



# FY2012 Proposed Capital Budget

July 7, 2011



## Outline

- **Recap of the preliminary FY2012 Capital Budget**
- **Proposed funding sources**
- **Proposed JPB Member Contributions**
- **Impact of the proposed budget reductions**



## Recap of the Preliminary FY2012 Capital Budget

### May 5, 2011 Board Meeting

- Presented a preliminary budget of \$64.6 million, which requested from each JPB member \$4.25 million in local funds for a total of \$12.7 million

### June 2, 2011 Board Meeting

- Reported that San Mateo, VTA and San Francisco can each contribute \$4.0 million, \$3.13 million and \$2.73 million respectively
- Discussed projects that may need to be reduced and/or deferred at each funding level



## Recap of the FY2012 Capital Budget

Program	FY2012 Budget	% Share
State of Good Repair: Station	\$1.6 million	2.5%
State of Good Repair: Right of way; Signals & Communication	\$28.9 million	44.7%
State of Good Repair: Rolling Stock	\$10.8 million	16.7%
Legal Mandate	\$18.0 million	27.9%
Peninsula Rail Program	\$1.6 million	2.5%
Enhancements	\$1.5 million	2.3%
Support	\$2.2 million	3.4%
<b>Total</b>	<b>\$64.6 million</b>	<b>100%</b>



## Proposed FY2012 Funding Sources

Fund Category	\$ Amount
Federal Grants	\$39.6 million
State and Regional Grants	\$9.5 million
Other	\$2.8 million
<b>AB 664 Bridge Tolls</b>	<b>\$0.64 million</b>
<b>JPB Member Agency Contribution – <u>Revised Request</u></b>	<b>\$12.06 million</b>
<b>Total</b>	<b>\$64.6 million</b>



## Proposed JPB Member Contributions

Staff deliberated with the three JPB members and the proposed amounts are as follows:

- San Mateo: \$4.0 million
- Valley Transportation Authority: \$3.1 million
- San Francisco: \$2.73 million
  - \$2.40 million: SFCTA
  - \$0.33 million: SFMTA



## Comparison of preliminary and proposed budgets

Program	Preliminary Budget	Proposed (\$2.73m per Partner)	Difference
State of Good Repair: Station	\$1.6 million	\$0.4m	\$1.2m
State of Good Repair: Right of way; Signals & Communication	\$28.9 million	\$28.9m	\$0
State of Good Repair: Rolling Stock	\$10.8 million	\$8.2m	\$2.6m
Legal Mandate	\$18.0 million	\$18.0m	\$0
Peninsula Rail Program	\$1.6 million	\$1.6m	\$0
Enhancements	\$1.5 million	\$1.5m	\$0
Support	\$2.2 million	\$2.0m	\$0.2m
<b>Total</b>	<b>\$64.6 million</b>	<b>\$60.6m</b>	<b>\$4.0m</b>



## Impact of proposed changes between preliminary and proposed budgets

- Postpone the Upgrade to PA & VMS Systems at 22<sup>nd</sup> Street and Sunnyvale stations project to future years
- Reduce the Rolling Stock State of Good Repair project budget by \$2.6 million
- Reduce the Capital Project Development project by \$250,000



## Budget Impact to Rolling Stock Project

- In FY2011, due to funding constraint, deferred \$4.9 million of Rolling Stock Rehabilitation needs out of a \$12.5 million request
- In FY2012, due to on-going funding constraint, will defer another \$2.6 million out of a \$10.8 million request
- Risk associated with deferral:
  - Exposure to greater risk of reliability and availability issues with fleet
  - Some deferred subsystem work may result in in-service failures and added operating expense
  - Deferred SOGR work will accumulate and require greater levels of investment later



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