

San Francisco Peninsula Rail Program Executive Steering Committee

Downtown Rail Extension (DTX) now also known as The Portal

Item #5: Path to Baseline Budget and Schedule

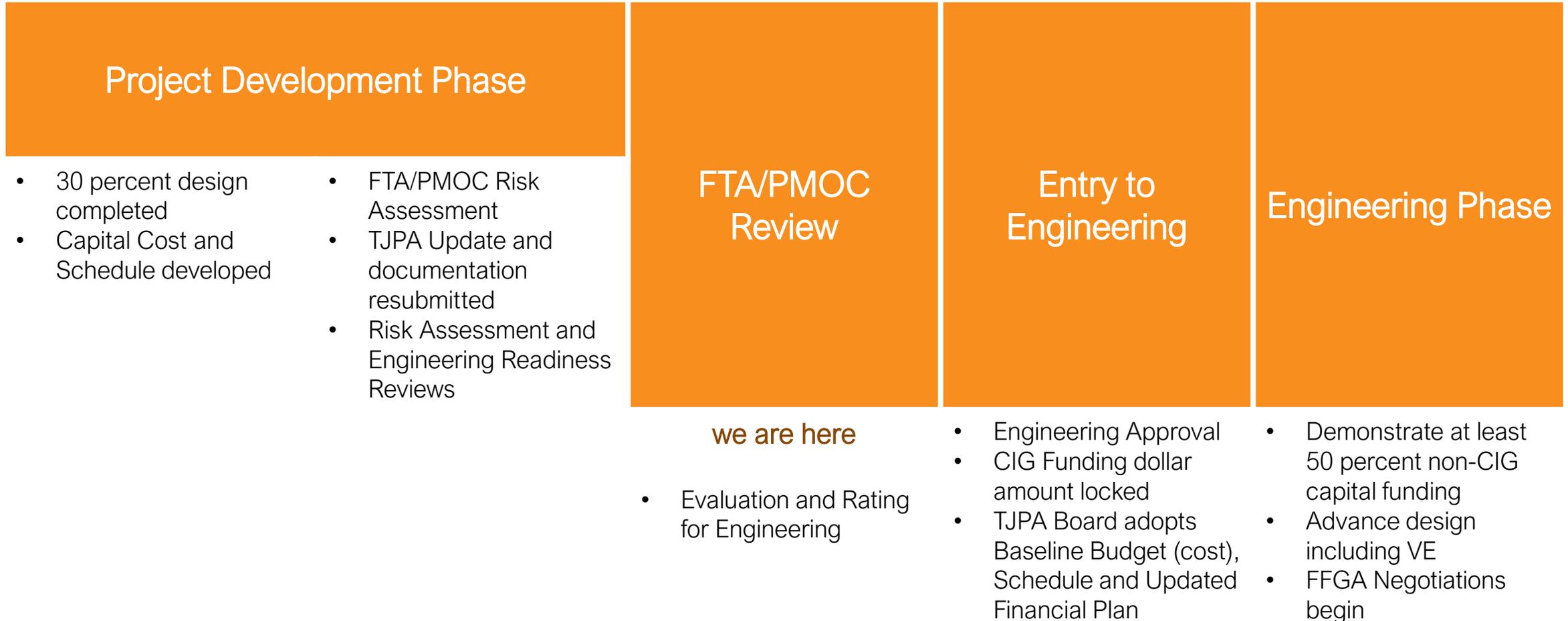
August 18, 2023



San Francisco
County Transportation
Authority

The Cost and Schedule Development Process

Federal Transit Administration (FTA) Capital Investment Grant New Starts Program



Capital Cost Elements

- Construction (measured) Design (2022 \$s) – line item focused: yards of concrete, pounds of steel, feet of wire, systems elements, excavation, etc.
- Design Contingency – allowance for known unknowns at 30% design
- Escalation – to Year of Expenditure by construction package
- Construction Contingency – allowance for unknown unknowns
- Right of Way – estimated cost for acquisitions, easements, and relocations
- Program-wide Costs – agency staff, design, program support, construction management, insurance, legal, etc.
- Program Reserve – TJPA allowance should escalation, change orders, claims exceed limits of contingency
- Finance Costs

Capital Cost Review Process

- 30% Design Estimate - prepared by General Engineering Consultant
- Staff review - staff and Program Management/Program Controls in-depth reasonableness and completeness review
- Independent Peer Review - conducted by an independent estimating firm
- Escalation Evaluation – informed by retained economic forecast consultant and compared with various transit agencies
- Risk Register - Quarterly Integrated Program Management Team (IPMT) risk assessments for likelihood and severity of cost and schedule impact, and monitoring of mitigations actions
- Quantitative Risk Analysis - Simulation of potential cost and schedule impacts of project risks identified in the Risk Register, used to inform budgeted project contingency dollars
- FTA/PMOC Risk Workshop and meetings with TJPA staff and subject matter experts

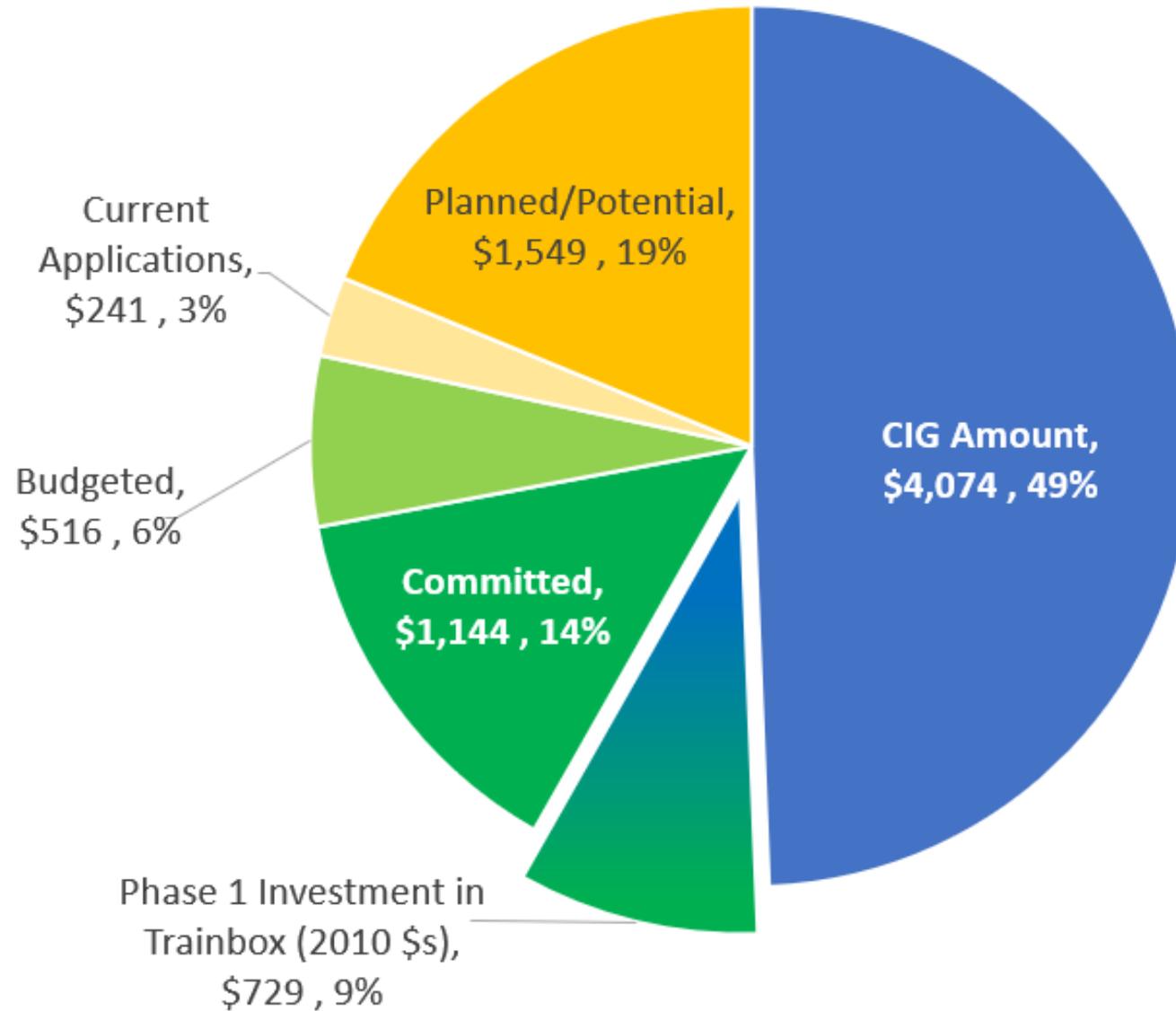
Cost Adjustments

- Cost Escalation – 6% for 2024, 5% for 2025, 3.5% thereafter
- Risk Assessment – combined Project Team and FTA/PMOC input:
 - Based on IPMT Quarterly Risk register scoring
 - PMOC added \$407M (increased 2025 escalation, 6 months of schedule contingency, added risk for ROW, Utilities, RR coordination, etc.)
- Overall Capital Cost including contingency estimated to a P65 level of confidence for completing on budget, per FTA OP40
- Overall Capital Cost contingency (Design, Construction, Program Reserve) increased to 43%
- Trainbox Investment added \$729M (Paid for and Constructed in Phase 1)
- Level Boarding Retrofit of EMU Fleet and MOW vehicles added \$43M

Schedule Adjustments

- February submission included a target Ready for Service Date of September 2032
- PMOC Risk Assessment proposed adding six months of schedule contingency (budget)
- The FFGA will include a Revenue Operation Date which includes 125% schedule contingency

DTX Funding Plan



Next Steps

- Updated FTA documents submitted August 14, 2023
- FTA, FMOC and PMOC conducts document and Readiness review and evaluation for rating to Engineering
- With favorable rating, entry to Engineering anticipated November 2023
- TJPA Board considers adoption of Baseline Budget, Schedule and updated Financial Plan November 2023
- Advance Engineering Design including Value Engineering assessments

Questions?

