

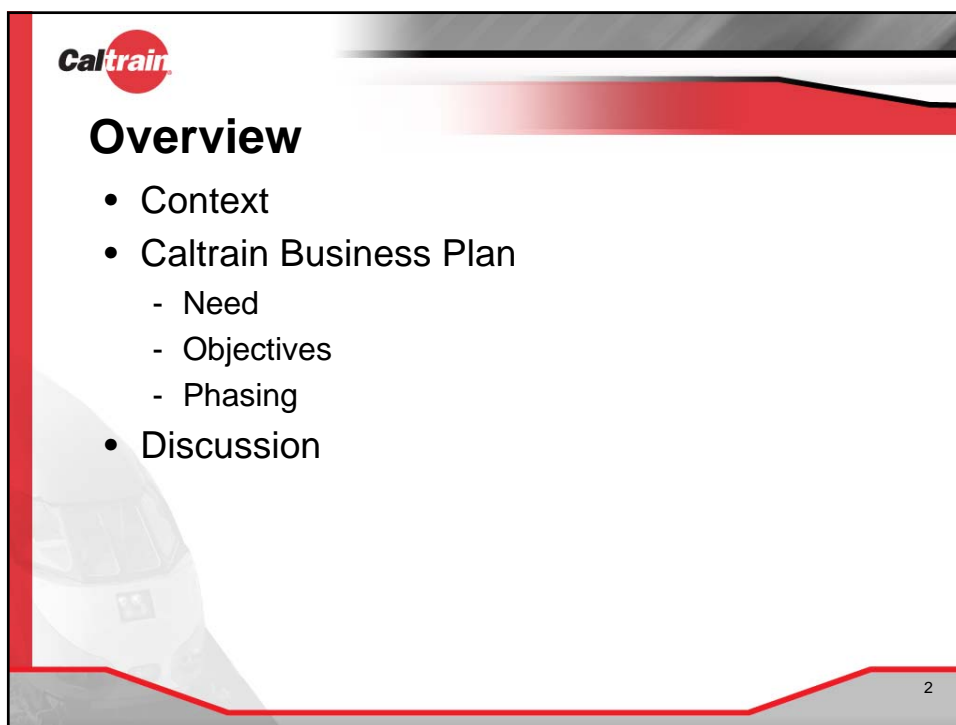


The slide features the Caltrain logo in the top left corner. The background is a red gradient with a faint image of a train. The main title 'Caltrain Business Plan' is centered in white. In the bottom right, the text 'Citizen Advisory Committee August 16, 2017 Agenda Item # 10' is displayed.

Caltrain

Caltrain Business Plan

Citizen Advisory Committee
August 16, 2017
Agenda Item # 10




The slide features the Caltrain logo in the top left corner. The background is a red gradient with a faint image of a train. The main title 'Overview' is centered in black. Below it is a bulleted list of topics. In the bottom right corner, the number '2' is displayed.

Caltrain


Overview

- Context
- Caltrain Business Plan
 - Need
 - Objectives
 - Phasing
- Discussion


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Context

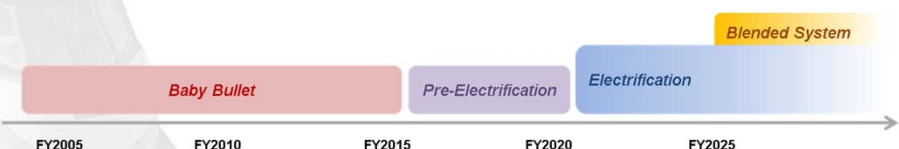


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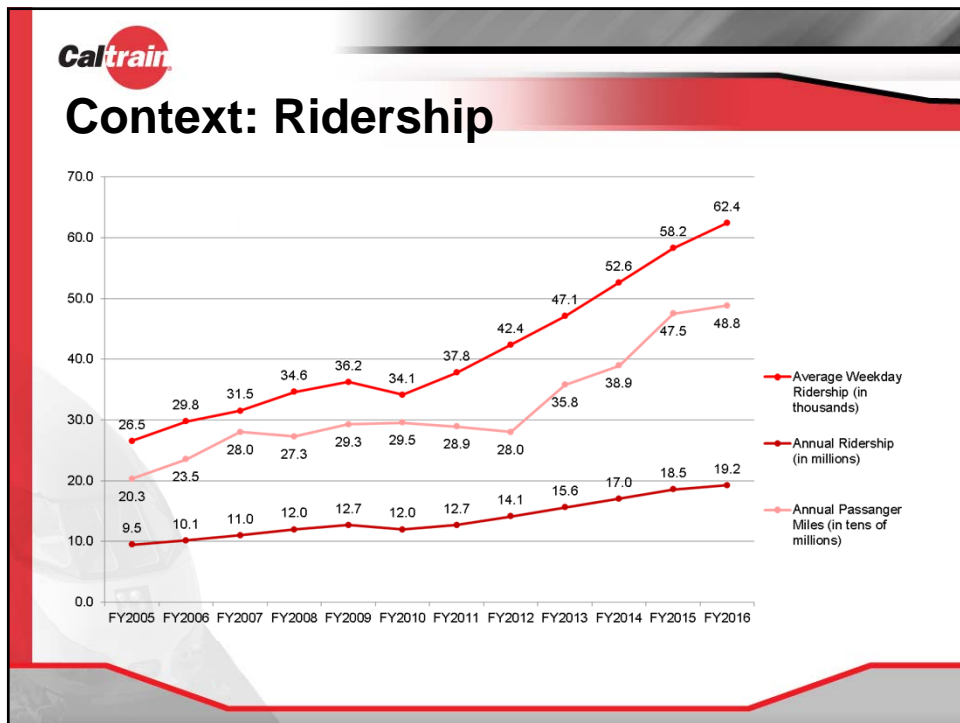
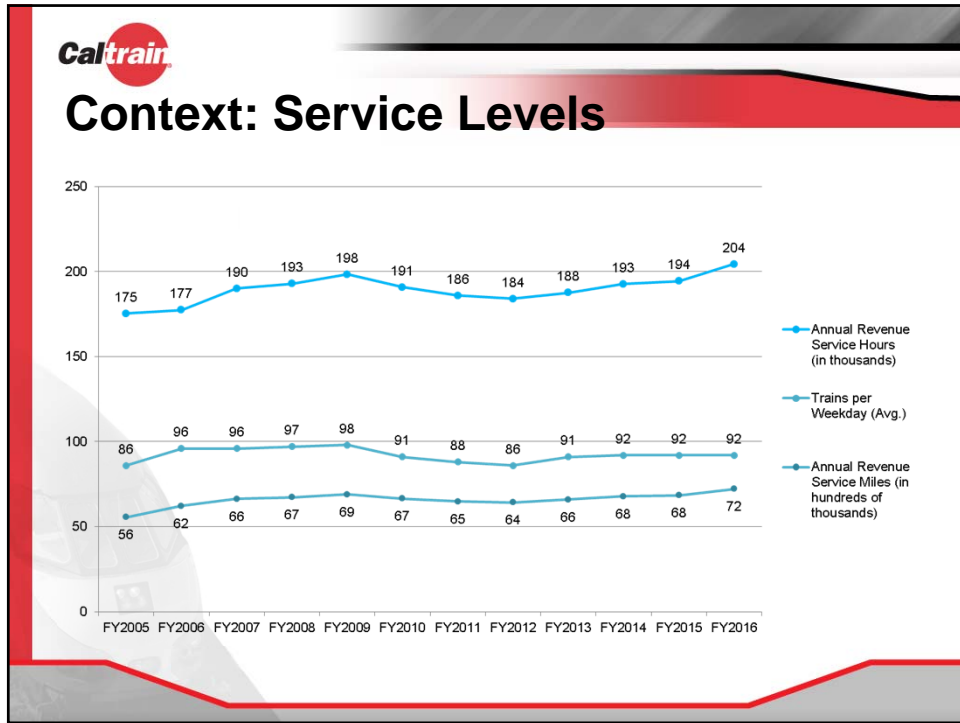


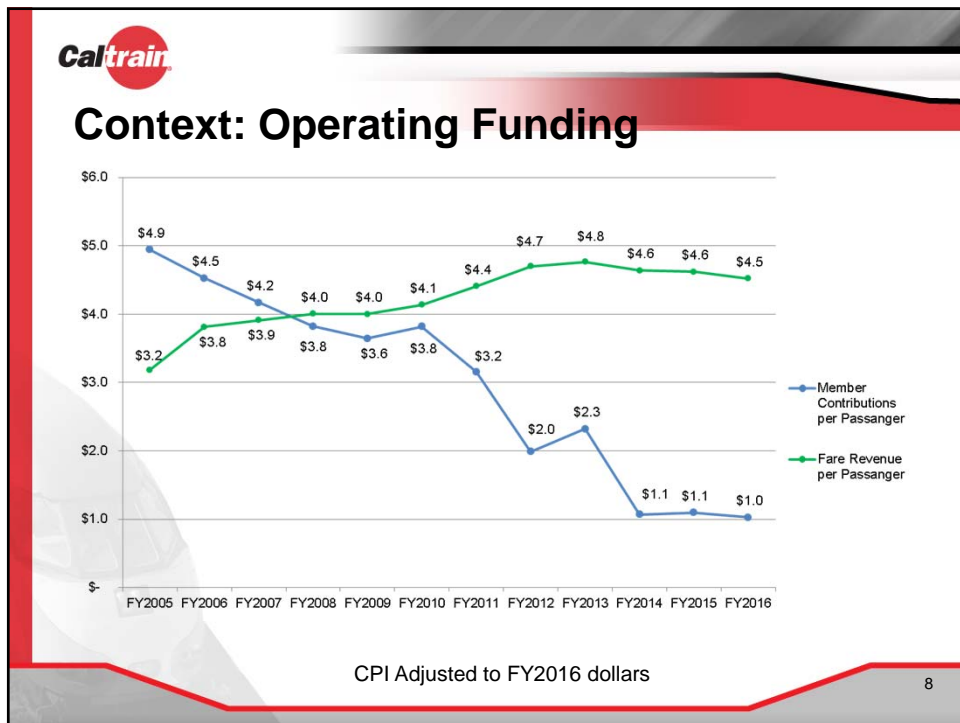
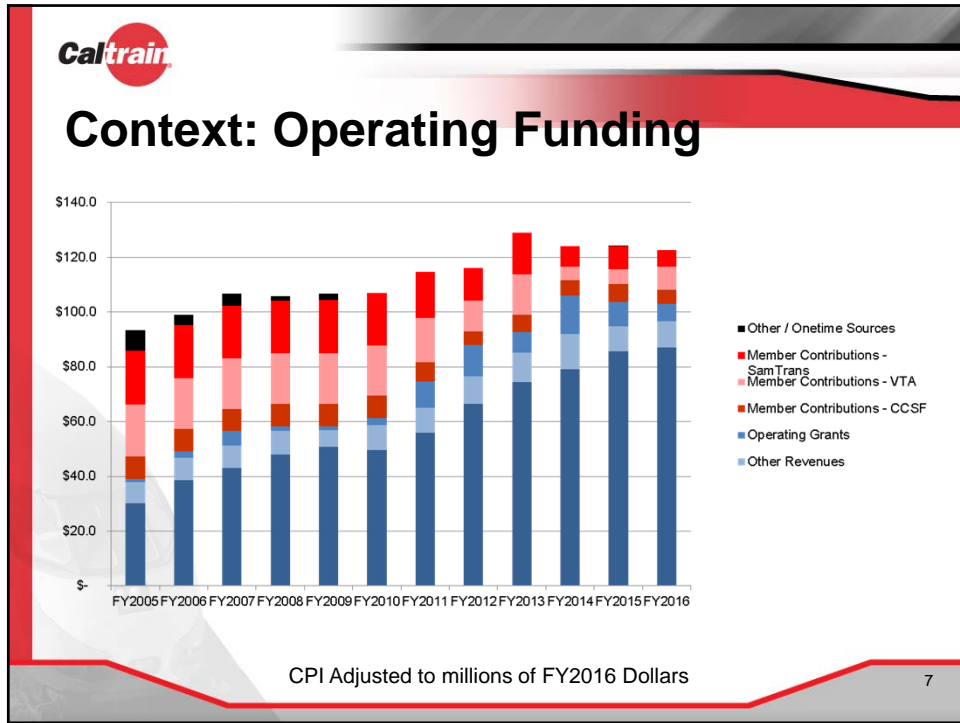
Caltrain's Changing Business Context

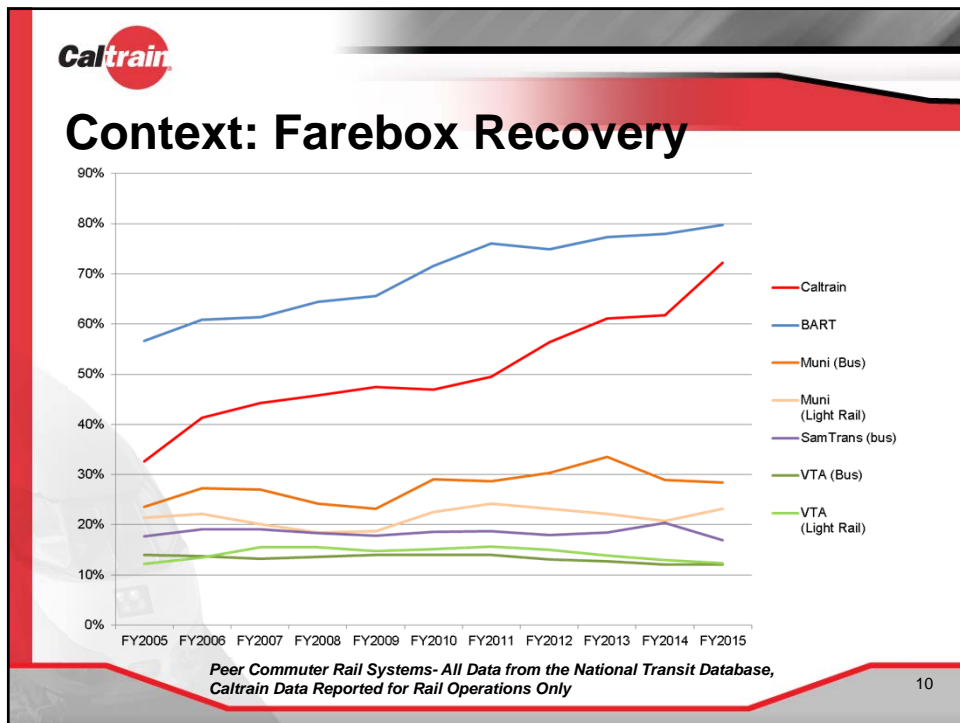
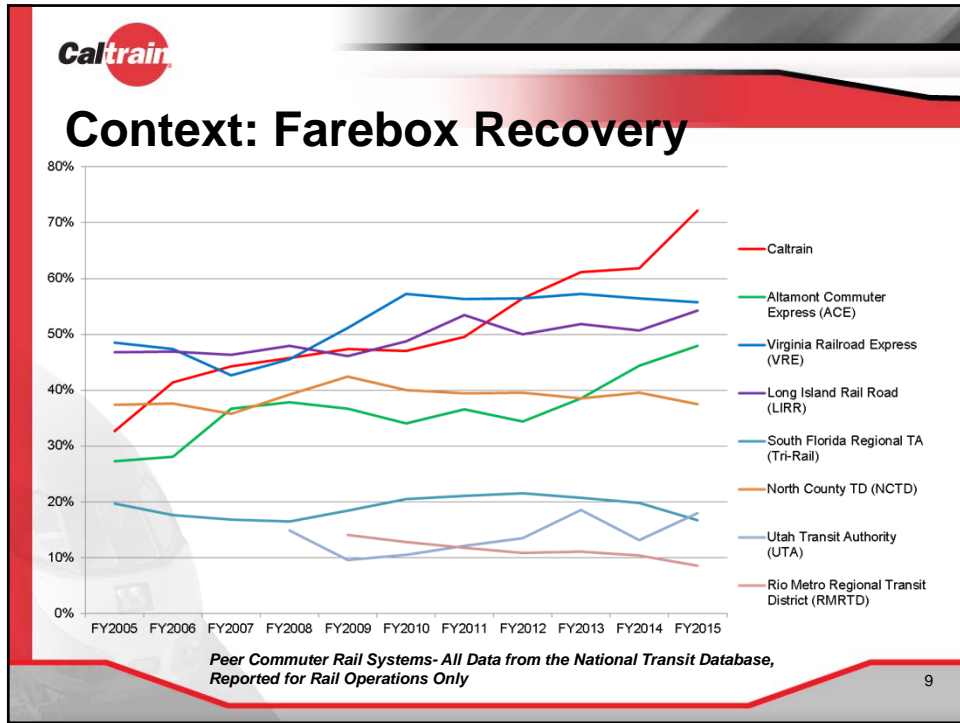
- Since 2005:
 - Ridership increasing while service held constant
 - Declining operating subsidies and increased reliance on fare revenue
 - Constrained capital funding
 - Signature investment in modernization and commitment to blended system

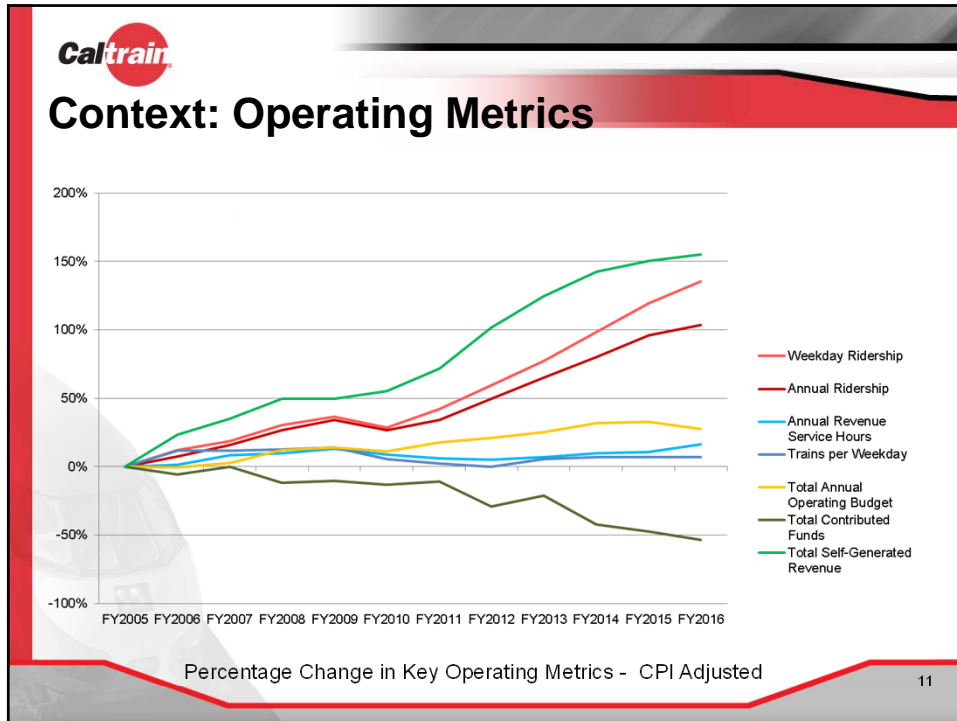


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- Caltrain**
- ### Context: Caltrain Modernization
- \$2.25 billion investment in the future of the Caltrain (CBOSS-PTC + Electrification)
 - Opportunity to improve service, grow ridership and reinvent the system
 - Many challenges remain
 - Replacement and expansion of entire mainline diesel fleet not fully funded
 - Other desired capital projects still require planning and funding
 - System bigger but still no stable source of operating or state of good repair funding
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Context: Financial Outlook

- Projections show that electrification will allow Caltrain to serve more riders at a lower cost per passenger
- However, Caltrain projects an ongoing annual need for \$30-\$40 million in operating subsidies:
 - Similar to FY2001-2011 (\$30 - \$40 million typical)
 - More than recent years (\$17-25 million)
- Need for capital funding also increasing as existing infrastructure and fleet ages and new systems are added
- Caltrain will be at risk if member contributions fall short or if ridership significantly declines

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Caltrain Business Plan

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Need for a Business Plan

- Opportunity to maximize value of public investment in Electrification
 - Need capital funding to complete conversion of the fleet and modernize all aspects of the system
 - Need to expand and tailor service to support a growing region and equitably serve a diverse population
 - Need to stabilize funding and revenue streams to support operations and state of good repair
- Opportunity to seek funding as part of potential ballot measures and legislative actions in 2018 at local, regional and state levels

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Key Objectives

- Identify the near-term capital projects and services needed to fully realize the public investment in electrification
- Develop cost, revenue and funding targets that support improved services and ensure ongoing financial stability
- Define opportunities for the long-term expansion and integration of the Caltrain system
- Engage with local, regional and state initiatives to secure new funding

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Phasing

- **Phase 1 – Develop a Business Strategy**
- **Timeframe:** Now through Fall 2017
- **Purpose:**
 - Receive stakeholder and public input regarding range of technical and policy issues that need to be addressed in Business Plan
 - Clarify relationship between Business Plan and ongoing planning and policy efforts occurring throughout the Caltrain Corridor
 - Under expert guidance, develop a clear scope and funding plan for 2nd Phase of Business Plan work

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Phasing

- **Phase 2 – Complete Business Plan**
- **Timeframe:** Fall 2017 through end of 2018
- **Purpose:**
 - Detailed scope to be developed in Phase 1
 - Will minimally include:
 - Analysis of future service levels, service patterns, fleet and infrastructure needs and ridership forecasts
 - Review of organizational, management and contracting strategies
 - Updated financial analysis and funding strategies

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