Commitment to Funding Caltrain State of Good Repair

Board of Directors
December 1, 2016
Agenda Item # 9

Introduction

- Action intended to demonstrate Caltrain's commitment to maintaining a State of Good Repair
- Needed for a Full Funding Grant Agreement with Federal Transit Administration for PCEP
- Commitment will be memorialized in forthcoming Short Range Transit Plan

2

Background

- Full Funding Grant Agreement from Federal Transit Administration for $647 million in Core Capacity funding for PCEP
- Caltrain required to demonstrate "financial capacity" to build and operate project through 2035
- Developed a 20-year, fiscally constrained financial plan and submitted to FTA in 2015

3

Fiscally Constrained Plan

- Relies solely on known and available funding sources
- Shows baseline, 20-year investment required for Caltrain to:
  - Maintain a state of good repair and meet legal mandates
  - Deliver PCEP and provide service levels identified in PCEP FEIR

4

Capital Program Shortfall

- Caltrain does not have a dedicated source of funding
- Fiscally constrained plan shows a $165 million, 20-year shortfall driven primarily by;
  - Diesel fleet SOGR
  - Replacement of remaining diesel fleet
- FTA desires action demonstrating Caltrain's commitment to maintaining SOGR

5

Short Range Transit Plan (SRTP)

- Required by MTC
- Updated every 2 years, with update to Board planned in early 2017
- Describes planned services and capital projects following the guidelines set forth by MTC
- Update will cover fiscal years 2017- 2026

6

Action

- **Fiscally constrain forthcoming SRTP, consistent with financial plan submitted to FTA**
- **Include statement of projected SOGR needs in the SRTP through 2035**
- **Commit to taking required budget actions to fully fund SOGR needs identified in forthcoming and future SRTPs**

7

Next Steps

- **Continue discussions with FTA**
- **Staff will prepare an SRTP consistent with FTA financial plan and revised FY2017 budget**
- **Draft SRTP will come to Board in early 2017**

8