

Update on Stadler Contract Option and Rail Vehicle Acquisition

Finance Committee
June 26, 2023



Overview

- **Background**
- **Fleet Plan**
- **Funding**
- **Stadler Option**
- **Next Steps**

Background



Zero Emission Corridor is a phased plan benefitting riders, communities, and CA. We have made significant progress on funding trains for the next stage:

- **4 replacement EMUs** – replacing old diesel trains with clean EMU trains
- **1 expansion EMU** - service capacity expansion to accommodate DTX
- **1 demonstration BEMU** - Caltrain pilots technology that accelerates EV use in non-electrified railroad, in partnership with CalSTA

Option expires August 15, 2023

Zero Emission Corridor Fleet Plan

2024: Post-Electrification Mixed Service

19 EMU trainsets

9 diesel locomotive trains

2030: Progress Towards Zero- Emission Corridor

24 EMU trainsets

- 23 PCEP/Replacement
- 1 DTX Expansion Train

6 diesel locomotive trains

1 Demonstration Battery-EMU

- (Full ZE Corridor to be achieved in the future with full replacement of remaining diesel trains with BEMUs)



4 EMUs Replace Diesel Trains



Funding

MTC Programming of FTA Formula over Five Years						
	Total	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FTA Formula	\$176	\$12.8 ¹	\$17.6 ¹	\$63.2 ²	\$61.6 ²	\$20.8 ²
Local Match	\$44	\$3.2	\$4.4	\$15.8	\$15.4	\$5.2
Total	\$220	\$16	\$22	\$79	\$77	\$26

¹MTC formula funds approved at April 2023 Commission Meeting

²MTC Commission approved intention to further program FY25-FY27

1 EMU

Expand Service to DTX



Project:

- Improve service into DTX and ridership
- EMU benefits DTX project and region

Funding:

- In discussion with TJPA to include required expansion EMU in the DTX project cost

1 BEMU

Accelerate ZE Service to Gilroy



Project:

- BEMU charges on OCS section, then operates off-wire Tamien to Gilroy
- Occasional Trips to Salinas demonstrate applicability for intercity
- As option on EMU contract, must meet FTA requirements

Funding:

- CalSTA planned to fully fund 1 demonstration BEMU project (\$80M)
- **Funding uncertain as of June 2023 State budget**

Stadler Option

Expiring August 15, 2023

Proposed for purchase under contract:

- 4 replacement EMUs
- 1 expansion EMU (DTX)
- 1 BEMU (state demonstration)

Change orders must be executed by **August 15, 2023**

Risk of not exercising option:

- No practical opportunity to procure another contract
- Prices projected to increase beyond inflation due to market favoring manufacturers

Next Steps

- Confirm local match for 4 replacement EMUs
- Finalize negotiations with DTX project
- Finalize negotiations with CalSTA on BEMU
- Finance Committee Approval of Exercising Contract Options – **July 24**
- Board Approval of Exercising Contract Options – **Aug 3**
- Deadline for Option Change Order Execution – **Aug 15**

FOR MORE INFORMATION

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