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Assembly
California Legislature

March 26, 2007

Assemblywoman Nell Soto
Chair, Joint Legislative Audit Committee
1020 N Street, Room 107
Sacramento, CA 95814

RE: REQUEST FOR STATE AUDIT OF GRADE SEPARATION PROJECTS

Dear Chairwoman Soto:

We write to request an audit of the complex and time-consuming process currently required for state and local transportation agencies to obtain approval and funding for much-needed grade separation projects. projects.

A grade separation project consists of building an overpass or underpass to divert traffic around at-grade railroad crossings. The separation of at-grade crossings greatly improves rail safety as well as the traffic delays and air quality generally associated with impacted grade crossings. However, separations are generally reserved for particularly dangerous areas because of the time and expense associated with such projects. A typical project costs nearly $30 million and can take years to complete.

The California Public Utilities Commission (CPUC) maintains a Grade Separation Priority Listing. Currently, there are more than 100 priority grade separation projects needed throughout the state. The need for these and additional priority projects is growing as both train and vehicle traffic continue to increase with the steady influx of new residents to the state combined with the anticipated expansion of the Alameda Corridor East rail lines though the southern part of the state.

Some of the funding for grade separations currently comes from an allocation granted under Section 190 of the Streets and Highway Code, which requires the California Department of Transportation (Caltrans) to include $15 million in its annual budget for allocation to grade separation projects. These funds are available for allocation and expenditure without regard to fiscal years.

We have heard considerable concern from local authorities regarding the overall effectiveness of the funding requirements set forth in Section 190. Despite the great need for grade separations project funding, Section 190 funds often go unallocated. Accordingly, we are requesting that the Joint Legislative Audit Committee approve an audit that will seek to answer the following questions pertaining to the Section 190 Grade Separation Funding Program:

- Is the program administered in accordance with current law and regulation?
- Does the program meet the goals of the legislation?
- Does this program duplicate or overlap other programs?
- Is the program funded from appropriate sources and at an appropriate level?
- Are there alternative funding mechanisms that could meet the legislative objectives of this program?
- What problems do agencies have meeting the legislative requirements of the program?
- What problems does the administering agency have in carrying out the program?
- What is the role of the railroad in this program? Is it appropriate?
- What changes in statute would improve the program in meeting legislative objectives?

In addition, the audit should also examine broader questions associated with the difficulties agencies have in planning, preparing, and completing needed grade separations.

- What factors discourage agencies from tackling grade separation projects?
- What hurdles do agencies encounter when seeking to obtain approval and funding for a project?
- What can agencies do to better plan for and fund future grade separation needs?
- What factors drive up the cost of projects and what can be done to lower the overall cost of projects?
- How do these problems vary throughout the state? Are there best practices available for agencies to follow?

Thank you for your favorable consideration of our request. If you have questions, please do not hesitate to contact us.

Sincerely,

JOHN J. BENOIT
Assemblyman, 64th District

CATHLEEN GALGIANI
Assemblywoman, 17th District

JJB/djd