

BART Car Exchange Account Withdrawal Authorization

Programming and Allocations Committee
April 9, 2025



MTC Res. No. 3738, Revised



**METROPOLITAN
TRANSPORTATION
COMMISSION**

BART Fleet Status

- All railcars in revenue service today are new and the fleet is growing
 - 775 replacement cars delivered and in revenue service
 - Production of expansion cars underway; 116 in revenue service as of February 2025
 - Total fleet size will be over 1,000
- Price per car is approximately \$3 million



BART Railcar Funding

- Significant MTC action for BART railcar projects:
 - Exchange Account
 - Federal transit funding:
 - Directly programmed to project, over \$450 million
 - Financing component, \$289 million drawn down to date
 - Regional Measure 3: \$500 million for expansion cars
 - Endorsements for state and federal funds



Exchange Account Background

- In 2006, MTC and BART established BART Car Exchange Account to set aside funds for eventual purchase of new railcars
- Minimized impact that railcar replacement would have on region's other capital needs
- Accrued interest to generate additional funds to replace cars
- Minimized financing charges by accumulating a significant down payment



Account Funding

- MTC programmed FHWA and FTA funds to BART's Preventive Maintenance program
- BART deposited an equal amount of local funds into Exchange Account
- From FY 2006 through FY 2016, \$390 million deposited into account
- Account gained \$53 million in interest over time
- Total fund availability of approx. \$442 million

Withdrawal Authorization to Date

- To date, Commission has authorized \$414.6 million for BART railcars
 - \$235.6 million for replacement cars
 - \$179 million for expansion cars
- Fully expended
- Balance of account not yet authorized is approx. \$27.7 million

Proposed Action

- Staff proposes authorization of \$27.7 million for withdrawal for upcoming replacement railcar costs
- Also proposing to authorize any additional interest accrued in the account until it is liquidated
- BART Board of Directors also required to authorize withdrawal; scheduled to do so on April 14, 2025. This action is conditioned accordingly
- This authorization will allow the use of less financing for railcars, saving region in future interest costs



Staff Recommendation

- Refer MTC Resolution No. 3738, Revised to the MTC Commission for approval.

