

Approval of Resolution Authorizing to Exercise Stadler Contract Option for Rail Vehicle Procurement



Finance Committee
July 24, 2023

Overview

- Caltrain Zero Emission Corridor
- Stadler Contract Option for Rail Vehicles
- Estimated Avoid Cost
- Funding Plan
- Staff Recommendation

Caltrain Zero Emission Corridor

- **Current Fleet**

- Caltrain operates 29 diesel locomotives circa 1985 – 2003



- **Zero Emission Corridor Plan**

- Electrifying Caltrain-owned 51-miles from San Francisco to San Jose (Fall 2024)
 - **19 EMU 7-car trainsets**
 - **9 diesel locomotive trains**



Caltrain Zero Emission Corridor by 2030



- 4 additional 7-car EMU trainsets
- More than 90% Zero Emission service
- 1 Battery-equipped 4-car EMU (BEMU) demonstration train
- Opportunity for Caltrain to lead in the testing, review, and approval of the new technology
- Provide zero emission service south of Tamien to Gilroy, with demonstration trips to Salinas

Types of Trains	2024	2030 Vision
7-car EMU trainset	19	23
Diesel Locomotive Trains	9	6
BEMU	0	1

Stadler Contract Option for Vehicles

- Contract Option 1 – exercised in 2018, expanding 6-car to 7-car EMU trainsets
- Contract Option 2 – available to meet 2030 Vision, expires **August 15, 2023**
- Approximately \$100M to \$120M in avoided costs
- Reasons for Increased Costs without the Stadler Option
 - Small size of trainset order
 - Costs associated with using different car builder
 - Uncertainty of available production capacity
 - Inflation in labor and materials
 - Supply chain issues

Rail Vehicle Procurement

Types of Trains	Qty	Unit Cost with Option (Not to exceed)	Total Cost with Option (Not to exceed)
7-car EMU trainset	4	\$55 M	\$220M
4-car Battery-EMU	1	\$80M*	\$80M

* Not to exceed amount of \$80M includes the trainset, battery components, station and maintenance shop modifications, testing, and training

Federal Funding through MTC for Four Replacement EMUs

	Total Federal	FY 2023	FY 2024	FY 2025	FY 2026	FY 2027
FTA Formula	\$176 M	\$12.8 M	\$17.6 M	\$63.2 M	\$61.6 M	\$20.8M

- MTC Programmed FY 2023 and FY 2024 (**\$30.4 M**) at April 2023 MTC Commissioner Meeting
- MTC Commission approved commitment to further program FY 2025 – FY 2027 (\$145.6 M)

Fund Source	Total
FTA Formula	\$176 M
Local	\$44 M
Total	\$220 M



State Funding - BEMU Demonstration Train

- July 3, 2023, CalSTA announced award of \$80M to Caltrain for the Battery-EMU (BEMU) Demonstration Project
- The BEMU would operate between Tamien and Gilroy
- CTC to approve allocation at its Aug 16-17 meeting
- No local match required for the BEMU Demonstration Project. The project is to be funded 100% by CalSTA

Staff Recommendation

1. Exercise the Contract Option with Stadler USA, Inc. to procure the following:
 - a. Four seven-car Electric Multiple Unit (EMU) train
 - b. One four-car Battery-Electric Multiple Unit (BEMU) demonstration train
2. Execute the Supplemental Agreement with the California Department of Transportation to authorize JPB to receive \$80 million in Transit and Intercity Rail Capital Program funding from the California State Transportation Agency for the BEMU Demonstration Project; and
3. Take such actions as may be necessary to give effect to the resolution, including but not limited to executing and filing of reports and applications, agreements, certifications and assurances, authorized agent forms, related amendments and any other documentation required to implement this resolution and for the JPB to apply for and receive all funds.

FOR MORE INFORMATION

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