

Balfour Beatty temporarily halts work on part of \$1.9B Caltrain project

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Dive Brief:

- General contractor Balfour Beatty has stopped some of its modernization work on California's commuter train service, Caltrain, through the end of the month.
- John Funghi, chief officer of Caltrain's Modernization Program (CalMod), told Caltrain board members that Balfour Beatty is temporarily halting construction on foundations for the \$1.9 billion Peninsula Corridor Electrification project. Balfour Beatty was awarded a \$697 million contract for the project in August 2016.
- Funghi said that the general contractor must stop work on OCS (overhead catenary system) foundations due to its late ordering of rebar cages and also said that the construction firm has been behind in resolving some design issues. Funghi told the board that Caltrain is working with Balfour Beatty to resolve these problems, but some members expressed concern as to whether this would impact the foundation completion deadline, which is the end of this year.

Dive Insight:

Balfour Beatty did not respond to Construction Dive's request for comments.

The CalMod program, which is supposed to be ready for implementation by 2021, is expected to improve commuter train service on several fronts, including efficiency and safety. Other potential benefits are a reduction of train noise, reduced fuel costs and less air pollution.

Funding for the project comes from a mix of sources, including a controversial \$600 million from the California High-Speed Rail Authority (CHSRA). Critics of the authority's decision to contribute funds to the electrification project said that the conditions of the voter-approved bonds did not allow the CHSRA to spend outside the parameters of the \$80 billion bullet train project that will connect Northern and Southern California, even though the CHSRA says it will use a portion of the electrified rail in the future.

During the state's COVID-19 stay-at-home orders, Balfour Beatty's and other crews have taken advantage of the reduced train traffic, Funghi said, and now have a wider work window. Nevertheless, Caltrain, the CHSRA and other commuter rail agencies could face a new challenge.

According to the latest ridership statistics from the American Public Transportation Association, while both commuter rail (+3.3%) and heavy rail (+2.3%) saw year-over-year increases in ridership, light rail ridership declined by about 4.5%. During the last 20 years, commuter rail and light rail hit their ridership highs in 2014, heavy rail in 2015.

The COVID-19 pandemic that has forced many to transition to remote working could potentially shrink those numbers, according to a recent poll by Gallup. Of those who have been doing their jobs from home in the last few months, 60% said they would like to continue to do so after the stay-at-home orders are lifted.

Some employers will likely agree, according to Randal O'Toole, senior fellow at the Cato Institute, since many at-home workers reportedly have said they are more productive and a remote workforce, even a partial one, would save companies money. Employers he said, can save \$11,000 to \$22,000 per remote worker each year, depending on their at-home work hours.

Another challenge for rail and other forms of public transportation, he said, is that the novel coronavirus has made Americans hesitant to crowd onto trains, subways and buses. When it comes to social distancing, he said, there's no better travel option than an automobile.