction completion date of Dec 2024 to Dec 2025.
  - Turnout Rehab construction at CP San Diego Jct. & CP Chavez is in progress.
- SoGR LA Union Station Rail Yard Rehabilitation & Modernization (RYRM) Project
  - All track work construction components and punch-list items are complete.
  - Signal cutover is complete. Removal of retired equipment is ongoing, and generator will be installed in March 2024.
- SoGR San Juan Creek Bridge Replacement Project
  - Awarded San Juan Creek Bridge Contract in Dec 2023. NTP is anticipated to be issued in March 2024.
- SoGR Communication Systems Projects
  - Design completed for CIS Upgrade at Cal State LA. Construction at Cal State LA to be completed in Mar 2024.

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

Quarter Ended December 31, 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)**

<b>ASSET CATEGORY</b>	<b>BUDGET</b>	<b>EXPENDED</b>	<b>BALANCE</b>
Capital PTC / CRISI Grants (Communications)	\$20,304	\$11,123	\$9,181
Track, Structures, & Signals	\$94,123	\$26,396	\$67,728
SCORE (SCRRRA)	\$734,018	\$73,156	\$660,863

F125 Locomotive Procurement (Rolling Stock)	\$280,845	\$276,943	\$3,902
Miscellaneous Capital Equipment (Facilities)	\$3,403	\$712	\$2,691
Other (IT)	\$2,540	\$281	\$2,259
<b>TOTAL</b>	<b>\$1,135,234</b>	<b>\$388,610</b>	<b>\$746,624</b>

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

## SoGR Program

The adjusted currently funded SoGR Program budget for the period of FY2016-17 through FY2023-24 is \$481 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 December 31, 2023, the Authority completed and closed 96 SoGR Projects totaling \$68 million in expenditures.

Table 2 summarizes the progress of SoGR Projects as of December 31, 2023. Current Budget for fiscal years FY2021-22 thru FY2023-24 are the approved budgets. It should be noted that due to delays in some of the required funding agreements, none of the FY23 all share projects can be initiated.

**Table 2. SoGR Project Status for Active and Completed Projects Fiscal Years 2016-17 to 2023-24 and Reprogrammed Projects (\$K)**

YEAR of ADOPTION	CURRENT BUDGET	EXPENDED	BALANCE
FY2016-17	\$34,926	\$34,879	\$47
FY2017-18	\$44,138	\$39,532	\$4,606
FY2018-19	\$90,911	\$51,586	\$39,325
FY2019-20	\$62,494	\$46,732	\$15,762
FY2020-21	\$54,064	\$19,843	\$34,221
FY2021-22	\$62,018	\$8,148	\$53,870
FY2022-23	\$94,445	\$80	\$94,365
FY2023-24	\$129,805	\$0	\$129,805
Reprogrammed	\$84,612	\$63,806	\$20,806
<b><sup>3</sup>Total</b>	<b>\$657,413</b>	<b>\$264,606</b>	<b>\$392,807</b>

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 June 2024.

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Approved by: Justin Fornelli, Chief, Program Delivery

### **Attachment(s)**

[Attachment A - Capital Sheets Project Status March 2024](#)  
[Presentation - Capital Program Status Report March 2024](#)