

MBTA CAPITAL INVESTMENT PROGRAM

December 15, 2011



Profile of the MBTA

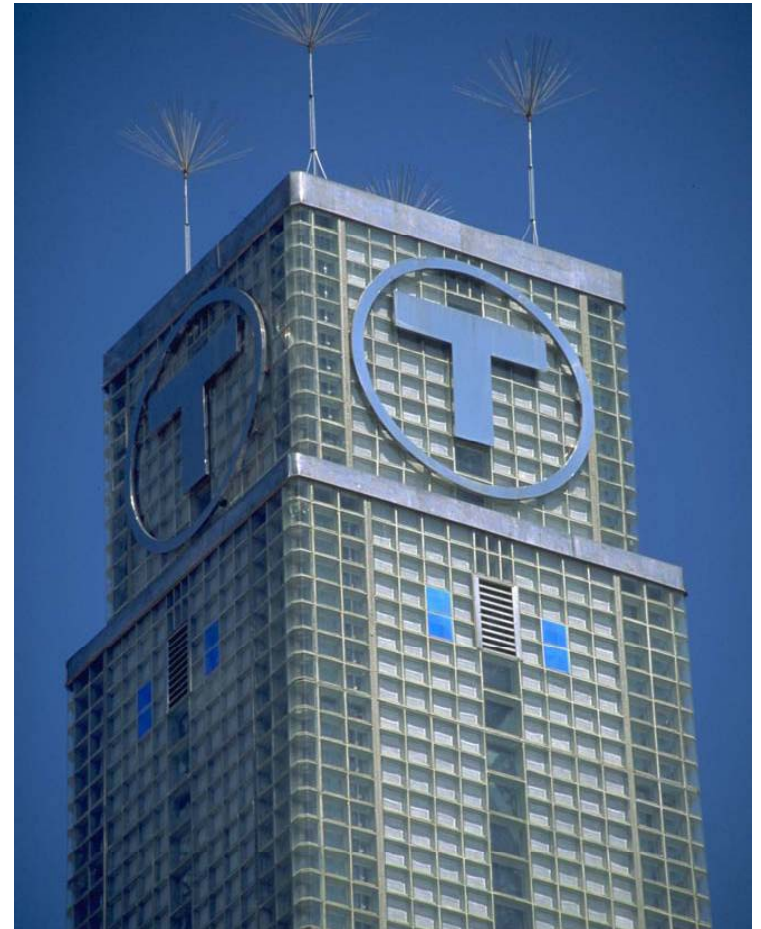


- Fifth largest transit agency in America
- 4.5 million people in 175 communities served
- 1.3 million trips a day
- Bus, subway, bus rapid transit, commuter rail, trackless trolleys, ferries, paratransit service (THE RIDE)

Providing transportation services to the Boston metro area is a large and expensive operation

More facts about the MBTA

- Operating Budget: \$1.6 billion (FY 2010)
- Capital Budget: \$4 billion (Draft FY2013-FY2017)
- Largest land owner in Massachusetts
- The MBTA provides close to 50,000 parking spaces throughout its service area
- Largest single consumer of electricity in Massachusetts (435,000,000 kWh/year). Energy costs represent a significant component of the operating budget. In FY2011 the MBTA spent \$40 million in electricity and \$161 million in fuel



What is the Capital Investment Program (CIP)?



- Rolling 5-year capital program
- Implements the 25-year Program for Mass Transportation
- The CIP is financially constrained
- It focuses on State of Good Repair Projects

What does the Capital Program Invest in?



Over 2,500 Revenue Vehicles



258 Stations



800 Miles of Track



476 Bridges



21 Miles of Tunnels



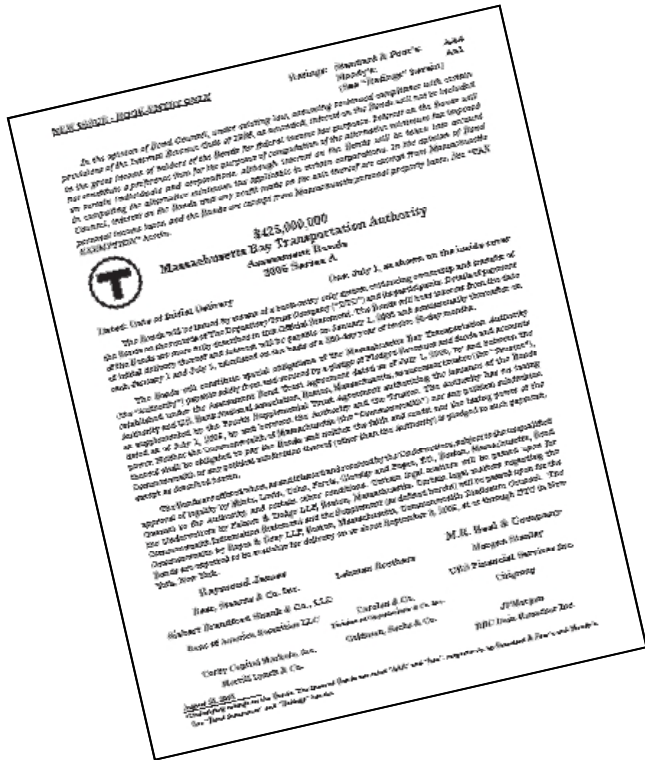
19 Maintenance Shops

The MBTA's infrastructure is extensive and has major capital needs.

How is the CIP Funded?



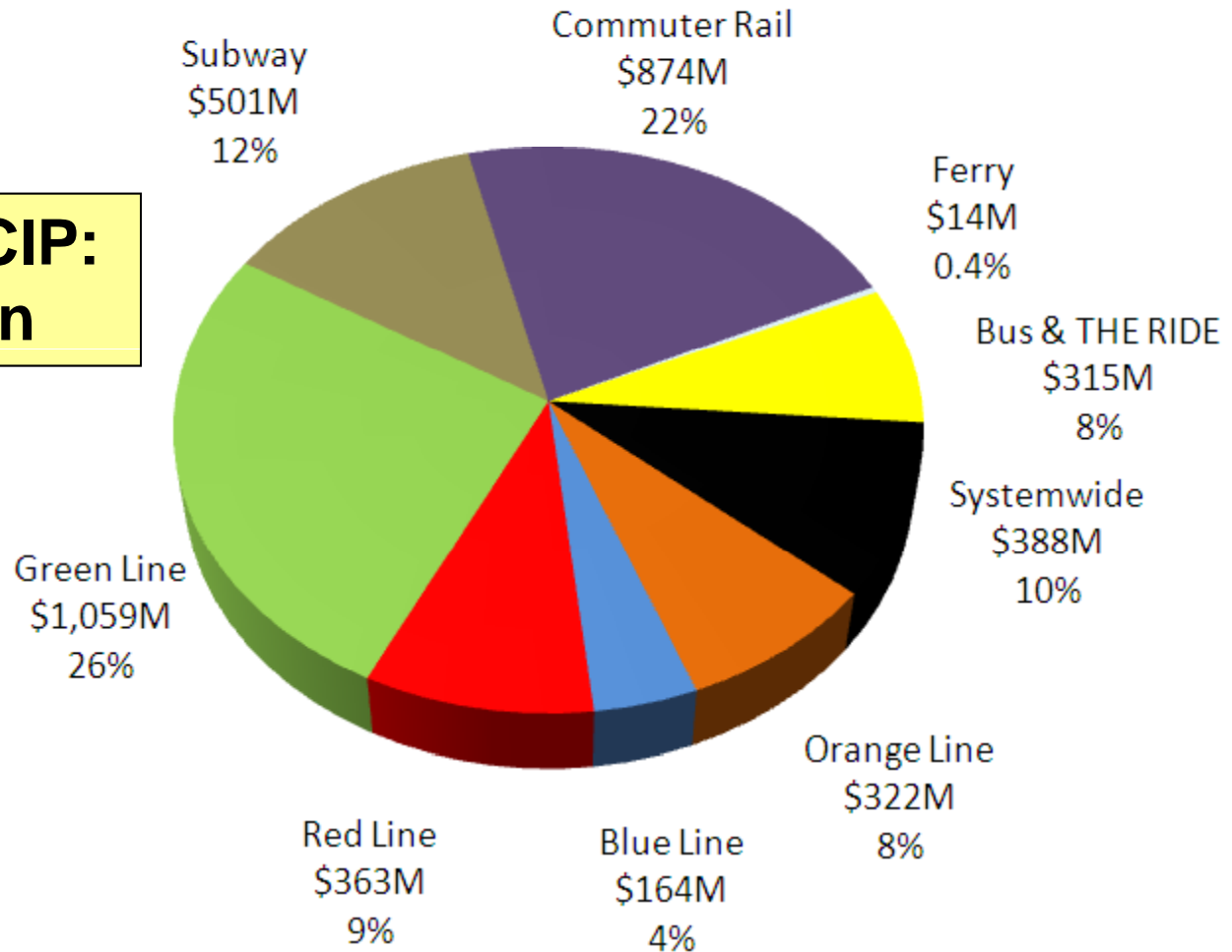
SAFETEA-LU



- Federal Grants
- Non-Federal
 - Revenue Bonds
 - State funds
 - Pay-as-you-go
- Alternative Financing
 - Project Financing
 - Grant Anticipation Notes

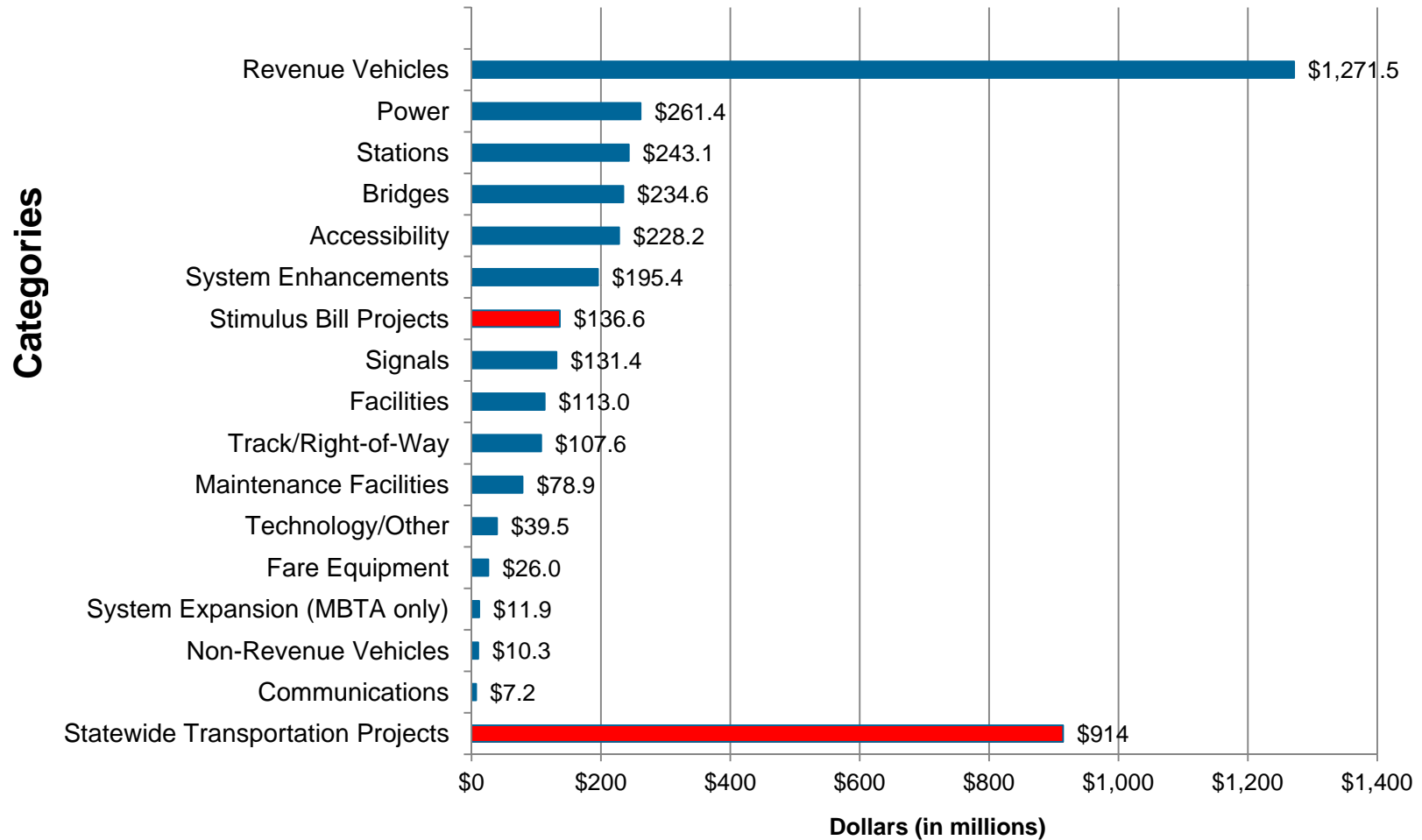
The CIP* Supports All Modes

**Total Draft CIP:
\$4.0 billion**



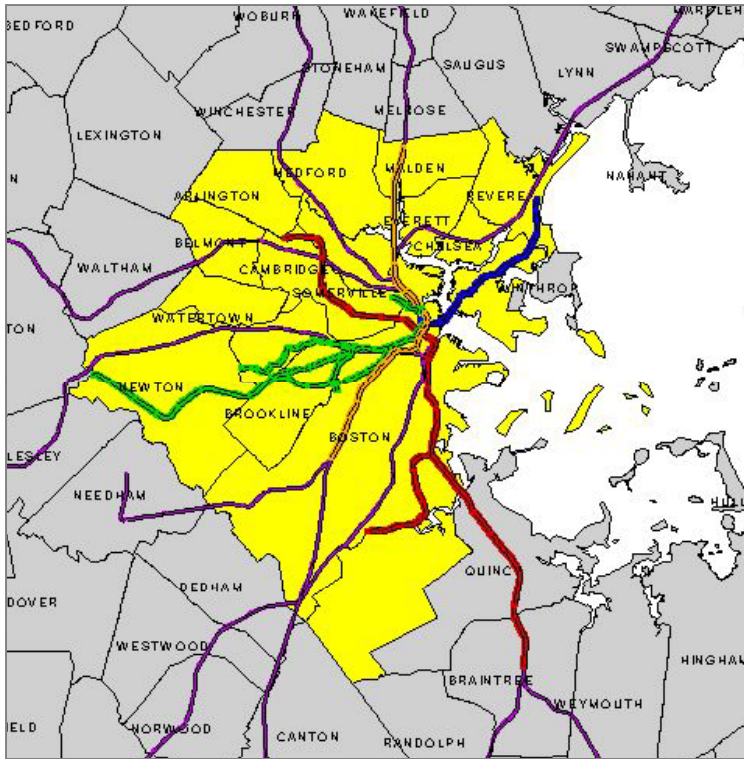
* Draft FY13-FY17 CIP

Capital Program* Categories by Level of Investment



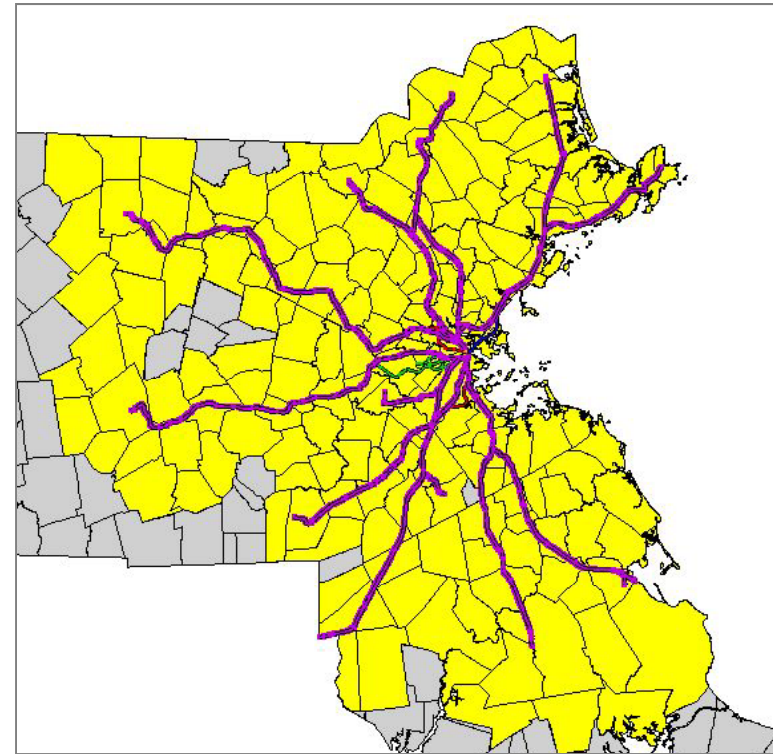
* Draft FY13-FY17 CIP

Where Does the CIP Invest Funds?



Core Service Areas:
Bus, Subway, Silver Line

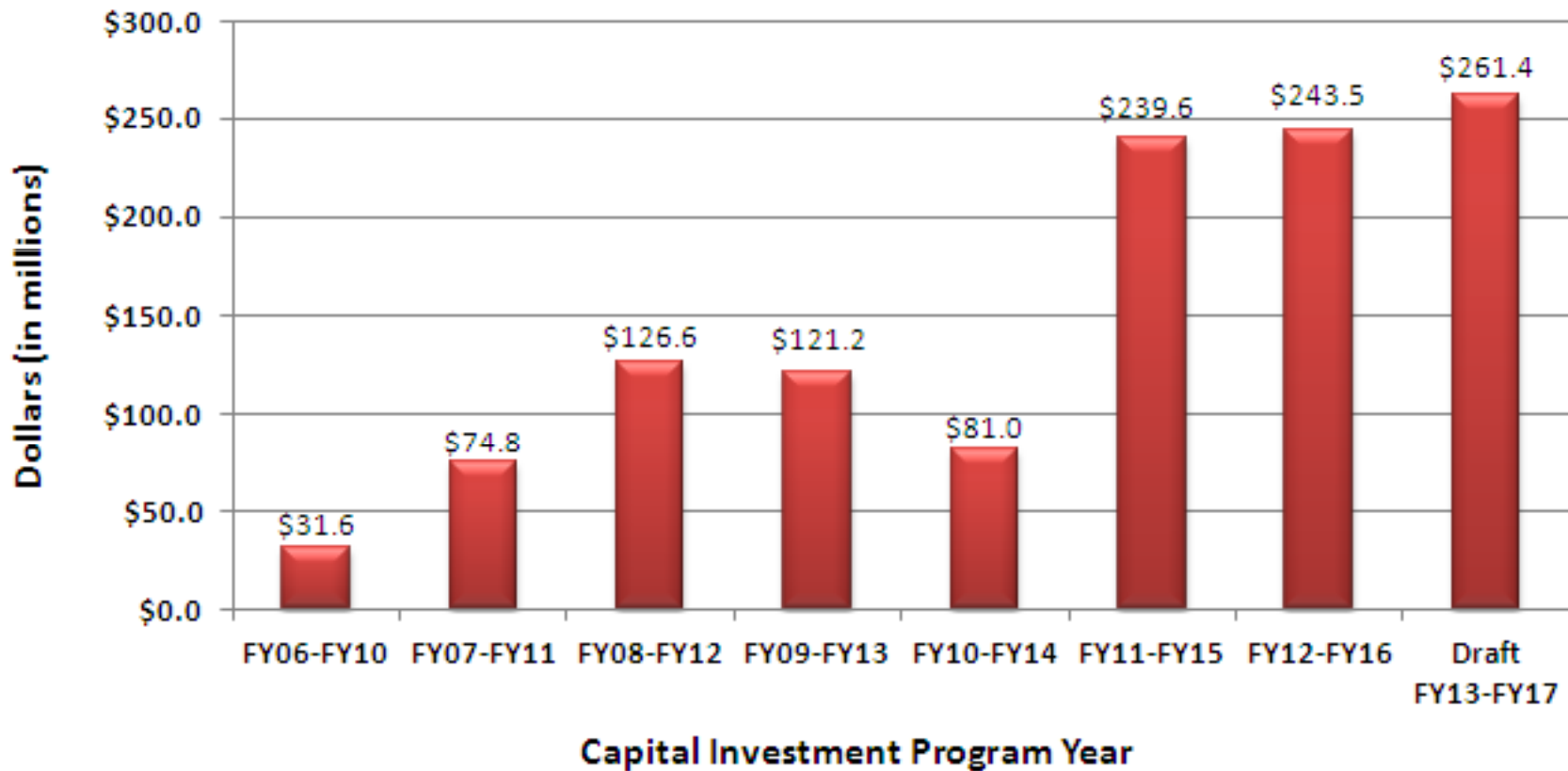
75%



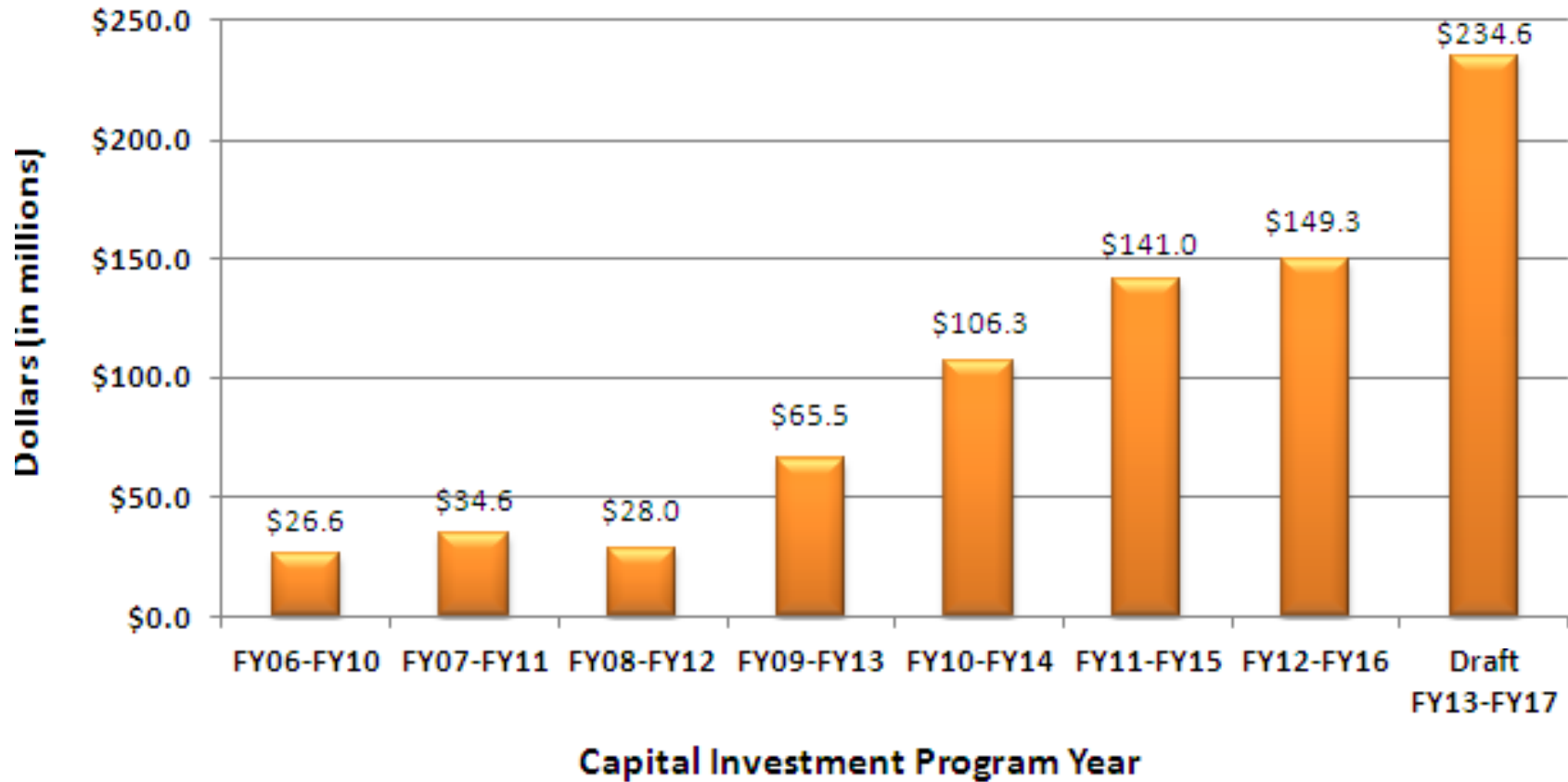
Suburban Service Areas:
Commuter Rail

25%

Programmed Investment for Power Projects



Programmed Investment for Bridges

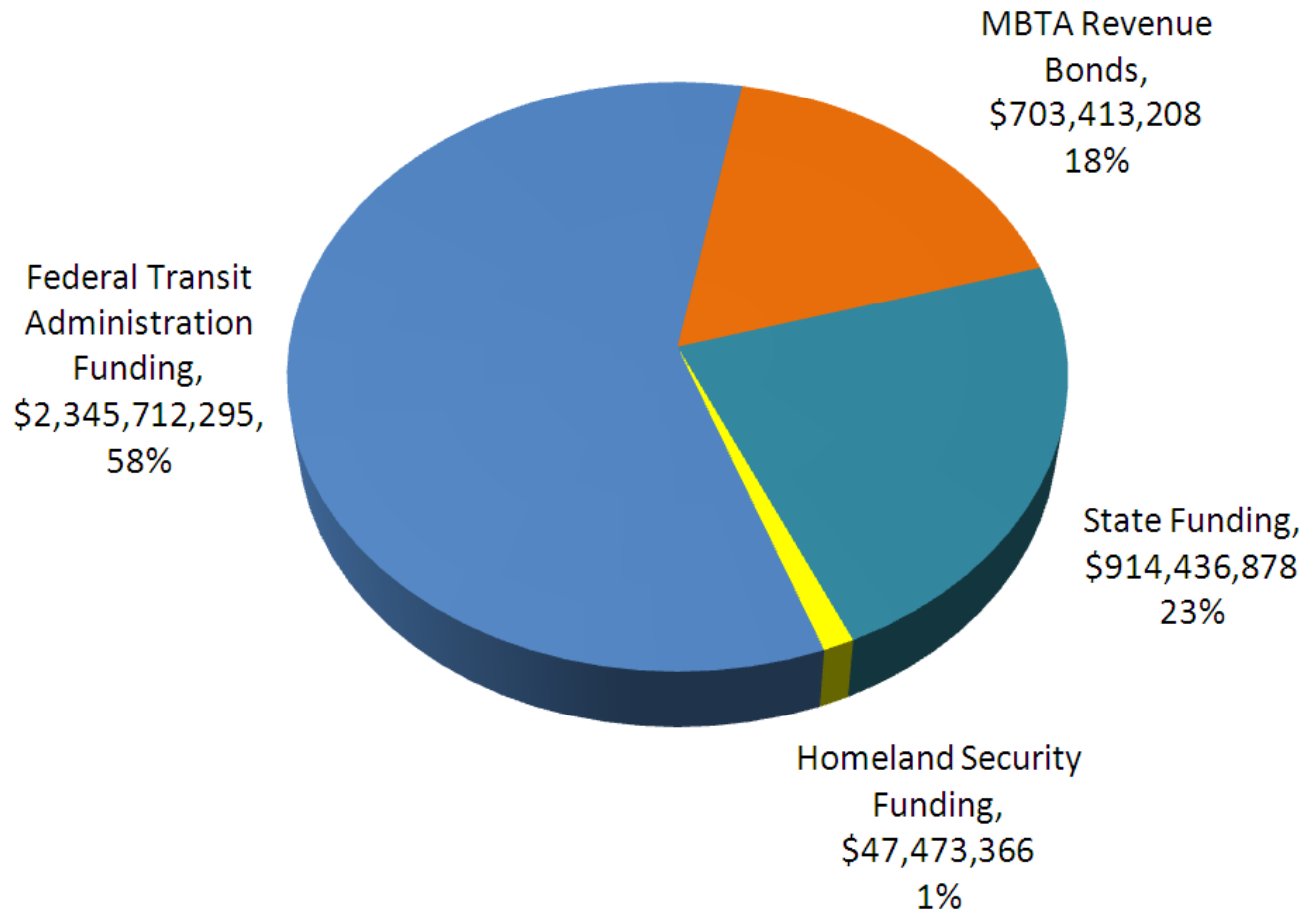


MBTA Capital Program Selection Criteria

Criteria	Health & Environment	State of Good Repair	Impact to Operations	Cost/Benefit	Legal Commitment
Weight	20%	20%	20%	20%	20%

- Every year the *Capital Budget Group* reviews over 300 requests for capital funding worth about \$5 billion
- In the last three years new funding has been provided to the capital program by an average of \$300 million per year
- New funding for the current fiscal year will surpass \$1 billion

Where does the money for the CIP* come from?



* Draft FY13-FY17 CIP

Federal Urban Formula Program – Annual Funding

Formula Program	Federal Contribution	MBTA Match	Formula Program Totals
	80%	20%	100%
Section 5307 (all transit)	\$133,012,172	\$33,253,043	\$166,265,215
Section 5309 (rail)	\$93,981,902	\$23,495,476	\$117,477,378
Grand Totals	\$226,994,074	\$56,748,519	\$283,742,593

Federal Formula Program Funding Cut Scenarios

Based on current Federal funding levels the MBTA expects to raise \$284 million annually. This is equivalent to \$1.4 billion for FY2013-2017

Cuts to the Federal Formula Program Scenarios	Annual Formula Totals	Annual reductions from current funding levels	Reduction over the FY13-FY17 period
No cut	\$283,742,593	\$0	\$0
If cut by 10%	\$255,368,333	\$28,374,259	\$141,871,296
If cut by 20%	\$226,994,074	\$56,748,519	\$283,742,593
If cut by 30%	\$198,619,815	\$85,122,778	\$425,613,889



Courthouse Station



Massachusetts Bay Transportation Authority