



Central Valley Cost Update

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Funding Plan vs 2017 Estimate-at-Complete

	Central Valley Funding Plan	Central Valley Estimate-at-Complete
CPI (and SR-99)	\$2.2B	\$3.4B
CP2-3	\$2.1B	\$2.8B
CP4	\$1.0B	\$1.0B
Preliminary Engineering, Program Management, Start-Up costs, remaining contingency and provisional sums associated with CPs	Included in above CP numbers	\$0.6B*
Route-wide Work	\$1.9B	\$2.5B
2016 BP Total	\$7.2B	N/A
Heavy Maintenance Facility	\$0.3B	\$0.3B
Northern Extension, Radio Frequency, Add'l Professional Services	\$0.3B	Included above
Total Central Valley Funding Plan / EAC	\$7.8B	\$10.6B

Included above are the following amounts for contingency	\$923m	\$600m
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Note: CP costs in Central Valley Funding Plan estimated based on costs carried in 2016 Business Plan

*Costs pulled out of EAC to allow for better control/management of these budgets moving forward

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Cost Drivers

Summary of Key Cost Drivers

- Railroad-related costs have increased by ~\$450m across CPI-4
 - Intrusion barriers biggest driver (\$315m)
- ROW acquisition costs have increased by ~\$400m across CPI-4
 - This relates to the cost of parcels increasing and additional parcels that need to be acquired
- ROW delay costs have increased by ~\$325m across CPI-4
 - This reflects the impact of delays
- Third Party-related costs have increased by ~\$250m across CPI-4
 - Herndon ATC, City of Fresno, Tulare County, SR-46 Bridge Widening
 - No one major cost driver; a long list of under \$50m impacts
- Excluded Third Parties / Utility Relocations costs have increased by ~\$350m across CPI-4

Cost Category	Cost Increase
Railroad- related	\$450m
ROW acquisition	\$400m
ROW delay impact	\$325m
Third Party-related	\$250m
Excluded Third Party / Utility Relocations	\$350m
Total	\$1.8b

These key drivers above represent \$1.8b of the total \$2.8b Central Valley cost increase, or 63% of the total increase

We will work aggressively to mitigate cost increases to reduce the overall budget