



February 13, 2017

The Honorable Elaine Chao, Secretary U.S. Department of Transportation 1200 New Jersey Avenue, SE Washington, DC 20590

Re: Peninsula Corridor Electrification Project Full Funding Grant Agreement Support

Dear Secretary Chao,

I am writing to express my strong support for Caltrain's Peninsula Corridor Electrification Project (PCEP) and the Full Funding Grant Agreement (FFGA) pending approval from the Federal Transit Administration.

Caltrain serves more than 65,000 daily passengers and links the major economic centers on the Silicon Valley Corridor. Over the past decade, Caltrain's ridership has more than doubled and demand continues to grow. The PCEP will transform Caltrain from a diesel-based service to a modernized rail system featuring high-performance electric commuter rail trains that enhance capacity and allow the system to deliver cleaner, quieter, faster, more frequent service to the region. With an electrified system between San Francisco and San Jose that enables faster acceleration and more frequent service, Caltrain will be able to increase capacity and serve more riders at more stations.

Federal investment in this project will be matched with over \$1 billion in secured local, regional, and state funding and will create hundreds of jobs throughout the nation. For example, in Utah, the PCEP is the driving force behind plans to build a new railcar assembly plant that will create new employment opportunities to over 550 workers.

I understand that the FFGA was sent to Congress for a 30-day review period on January 18, 2017 and will be eligible for completion on February 18, 2017. To achieve the project benefits, it is essential that an FFGA be completed in time to award a Notice to Proceed (NTP) prior to March 1, 2017 to the contractors that have been selected to construct the PCEP infrastructure and deliver new electric trains. If a NTP is not granted prior to March 1, PCEP will experience cost increases that threaten the viability of the project.

I offer my full support to the PCEP and strongly encourage you to help our region continue to create jobs and fuel the national economy by investing in this critical transportation improvement.

Sincerely,

Raul Peralez

Councilmember, District 3

San Jose