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## Southern California officials not on board with plan to use bond money for railroads

**Under Schwarzenegger's proposal, the rails would get \$170 million in voter-approved funds. Officials say the dollars should go toward road improvements that would ease congestion.**

By Patrick McGreevy, Los Angeles Times Staff Writer  
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SACRAMENTO -- A proposal by the Schwarzenegger administration to use \$170 million in voter-approved bond money for projects benefiting two private railroads is drawing ire from Southern California officials who want the funds for road improvements and other projects.

The officials have complained that the administration plans to take money that should ease gridlock for motorists and use it instead on less important projects to help private interests -- the Union Pacific Railroad and Burlington Northern Santa Fe Railway.

"I don't understand it," said Yvonne B. Burke, chairwoman of the Los Angeles County Board of Supervisors. "The railroads should pay for it. The people of Southern California were the ones who approved those bonds, and they should get the benefit."

Public interest advocates point to the millions of dollars that railroads have pumped into the campaign coffers of the governor and others.

Since 2003, the two railroads have contributed \$2.2 million to California political campaigns, including \$142,000 to Gov. Arnold Schwarzenegger committees and \$200,000 to the campaign to pass the transportation bond measure.

"Voters don't know if decisions about who gets the money are based on who contributed or on merit," said Tracy Westen, chief executive for the Center for Governmental Studies in Los Angeles. At issue are funds from Proposition 1B, a \$20-billion transportation bond measure approved by voters in 2006 after a campaign by the governor and legislative leaders.

The proposition earmarked about \$3 billion for projects to improve the flow of goods through ports and transportation corridors, including highways and rail lines.

The railroads and the administration have argued that the rail projects, proposed by Caltrans Director Will Kempton in a Jan. 17 letter to the California Transportation Commission, are exactly the kind of expenditures envisioned by the initiative's backers. The Times obtained the letter through the Public Records Act.

The proposed projects would benefit the state's economy and the environment by removing bottlenecks in the rail system that slow the movement of freight from the busy ports of Los Angeles, Long Beach and Oakland, Kempton said.

They would also fulfill one of Schwarzenegger's top goals, backers say: to encourage more public-private partnerships.

The biggest project in the package calls for the construction of a 1.4-mile railroad bridge that would eliminate a bottleneck in Colton by allowing one train to pass above another.

State transportation officials said in a recent report that Colton, in San Bernardino County, is "a major choke point that adversely impacts rail freight and has delayed implementation of additional passenger rail improvements."

Separate tracks used there by Union Pacific and Burlington Northern cross, often forcing trains on one line to a side rail to await passage of trains on the other track.

The Colton project would cost \$148 million, with the two railroads picking up half the bill and the rest coming from Proposition 1B money.

Another proposal involves spending \$43 million to cover half the cost of providing extra tracks and improved tunnels for Union Pacific trains over Donner Pass in Northern California. The third project would use \$53 million to cover half the cost of expanding the tracks and tunnels used by Burlington Northern over Tehachapi Pass.

Schwarzenegger spokeswoman Julie Soderlund denied any tie between the railroad contributions and the projects proposed by the administration.

"The governor makes decisions based on what he believes is in the best interest of the people of California," she said. "The governor supported Proposition 1B because California needs to invest in its infrastructure for roads and transportation."

In recent comments to Southern California transportation officials, Dale Bonner, secretary of the state Business, Transportation and Housing Agency, acknowledged that the proposals were controversial.

"We don't have any recent history or precedent for taking taxpayer dollars and investing in what . . . are essentially private assets," Bonner said. "This is a form of public-private partnership that we are trying to work through to see how we can assure the public that their needs are going to be addressed in a way that truly benefits the public and not simply puts more money in the pockets of the railroads."

"I think we are looking at some very creative ways of doing that," he said. Although the ballot measure specifically allows for rail projects, many local officials said the priority should be projects with some benefit for the public stuck in traffic, including freeway improvements and grade separation projects that would allow motorists to go over or under rail crossings so they are not forced to sit idling as trains pass.

"We think the intent of Proposition 1B was for public interchanges and not for the use of the railroad industry," said San Bernardino County Supervisor Gary Ovitt of Ontario. "Most people thought the dollars would be used for public transportation projects."

Ovitt is vice president of the San Bernardino Associated Governments, a coalition of elected officials from San Bernardino County that serves as the area's transportation planning agency. The group has asked the state commission to use the transportation bond money to improve freeways and provide grade separations at rail crossings.

"They are of benefit to the community more so than to the railroads," said Barstow Mayor Lawrence Dale, president of the association.

Railroad officials said the projects would benefit the public in many ways.

"If we want to continue to be an economic powerhouse, we have to invest in our goods movement infrastructure," said Zoe Richmond, a spokeswoman for Union Pacific.

The rail lines serve some of the busiest ports in the country, including Los Angeles, Long Beach and Oakland, and have a major effect on California's economy, Richmond said.

The state's application for the funding notes that Union Pacific is a key rail hauler from the ports of Los Angeles and Long Beach to distant gateways, including St. Louis, Chicago, New Orleans and Memphis, Tenn.

Juan Acosta, a lobbyist for Burlington, said if trains did not have to sit idling at busy crossings, fewer delays and less pollution would result.

Meanwhile, Kempton acknowledged officials' concerns about the Colton project.

"Local concerns must be fully considered before any decision is made to include the Colton project in the . . . program," Kempton wrote to the transportation commission.

The proposals are scheduled to be debated in commission hearings beginning Wednesday in San Francisco.

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