

September 10, 2015

Mr. Phillip A. Washington  
Chief Executive Officer  
Los Angeles County Metropolitan Transportation Authority (Metro)  
One Gateway Plaza  
Los Angeles, CA 90012

Dear Phil:

In a follow-up to our letter on August 20, 2015, the Southern California Regional Rail Authority (SCRRA) is requesting that Metro continue to support and fund our FY 16 Locomotive Procurement program that is currently underway. SCRRA staff discussed these locomotive funding needs with staff from the Metro Finance and Regional Rail departments over the past several months, culminating in a discussion on August 20, 2015 in which Metro staff indicated they could support SCRRA's board adopted authorization to procure up to 20 new locomotives. To fulfill this procurement, we are requesting a commitment from Metro of \$7.25 million before October 15, 2015.

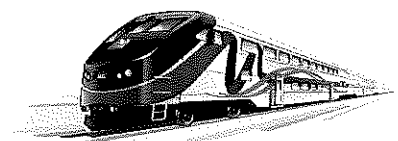
As background, the Metrolink Board awarded a contract to Electro-Motive Diesel (EMD) in December 2012 for a base order of up to 20 new Tier 4 locomotives with an option to purchase an additional 20 locomotives. The first 20 are in production and are scheduled to start arriving this winter. SCRRA has determined that it is essential for our safe and quality operations to exercise the option for up to another 20 locomotives. This option is set to expire on the above referenced date, October 15, 2015.

The requested total of \$7.25 million is made up of the following components:

1. \$3.5 million from the SCRRA FY16 Rehabilitation Budget to cover Metro's share of the locomotive procurement. The other members have agreed to contribute a collective \$3.9 million, making the total system-wide contribution from all five counties a total of \$7.4 million. These funds will be used to contribute to the replacement of 17 existing locomotives.
2. An additional \$3.75 million to cover Metro's share of two locomotives that Metro will use for expanded service on the Antelope Valley and Ventura County Lines. These funds are the local match to the state cap and trade funds that were awarded for these two expansion locomotives. The State's contribution to these two units is \$9.15 million.

If we do not receive Metro's commitment for the funding in the amount of \$7.25 million before October 15, 2015, the order may not be able to be fulfilled as Metro's share is interdependent with the member and state funds, and is required to place the order of 17 replacement units and two expansion units.

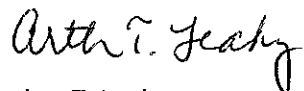
We look forward to working with your staff to provide any information needed to secure the requested commitment for the 19 locomotives before October 15, 2015. Separate from this request, we are developing a financial plan for the 20<sup>th</sup> locomotive and will present it to Metro when it is complete.



Thank you for your assistance, Phil. We are hopeful that the request for the Metro contribution of \$7.25 million for the 19 locomotives can be handled expeditiously. We also continue to be optimistic that Metro will provide the remainder of its share of the Metrolink FY 16 Rehabilitation Budget.

If you have any questions, please contact Roderick Diaz, Director of Planning and Development, at [diazr@scrra.net](mailto:diazr@scrra.net) or 213-452-0455.

Sincerely,



Arthur T. Leahy  
Chief Executive Officer

cc: Stephanie Wiggins  
Nalini Ahuja  
Don Sepulveda