



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-based 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.

Stockton Rail Maintenance Facility

2023/2024: Work Program and Budget

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



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 Joaquins 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 Joaquins 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.

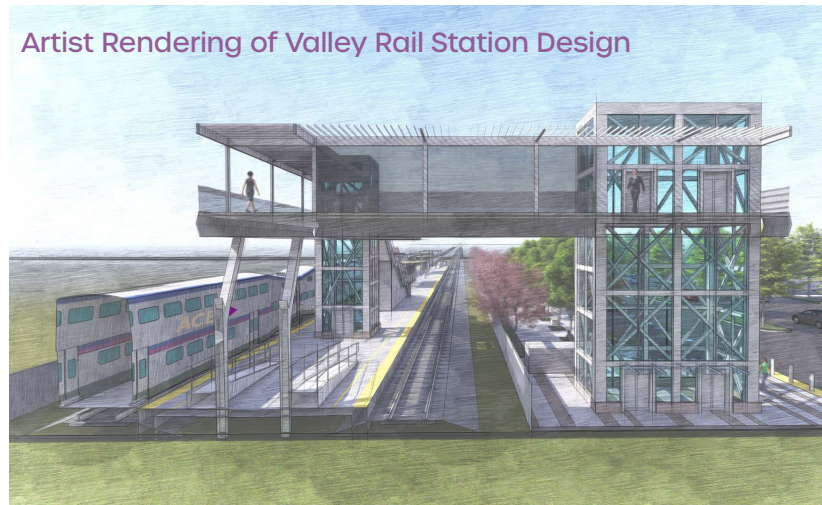
MIDTOWN STATION \$12,788,529 FY23/24 | \$28,387,000 (Total Project Cost) (Include Sacramento Downtown Mobility Project)

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

\$1,750,000 (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

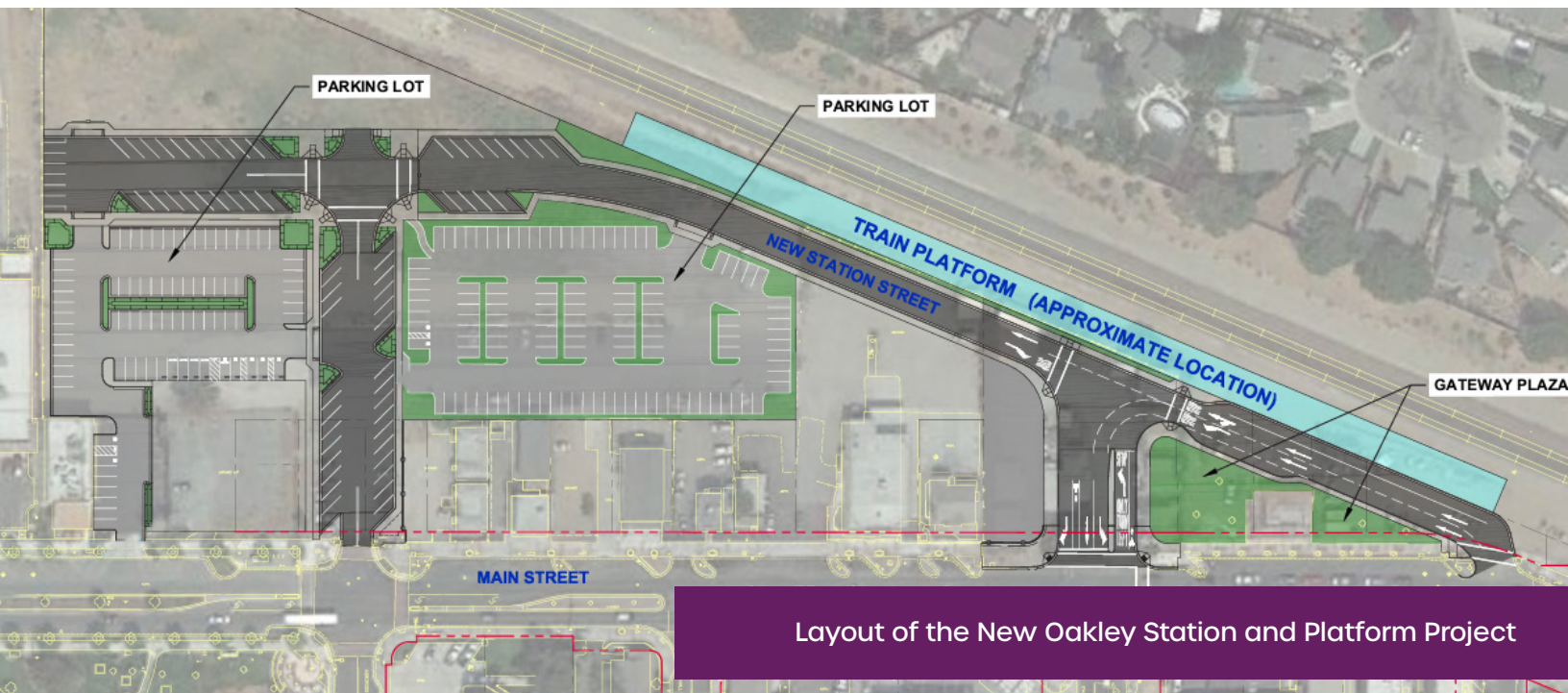
\$500,000 (FY23/24) | \$8,281,000 (Total Project Cost)

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.

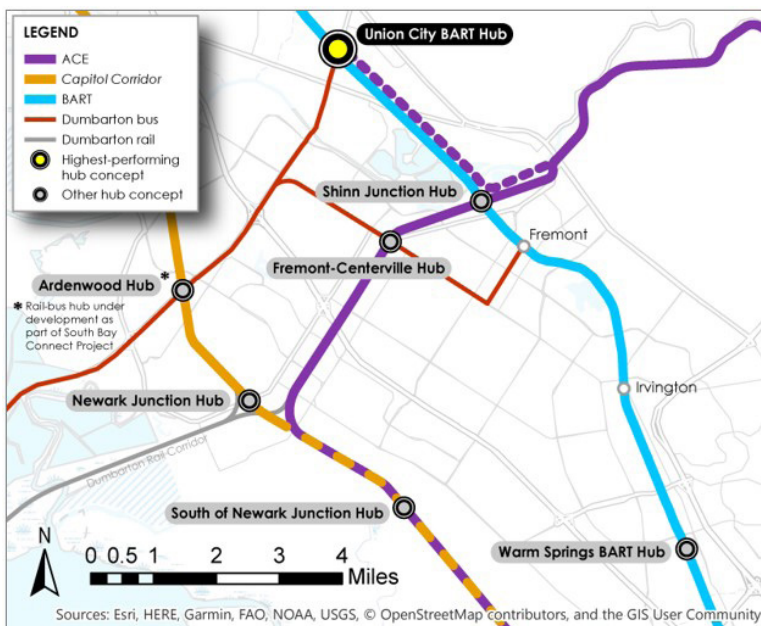
In FY 23/24, the Rail Commission will work with the City of Union City to initiate the environmental review process

(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

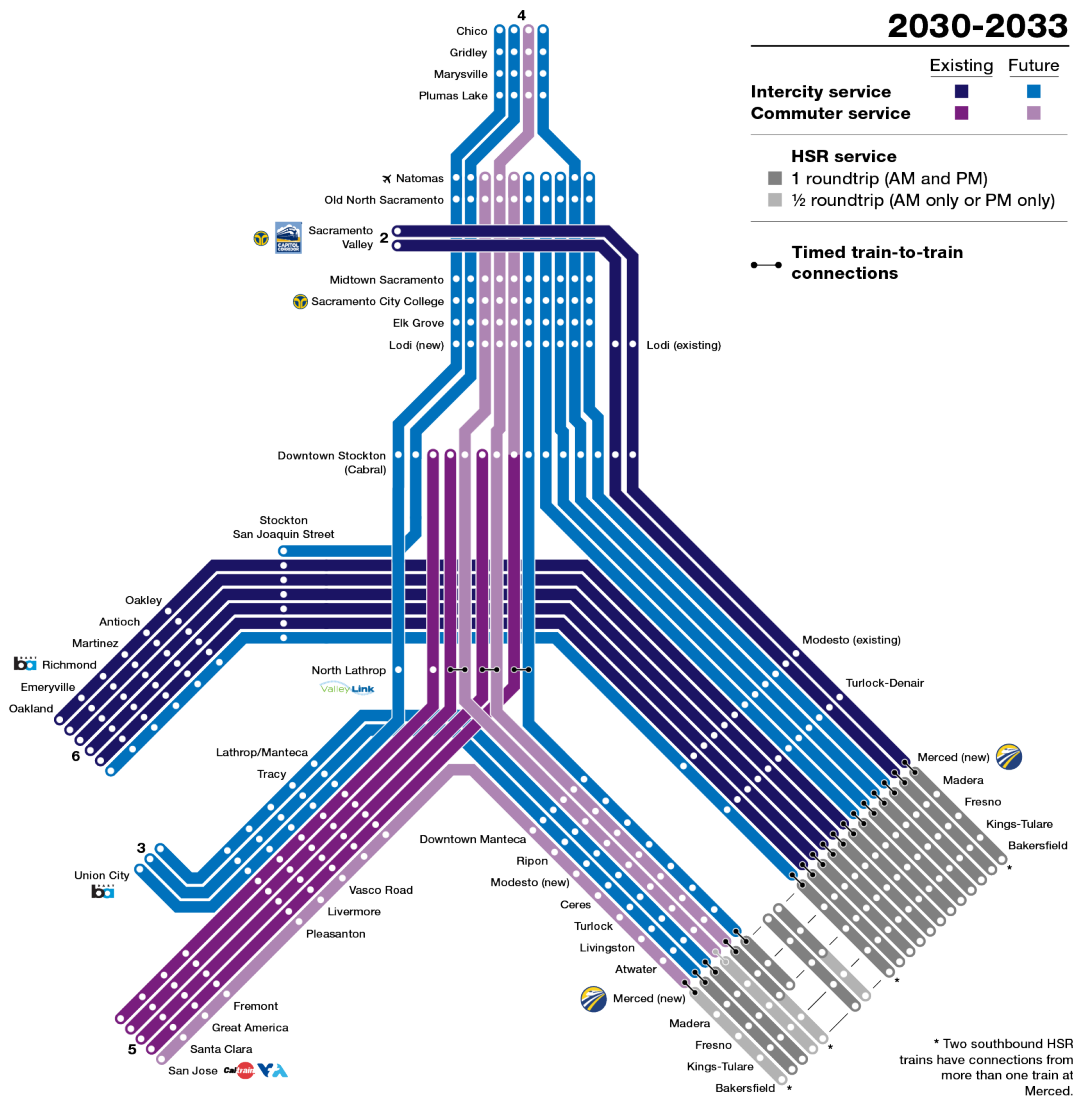
On December 4, 2020, the Rail Commission approved an initial MOU with the Tri-Valley - San Joaquin Valley Regional Rail Authority (Authority) with the goal of the Rail Commission serving as the agency responsible for Valley Link operations. This was an important step towards the implementation of Valley 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 |
|--|---|--------------------------------------|---|--|-------------|
| Project Management Services and Supplies | | | | | |
| 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% |
| Project Management, Services & Supplies Subtotal | \$9,058,602 | \$3,726,173 | \$5,043,070 | \$8,769,243 | -3% |
| Contracted Services | | | | | |
| 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% |
| Contracted Services - Sub-Total | \$28,300,472 | \$601,821 | \$26,133,658 | \$26,735,479 | -6% |
| Shuttle Services | \$1,792,856 | - | \$1,822,539 | \$1,822,539 | 2% |
| Total Operating Expenses | \$39,151,930 | \$4,327,994 | \$32,999,267 | \$37,327,261 | -5% |
| Operating Revenue | | | | | |
| 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% |
| Total Operating Revenue | \$39,151,930 | \$4,327,994 | \$32,999,267 | \$37,327,261 | -5% |

SJRRC CONTRACTED SERVICES BUDGET

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

*Grant Pending

SJPA OPERATING BUDGET

| | Prior Year SJPA Operating Budget | 2023/2024 SJPA Operating Budget | % Change From Prior Year to Current Year |
|--|----------------------------------|---------------------------------|--|
| Operating Revenue | | | |
| State Intercity Rail Funds | 81,235,345 | 80,840,442 | |
| Total Operating Revenue | 81,235,345 | 80,840,442 | 0% |
| Administrative Expenses | | | |
| 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% |
| Administrative Expenses Subtotal | 3,559,487 | 3,773,056 | 6% |
| Marketing Expenses | | | |
| 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% |
| Marketing Expenses Sub-Total | 2,050,000 | 1,950,000 | -5% |
| Contract Expense | | | |
| 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% |
| Contract Expense Subtotal | 75,625,858 | 74,917,386 | 3% |
| Total Operating Expenses | 81,235,345 | 80,640,442 | -1% |

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 |
| FY 23/24 Total Valley Rail | \$175,429,870 |

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 |
| | Total: | \$48,458,711 |

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 |