

# Memorandum

To: CHAIR AND COMMISSIONERS

CTC Meeting: June 11, 2013

Reference No.: 4.15  
Action

From: ANDRE BOUTROS  
Executive Director

Subject: **TRADE CORRIDORS IMPROVEMENT FUND PROGRAM AMENDMENT  
RESOLUTION TCIF-P-1213-79**

## **ISSUE:**

Should the California Transportation Commission (Commission) amend the Trade Corridors Improvement Fund (TCIF) Program to reflect the following actions?

### Los Angeles/Inland Corridor

- TCIF Project 58: *I-10 Citrus Avenue Interchange*, remove the TCIF funds of \$23.6 million from the project and place the funds on Project 84, *Laurel Grade Separation*, and Project 61, *South Milliken Grade Separation*, thus cancelling the Letter of no Prejudice (LONP) approved on March 28, 2012 and removing the project from the TCIF Program.
- TCIF Project 65: *Vineyard Grade Separation*, remove project and related funding totaling \$6.884 million from the TCIF program.
- TCIF Project 84: *Laurel Street Grade Separation*, increase TCIF funds by \$12.795 million from the LONP under Project 58.
- TCIF Project 64: *Lenwood Road Grade Separation*, increase TCIF funds by \$2.161 million from deleted Project 65.
- TCIF Project 61: *South Milliken Avenue Grade Separation*, increase TCIF funds by \$13.692 million from deleted Project 65 and the LONP under Project 58.

### Northern California Corridor

- TCIF Project 89: *Solano I-80/680/12 Connector*, replace \$8.5 million of regular TCIF funds with TCIF/SHOPP funds.

## **RECOMMENDATION:**

Commission staff recommends that the Commission approve the proposed TCIF Program Amendment to remove the TCIF funds of \$23.6 million from the *I-10 Citrus Avenue Interchange* (Project 58); remove *Vineyard Grade Separation Project* (Project 65) from the TCIF program; increase the TCIF funds to Project 84: *Laurel Street Grade Separation Project*; increase the TCIF funds to Project 64: *Lenwood Road Grade Separation Project*; increase the TCIF funds to Project

61: *South Milliken Avenue Grade Separation Project*; replace regular TCIF funds with TCIF/SHOPP funds to Project 89: *Solano I-80/680/12 Connector*.

**BACKGROUND:**

Project 58

The San Bernardino Associated Governments (SANBAG) proposes to amend the TCIF Program by removing \$23.6 million of TCIF funds from Project 58 and placing these funds on two TCIF Projects. This action will cancel the LONP and remove the project from the TCIF Program.

Due to the Commission's inability to allocate bond funds at the time the project was ready for an allocation, an LONP was approved in March 2012. Federal funds were used to advance the project. Once the Federal Funds were obligated, these funds could not be removed from the project. SANBAG is proposing to remove the TCIF funds programmed to this project and move them to projects 84 and 61.

The Southern California Consensus Group (SCCG) supports the proposed amendment to the TCIF program (see attached letter).

Project 65

SANBAG proposes to amend the TCIF Program by deleting TCIF Project 65: *Vineyard Grade Separation Project* from the Los Angeles/Inland Corridor. SANBAG is maximizing funds from the State Local Partnership Program (SLPP) and removing all TCIF funds from the project.

The SCCG supports the proposed amendment to the TCIF program (see attached letter).

Project 84

SANBAG proposes to increase the TCIF funds to Project 84, *Laurel Street Grade Separation Project*, by \$12.795 million. The total TCIF funds programmed to this project will increase from \$11.917 million to \$24.713 million.

The Laurel Street Grade Separation Project (#84) in the City of Colton will construct a grade separation at the BNSF railroad line. The project estimate has increased by \$5.860 million due to a revised estimate and the terms of the negotiated C&M agreement. Also, \$19.432 million of TCRP funds have been removed from the project. Capacity is available for this action due to the programming action from Project 58.

The SCCG supports the proposed amendment to the TCIF program (see attached letter).

Project 64

SANBAG proposes to increase the TCIF funds to Project 64, *Lenwood Road Grade Separation Project*, by \$2.161 million. The total TCIF funds programmed to this project will increase from \$6.694 million to \$8.855 million.

The Lenwood Road Street Grade Separation Project (#64) in the City of Barstow will construct a railroad grade separation at Lenwood Road. SANBAG proposes to remove SLPP funds from the project and replace them with TCIF funds. Capacity is available for this action due to the programming action from Project 65.

The SCCG supports the proposed amendment to the TCIF program (see attached letter).

#### Project 61

SANBAG proposes to increase the TCIF funds to Project 61, South Milliken Avenue Grade Separation Project, by \$13.692 million. The total TCIF funds programmed to this project will increase from \$14.521 million to \$28.213 million.

The South Milliken Avenue Grade Separation Project (#61) in the City of Ontario will construct a grade separation on Milliken Avenue at the Union Pacific railroad line. The project estimate has increased by \$7.675 million due to a revised estimate and the terms of the negotiated C&M agreement. Also, SLPP, Local, and Railroad funds have been reduced on the project. Capacity is available for this action due to the programming actions from Project 64 and Project 58.

The SCCG supports the proposed amendment to the TCIF program (see attached letter).

#### Project 89

The Department proposes to replace \$8.5 million of regular TCIF funds with TCIF/SHOPP funds, leaving \$15.5 million of regular TCIF funds on the project. Portions of this project are SHOPP eligible and since there is capacity available on TCIF/SHOPP funds, the Department proposes to maximize these funds. The combined regular TCIF and TCIF/SHOPP programmed to the project will remain at \$24 million.

The Northern California Trade Corridor Coalition supports the propose amendment to the TCIF Program (see attached letter).

May 20, 2013

Mr. Andre Boutros  
Executive Director  
California Transportation Commission  
1120 N Street, Room 2231, MS-52  
Sacramento, CA 95814

Attn: Stephen Maller

Dear Mr. Boutros:

Because of our inability to execute third party agreements that contain Buy America provisions and concern about the likelihood of receiving fully executed construction and maintenance (C&M) agreements in a timely manner, San Bernardino Associated Governments (SANBAG) respectfully requests your consideration for modification of allocation requests submitted for the June meeting of the California Transportation Commission (CTC). These modified requests are necessary to protect SANBAG's share of the formula State-Local Partnership Program (SLPP) funds and to reprogram the Trade Corridors Improvement Fund (TCIF) Letter of No Prejudice funding from the I-10/Citrus Interchange project.

The support letter from the Southern California Consensus Group concerning the amendments to the TCIF programming, modified allocation requests, draft baseline amendments, and updated project programming request forms are attached. The fully executed baseline amendments are forthcoming. We have also attached a summary page that details each project scheduled for allocation in June, the specific modifications being made at this time, and the overall programming for the TCIF and SLPP programs in San Bernardino County. The TCIF projects impacted at this time are:

- I-10/Citrus Interchange (TCIF Project #57) – The CTC approved a Letter of No Prejudice for \$23.6 million TCIF in May 2011. This project has since been awarded and is under construction. The bid savings resulted in savings of \$1.835 million that will count toward San Bernardino County's share of over-programming in the Southern California Consensus Group. Because the project was delivered with federal funds in place of TCIF, the TCIF is being reprogrammed to the Laurel and South Milliken Grade Separation projects.
- Vineyard Grade Separation (TCIF Project #65) – Because this project has certainty in its deliverability, SANBAG is maximizing the SLPP on this project and removing all TCIF funds. This project will no longer be part of the TCIF program.

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- Laurel Grade Separation (TCIF Project #84) – The total TCIF increase on this project, which is from the I-10/Citrus Interchange LONP, is \$12.796 million and will replace Traffic Congestion Relief Program (TCRP) funds that are not currently available for allocation. The total project cost has increased from \$53.995 million to \$59.854 million to reflect the current construction estimate and the terms of the negotiated C&M agreement. Increased railroad contributions to construction are offsetting the cost increase. The schedule has been updated to reflect an 11-month delay to the right-of-way certification milestone that was a result of development of additional access concepts requested by nearby property owners and the eminent domain process.
- Lenwood Grade Separation (TCIF Project #64) – A required third party agreement cannot be executed with Buy America provisions. The \$2.161 million SLPP funds that were programmed on this project and originally requested for allocation have been replaced with \$2.161 million TCIF from the deprogramming of Vineyard Grade Separation. There are no cost or schedule changes proposed for this project.
- South Milliken Grade Separation (TCIF Project #61) – This project is being used to swap SLPP and TCIF with other projects. The balance of \$8.696 million TCIF from the I-10/Citrus LONP and \$4.723 million TCIF from the deprogramming of Vineyard Grade Separation has been added to this project. The total project cost has increased from \$76.816 million to \$82.016 million to reflect the current construction estimate and the terms of the negotiated C&M agreement. The schedule has been updated to reflect a three month delay to the right-of-way certification milestone that was a result of utility coordination and the eminent domain process.

We appreciate the consideration of you and your staff as we work to ensure we secure all possible funding for our County in what has become a very dynamic project delivery environment. If there are any questions about the requests being made, please contact me at [azureick@sanbag.ca.gov](mailto:azureick@sanbag.ca.gov) or at 909-884-8276.

Sincerely,



Andrea Zureick  
Director of Fund Administration and Programming

Enclosures

cc: Laurel Janssen, California Transportation Commission  
Rachel Falsetti, Caltrans HQ Programming  
Sean Yeung, Caltrans District 8 Local Assistance

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May 21, 2013

Mr. Andre Boutros  
Executive Director  
California Transportation Commission  
1120 "N" Street, Mail Stop: 52  
Sacramento, CA 95814

Dear Mr. *Andre!* Boutros:

The Southern California Consensus Group has discussed and approved the changes requested by our partner agency. It is our understanding that the San Bernardino Associated Governments (SANBAG) is requesting to amend their Baseline Agreements for Project #61 - South Milliken Avenue Grade Separation, Project #64 - Lenwood Road Grade Separation, Project #65 - North Vineyard Avenue Grade Separation, and Project #84 - Laurel Street Grade Separation Project.

- Project #61 - South Milliken Avenue Grade Separation: Increase TCIF funds from \$14.521 million to \$28.213 million. Additional TCIF funds were originally programmed for the I-10 Citrus Interchange with Letter of No Prejudice and TCIF funds deprogrammed from North Vineyard Avenue Grade Separation.
- Project #64 - Lenwood Road Grade Separation: Increase TCIF funds from the current programmed \$6.694 million to \$8.855 million. Additional TCIF funds are deprogrammed from North Vineyard Avenue Grade Separation.
- Project #65 - North Vineyard Avenue Grade Separation: Deprogram \$6.884 million of TCIF funds from the project. These funds will be shifted to Project #61 - South Milliken Avenue Grade Separation & Project #64 - Lenwood Road Grade Separation.
- Project #84 - Laurel Street Grade Separation Project: Increase TCIF funds from the current programmed \$11.917 million to \$24.713 million. Additional TCIF funds were originally programmed for the I-10 Citrus Interchange with Letter of No Prejudice.

Project #57 – I-10 Corridor Logistics Access Project (IC reconst @ Citrus) had a reduction in cost savings from \$23.6 million to \$21.765 million due to construction bid savings. The \$1.835 million of TCIF savings went towards reducing SANBAG's over programming share reduction.

The proposed modifications do not change the TCIF funds for SANBAG.

Please see the attached letter detailing the requested changes. Please direct any questions or comments regarding this issue to me at (213) 922-3061. We appreciate the ongoing support and guidance provided by you and your staff.

Sincerely,



Shahrzad Amiri  
Deputy Executive Officer

cc: Southern California Consensus Group  
Stephen Maller



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*Amy Rein Worth, Chair*  
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May 15, 2013

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Santa Clara County

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Cities of San Mateo County

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Mr. Andre Boutros, Executive Director  
California Transportation Commission  
1120 N Street, MS-52  
Sacramento, CA 95814

Dear Mr. Boutros:

The Northern California Trade Corridors Coalition (Coalition) is in support of the California Department of Transportation's (Caltrans') Trade Corridor Improvement Fund (TCIF) baseline agreement amendment for the I-80/680/12 Interchange (WB I-80 to WB SR-12 Connector and Green Valley Road Interchange Improvements) project in Solano County.

**Solano I-80/680/12 Interchange Project ("Project"):**

Caltrans requests reducing the TCIF-Bond amount by \$8.5 million in the funding plan and replacing it with TCIF State Highway Operations and Protection Program (SHOPP) funds. The funding plan update will result in a net zero cost change. In addition, Caltrans requests updating the delivery schedule to reflect slight delays in obtaining permits. The project is now Ready to List, pending resolution of the Buy America clause in the Moving Ahead for Progress in the 21st Century (MAP-21) federal legislation.

The Coalition met on April 30, 2013 and supports the proposed baseline agreement amendment to swap \$8.5 million in TCIF-SHOPP funds for TCIF-Bond funds. This amount will come from the Coalition's unprogrammed balance of TCIF-SHOPP funds. Caltrans has also submitted a concurrent allocation request for the June 2013 CTC meeting.

Should you have any questions or comments, please contact Kenneth Kao of my staff at (510) 817-5768 or [kkao@mtc.ca.gov](mailto:kkao@mtc.ca.gov).

Sincerely,

Ross McKeown  
Principal, Programming and Allocations

cc: Northern California Coalition agencies  
Stephen Maller, CTC  
Dawn Cheser, Caltrans HQ

RJM:KK