Context

- MTC Requirement
- 10-year horizon (FY2015-2024)
- Informs regional plans/programs
  - Regional Transportation Plan
  - Transportation Improvement Program
- Key draft elements
  - Operations / Maintenance
  - Capital Improvement Program and Funding
Policy Framework

- Caltrain Strategic Plan (2014)
- MTC Transit Sustainability Plan
- Caltrain Modernization Program
- Caltrain/HSR Blended System

10-year Operations / Maintenance Projection
Operating Plan Assumptions

- **2016 – 2020**
  - Longer diesel trains
  - More seats and bikes on board
  - Reduced weekend service during electrification construction

- **2021 – 2024**
  - Mixed-fleet electrified service
  - Service expansion

### Operating Plan Assumptions continued

<table>
<thead>
<tr>
<th>Timeframe</th>
<th>Peak hour</th>
<th>Week Day</th>
<th>Week Day (Midday)</th>
<th>Weekend</th>
</tr>
</thead>
<tbody>
<tr>
<td>Today Diesel Service</td>
<td>10</td>
<td>92 trains</td>
<td>Hourly</td>
<td>Hourly (+4 bullet trains daily)</td>
</tr>
<tr>
<td>Mixed Fleet Electrified Service</td>
<td>12</td>
<td>114 trains</td>
<td>30 minutes</td>
<td>Hourly (+4 bullet trains daily)</td>
</tr>
</tbody>
</table>
New O/M Costs

• CBOSS PTC (Mandated. Rev service late 2015)
  – Long term service contract
  – JPB staff and contract operator support
• Electrification and EMUs (rev service 2020)
  – Electrification infrastructure
  – EMU fleet
  – Expanded service (train crew)
  – Electricity

Savings (From 2020 to 2021)

• Diesel Fuel
  – 61% reduction
  – ~5.5 million gallons
• Diesel Vehicle Maintenance
  – 25% remaining fleet
  – 59% maintenance reduction
**Increased Revenues**

- **Ridership**
  - Current weekday ~60,000
  - ~83,000 weekday ridership in 2021
  - Slower growth during construction period
  - Uptick in ridership with electrified service
- **Fare Increase**
  - 7.5% every 2 years assumed
  - Historic CPI (~5% every 2 years)

---

**O&M Forecast 2021 / 2024 (YOE $)**

Excluding long term debt expense

<table>
<thead>
<tr>
<th>Sources of Funds</th>
<th>Existing (Adopted)</th>
<th>Start of Electrification</th>
<th>10 Year Outlook</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>FY2015</td>
<td>FY2021</td>
<td>FY2024</td>
</tr>
<tr>
<td>Operating Revenues</td>
<td>$89,337,446</td>
<td>$132,000,000</td>
<td>$158,000,000</td>
</tr>
<tr>
<td>JPB Member Subsidy</td>
<td>$19,828,952</td>
<td>$23,000,000</td>
<td>$25,000,000</td>
</tr>
<tr>
<td>Other Contributions</td>
<td>$21,569,628</td>
<td>$8,000,000</td>
<td>$9,000,000</td>
</tr>
<tr>
<td><strong>Total Revenues &amp; Funds</strong></td>
<td><strong>$130,736,026</strong></td>
<td><strong>$163,000,000</strong></td>
<td><strong>$192,000,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Use of Funds</th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Expenses</td>
<td>$108,475,914</td>
<td>$155,500,000</td>
<td>$178,000,000</td>
</tr>
<tr>
<td>Other Use of Funds</td>
<td>$17,947,237</td>
<td>$23,500,000</td>
<td>$26,000,000</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$126,423,151</strong></td>
<td><strong>$179,000,000</strong></td>
<td><strong>$204,000,000</strong></td>
</tr>
<tr>
<td>Surplus / (Deficit)**</td>
<td>$4,312,875</td>
<td>($16,000,000)</td>
<td>($12,000,000)</td>
</tr>
</tbody>
</table>

**Note:** Historic annual deficit
New Financing Consideration

- TIFIA loan if grant not available
- Additional to annual debt service

<table>
<thead>
<tr>
<th>Financed Amount</th>
<th>Debt Service in FY2021 (millions)</th>
<th>Debt Service in FY2024 (millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Existing debt</td>
<td>$2.9</td>
<td>$2.9</td>
</tr>
<tr>
<td>Potential $175 million</td>
<td>+ $7.8</td>
<td>+ $11.3</td>
</tr>
<tr>
<td>Potential $125 million</td>
<td>+ $6.6</td>
<td>+ $9.2</td>
</tr>
<tr>
<td>Potential $100 million</td>
<td>+ $4.4</td>
<td>+ $6.1</td>
</tr>
</tbody>
</table>

Key Metrics

<table>
<thead>
<tr>
<th></th>
<th>FY2015</th>
<th>FY2021</th>
</tr>
</thead>
<tbody>
<tr>
<td>Farebox recovery</td>
<td>62.7%</td>
<td>65.2%</td>
</tr>
<tr>
<td>Operating expense / passenger</td>
<td>$5.66</td>
<td>$5.45</td>
</tr>
<tr>
<td>Operating expense / vehicle service hour</td>
<td>$561</td>
<td>$532</td>
</tr>
<tr>
<td>JPB member subsidy / passenger</td>
<td>$1.03</td>
<td>$0.80</td>
</tr>
<tr>
<td>JPB member subsidy / vehicle service hour</td>
<td>$102</td>
<td>$78.10</td>
</tr>
</tbody>
</table>
10-year Capital Improvement Plan Projection

(Presented to JPB in February)

CIP Categories

• State of Good Repair
• Support and Contingency Program
• Reliability / Enhancements
• Modernization
### State of Good Repair

$381 million (unfunded $68 million) - 10 years

- Bridge replacement
- Track stations, fencing, security, signals / communications
- TVM replacement
- Diesel rolling stock maintenance

### Support & Contingency Program

$24 million - 10 years

- Capital program management
- Capital project development and planning
- Contingency funds
Reliability & Enhancement Program

$648 million (unfunded $424 million) - 10 years

- Reliability enhancements (added control point)
- 6-car diesel platform modifications
- San Mateo Grade Separation
- South San Francisco Station redesign + holdout rule removal
- Terminal improvements (North and South terminals)
- Holdout rule removal (Broadway, Atherton and College Park)
- Access enhancements & technology improvements
- Reliability enhancements (additional new control points)
- Grade crossing improvements
- Additional mini-highs
- 22nd Street ADA access

Funding Sources

- Federal (FTA, FHWA)
- State (Prop 1B, PUC, Cap-and-trade)
- Regional (Bridge tolls)
- Local (SFCTA, TA, VTA)
- Other Local (City of South San Francisco, City of San Mateo)
Caltrain Modernization Program

$1.761 billion* (Funding plan being updated)

Early Investment Program
- CBOSS PTC System
- Electrification
- EMU (75% replacement of diesel fleet)

$ TBD (Funding plan to be developed)

Phase II
- Platforms extension and level boarding
- Additional EMUs for full EMU fleet w 8-car trains

*Does not include cost for potential EMU modification to accommodate dual level boarding

Next Steps
- Prepare and submit draft SRTP to MTC
- Post on website (CIP and O&M)
- Finalize SRTP
- Request JPB adoption
- Submit final to MTC