



SAN JOAQUIN  
REGIONAL  
RAIL COMMISSION

**FY 23/24**  
Work Program and Budget

# LAYING THE **GROUNDWORK** FOR MORE **CONNECTED COMMUNITIES**





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# EXECUTIVE SUMMARY

Residual impacts from the COVID-19 pandemic are still present despite aggressive attempts by all communities and industries to get everything back to normal. Similar to many small businesses, transit agencies in California are facing fiscal difficulties as remote work has altered travel patterns and significantly decreased ridership. Technology companies are signaling a shift back to more office work, but are likely to continue a hybrid work model for some time. Additionally, supply chain issues continue to impact the pricing and availability of many construction materials increasing the costs of many planned transportation projects. Sometimes it makes sense to take a step back, evaluate the landscape and “lay the groundwork” for a new path forward.

The ACE service continues to operate 4 daily round-trips, with ridership just under 40% of pre-pandemic levels. The Marketing and Outreach Team has been conducting a series of surveys of existing passengers and business stakeholders to determine if new travel demand patterns might warrant a change in the current train times to better fit hybrid work models or attract non-commute riders.

The schedule for the Valley Rail Program has been re-baselined to reflect the difficult construction environment and the strain on the host railroads and utility companies with so many simultaneous projects under development. But, with nearly 50 projects improving the existing ACE trunkline, San Joaquins and the new Valley Rail expansion segments will still be in high gear and require continued, intense program delivery oversight. At an investment level of nearly \$350 for the year, the Capital Program makes a significant contribution to the Northern California region and keeps hundreds of people employed in the work effort.

The Rail Commission was also successful in securing an additional \$142M toward the capital expansion program and is continuing planning work to connect even more communities to the passenger rail network. Another \$39.7M is pending final selection of projects by funding agencies. This year marks the beginning of at least eight years of major construction effort and a transformational program for future generations.





# OPERATIONS

The Rail Commission's commitment to safety lays the groundwork that allows the existing services to grow and new services to expand into additional communities.

ACE operates four (4) daily round-trips starting in Downtown Stockton at the Robert J. Cabral Station, through the Tri-Valley, Silicon Valley, and into San Jose's Diridon Station. The 86-mile route includes ten (10) station stops along tracks owned by Union Pacific Railroad (UPRR) and Caltrain. Currently, the ACE trains operate on weekdays only and are scheduled during the peak commute periods. The trains average six cars plus a locomotive. In FY 23/24, the Rail Commission anticipates introducing the newly procured cars from Alstom into the rotation. The new cars were purchased in anticipation of the Valley Rail service and will be used to relieve legacy cars needing a midlife overhaul.

In the first six (6) months of FY 22/23, ACE carried 212,358 passengers, which is a 47% increase from the same period in FY 21/22. Ridership is currently averaging 2,000 trips/day. For FY 23/24, ACE's ridership is conservatively estimated to grow 5%. ACE average endpoint On-Time Performance (OTP) in the first six months of FY 22/23 was 85.17%. The Operations team will be working with both UPRR and Burlington Northern Santa Fe (BNSF) railroads in FY 23/24 to bring OTP back to above 90% and the Marketing and Outreach team will be testing out new strategies for ridership recovery.

## SAFETY AND SECURITY

The most important components of the overall agency operating plan are the safety and security of everyone involved in the Rail Commission programs and activities. Protecting customers, passengers, contractors, local residents, host rail-

roads, employees, and board members has to continue to be a focus for ongoing improvement. Establishing and maintaining the highest possible levels of safety and security for ACE operations and other Rail Commission activities begins with clear, comprehensive safety messaging, implementation of physical improvements, and ongoing educational activities. With facilities and services spanning multiple counties and typologies, it is necessary to expect the safety and security plan to adapt its implementation for varying environments. The implementation of the safety and security objectives ensures that ACE passengers travel safely and community stakeholders understand that they have a partner in SJRRC. Key safety initiatives include:

- Emergency preparation awareness training on fire drills, floor wardens, emergency rescue stations, and safety briefs.
- Roll out the next iteration of the Rail Commission/ ACE Safety and Security Committee (ASSC) with newly created training materials.
- First-aid training for station staff and additional emergency equipment such as AEDs.
- Enhanced security measures at key stations to ensure passenger and employee safety.
- Upgraded cameras and speakers at various Rail Commission facilities.
- Installation of trespasser, suicide prevention, and human trafficking awareness signage at the station platforms.





# OPERATIONS

## **POSITIVE TRAIN CONTROL**

Positive Train Control (PTC) (which automatically slows or stops the trains) is an ongoing initiative for the ACE service. The ACE PTC system was certified prior to the December 2020 deadline for full interoperability of all railroads in the country. The Rail Safety Improvement Act of 2008 (RSIA) requires extensive coordination of ongoing software compatibility among all railroads; this ensures all trains are interoperable on all rail lines. Staff continues to work closely with Union Pacific Railroad (UPRR), Caltrain, and the rail industry as the software matures through industry review and comment which lead to system updates and improvements to ensure compliance and enhance the efficiency and reliability of the PTC system.

## **MOBILE TICKETING AND NEW TICKETING PLATFORM**

The ACE mobile ticket app (launched in April 2019) continues to be a popular alternative for passengers to purchase tickets. Approximately 65% of ACE passengers are utilizing mobile tickets. Rider feedback and continued campaigns and education will take place in FY 23/24 with a goal of increasing

mobile app utilization even more. Additionally, there will be progress made in onboarding a new ticketing platform that will serve present and future passengers and agency needs. With the coming launch of Valley Rail Service, the new ticketing platform will allow new communities to be seamlessly integrated into the service and equity goals to be accomplished. In FY 22/23, the project completed an agency-wide 'Needs Assessment' and industry-related 'Market Research' task. The deliverables of those processes were used to release a Request for Information (RFI) in April 2023 with an RFP in the Summer of 2023. The project goal is to begin 'Phase 1' implementation in FY 23/24.

## **THE RAIL ACADEMY OF CENTRAL CALIFORNIA (TRAC-C)**

The Rail Academy of Central California (TRAC-C) will operate as a strategic partnership between Sacramento City College (Sac City), Stockton Unified School District (SUSD), and the Rail Commission to train and place students into quality transportation-related jobs in the railroad and transit sectors. The transportation industry has continued to experience workforce challenges through normal attrition, which the pandemic has magnified. Given its impact on the labor mar-





# OPERATIONS

ket, the Rail Commission is committed to breaking barriers for historically disadvantaged populations, disconnected youth, communities of color, women, and other groups in our Central California communities. Without qualified employees to operate and assist passengers, the Rail Commission's passenger services and the broader transportation industry are without a path forward. In many ways, SJRRC is in a unique position to help solve this challenge, as its Valley Rail Program and growing list of equipment maintenance projects at the Rail Maintenance Facility (RMF) are creating a need for additional rail workforce in the near and long term.

With partners like Sac City College and Stockton Unified School District, TRAC-C will offer both a certificate and an associate degree program. TRAC-C will create employment opportunities to enhance the region's economic growth and get students on board for a bright future in rail. Herzog Transit Services, Inc., Union Pacific Railroad, and Amtrak have committed to serving on the TRAC-C Advisory Board and interviewing TRAC-C graduates.

In FY 22/23, TRAC-C was awarded funding for the construction of classrooms and administrative offices. The environmental phase for the construction project will begin in early FY 23/24. It is expected that TRAC-C will accept its first students for enrollment in the 2023 Fall Semester. The freshman TRAC-C class will kick off with approximately 20 students

## CONNECTING SERVICES

The 'ACE Connecting Services' Program is one of the reasons ACE has been historically successful. Whether it is the inbound partners like The S (Modesto), Manteca Transit, Tracy Tracer, or LAVTA, or the outbound partners like Wheels and VTA, ACE passengers depend on connecting services for the first/last mile connection.

Operating since the launch of ACE in 1998, the most successful portion of the Connecting Service program has been the Great America Shuttles. Eight (8) different shuttles operate every weekday out of the Great America Station to provide convenient connections with major employment sites in Santa Clara County. The shuttles are scheduled to provide service immediately following the first three morning ACE train arrivals with timely return service in the evening. The ACE Great America Shuttles are made possible mainly due to the funding from Bay Area Air Quality Management District (BAAQMD). Due to new technology resulting in cleaner light-duty vehicles, the BAAQMD staff recommended suspending the program to assess the updated air quality.

The pause of this program will result in a \$930,000 annual loss to the shuttle program. SJRRC and VTA staff are working together to identify new sources of funding and cost savings, including but not limited to the following:

- Private employer contribution
- Reducing shuttle stops along the routes, resulting in less travel time

## MAINTAINING STATIONS AND FACILITIES

With ten (10) stations and the Rail Maintenance Facility (RMF), the facilities and maintenance team is hard at work on a daily basis to ensure the facilities are well maintained and passengers' experience is held at a high level. In FY 23/24, several minor maintenance projects will take place at the ACE stations including: signage upgrades, safety stripe painting, passenger shelter improvements, and tree trimming.

"After 33 years working at the Fremont Hall of Justice (FHJ), I am retiring...I am an original ACE train rider. I moved to Tracy in 1993 and until ACE arrived had difficulty getting to work. From driving to ride sharing to van-pooling, I tried it all. ACE was our savior. From easing my commute to making lifelong friends. Thank you, ACE!"

**Vicky**  
Original ACE Rider



Stockton Rail Maintenance Facility

**2023/2024:** Work Program and Budget





# MARKETING & PASSENGER EXPERIENCE

Ridership during FY 22/23, though improved from the prior fiscal year, was still far from pre-pandemic levels, and during this time, the marketing and communications team began developing new strategies to get riders Back Onboard. Given the fact that many past riders remained at home working remotely or in a hybrid modality, the Rail Commission needed to broaden its approach to reach new riders, while ensuring the existing ridership held steady by deepening engagement. For FY 23/24, as ACE heads into its 25th year of service under the management of the San Joaquin Regional Rail Commission, the marketing and communications team is focused on the implementation of foundational programs that are aimed at growing ridership from the commuter and leisure communities, expanding destination partnerships to increase brand awareness, and promoting the future vision of ACE, which will mean connecting more communities.

## **ACE'S 25TH ANNIVERSARY**

As ACE reaches its silver anniversary, the Rail Commission intends to celebrate this milestone through a variety of marketing activities and anniversary themed assets including rider appreciation events, social media content and giveaways, a press release, new station signage, and an anniversary seal. Video content will also be produced to help share the ACE story as well as amplify where the service is headed in the future.

## **MARKET AND PASSENGER RESEARCH**

In FY 22/23, a market research firm was onboarded to conduct a series of surveys (market research, employer, and onboard) to help the Rail Commission understand current and projected travel patterns; gain insight into current rider experience; and to identify pools of prospective riders. The findings from the research, available in FY 22/23 Q4, will be leveraged to inform the direction of advertising, employer outreach, partnerships, and passenger experience for ACE. Campaigns for rider acquisition will be targeted towards those identified micro-markets that have the most potential riders along the corridor. Additionally, based on the feedback from the survey, ACE will be integrating marketing strategies that are aimed at targeting leisure riders who can also benefit from the service.

## **ADVERTISING PROGRAM**

The *On the Way* marketing campaign that ran throughout the year was an opportunity to actively remind communities that ACE is still here to provide reliable service for its base of commuters, students, and leisure riders who are on their way to important destinations. Advertising efforts will be adapted to encourage increased ridership from the leisure market, while not alienating ACE's strong and consistent base of

commuters and students. For FY 23/24, there will be messaging and marketing tactics employed that speak to aspirational audiences such as socially conscious young adults, seniors, families, and corporate groups. The proposed new tactics are aimed at finding new communities that identify with these targeted groups and see themselves as future ACE riders and view the service as a vital connection to their destinations.

## **EMPLOYER OUTREACH**

While the challenges of remote and hybrid work remain a barrier to a strong resurgence of ridership back to ACE, there will continue to be calculated efforts to remain close and engage with this audience. Market research findings from FY 22/23 Q4 will help inform what additional commuter ridership might exist in the Central Valley that we have yet to tap into. Beyond this, reestablished relationships with the





# MARKETING & PASSENGER EXPERIENCE

Hacienda Business Park is well underway as they continue to add business and residential tenants, such as Kaiser Permanente's administrative office, Vagaro, and Unchained Labs, in addition to an 11th residential development. Strategic partnerships, like Hacienda, will serve as a strong channel to promote the ACE service and marketing programs. Rail Commission staff are also working towards developing relationships with employers along the route to allow for regular promotion of the ACE service to their employees.

## STRATEGIC PARTNERSHIPS

The housing shortage throughout the state and lack of affordability continues to make the Central Valley a desired location for homeowners. Relationships within the realtor and developer market for ACE has seen ongoing success, and has been a great vehicle for agents to act as an extension of the staff to sell the service to prospective homebuyers who may be relocating to the area and would need to commute to the Bay Area. ACE is diversifying its historical approach to partnerships to include leisure destinations and partners as a new dimension to the marketing inventory. There will be cross-promotion between ACE and the Stockton Ports minor league baseball team throughout their entire season, putting the ACE brand front and center to their stadium audience. Finally, ACE will be launching a Student Ambassador program, which is aimed at building relationships with colleges and universities along the route and identifying student champions that will feature the service on their social media and participate in events that promote the service.

## PASSENGER EXPERIENCE

Several initiatives aimed at upgrading the passenger experience will continue to progress during the fiscal year. Anticipated milestone activities include a clearer direction for

ticketing based on vendor submissions from an FY 22/23 Q4 Request for Information (RFI), which will position the Rail Commission to develop and release a Request for Proposal (RFP) for a ticketing solution. Over the past fiscal year, pilot programs have proved successful and will enable the agency an opportunity to renew the Community Assistance Program (CAP) for another year as well as add the 10-Trip pass as a permanent fare offer. The mid-life overhaul of the rail equipment has presented an opportunity for the installation of digital screens onboard the trains. As the project expands across the fleet of equipment, this becomes another touch-point for branding, partner promotion, and rider engagement. Development of a new email marketing strategy is underway to serve as a vehicle for rider retention as this will be a channel for communicating service updates, promotions, and partnerships as well as an opportunity to get ongoing feedback from riders. Lastly, the end of FY 22/23 welcomed a newly redesigned website that will remain a vital source of information for existing riders, while serving as a welcoming and educational tool for new riders that need to navigate schedules, connections, amenities, and even be inspired by new travel ideas.

## STAKEHOLDER ENGAGEMENT

One of the reasons that ACE has been such a successful service is the constant support of our community partners. Whether chambers, community based organizations, business partners, or local schools, the ACE stakeholders have helped champion the service, highlight its utility to the community, and amplify SJRRC messaging. In FY 23/24, staff will continue to work with stakeholders to show up in the community, promote the current and future service, and ensure equitable access to ACE through programs like the Community Assistance Program (CAP).





# CAPITAL PROJECTS

As the agency continues to lay the groundwork for improving existing services and connecting many more communities to rail service options, the Rail Commission capital project list continues to grow. In FY 23/24, the capital project work effort grows to \$344M for SJRRC and \$48.5M for SJPA with significant progress on the transformational Valley Rail Program, along with continuing projects to improve transportation connectivity, safety, and passenger comfort and amenities throughout the San Joaquin Valley and surrounding regions. Numerous projects will complete their final engineering and Right-of-Way (ROW) phases and several key projects will be moving into construction.

## VALLEY RAIL OVERVIEW

Having successfully secured over \$1.6B in funding from numerous State programs out of the SB-1 Transportation Package and a rare Federal BUILD grant, the ACE and San Joaquin's rail services are in the midst of a transformational expansion program. Valley Rail consists of two segments: the northern segment consisting of stations and a train layover facility between Stockton and Natomas, and the southern segment with the stations and several interim train layover facilities between Lathrop and Merced. Valley Rail adds 120 miles of expanded service connecting three new counties and even more individual communities. The joint SJRRC and SJPA program leverages both the ACE and San Joaquin's services to bring unprecedented sustainable transportation funding to the San Joaquin Valley. In FY 23/24, the program begins to shift from laying the groundwork to putting shovels in the ground with the goal of a more connected region. Project highlights for some projects in the Valley Rail Program are described below. A detailed list of all Valley Rail projects are shown in the FY 23/24 Valley Rail Capital Budget table.

## VALLEY RAIL - STOCKTON TO NATOMAS (NORTH) \$64,462,951

(All Project Work for FY 23/24 including Program Delivery Support)

## NATOMAS STATION \$12,556,209 (FY23/24) | \$48,741,016 (Total Project Cost)

Among the key projects for Valley Rail North is Natomas Station, which is in close proximity to the Sacramento International Airport, allowing a direct link between rail, air, and bus travel. The Natomas Station project consists of construction of a new side platform, single main with a station track in and out of the station, a train layover facility, and a parking area with "kiss and ride" and bus loop. Work in FY 23/24 will focus on finalizing plans and specifications, ROW acquisition, securing permits, and initiating utility relocation.

## MIDTOWN STATION

**\$12,788,529 (FY23/24) | \$28,387,000 (Total Project Cost)**

(Include Sacramento Downtown Mobility Project)

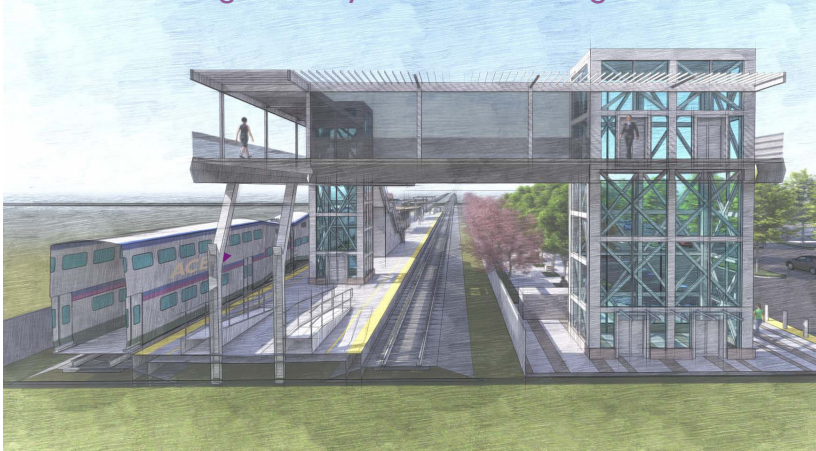
The Midtown Station is located in one of Sacramento's downtown historic districts. The project consists of a side platform and new double track and has several other unique features, including dedicated funding to upgrade the City of Sacramento's bicycle and pedestrian network, special plaza community space under the SacRT Flyover to integrate the station into the community, and other design features that mitigate impacts to the residents immediately adjacent to the rail corridor. The Midtown Station is also the only station in the Valley Rail program with no planned dedicated parking. The new configuration will encourage passengers to utilize alternative transportation to and from the station. Work in FY 23/24 will focus on finalizing plans and specifications, securing permits, and initiating utility relocation.

## ELK GROVE STATION

**\$15,569,647 (FY23/24) | \$62,054,408 (Total Project Cost)**

The city and community of Elk Grove have long desired a connection to the region's and state's rail network. Elk Grove is the second largest city in Sacramento County and is an important transportation hub in the region. The Elk Grove Station project includes the construction of a new center platform, pedestrian overcrossing, elevator banks, new double track leading in and out of the station, bus bays and parking. Work in FY 23/24 will focus on finalizing plans and specifications, ROW acquisition, securing permits, and initiating utility relocation.

## Artist Rendering of Valley Rail Station Design



# CAPITAL PROJECTS

## LODI STATION

\$12,554,678 (FY23/24) | \$60,007,000 (Total Project Cost)

The Lodi Station serves a key catchment area in northern San Joaquin County and is centered in the heart of the local wine country, making it a potential station for tourists visiting the area. The Lodi Station project includes the construction of a new center platform, pedestrian tunnel, new double track leading in and out of the station, a three (3) mile siding, bus bays and parking. The station also requires one of two road access points on State Hwy 12. Work in FY 23/24 will focus on finalizing plans and specifications, ROW acquisition, securing permits, and initiating utility relocation.

## VALLEY RAIL - LATHROP TO CERES/MERCED (SOUTH) \$110,966,919

(All Project Work for FY 23/24 including Program Delivery Support)

## LATHROP WYE AND TRACK EXTENSION

\$14,660,968 (FY23/24) | \$49,590,958 (Total Project Cost)

The Lathrop Wye project will construct a new wye track connecting the Oakland and Fresno Subdivisions in the southeastern portion of Lathrop. This wye is necessary to connect ACE trains traveling north from Ceres/Modesto to the west with the existing ACE trunk lines into the Bay Area. Construction includes the new wye track, a portion of new main track along the existing Fresno Subdivision, and a new double barrel reinforced concrete box culvert structure to carry the new wye track across an existing irrigation canal owned by South San Joaquin Irrigation District. Work in FY 23/24 begins construction of the box culvert, trackwork, and roadway crossing realignment.

## DOWNTOWN MANTECA STATION

\$9,325,312 (FY23/24) | \$30,114,349 (Total Project Cost)

The City of Manteca built the initial phase of the Manteca Transit Center in 2013 to accommodate bus service until the ACE Service was expanded. The Valley Rail Manteca Station project expands the footprint of the existing Transit Center to accommodate train service and train passengers. The aesthetic and structural features will be designed to complement the existing architecture and landscaping of the Transit Center. The Downtown Manteca project consists of a center platform, pedestrian overcrossing, elevator banks, double track leading into and out of the station (connecting with the Lathrop Wye double track section), bus bays, and parking. Work in FY 23/24 will focus on finalizing plans and specifications, ROW acquisition, securing permits, and initiating utility relocation.

## MODESTO STATION

\$36,576,946 (FY23/24) | \$112,109,943 (Total Project Cost)

The Modesto Station project is located at the historic Southern Pacific Depot in Downtown Modesto. In keeping with the aesthetic of the historic depot, the Modesto Station expansion project is planning structures and aesthetics to be complementary of the Mission Revival architecture. In anticipation of the ACE service, the City of Modesto funded a rehabilitation of the depot, including its interior, to make the station ready and inviting for future passengers. The Modesto Station includes two side platforms, passenger overcrossing, elevator banks, double track into and out of the station area, and additional parking. Work in FY 23/24 will focus on finalizing plans and specifications, securing permits, and initiating utility relocation.

## CERES STATION

\$17,044,714 (FY23/24) | \$82,618,938 (Total Project Cost)

The Ceres Station is located adjacent to Whitmore Park in Downtown Ceres and along an elevated section of SR-99. The City recently completed a lighting project to improve the safety of the area in anticipation of ACE passengers parking in the station area. The project includes a center platform, passenger tunnel, double track leading into and out of the station, a train layover facility near Keyes Road and various street and pedestrian improvements. Work in FY 23/24 will focus on finalizing plans and specifications, securing permits, and initiating utility relocation.

## NORTH LATHROP TRANSFER STATION

\$6,906,989 (FY23/24) | \$35,121,238 (Total Project Cost)

The North Lathrop Transfer Station is located at the Sharpe Army Depot. This station is a key to the Valley Rail program because it will become the transfer point for north-south trains between the Central Valley and Sacramento and the east-west trains connecting to the Bay Area. In the future, the North Lathrop Station is planned to be a connection point between ACE and Valley Link. The North Lathrop Transfer Station project consists of constructing a center platform, pedestrian overcrossing, elevator banks, new double station tracks leading into and out of the station, a customer service/ticketing building and a parking area. Work in FY 23/24 will focus on finalizing plans and specifications and securing the necessary ROW from the Port of Stockton as part of the Memorandum of Understanding (MOU) for the station site.



# CAPITAL PROJECTS

## STOCKTON DIAMOND GRADE SEPARATION

\$44,741,657 (FY23/24) | \$293,053,132 (Total Project Cost)

The Stockton Diamond crossing, where the Union Pacific Railroad (UPRR) and Burlington Northern Santa Fe (BNSF) rail lines cross in the City of Stockton, is the busiest and most congested at-grade crossing in California. Between 50 and 70 freight trains, and another 12 to 20 passenger trains, routinely cross through the diamond each day. The Stockton Diamond Grade Separation project constructs a flyover bridge to raise the UPRR rail line over the BNSF rail line to eliminate the bottleneck. In addition to the railroad improvements, the project includes street and sidewalk improvements, landscaping, aesthetic treatments of the bridge abutments with City of Stockton historical themes, and 850' of sewer pipe upsizing to meet the City's projected future demands. The Commission is also working with the City on several separate projects to improve nearby safety, walkability, and greenspace. Work in FY 23/24 will focus on finalizing plans and specifications, ROW acquisition, securing permits, and initiating utility relocation.

## MARTIN LUTHER KING JR. UNDERPASS ENVIRONMENTAL STUDY

\$300,000 (FY23/24) | \$550,000 (Total Project Cost)

The Commission is supporting the City of Stockton in undertaking an enhancement study of the MLK Jr. Underpass at the southern terminus of the Stockton Diamond project. MLK Jr. Blvd. was abandoned by the State and is now a local east-west arterial between I-5 and SR-99. However, much of the infrastructure is antiquated, including the roadway and pedestrian area that run underneath the rail and road bridges. The study will include alternatives analysis, environmental clearance, preliminary engineering, and future ROW needs to provide a modern, multi-modal travel way for vehicles, pedestrians, and bicyclists. Work in FY 23/24 will focus on existing conditions assessment, alternatives analysis, and initiation of environmental assessments.



Conceptual rendering of the Stockton Diamond

# CAPITAL PROJECTS

## ACE RAILCAR PROCUREMENT

\$11,170,782 (FY23/24) | \$139,200,601 (Total Project Cost)

To allow for increased capacity of the current ACE service and to prepare for the expansion of service to Natomas and Ceres/Merced, the Rail Commission entered into a joint procurement with other transit agencies in May 2020. The Rail Commission purchased 21 rail cars to expand its fleet – sixteen (16) coach cars and five (5) cab cars. The new rail cars will be used in conjunction with existing equipment and the Tier IV locomotives to create longer train sets that can transport more passengers between the Central Valley and the Bay Area. The first cars arrived in the Summer of 2022 with additional cars arriving in FY 23/24.

## RAILCAR MIDLIFE OVERHAUL

\$4,422,776 (FY23/24) | Total Subject to Annual Allocations

As part of the Rail Commission's commitment to maintaining assets in a State of Good Repair, work is continuing to overhaul 30 ACE railcars. The Rail Commission's Transit Asset Management Plan (TAMP) identified midlife overhauls as a key initiative to ensure ACE's revenue fleet operates at maximum performance. The Project includes a new paint scheme, seats, flooring, updated exterior paint scheme, and on-board information system including digital audio and LCD screens, etc. These overhaul projects will improve passenger experience and reduce maintenance. This is a multi-year project started in FY19/20 and is scheduled to be completed in FY 23/24.

## ACE PLATFORM EXTENSION PROJECTS

\$15,637,405 (FY23/24) | \$15,834,000 (Total Project Cost)

The ability for each ACE train to carry additional coaches to increase seating capacity is a key initiative to ensure every ACE train is utilized in the most effective manner. The project also improves the passenger loading and unloading at the Tri-Valley stations where the platforms are too short to allow all train car doors to be opened. The ACE Platform Extension Projects extend the platforms at Lathrop/Manteca, Tracy, Livermore, Vasco Road, and Pleasanton Station to allow up to a ten (10) car ACE train to fit onto the platform and adds passenger shelters and other amenities. Work in FY 23/24 will focus on finalizing the new Union Pacific standards for platform edges and overall plans and specifications. The project is anticipated to be in construction by end of FY 23/24.

## FREMONT STATION PLATFORM EXTENSION

\$3,025,496 (FY23/24) | \$5,766,583 (Total Project Cost)

Similar to the ACE Platform Extension Projects, the Fremont Station is undergoing a similar platform extension project to fit the planned trainsets. The Fremont Station Platform Extension is a stand-alone project. Work in FY 23/24 will focus on finalizing the new Union Pacific standards for platform edges and overall plans and specifications.

## ROBERT J. CABRAL STATION MASTER PLAN EXPANSION

\$4,853,875 (FY23/24) | \$14,745,374 (Total Project Cost)

Located in downtown Stockton, the Robert J. Cabral Station is a beautifully restored historic train station and administration offices for the Rail Commission and San Joaquin Joint Powers Authority. The Cabral Station is currently the only joint station for the ACE and San Joaquins services. The Commission owns several properties within the master plan expansion area, including the site of the former Western Pacific Depot. As Valley Rail expansion increases service on ACE and San Joaquins through Stockton, additional passenger parking and administrative office space are required. This project will construct a building on the site of the former WP Depot with administrative offices and a multi-purpose room designed to host board meetings. The new building will be constructed in the Mission Revival architecture of the former structure. Work in FY 23/24 will focus on finalizing plans and specifications and initiating construction by early 2024.

## TRACY STATION IMPROVEMENTS & EGRESS

\$1,141,943 (FY23/24) | \$1,437,500 (Total Project Cost)

The Tracy Station is one of the highest ridership locations along the ACE service. In addition to the Platform Extension discussed above, the Tracy Station Egress project includes upgrade of the station roadway egress. The current street exit has no dedicated lane for right-turn traffic. As a result, left-turning traffic unnecessarily holds up right-turning vehicles waiting to depart. Tracy station passengers have specifically requested this improvement. The project will widen the driveway and create a dedicated right turn to the street. Work in FY 23/24 will complete the construction of the improvements.



# CAPITAL PROJECTS

## RAIL MAINTENANCE FACILITY (RMF) EXPANSION

\$18,773,281 (FY23/24) | \$30,228,114 (Total Project Cost)

The rail maintenance facility (RMF) in Stockton currently provides maintenance service for the ACE fleet and the testing/acceptance for the new California Venture Railcars purchased by Caltrans for the Intercity Rail Service. Truck overhaul work for the older State Intercity Railcars is also underway. Caltrans and the Rail Commission are drafting agreements to perform additional overhaul and preventative maintenance work at the RMF in the near future, making it one of the busiest facilities in CA, and providing work for multiple agencies and services. Expansion of the RMF is required to accommodate this work and the anticipated increases from the Valley Rail and ACE Rolling Stock expansion programs. The project consists of an addition to the current maintenance shop building, alterations of the office mezzanine, and a new parts storage building. Construction on the facility began in 2022 and is now 40% complete with finished interior utilities and exterior drainage, gas, and water utilities. Work in FY 23/24 will complete the construction of the improvements.

## NEWARK-ALBRAE SIDING CONNECTION

\$1,300,000 (FY23/24) | \$7,800,000 (Total Project Cost)

The Newark/Albrae Siding Connection Project is aimed at improving the operational reliability and capacity of the San Joaquin Regional Rail Commission (SJRRRC) on the UPRR Coast Subdivision. This is a complementary project to one

Capital Corridor Joint Powers Authority (CCJPA) completed previously that will complete a 2-mile section of the second main track by extending the main track to the end of the Newark/Albrae Siding. This allows for trains to pass in an area that is congested with freight trains, Amtrak, Capitol Corridor, and ACE trains. The major elements of the project include construction of approximately 1.1 miles of a new track, upgrading 0.8 miles of existing siding track, a new railroad bridge over Mowry Slough, modification of two existing at-grade crossings to accommodate additional track, and including other miscellaneous track related rehabilitations and improvements. Work in FY 23/24 will focus on initial design engineering and coordination with Union Pacific.

## EAST CHANNEL STREET CORRIDOR IMPROVEMENTS

\$10,740,488 (FY23/24) | \$10,740,488 (Total Project Cost)

The East Channel Street Corridor Improvements include street, bicycle and pedestrian improvements along a grid of 9 blocks totaling approximately 2,900 linear feet, including along Channel Street from American Street on the west to Aurora Street on the east, and along Stanislaus Street, Grant Street and Aurora Street from Weber Avenue on the South to Miner Avenue on the north. The major project elements include complete pavement rehabilitation, replacement of curb, gutter, sidewalk and driveways, decorative colored concrete, new corner bulb-outs at intersections, storm drain improvements, ped crossing beacons, new street trees, benches, bike racks, and trash receptacles. Work in FY 23/24 will complete the majority of the construction.





# SAN JOAQUIN JOINT POWERS AUTHORITY CAPITAL PROJECTS

In an agreement between the San Joaquin Joint Powers Authority (SJJPA) and the Rail Commission, SJJPA designated the Rail Commission to lead the design and construction effort for the shared Valley Rail stations, track and facilities, as well as the major capital projects associated with the San Joaquins. The projects below are funded and directed by the SJJPA, but are incorporated into the Rail Commission Work Program and Budget to provide the staff the budget authority to carry out the projects. For additional information regarding the San Joaquin Joint Powers Authority and the San Joaquins service, the Final 2023 SJJPA Business Plan is attached at the end of this document. The following are highlighted SJJPA projects.

## **STOCKTON WYE**

**\$18,096,561 (FY23/24) | \$18,712,685 (Total Project Cost)**

A pre-cursor to the Stockton Diamond Project, the Stockton Wye constructs a missing connection for trains to run from the Union Pacific mainlines, west onto the Burlington Northern/Santa Fe mainlines. This connection allows direct access to the Stockton Amtrak station for San Joaquin trains serving Sacramento and Natomas and a direct connection for Union Pacific trains to the Port of Stockton. This connection also facilitates train movements during the construction of the Stockton Diamond and is part of the infrastructure that remains at grade after project completion. Work in FY 23/24 will complete utility relocations and the majority of the construction.

## **MADERA STATION RELOCATION**

**\$5,959,878 (FY23/24) | \$35,542,544 (Total Project Cost)**

The existing Madera Station is located three miles north of Madera. The station experiences low ridership and has no fixed route connections. The Authority, working with local leaders, is relocating the station to Avenue 12 to meet regional goals and improve ridership, as well as provide a connection to the planned California High-Speed Rail station at the same location. Work in FY 23/24 will focus on finalizing plans and specifications and ROW acquisition.

## **MERCED INTERMODAL TRACK CONNECTION ENVIRONMENTAL WORK**

**\$3,786,762 (FY23/24) | \$11,000,000 (Total Project Cost)**

The Merced Intermodal Track Connection (MITC) is a connection for the San Joaquins to a planned integrated intermodal station slated for downtown Merced. The project will include a new track connection from the BNSF corridor to the elevated Merced HSR station and a new platform alongside, which allows passengers to transfer between the San Joaquins and future high-speed rail service. The ACE platform will be at-grade underneath the structures. Work in FY 23/24 will focus on draft environmental documents, coordination with UP and BNSF Railroads and preliminary engineering.





# SAN JOAQUIN JOINT POWERS AUTHORITY CAPITAL PROJECTS

## **BNSF MODESTO CROSSOVER AND CP LAKE TO CP WEST ESCALON**

**\$3,200,000 (FY23/24) | \$21,450,000 (Total Project Cost)**

SJJPA is partnering with BNSF to improve the on-time performance and reliability of the San Joaquins by adding areas where trains can pass each other and cross from one track to another efficiently. This strategic approach ensures near-term and longer-term benefits to the San Joaquins service and the passengers. The Modesto Crossover and CP Lake to CP West Escalon projects consist of track improvements, double track, and crossovers in and around Escalon, Empire, and Modesto. Work in FY 23/24 will focus on completing environmental clearance and plans and specifications.

## **BNSF 2ND MAIN TRACK PROJECT DEVELOPMENT**

**\$1,750,00 (FY23/24) | \$1,750,000 (Total Project Cost)**

The BNSF 2nd Main Track Project consists of constructing a second mainline track in the seven remaining single-track segments between Escalon and Merced to facilitate the operational improvements noted above. Work in FY 23/24 will focus on environmental permits and preliminary design.

## **OAKLEY STATION PLATFORM**

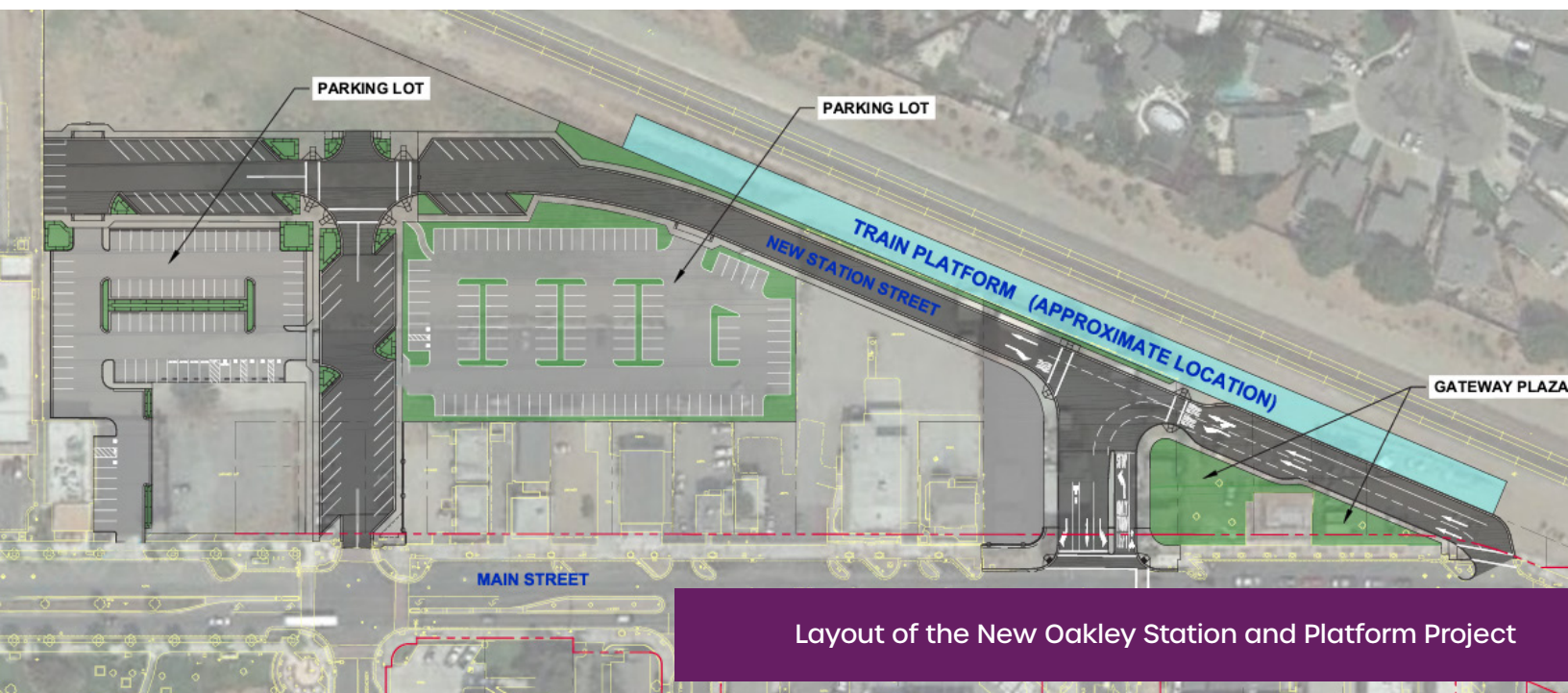
**\$500,000 (FY23/24) | \$8,281,000 (Total Project Cost)**

The City of Oakley has advocated for a San Joaquins station for years and included a new station in its revitalization efforts. BNSF, Amtrak, SJJPA and the City are working in partnership to construct a new station integrated into the downtown area. The City of Oakley is providing matching funds for the parking lot(s) and other station facilities. The city has broken ground and is progressing on its parking project. Work in FY 23/24 will focus on the completion of plans and specifications for the passenger platform and siding track.

## **HANFORD STATION ENHANCEMENT PROJECT**

**\$420,000 (FY23/24) | \$2,520,000 (Total Project Cost)**

The Hanford Station Enhancement project will improve accessibility and passenger experience of the San Joaquins Hanford Station by repairing the roof, fascia, and drainage systems as well as correcting other deficiencies on the station site. The project will bring the station to a state of good repair, while improving the current passenger experience. The City of Hanford, which is a partner on the project, owns the station and its site. Work in 23/24 will focus on environmental clearance and plans and specifications.



Layout of the New Oakley Station and Platform Project

# PLANNING

The Rail Commission is involved in rail planning efforts that span thirteen (13) counties and connecting bus service planning spanning 20+ counties. This groundwork, built consistently over the last 15 years, has created a framework for ACE and San Joaquins expansion through the Valley Rail Program and integration with the State's High-Speed Rail network.

## PLANNING FOR EXPANDED AND IMPROVED ACE SERVICE TO THE BAY AREA

Throughout FY 22/23, planning efforts continued to focus on working closely with the Metropolitan Transportation Commission (MTC), Alameda County Transportation Commission (ACTC), Valley Link, Capitol Corridor, Caltrain and the Tri-Cities stakeholders. The Rail Commission participated in several planning efforts that impact future ACE service planning that included the 2023 Draft State Rail Plan, Link 21 (new Transbay Rail Crossing), and most importantly, MTC's Southern Alameda County Integrated Rail Analysis (SoCo Rail Study). In late 2021, the Phase 1 SoCo Rail Study concluded that the most feasible mid-term rail-to-rail hub for the Tri-City area (Union City, Fremont, Newark) would be to create a new ACE to Union City BART connection. In FY22/23, the Rail Commission continued a greater role in assisting MTC with the management of the second/final phase of the SoCo Study. SoCo Rail Study Phase 2 is focused on detailed analysis of the potential for future additional ACE service to terminate at Union City/BART and will be released by the end of May 2023. The Rail Commission is working with the City of Union City to secure the funding needed for the environmental review process, which is the next step in the development of this ACE expansion project.

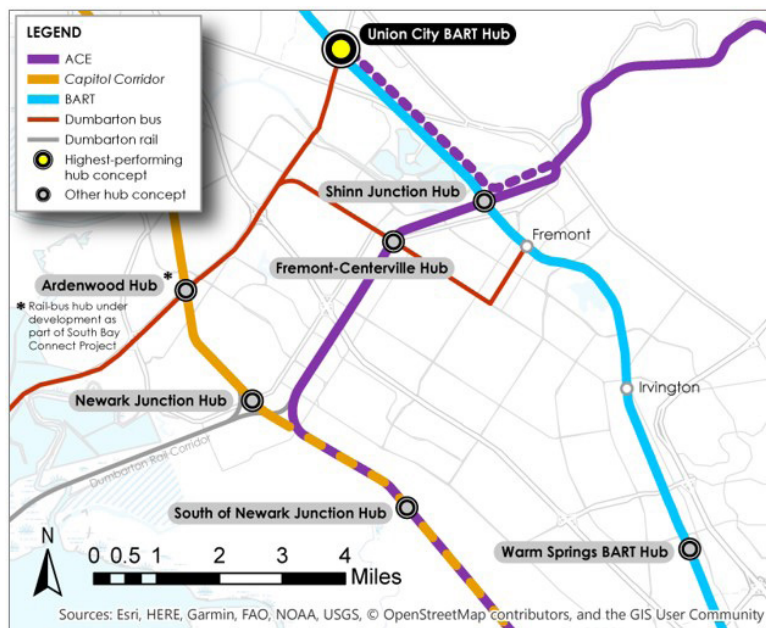
In FY 23/24, the Rail Commission will work with the City of Union City to initiate the environmental review process

(CEQA clearance and 15% design) needed to advance the ACE connection to Union City/BART. The Rail Commission will be the lead agency for the CEQA process, which is expected to focus on delivering three new intercity round-trips between the Central Valley and Union City (non peak-period morning arrivals in Union City). Having intercity service in the Altamont Corridor that operates seven days a week and focuses on serving non-commute trips is important for increasing connectivity throughout the greater Northern California Megaregion and to the High-Speed Rail Early Operating Segment (HSR EOS) in Merced, and will increase accessibility and use of ACE for low-income residents. The goal is for the new service to Union City/BART to be implemented in the mid-term (within the next ten years). The Rail Commission also expects to work with Capitol Corridor to seek planning funds to investigate what improvements are needed through the Alviso wetlands for future expansion of ACE and Capitol Corridor service to San Jose and the potential phasing of these improvements.

## CONTINUED PROGRESS ON THE VALLEY RAIL PROGRAM

In FY 22/23, the Rail Commission continued to work with cities in the Valley Rail North segment (Lodi, Elk Grove, and Sacramento) and Valley Rail South segment (Ceres, Turlock, Livingston, Atwater, and Merced) on coordination of station planning efforts and connectivity with other modes of transportation related to the ACE and San Joaquins extensions. The Rail Commission also continued to partner with Butte County Association of Governments (BCAG) on the North Valley Rail Study to plan for extending Valley Rail service north of Sacramento to Yuba, Sutter, and Butte counties. BCAG was awarded a \$500,000 sustainable transportation grant award from Caltrans for this study with Rail Commission support. On July 7, 2022, the Rail Commission received a \$57 million Transit and Intercity Rail Capital Program (TIRCP) grant award towards extending the Valley Rail ACE expansion from Ceres to Turlock. On January 31, 2023, the Rail Commission received a special TIRCP round award of \$141.9 million for the existing Valley Rail Program to help fill funding gaps created by supply chain and inflationary pressures to complete construction while protecting and leveraging significant federal and local investments.

In FY 23/24, the planning studies will be completed for extending Valley Rail north to Yuba, Sutter, and Butte counties. In addition, the Rail Commission will be developing and submitting additional state and federal grant applications to increase funding for the Valley Rail Program.





# PLANNING

## PLANNING FOR A MORE SUSTAINABLE FUTURE

The Rail Commission made considerable progress in FY 22/23 towards planning for a more sustainable future for ACE and the Northern California Megaregion. On April 12, 2022, the Rail Commission's "Climate Action Plan Framework" was submitted to the Federal Transit Administration. This plan provides a roadmap for the Rail Commission to meet state and federal goals for reducing greenhouse gas emissions from the ACE service to 50% below 2005 base levels.

To reach this goal, the Rail Commission committed to using 100% renewable diesel in its locomotives (by 2023) and bus/shuttle fleets (by 2026), which reduces operational emissions to about 96.5% below 2005 levels. On November 28, 2022, the Rail Commission announced it had moved to the sole use of renewable diesel on its locomotive fleet for the ACE train service – a key milestone for the Rail Commission on its path to net zero emissions operations. ACE is Northern California's first commuter rail service to switch to 100% renewable diesel operations.

The Rail Commission also committed to transitioning to a zero-emissions train and bus/shuttle fleet. As part of the transition to zero emission locomotives, SJRRC started a study to identify a technology to retrofit the existing ACE F40 locomotives to near zero or zero emissions. The study is anticipated to be completed in Spring 2024. It aims to identify a preferred technology, determine retrofit costs, and provide procurement documents to allow for a solicitation of the fits and installation of two locomotives. Additionally, the Rail Commission is working with Caltrans on the development of a zero emission multiple units (ZEMU) for the Valley Rail program and the required infrastructure at the Stockton Rail Maintenance facility to allow the ZEMU's to be maintained and fueled at the facility.

The Rail Commission also worked with local and regional partners to submit "Strategic Partnership – Transit" applications (on March 8, 2023) for developing transit-oriented development and infrastructure action plans for the Del Paso area surrounding the future "Old North Sacramento" station in Sacramento and for Downtown Stockton. SJRRC is currently partnering with developers on Affordable Housing Sustainable Community (AHSC) applications, to be submitted by April 4, 2023, for three affordable housing projects (in Fremont, Sacramento, and Modesto) near existing and future ACE stations. If successful, these three partnerships will result in \$18 million for SJRRC to convert three ACE diesel locomotives to become zero-emission locomotives (\$6 million for each locomotive/project). These affordable housing partnerships with the Rail Commission make a strategic difference for projects near ACE stations. By partnering with the Rail Commission, Central Valley and Southern Alameda County projects receive higher scores for greenhouse gas reductions

and are able to compete with larger urban areas like the Bay Area and Southern California.

## SECURING STRONG SUPPORT FOR ACE SERVICE IMPROVEMENTS

The Rail Commission has developed a wide-spread network of stakeholders to advocate for ACE Service improvements and expansion, including several regional rail working groups that include participants throughout Northern CA. ACE projects and programs continue to be promoted by "San Joaquin COG One Voice" and the San Joaquin Valley's "Valley Voice" legislative advocacy efforts. Valley Rail was selected by the "Megaregional Working Group" (SACOG, MTC, and SJ COG) as one of the twelve megaregional projects they will jointly advocate for. The Rail Commission and SJJPA received strong support in the San Joaquin Valley, Sacramento, and the Bay Area for their joint 2022 and 2023 TIRCP applications, and the Rail Commission's 2022 TCEP application (for Ceres to Turlock Double Tracking), and 2023 RAISE application (for North Lathrop Transfer Station matching federal funding). Strong support throughout the Northern California Megaregion helped the Rail Commission and SJJPA secure the additional TIRCP funding in 2022 and 2023. The Rail Commission is currently focused on securing support for matching federal funds and additional state funding for various elements of the expanded Valley Rail Program. The Rail Commission will continue to develop corridor-wide support and new champions to help promote and secure funding for ACE expansion in FY 23/24.

## COORDINATING WITH VALLEY LINK

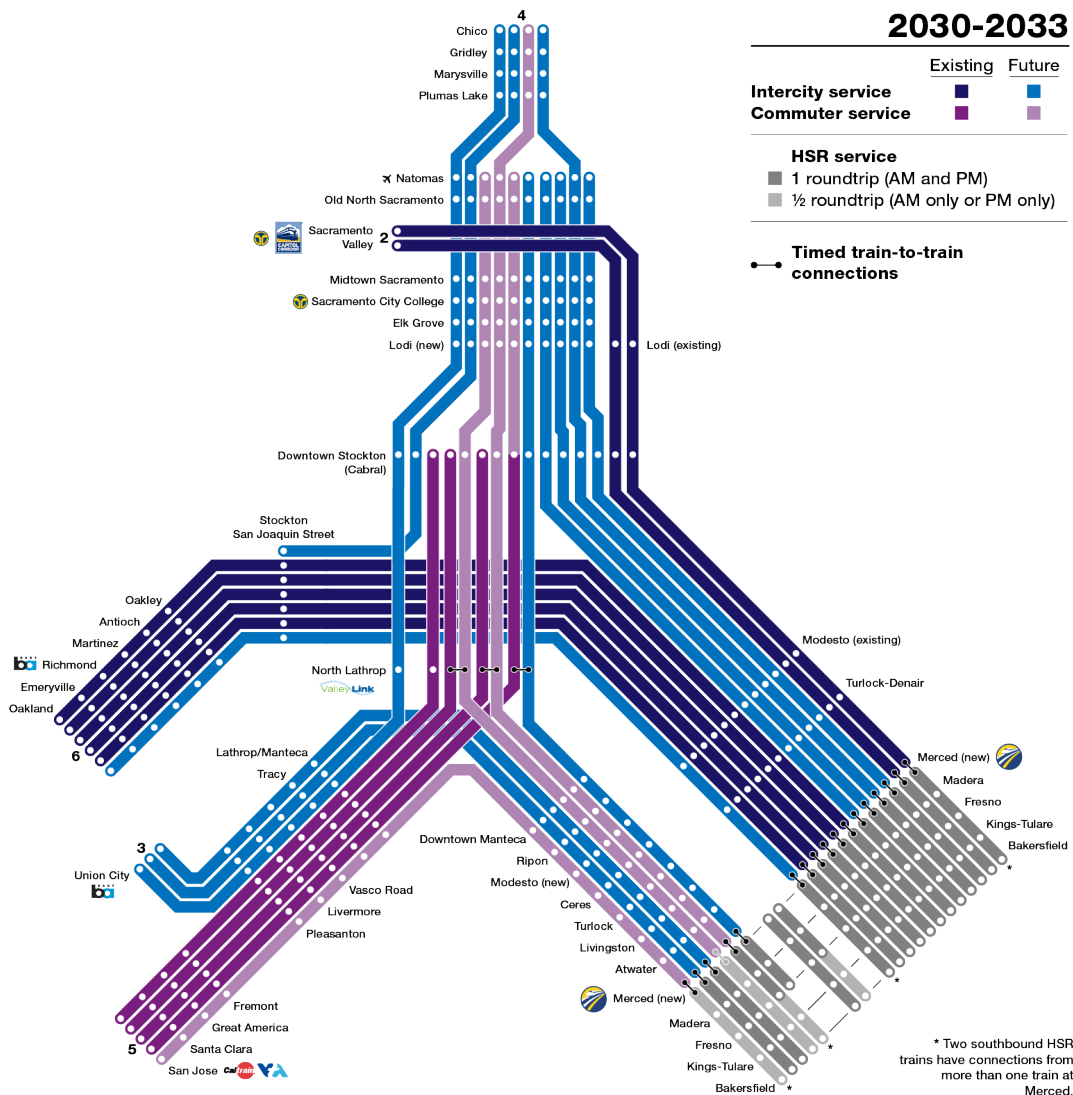
On December 4, 2020, the Rail Commission approved an initial MOU with the Tri-Valley – San Joaquin Valley Regional Rail Authority (Authority) with the goal of the Rail Commission serving as the agency responsible for Valley Link operations. This was an important step towards the implementation of Valley Link and continued the strong collaboration between the two agencies. The Rail Commission can provide consulting services for the Valley Link Project including the review of preliminary engineering documents, interagency agreements, early service development and operating plans, and procurement documents. The Rail Commission supported Valley Link's 2023 TIRCP application, and continued to support Valley Link's inclusion in the San Joaquin Valley's "Valley Voice" as a passenger rail priority. The Rail Commission is coordinating with Valley Link staff on Caltrans/SJ COGs I-205 managed lanes EIR and continues to discuss the possibility of shared ACE/Valley Link infrastructure between North Lathrop Station and Livermore. The Rail Commission will continue to assist in progressing the Valley Link project which complements ACE expansion in the Altamont Corridor in FY 23/24.

## KEY COORDINATION AND NETWORK INTEGRATION EFFORTS WITH CHSRA

In support of the California High-Speed Rail Authority's (CHSRA) 2022 Business Plan and the Authority's 2023 Project Update Report, the Rail Commission continued to work with CHSRA staff and CHSRA's Early Train Operator (ETO) to provide input for improved ACE connectivity to future HSR service at Merced. Connectivity to ACE and San Joaquins at Merced is key to the success of the HSR Early Operating Segment (EOS).

SJJPA approved an initial MOU with CHSRA and CalSTA on November 20, 2020 which identified SJJPA as the operating agency for HSR Interim Service between Merced and Ba-

kersfield. In 2022, SJJPA requested and received \$2 million in planning funds from the state to advance planning for the interim stations and operations planning and to develop more detailed inter-agency agreements. This work is expected to begin later in 2023. In FY23/24, the Rail Commission will continue to work with SJJPA, CHSRA, Caltrans and CalSTA to advance the planning for integrating ACE and San Joaquins services with future HSR operations. Figure 1 shows the planned ACE and San Joaquins connectivity with the HSR EOS at Merced with each line representing a roundtrip. This figure includes the planned extensions to Union City/BART and to Butte County (Chico).





# SJRRC/ACE OPERATING BUDGET

	FY22/23 SJRRC/ ACE Combined Operating Budget	FY23/24 SJRRC Operating Budget	FY23/24 ACE Service Operating Budget	FY23/24 SJRRC/ACE Combined Operating Budget	% CHANGE
<b>Project Management Services and Supplies</b>					
Salaries/Benefits/Contract Help	\$7,404,021	\$2,694,014	\$4,327,168	\$7,021,182	-5%
Office Expenses/Postage	46,877	16,329	21,154	37,483	-20%
Subscriptions/Periodicals/Memberships	20,450	7,470	13,400	20,870	2%
Office Equipment Leases / Supplies / Maintenance / Furniture	59,811	23,811	27,700	51,511	-14%
Computer Systems	323,000	267,000	2,000	269,000	-17%
Communications	94,239	22,404	24,050	46,454	-51%
Motor Pool	89,070	22,038	60,612	82,650	-7%
Transportation/Travel	56,500	10,500	42,000	52,500	-7%
Training	37,450	35,450	52,500	87,950	135%
Audits/Regulatory Reporting	103,055	34,860	61,085	95,945	-7%
Professional Services Legislative	103,125	102,000	-	102,000	-1%
Professional Services Legal	160,000	105,000	88,086	193,086	21%
Professional Services General	510,979	349,571	310,952	660,523	29%
Publications/Legal Notices	27,000	11,550	12,363	23,913	-11%
Special District Fees & Assessments on SJRRC Owned Property	23,025	24,176	-	24,176	5%
<b>Project Management, Services &amp; Supplies Subtotal</b>	<b>\$9,058,602</b>	<b>\$3,726,173</b>	<b>\$5,043,070</b>	<b>\$8,769,243</b>	<b>-3%</b>
<b>Contracted Services</b>					
Maintenance of San Joaquin County Facilities	107,349	131,769	-	131,769	23%
Maintenance & Improvements System Wide ACE Stations	54,900	-	42,420	42,420	-23%
Maintenance of Headquarters Structures/Grounds	173,213	38,701	128,647	167,348	-3%
ACE Operations & Maintenance	9,306,727	-	8,876,781	8,876,781	-5%
Positive Train Control	353,700	-	353,700	353,700	0%
Consumables/Repair Parts	2,000,000	-	1,500,000	1,500,000	-25%
Operating Leases	118,068	34,855	88,695	123,550	5%
Fuel	3,030,290	-	2,700,000	2,700,000	-11%
Railroad Maintenance, Oversight/Dispatching	4,122,720	-	3,166,267	3,166,267	-23%
Insurance	4,634,046	242,423	4,655,466	4,897,889	6%
Insurance Management Fees	200,000	31,500	170,000	201,500	1%
Security Services/Safety Programs	507,752	73,022	591,471	664,493	31%
FRA/FTA Drug Testing Program	7,100	-	5,500	5,500	-23%
Marketing and Passenger Experience	706,442	31,820	920,292	952,112	35%
Special Trains	165,000	-	165,000	165,000	0%
Ticketing Services	625,847	-	530,331	530,331	-15%
Professional Services Operations	383,387	17,731	328,433	346,164	-10%
Communications Operations	181,400	-	246,650	246,650	36%
Communications WiFi	393,000	-	406,000	406,000	3%
Emergency Ride Home/Emergency Bus Bridges	60,667	-	60,000	60,000	-1%
Rail Maintenance Facility	1,168,866	-	1,198,005	1,198,005	2%
<b>Contracted Services - Sub-Total</b>	<b>\$28,300,472</b>	<b>\$601,821</b>	<b>\$26,133,658</b>	<b>\$26,735,479</b>	<b>-6%</b>
Shuttle Services	\$1,792,856	-	\$1,822,539	\$1,822,539	2%
<b>Total Operating Expenses</b>	<b>\$39,151,930</b>	<b>\$4,327,994</b>	<b>\$32,999,267</b>	<b>\$37,327,261</b>	<b>-5%</b>
<b>Operating Revenue</b>					
Measure K	\$5,500,000	\$4,297,994	\$2,202,006	\$6,500,000	18%
SJCOG - Local Transportation Funds (LTF)	8,744,110	-	9,400,000	9,400,000	8%
Fare Revenues	4,200,000	-	6,326,000	6,326,000	51%
ACTC Measure B Local	1,083,610	-	2,000,000	2,000,000	85%
ACTC Measure BB Local	517,610	-	3,679,956	3,679,956	611%
Santa Clara VTA Local	1,395,989	-	4,387,973	4,387,973	214%
Transportation for Clean Air (TFCA)	40,000	-	-	-	-100%
SJCOG - State Transit Assistance (STA)	-	-	3,433,332	3,433,332	100%
MTC - State Transit Assistance (STA)	300,000	-	350,000	350,000	17%
ACTC Measure B Local - Admin Fee	15,000	-	-	-	-100%
ACTC Measure BB Local - Admin Fee	15,000	-	30,000	30,000	100%
Amtrak Thruway Service	75,000	-	75,000	75,000	0%
Ticket Sales Others	165,000	-	165,000	165,000	0%
MTC Reimbursement - Soco Studies	30,000	30,000	-	30,000	0%
LCTOP - Means Based Fare Program & Ops	168,687	-	225,000	225,000	33%
LCTOP - Operations	762,209	-	725,000	725,000	-5%
FTA CARES ACT	4,800,000	-	-	-	-100%
FTA ARPA	11,339,715	-	-	-	-100%
<b>Total Operating Revenue</b>	<b>\$39,151,930</b>	<b>\$4,327,994</b>	<b>\$32,999,267</b>	<b>\$37,327,261</b>	<b>-5%</b>

# SJRRC CONTRACTED SERVICES BUDGET

	FY 23/24 SJRRC Contracted Services Operating Budget	FY 23/24 SJRRC TRAC-C Budget
<b>Project Management Services and Supplies</b>		
Salaries/Benefits/Contract Help	100,000	\$112,205
<b>Project Management, Services &amp; Supplies Subtotal</b>	<b>\$100,000</b>	<b>\$112,205</b>
<b>Contracted Services</b>		
The Rail Academy of Central California (TRAC-C)		1,600,000
Pre Revenue Venture Car and Truck Overhaul Service Agreement	\$4,000,000	
<b>Total Operating Expenses</b>	<b>\$4,100,000</b>	<b>\$1,712,205</b>
<b>Operating Revenue</b>		
Other Revenue - Pre Revenue Venture Car and Truck Overhaul Service Agreement	4,100,000	
Rail Commission Local		412,205
FTA CRISI*		1,300,000
<b>Total Operating Revenue</b>	<b>\$4,100,000</b>	<b>\$1,712,205</b>

\*Grant Pending

# SJIPA OPERATING BUDGET

	Prior Year SJIPA Operating Budget	2023/2024 SJIPA Operating Budget	% Change From Prior Year to Current Year
<b>Operating Revenue</b>			
State Intercity Rail Funds	81,235,345	80,840,442	
<b>Total Operating Revenue</b>	<b>81,235,345</b>	<b>80,840,442</b>	<b>0%</b>
<b>Administrative Expenses</b>			
Salaries/Benefits/Contract Help	2,288,297	2,455,054	7%
Office Expenses/Postage	19,478	18,596	-5%
Subscriptions/Periodicals/Memberships	5,000	5,000	0%
Office Equipment Leases / Supplies / Maintenance / Furniture	21,140	23,390	11%
Computer Systems	5,000	5,000	0%
Communications	30,861	31,787	3%
Motor Pool	31,715	32,667	3%
Transportation/Travel	25,000	15,000	-40%
Training	4,996	5,145	3%
Audits/Regulatory Reporting	25,000	40,750	63%
Professional Services Legislative	253,000	253,000	0%
Professional Services Legal	80,000	80,000	0%
Professional Services General	337,229	340,746	1%
Professional Services Grants	67,000	67,000	0%
Publications/Legal Notices	10,000	10,000	0%
Professional Services Operations	21,300	21,939	3%
Communications Operations	11,732	12,084	3%
Maintenance of Headquarters Structures/Grounds	114,767	118,210	3%
Insurance	140,000	140,000	0%
Insurance Management Fees	2,500	7,500	200%
Security Services/Safety Programs	65,472	90,188	38%
<b>Administrative Expenses Subtotal</b>	<b>3,559,487</b>	<b>3,773,056</b>	<b>6%</b>
<b>Marketing Expenses</b>			
Community Engagement & Marketing *	1,500,000	1,500,000	0%
JPA Marketing Carry Forward	-	200,000	100%
New Service Advertising	250,000	250,000	0%
Market Analysis	300,000	-	-100%
<b>Marketing Expenses Sub-Total</b>	<b>2,050,000</b>	<b>1,950,000</b>	<b>-5%</b>
<b>Contract Expense</b>			
San Joaquin Intercity Rail Operations (Amtrak Contract)	69,932,384	72,030,356	3%
San Joaquin Intercity Rail Operations (Other Contracts)	5,693,474	2,887,030	-49%
<b>Contract Expense Subtotal</b>	<b>75,625,858</b>	<b>74,917,386</b>	<b>3%</b>
<b>Total Operating Expenses</b>			
<b>Total Operating Expenses</b>	<b>81,235,345</b>	<b>80,640,442</b>	<b>-1%</b>



# FY 23/24 SJRRC CAPITAL BUDGET

Project Title	Project Funding Source(s)	FY 23/24 Project Budget
ACE Platform Extension Projects (5)	TIRCP/SRA	15,637,405
ACE Rail Car Procurement	CMAQ/SB132/AHSC/STA	11,170,782
ACE Stations and Facilities Program	SGR	500,000
ACE Ticketing Platform Project – Phase 1	FTA 5307/STA	1,200,000
ACE Valley Rail	TIRCP/SB132	175,429,870
ACE Wi-Fi Phase 2	SRA	960,393
BNY Debt Service	5337/MK	1,774,900
Caltrain Guadalupe River Bridge Replacement & Extension	5307/5337/SGR	665,215
Caltrans Contracted Services: Pre Revenue	DRMT	2,000,000
Caltrans Contracted Services: Truck Overhaul Phase 2	DRMT	3,500,000
Capital Access Fees (UPRR)	5307/MK	3,242,516
Capital Spares/Rolling Stock/Preventative Maintenance	5307/5337/SGR/MK	1,000,000
Capitalized Maintenance (UPRR)	5307/MK/MB	4,000,000
Construction Management Software	MK	90,000
Del Paso Area Action Plan	DRMT	250,000
East Channel Street Corridor Improvements	MK Smart Growth/Bike/Ped/ATP	10,740,488
Fremont Station Platform Extension	SRA	3,025,496
Locomotive (Options)	5307/CMAQ/BAAQMD/MK	10,196,393
Locomotive Conversion	FCPF	700,000
Locomotive Simulator	SRA	1,000,000
Martin Luther King Jr. Underpass Environmental Study	MK	300,000
Newark - Albrae Siding Connection	ACTC VRF	1,300,000
Non-Revenue Vehicles (Agency Vehicles)	STA	200,000
North Valley Rail Environmental and Preliminary Engineering	Butte CAG Passthru	1,750,000
Positive Train Control (PTC)	5307/5337/MK	464,245
Public Information Display System (PIDS)	5307	700,000
Rail Car Equipment	5337/SGR	3,001,300
Rail Car Midlife Overhaul	5,337	4,422,776
Rail Maintenance Facility (RMF) Expansion	Prop116/ITIP	18,773,281
RMF Equipment	MK	245,000
Robert J. Cabral Buidling Improvements	STA	760,000
Robert J. Cabral Station Master Plan Expansion	STA/SGR/SRA/MK/SJRRC	4,853,875
Safety Security - ACE	5307	55,410
Short Range Transit Plan (SJCOG)	5307/MK	156,421
SJ COG Debt Service	5337/MK	1,118,012
Station Signage and Wayfinding System	LTF	250,000
Stockton Diamond Grade Separation Project	ITIP/SB132/MK	44,741,657
Stockton Track Extension	5307/5309/CMAQ/Prop 1A/SJRRC	6,320,229
Stockton Yard South Crossover	SRA	2,000,000
Title VI Plan Service Equity Analysis (Service Expansion Manteca, Ripon, North Lathrop)	5307/MK	125,000
TRAC-C Facility	Fed Earmark/CRISI/IGCR	3,090,400
Tracy Station Improvements & Egress	STA/MK	1,141,943
Union City Intermodal Station Phase 3 Environmental and Preliminary Engineering	ACTC MBB	1,250,000.00
Total:		\$344,103,007.00

# FY 23/24 VALLEY RAIL CAPITAL BUDGET

Project Name	FY 23/24 Project Budget
Ceres Station, Layover and Trackwork	17,044,714
Ceres to Turlock Double Track	10,414,500
Del Paso Siding Extension Trackwork	7,549,212
Downtown Mobility Project	2,501,000
Elk Grove Double Track	1,461,000
Elk Grove Station and Trackwork	15,569,647
Lathrop Wye and Track Extension	14,660,968
Lodi Station and Trackwork	12,554,678
Manteca Station	9,325,312
Midtown Station	10,287,529
Modesto Station and Trackwork	36,576,946
Natomas/Airport Station & Layover	12,566,209
North Lathrop Transfer Station	6,906,989
Phillips Siding Rehabilitation	663,569
Polluck Siding Upgrade	659,000
Rail Engineering Support Services (Valley Rail)	2,858,950
Ripon Station and Track Extension	3,116,613
Sacramento Subdivision Curve MP 114.73 to MP 115.04	41,000
Sacramento Subdivision Curve MP 117.18 to MP 117.55	43,000
Sacramento Subdivision Curve MP 135.55 to MP 135.85	37,000
Sacramento Subdivision Curve MP 97.08 to MP 97.38	35,000
Stanislaus River Bridge and Track Extension	3,272,591
Tuolumne River Bridge and Track Extension	3,636,443
Turlock Station and Track Extension	3,648,000
<b>FY 23/24 Total Valley Rail</b>	<b>\$175,429,870</b>

# FY 23/24 SJJPA CAPITAL BUDGET

Project Title	Project Funding Source(s)	Project Budget FY 23/24
BNSF 2nd Main Track Stockton to Merced	TIRCP	1,750,000
BNSF CP Lake to CP West Escalon	SRA	3,200,000
Cabral Parking & WP Building Expansion	SRA	3,000,000
Fresno Station	Fed Earmark/SRA	2,000,000
Hanford Station Community Safety and Accessibility Enhancement	Fed Earmark/SRA	420,000
Hi-Speed Rail Coordination	DRMT	1,000,000
Madera Station Relocation/Build	TIRCP	5,959,878
Madera Station Full Build Environmental	DRMT	1,000,000
Merced Integrated Track Connector (MITC)	DRMT	3,786,762
Oakley Station & Track Improvements	SRA	500,000
Public Information Display System (PIDS)	SRA	500,000
Rail Maintenance Facility (RMF) Expansion	SRA	1,811,442
San Joaquins Minor Capital Program	DRMT	1,000,000
Stockton Diamond	SRA	405,517
Stockton Track Extension	SRA	3,778,551
Stockton Wye	SRA	18,096,561
Union City Intermodal Station Phase 3 Environmental and Preliminary Engineering	SRA	250,000
<b>Total:</b>		<b>\$48,458,711</b>



# FY 23/24 CAPITAL REVENUE SOURCES

Funding Source		SJRR/ACE Revenue	SJPA Revenue
Federal	FTA Section 5307 Funds	9,482,423.00	-
Federal	FTA Section 5309 Funds	612,501.00	-
Federal	FTA Section 5337 Funds	13,318,593.00	-
Federal	Federal Earmark	600,000.00	1,600,000.00
Federal	Federal Community Project Funding Requests (FCPF)	6,685,000.00	-
Federal	Congestion Mitigation and Air Quality (CMAQ)	13,125,911.00	-
Federal	Consolidated Rail Infrastructure and Safety Improvements Grant Program (CRISI)	1,290,400.00	-
Federal	Rebuilding American Infrastructure with Sustainability and Equity (RAISE) - Butte CAG	1,750,000.00	-
State	State Inter-City Capital Funds	-	1,000,000.00
State	State of California - Caltrans Division of Rail & Mass Transportation (DRMT)	5,500,000.00	5,500,000.00
State	State of California - Caltrans Division of Rail & Mass Transportation (DRMT) - SACOG	250,000.00	-
State	State of California Transit & Intercity Rail Capital Improvement Program (TIRCP)	98,484,982.00	7,709,877.00
State	State of California Proposition 1A Funds	4,869,325.00	-
State	State of California Active Transportation Program (APT)	3,500,000.00	-
State	State of California Proposition 116 Funds	9,575,351.00	-
State	State of California Interregional Transportation Improvement Program (ITIP)	23,064,770.00	500,000.00
State	State of California State Local Transportation Funds (LTF)	383,043.00	-
State	State of California State Rail Assistance (SRA)	13,599,786.00	32,148,833.00
State	State of California State of Good Repair (SGR)	759,582.00	-
State	State of California SB 132 ACE Expansion Funds (SB132)	115,853,240.00	-
State	State Affordable Housing Sustainable Communities (AHSC)	6,136,433.00	-
Local	Bay Area Air Quality Management District (BAAQMD)	1,687,164.00	-
Local	State Transit Assistance (STA) (SJCOG)	1,803,750.00	-
Local	State Transit Assistance (STA) (MTC)	28,760.00	-
Local	ACTC Measure B - Capital Program ((MB)	141,975.00	-
Local	ACTC Measure BB - Capital Program Passthrough (MBB)	1,000,000.00	-
Local	Measure K - Capital Program (MK)	3,261,551.00	-
Local	Measure K - Smart Growth	1,729,799.00	-
Local	Measure K - Bike, Ped, SRTS	5,308,669.00	-
Local	Internally Generated Contract Revenue (IGCR)	300,000.00	-
Totals:		344,103,008.00	48,458,710.00

## **SJRRC RESOLUTION 22/23-75**

### **RESOLUTION ADOPTING THE SJRRC/ACE COMBINED FISCAL YEAR 2023/2024 WORK PROGRAM AND OPERATING BUDGET IN THE AMOUNT OF \$43,139,466 AND ADOPTING SJJPA FISCAL YEAR 2023/2024 OPERATING BUDGET OF \$80,640,442 AND A COMBINED CAPITAL BUDGET IN THE AMOUNT OF \$392,561,718**

WHEREAS, the San Joaquin Regional Rail Commission Joint Powers Agreement requires approval of an operating and capital budget each year; and

WHEREAS, the adoption of an operating and capital budget is necessary for obtaining Federal, State and Local funds to support the Rail Commission; and

WHEREAS, the Rail Commission budget incorporates the operating, shuttle, and capital budget for the Altamont Corridor Express (ACE) Service and the San Joaquin Intercity Service (San Joaquins); and

WHEREAS, the Rail Commission, ACE and San Joaquins service projects and programs have separate revenue and expense accounts; and

WHEREAS, the Executive Director has prepared and presented the SJRRC/ACE operating budget of \$43,139,466, SJJPA operating budget of \$80,640,442 and a combined capital budget of \$392,561,718 which sets forth the projected revenues and expenses associated with the San Joaquin Regional Rail Commission for Fiscal Year 2023/2024 (hereinafter collectively "2023/2024 Budgets"); and

WHEREAS, as part of the budget approval process, the Executive Director is responsible for, and authorized to implement, the adopted budget; and

WHEREAS, there are many business expenses that are routine in nature and are required to conduct the ordinary day-to-day activities of the Rail Commission, ACE and the Authority; and

WHEREAS, the Executive Director is authorized to make these ongoing expenditures within the approved levels of the adopted budget; and

WHEREAS, all budget increases, amendments, or transfers between operating and capital budgets will be submitted to the Board for approval, and the Executive Director has the authority to transfer funds within the operating or capital budget category; and

WHEREAS, revenue and expense reports comparing the cumulative revenue receipts and expenses to the approved budget are submitted to the Commissioners as part of the monthly meeting packets; and

WHEREAS, these reports provide the Commissioners an opportunity to monitor the budget status regularly throughout the fiscal year and make recommended adjustments when necessary;



NOW THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Joaquin Regional Rail Commission Adopts the SJRRC/ACE Combined Fiscal Year 2023/2024 Work Program and Operating Budget in the amount of \$43,139,466 and Adopting SJJPA Fiscal Year 2023/2024 Operating Budget of \$80,640,442 and a Combined Capital Budget in the amount of \$392,561,718 (hereinafter collectively "2023/2024 Budgets").

FURTHERMORE, BE IT RESOLVED that in the event there is a delay in the timely adoption of the budgets for the 2024/2025 fiscal year, the 2023/2024 budgets shall be renewed and carry over into 2024/2025 until such time as the 2024/2025 budgets are adopted.

PASSED AND ADOPTED, by the Board of Commissioners this 2<sup>nd</sup> day of June 2023, by the following vote:

AYES: 4 Nuño, Villapudua, Vice Chair Young, Chair Zuber

NOES: 0

ABSENT: 4 Hernandez, Mei, Craig, Warmsley

ABSTAIN: 0

ATTEST:

SAN JOAQUIN REGIONAL  
RAIL COMMISSION

  
STACEY MORTENSEN, Secretary

  
LEO ZUBER, Chair

# **SAN JOAQUIN REGIONAL RAIL COMMISSION**

Meeting of June 2, 2023

## **STAFF REPORT**

### **Item 14**

### **ACTION**

**Public Hearing: Presentation and Approval of a Resolution Adopting the SJRRC/ACE Combined Fiscal Year 2023/2024 Work Program and Operating Budget in the amount of \$43,139,466 and Adopting SJJPA Fiscal Year 2023/2024 Operating Budget of \$80,640,442 and a Combined Capital Budget in the amount of \$392,561,718**

#### Background:

On an annual basis, the Rail Commission adopts a Work Program that serves to communicate the planned activities of the agency in the coming fiscal year, as well as outlines the Operations and Capital Project Budget. Since the Rail Commission also serves as the Managing Agency for the San Joaquin Joint Powers Authority, a brief description of the Work Program and Budget for the San Joaquins Intercity Rail Service is included. The San Joaquin Joint Powers Authority secures its own funding and directs spending on the San Joaquin service and programs, but the Rail Commission Budget must include these expenses and revenues on behalf of the Authority. In addition, the Authority designated the Rail Commission as the lead agency to implement all the shared Valley Rail Program stations and facilities.

The theme of the Work Program for the upcoming year is “Laying the Groundwork for More Connected Communities.” This includes a continued focus on the existing ACE trunkline service, restoring the San Joaquins to full pre-Covid services levels, and forming new partnerships for project delivery within the various communities slated for Valley Rail expansion.

The following Work Program and Budget includes expenditure authority for each of these efforts. The San Joaquin Joint Powers Authority 2023/2024 Business Plan is also attached for more detail on the Planning, Operations, Marketing and Capital programs in support of the San Joaquins.