

Metropolitan Transportation Commission Programming and Allocations Committee

September 13, 2017

Agenda Item 3a

MTC Resolution No. 4302

Subject: Funding commitments for the BART Transbay Corridor Core Capacity Project.

Background: BART's Transbay Corridor Core Capacity (TCCC) Project is a coordinated package of investments that will increase capacity between San Francisco and Oakland by more than 30%. These investments include upgraded train control systems, Phase 2 of the Hayward Maintenance Center expansion, enhanced traction power systems, and 306 additional railcars. The total cost of the project is \$3.5 billion.

BART is applying for \$1.25 billion in Federal Transit Administration (FTA) Capital Investment Grant (CIG) funds as part of the funding plan for the TCCC project. In order to be considered for inclusion in the Administration's FY2018-19 recommendations for CIG funding, FTA is requiring BART to demonstrate that up to 50% of the non-CIG funds in the funding plan for the portion of the project that is eligible for CIG (\$730 million) is committed to the project.

In 2013 the Commission adopted the Core Capacity Challenge Grant Program (MTC Resolution 4123, Revised), which committed \$7.5 billion in federal and regional funds to a suite of transit capital projects designed to increase the capacity and state of good repair of transit in the urban core of the region. This included \$335 million for BART expansion railcars and train control modernization that are now part of the TCCC project. In order for MTC's contribution to count toward the 50% committed funds requirement, FTA has requested that the Commission take an action to commit the funds that identifies specific funding sources for each project, and that programs the funds in the regional Transportation Improvement Program (TIP).

To assist in meeting the commitment requirement, this item proposes to commit a total of \$179 million to the TCCC project from the BART Car Replacement Exchange Account funds for the expansion railcars, which would be programmed in the TIP in Item 2c on this agenda. The proposed amount is consistent with the commitments MTC previously made in Resolution 4123. The balance of MTC's \$335 million commitment would be programmed in future years based on the cash flow needs of the TCCC project.

The BART Car Replacement Exchange Account was established in 2006 under an agreement with BART authorized by MTC Resolution 3738, Revised. Under the agreement, MTC has programmed federal formula funds to BART's preventive maintenance program, and BART has deposited an equal amount of its local funds into the exchange account, which is reserved for future expenditure on BART's railcar procurement program.

BART has also committed approximately \$480 million of its capital allocation funds to the TCCC project. BART plans to identify other sources to cover the remaining 10% of the FTA requested commitment.

BART TCCC Funding Commitments (\$millions)	
Costs	
Program Total	3,511
CIG-Eligible Cost Total	2,710
Funding for CIG-Eligible Portion	
CIG	1,250
Other Funds	1,460
FTA-Requested Commitment	730
Funding Commitment in This Action	
MTC – Exchange Account	179
BART Capital Allocation Funds	480
State TIRCP or Other Sources TBD	71
<i>Total</i>	<i>730</i>

Issues: None.

Recommendation: Refer MTC Resolution No. 4302 to the Commission for approval.

Attachments: MTC Resolution No. 4302