

PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Consumer Protection and Safety Division
Rail Transit and Crossings Branch
Rail Crossings Engineering Section

Resolution SX-93
October 15, 2009

RESOLUTION

RECOMMENDATION TO THE CALIFORNIA TRANSPORTATION
COMMISSION FOR INCREASED FUNDING TO BE SET ASIDE FOR
MAINTAINING AUTOMATIC GRADE CROSSING PROTECTION
DEVICES UNDER PUBLIC UTILITES CODE SECTION 1231.1

Summary

This resolution recommends that, for the 2010-2011 fiscal year (FY), the California Transportation Commission (CTC) allocate the sum of \$3,850,000 for the purpose of paying the local government's share of the cost of maintaining automatic grade crossing warning devices.

Background

The Grade Crossing Protection Maintenance Fund was established by the Legislature in 1965 to pay railroad corporations the local government's share of the cost of maintaining automatic railroad crossing warning devices installed or upgraded after October 1, 1965. Public Utilities Code Section 1231.1 requires the Department of Transportation (Caltrans) to set aside a minimum of \$1,000,000 for the payment of those costs.

In 1988, an amendment to Public Utilities Code Section 1231.1¹ was enacted which specifies that the Public Utilities Commission (PUC) may recommend a sum greater than \$1,000,000 be set aside if it finds that the \$1,000,000 is not sufficient due to an increase in the number of grade crossing warning devices or

¹ AB 3065, (Polanco) September 29, 1988.

an increase in the cost of maintenance of those devices. The specific amount of the total allocation shall be determined by the CTC.

Discussion

When the automatic grade crossing protection maintenance fund was first established in 1965, the maximum annual allocation of \$1,000,000 was sufficient to cover all claims filed by railroad and street railroad corporations. However, the increase in the number of crossing warning devices and the increase in the cost for maintaining these devices caused claims to exceed the funds available for calendar year 1977 and thereafter.

The railroads perform the required maintenance during a given calendar year, and then file a claim with the PUC for reimbursement of the local government's share of the maintenance costs. The PUC verifies the claims and forwards valid claims to Caltrans for payment. These claims are paid from the allocation made by the CTC in the Caltrans budget. Claims and payments for the past five years were as follows:

| CY * | FY* | No. of crossings | Total Claims (\$) | Total Paid (\$) |
|------|-------|------------------|----------------------|--------------------|
| 2004 | 04-05 | 2,810 | 4,102,674 | 4,102,674 |
| 2005 | 05-06 | 2,797 | 4,091,802 | 1,000,000 |
| 2006 | 06-07 | 2,788 | 3,899,995 | 1,000,000 |
| 2007 | 07-08 | 2,754 | 3,848,955 | 2,000,000 |
| 2008 | 08-09 | 2,702 | 3,807,599 | 2,000,000 |

*CY-Calendar Year

*FY-Fiscal Year

The maintenance fund costs and respective claims for calendar year 2010 (FY 2010-2011) are expected to be significantly higher than the \$2,000,000 the CTC allocated for FY 2009-2010. Based on the previously submitted maintenance claims and the numbers and types of warning devices eligible, an allocation of \$3,850,000 will be needed for the 2010-2011 FY and would constitute the minimum amount necessary for that maintenance.

The draft resolution was mailed to the 25 railroads which may be eligible to receive funds under this program consistent with Public Utilities Code Section 311(g) and Rule 14.5 of the Rules of Practice and Procedure. No comments were received.

Findings

The Commission staff has reviewed the amount needed to be allocated pursuant to Public Utilities Code Section 1231.1 and finds that an amount of \$1,000,000 will be insufficient and finds, instead, that an allocation of \$3,850,000 is the minimum amount necessary for allocation to the Grade Crossing Protection Maintenance Fund for FY 2010-2011.

Therefore, in accordance with Public Utilities Code Section 1231.1, the Commission staff finds that the PUC should recommend to the CTC that a sum of \$3,850,000 be allocated for the 2010-2011 FY for the purpose of paying to railroad or street railroad corporations the share of the costs to cities and counties of maintaining automatic grade crossing protection/warning devices.

The Commission staff recommends that this Resolution be adopted.

THEREFORE, IT IS ORDERED that:

The Public Utilities Commission recommends to the California Transportation Commission that a sum of \$3,850,000 be allocated for the 2010-2011 fiscal year for the purpose of paying to railroad corporations the share of the costs of cities and counties for maintaining automatic grade crossing protection/warning devices pursuant to Public Utilities Code Section 1231.1.

This resolution is effective today.

I certify that the foregoing resolution was duly introduced, passed, and adopted by the Commission at its regularly scheduled meeting on October 15, 2009. The following Commissioners voted favorably thereon:

PAUL CLANON
Executive Director

MICHAEL R. PEEVEY
President
DIAN M. GRUENEICH
JOHN A. BOHN
RACHELLE B. CHONG
TIMOTHY ALAN SIMON
Commissioners