



ITEM ID: 2024-221-0

TRANSMITTAL DATE: June 21, 2024

MEETING DATE: June 28, 2024

TO: Board of Directors

FROM: Paul Hubler, Chief Strategy Officer

SUBJECT: Grants Quarterly Update - 3rd Quarter, Fiscal Year 2024

Issue

Staff is providing an update of grant acquisition, reprogramming and closeout activity for the period of January 1, 2024 to March 31, 2024.

Recommendation

Receive and file.

Strategic Commitment

This report aligns with the Strategic Business Plan commitments of:

- **Modernizing Business Practices:** We will improve our operational efficiency through transparency, objective metrics and streamlined governance, reducing our over-reliance on subsidy while bringing our system into a state of good repair and investing in the development of our employees. The grant program helps to ensure reliable funding sources for maintaining the railroad in a state of good repair and adding capacity for increased reliability and future growth while reducing reliance on Member Agency contributions.
- **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 grant program also pursues grant opportunities to transition our technologies to lower- or zero-emissions technologies and to provide improved rider experiences to attract new ridership.

Background

The Authority applies for grants from federal, state, regional and local entities to assist in funding its rehabilitation and new capital programs. These programs are comprised of projects that rehabilitate, enhance and expand the Metrolink rail system.

This report focuses exclusively on federal, state and regional-level grant acquisition, reprogramming and closeout activities undertaken by staff for the purposes of supporting the rehabilitation and new capital programs. It discusses grants that the Authority has secured through a formal application process and for which the Authority has a direct reporting relationship to the federal, state or regional-level granting agency.

Discussion

Grant Activity Summary for January 1, 2024 to March 31, 2024

<i>Acquired (5)</i>	<i>Reprogrammed (2)</i>	<i>Closed (2)</i>
\$150.6 million	\$3.2 million	\$3.4 million

With the addition of three federal grants of \$3.9 million and two regional grants of \$146.7 million during the quarter, the Authority currently manages 35 active federal grants totaling \$554.5 million, 16 active state grants totaling \$1.2 billion, and two active regional grants totaling \$146.7 million for a total portfolio of \$1.9 billion.

- Federal grants are summarized on Appendix A
- State grants are summarized on Appendix B
- Regional grants are summarized on Appendix C

Grant Activity Discussion

Acquisition

During the quarter, three new federal grants were acquired. \$1.3 million was awarded from the USDOT SMART grant program to fund the planning and development of an intrusion detection system to mitigate potential strikes of people and passenger vehicles on the Metrolink system. Two federal earmarks were obtained. \$1.6 million will fund the installation of wireless crossing nearside station stop (WCNSS) technology at approximately four priority crossings across the network. \$1.0 million will provide additional funding for the development of an intrusion detection system. Two regional grants were acquired. The South Coast Air Quality Management District awarded \$59.3 million for procuring two zero-emission locomotives and \$87.4 million for procuring 12 Tier 4 locomotives.

Reprogramming

Reprogramming of projects from previously approved Rehabilitation and Capital Program budgets occurs when projects are completed with savings or when deferred or canceled projects cannot utilize the funds in a timely manner. Three reprogramming transactions were completed in the quarter comprised of \$1.7 million in federal funds and \$1.5 million in local

funds.

Closure

One \$3.1 million state grant which funded a partial restoration of service during the pandemic, and one \$0.3 million regional grant which funded the purchase of an electric railcar mover were closed during the quarter.

Next Steps

Any new grant acquisitions, reprogramming or closure activities during the next quarter will be reported at the September 2024 meeting.

Prepared by: Tom Schamber, Director, Grants

Approved by: Paul Hubler, Chief Strategy Officer

Attachment(s)

[Appendix A - Grant Activity Summary - Federal](#)

[Appendix B - Grant Activity Summary - State](#)

[Appendix C - Grant Activity Summary - Regional](#)