



U.S. Department
of Transportation

**Federal Transit
Administration**

Executive Director

1200 New Jersey Avenue, SE
Washington, DC 20590

FEB 17 2017

Mr. Jim Hartnett
Executive Director
Peninsula Corridor Joint Powers Board
P.O. Box 3006
1250 San Carlos Avenue
San Carlos, CA 94070

Dear Mr. Hartnett:

I am writing to provide a status update regarding the Peninsula Corridor Joint Powers Board (JPB) request for a Full Funding Grant Agreement (FFGA) from the Federal Transit Administration (FTA) to support the Peninsula Corridor Electrification Project (Project).

The 30-day Congressional review period for the FFGA will conclude today, February 17, 2017. At this time, FTA is deferring a decision on whether to execute the FFGA. This will allow the Project to be considered in conjunction with the development of the President's Fiscal Year (FY) 2018 Budget and the companion FTA Report to Congress on Annual Funding Recommendations for the Capital Investment Grant Program.

As you know, the proposed FFGA would commit FTA to requesting a total of \$647,000,000 in Capital Investment Grant Program Core Capacity funds (49 U.S.C. §5309), provided in annual installments in the President's budget submissions to Congress through FY 2022 as outlined in the Project payout schedule, and subject to annual appropriations by Congress.

FTA is aware that Caltrain is requesting to receive an FFGA during February so that a notice-to-proceed may be issued to the design-build contractor by March 1, 2017. However, the considerations described above require additional time to complete review of this significant commitment of Federal resources.

I appreciate your substantial interest in FTA's consideration of the Project. If you have any questions on this matter please do not hesitate to contact me.

Sincerely,


Matthew J. Welbes