

High-Speed Rail Factsheet

When Japan launched its bullet train (Shinkansen) service between Tokyo and Osaka in 1964, it revolutionized fast train travel with average speeds of 150 to 200 miles per hour (mph). Following Japan, France launched its national high-speed rail program in 1981 with the Paris-Lyon route. Germany and Spain opened their first high-speed lines in 1992, with other European and Asian countries constructing high-speed rail lines in the following decades. The Acela Line in the Northeast corridor is the closest the United States has to high-speed trains. Acela trains have a top speed of 150 mph, though they average only 70 mph.

In 1993, California established the Intercity High-Speed Rail Commission to develop a framework for creating a statewide high-speed rail system. Following a study released by the Commission in 1996 indicating the feasibility of such a statewide system, the Legislature passed SB 1420 (Ch. 796, Statutes of 1996), which established the California High-Speed Rail Authority (HSRA) and directed it to continue planning for the system. HSRA serves as the administrative body with primary responsibility for overseeing the planning and construction of the high-speed rail system.

Funding:

In 2008, California voters approved Proposition 1A, which allows the state to sell \$9 billion in general obligation bonds to partially fund the development and construction of a high-speed rail system from the City of San Francisco to Anaheim through the Central Valley and Los Angeles. The state proposed that the remaining funding for the system's construction and operation come from federal and local governments, as well as the private sector. At the time, the state projected the cost of constructing the new line to be roughly \$33 billion and that it would be operational by 2020. In 2009 and 2010, the federal government allocated roughly \$3 billion to the state for the proposed rail line. Since that time, Congress has not appropriated any funds for high-speed rail.

In July 2012, the Legislature approved SB 1029 (Chapter 152) which appropriated roughly \$8 billion in federal and state funds to begin the construction of the initial operating segment (IOS), fund "bookend" and connectivity projects, and continue work on other high-speed rail segments. Specifically, SB 1029 appropriated \$1.1 billion of Proposition 1A funds for "bookend" improvement projects. SB 1029 requires that all funding provided be encumbered by July 30, 2018.

In 2014, recognizing the absence of funding necessary to continue moving the high-speed rail project forward, the Legislature continuously appropriated 25% of all revenues generated from the state's cap-and-trade program to the project beginning in 2016. Some estimates suggest this may provide to the project between \$200 up to \$500 million annually, and the administration believes this revenue stream will unlock significantly larger sums of funding from the federal government and the private sector through loans and matching grants.

Business Plans:

The two most recent business plans prepared by HSRA have provided significant details on the high-speed rail project.

The HSRA's 2014 business plan defined the first phase of the project as a 520-mile system connecting the San Francisco Bay Area to the LA Basin. At the time the first phase was projected to cost \$68 billion and be operational by 2028.

In May of 2016, the HSRA approved the 2016 business plan which made significant changes to the direction of the IOS and project completion dates. The 2016 plan redirected the HSR system's IOS northbound starting slightly north of Bakersfield, through San Jose, and ending in the San Francisco Bay Area. The 2016 business plan also provides that phase 1 will be completed and operational by 2029. Lastly, while the 2016 business plan does in fact identify various revenue sources to fund phase 1, the plan falls short of identifying how the entire phase 1 segment will be funded.

Construction Packages:

CP1:

In 2013 HSRA awarded the first significant construction contract for this backbone segment, a 29-mile stretch from north of Fresno to the city center. The CP1 construction area is between Avenue 17 in Madera County to East American Avenue in Fresno County. It includes 12 grade separations, 2 viaducts, 1 tunnel and a major river crossing over the San Joaquin River. HSRA executed the initial \$985 million design-build contract with Tutor Perini/ Zachry/Parsons, a joint venture, with construction to beginning at the end of 2014.

CP1 details:

- Contract executed in August 2013
- Current Contract amount: \$1,245,487,429
- Current Completion Date – 8/31/2019

CP2-3:

CP 2-3 represents the continuation of construction on the California high-speed rail system south towards Kern County. CP 2-3 will extend in excess of 60 miles from the terminus of Construction Package 1 at East American Avenue in Fresno to approximately one mile north of the Tulare-Kern County line. CP 2-3 will include approximately 36 grade separations in the counties of Fresno, Tulare and Kings, including viaducts, underpasses and overpasses. The initial estimated value of the contract was \$1.5 billion to \$2 billion.

CP2-3 details:

- Executed in June 2015
- Current Contract amount: 1,369,149,645.50
- Current Completion Date – 8/19/2019

CP4:

CP 4 is the third design-build construction contract for the high-speed rail program. The CP4 construction area is a 22-mile stretch within the counties of Tulare and Kern and the cities of Wasco and Shafter. It is bounded by a point approximately one mile north of the Tulare/Kern County Line at the terminus of Construction Package 2-3 and Poplar Avenue to the south.

CP 4 work will include construction of at-grade, retained fill and aerial sections of the high-speed rail alignment, relocation of four miles of existing Burlington Northern Santa Fe (BNSF) tracks, construction of waterway and wildlife crossings and roadway reconstructions, relocations and closures. This phase of construction received state and federal environmental clearances in 2014 and is estimated to cost \$400-500 million.

CP4 details:

- Executed in February 2016
- Current Contract amount: 445,681,127.60 (based on September F&A CP 4 items)
- Current Completion Date – 5/31/2019 (based on September F&A CP 1 items)