

INTERNATIONAL BROTHERHOOD OF TEAMSTERS

JAMES P. HOFFA
General President

25 Louisiana Avenue, NW
Washington, DC 20001



KEN HALL
General Secretary-Treasurer

202.624.6800
www.teamster.org

February 13, 2017

The Honorable Elaine Chao Secretary
U.S. Department of Transportation
1200 New Jersey Ave. S.E.
Washington, D.C. 20590

Madame Secretary,

Congratulations once again on your successful confirmation as Secretary of Transportation. As the nation's largest transportation union, we look forward to working with you on a number of issues that impact our 1.4 million members, across nearly every transportation industry in the country. As you begin your tenure at the Department, I write to highlight an early opportunity for action which supports both our Union's, and the President's commitment to rebuilding our nation's infrastructure and put thousands of Americans back to work.

I encourage you to approve the \$650 million grant for the electrification of the Caltrain commuter rail service in the Bay Area from San Jose to San Francisco. Currently, Caltrain is a diesel powered system, which is dirtier, slower, and less efficient than an electrified system. Electrifying Caltrain will offer cleaner, faster, and more efficient commuter rail service to the citizens of the Bay Area. Without your approval, the modernization of a line that carries more than 60,000 riders a day will not be possible.

The DOT grant is a key part of the \$2 billion funding for electrification. The State of California, through the High-Speed Rail Authority, is contributing \$730 million in funding for the Caltrain electrification.

If the grant is not funded sometime this month, it would have potentially devastating effects on the Caltrain's electrification project. The rail system, operated by a joint powers agency on the Peninsula, already has signed contracts that pledged to give a formal notice to begin work by March 1.

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If it fails to provide that notice, the agency could incur penalties so severe that it might not be able to do the project, to the detriment of the communities along the Peninsula and Caltrain.

We know that we share a common commitment with the Administration to rebuilding American manufacturing and bringing good jobs home. The company building the train sets, Stadler Inc., is constructing a new manufacturing facility in Salt Lake City for this purpose. The construction of the facility and manufacture of the railcars will employ over 500 people. Additionally, the construction of the electrification system will create approximately 9600 jobs.

This grant provides an early opportunity to take a step towards giving the United States a 21st Century transportation system. Congratulations once again on your confirmation as Secretary, and we look forward to working with you on many issues important to the Teamsters Union.

Sincerely,



James P. Hoffa
General President