

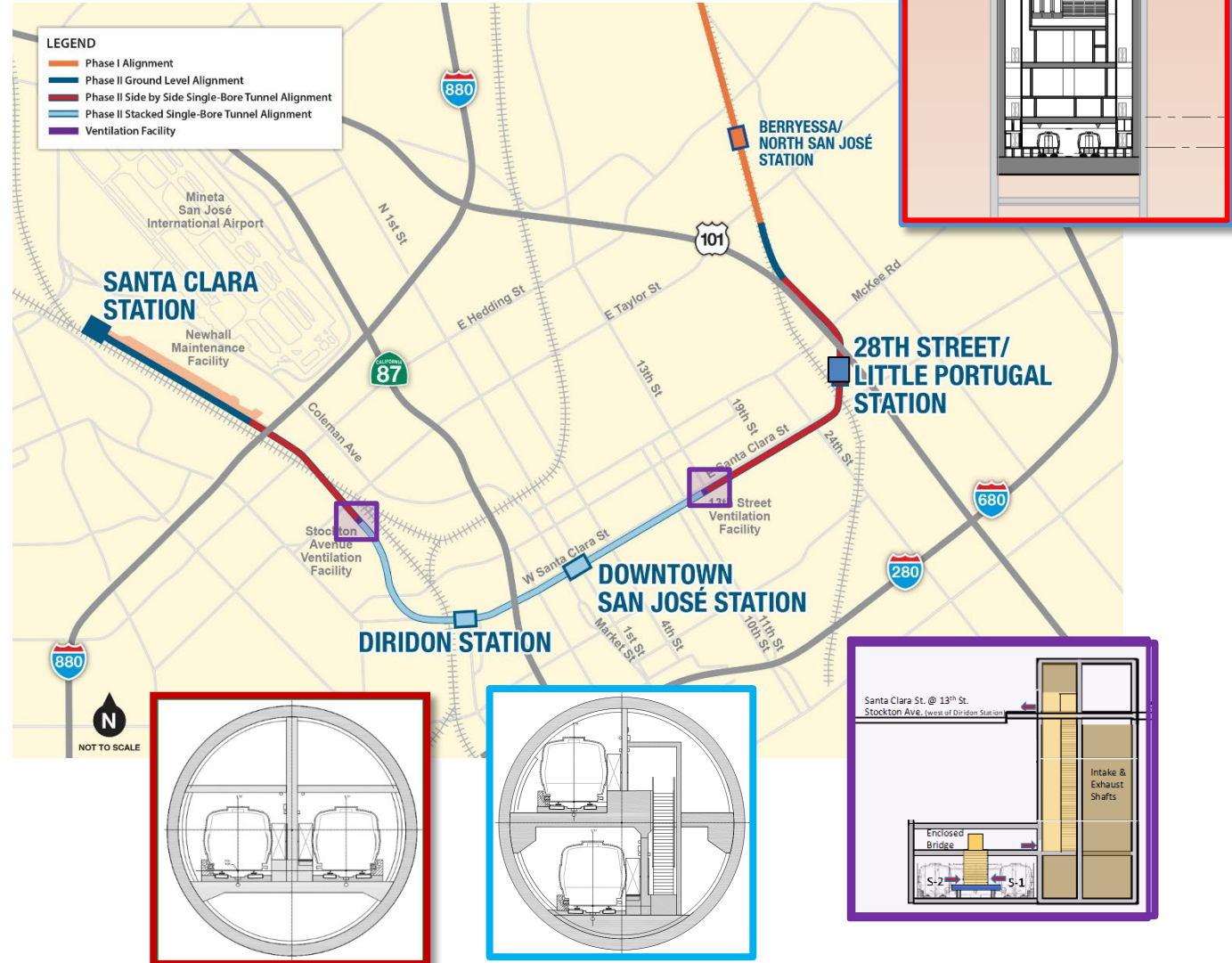
VTA's BART Silicon Valley Phase II Extension



BART Board of Directors
April 28, 2022

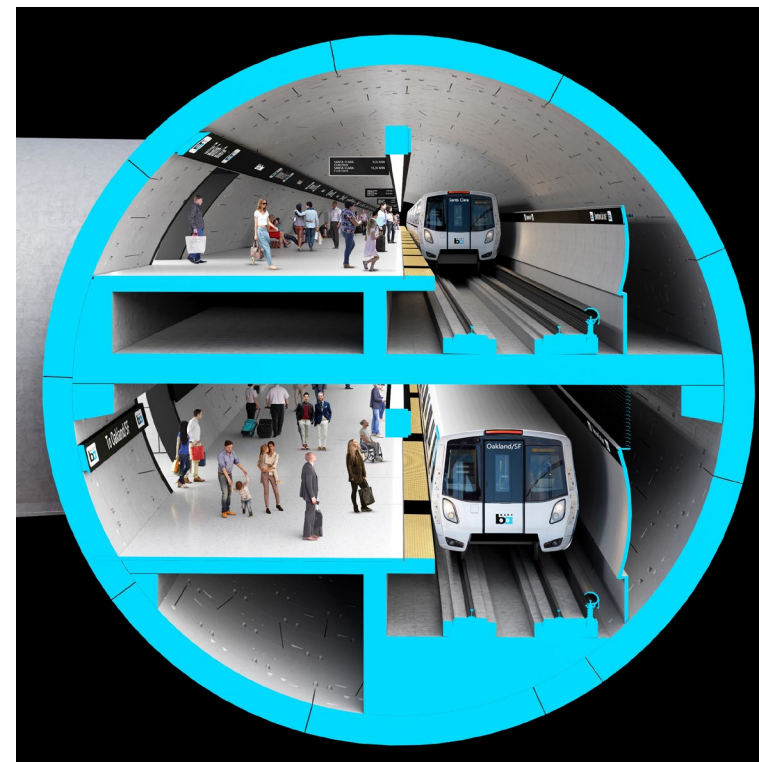
VTA's BART Silicon Valley Phase II (BSVII) Project Overview

- 6-Mile Extension:
 - ~1.1 mile single-bore stacked
 - ~3.2 mile single-bore side-by-side
 - ~0.7 mile single-bore transition zone
 - ~1 mile at-grade
- 4 Stations:
 - 3 underground
 - 1 at-grade
- Newhall Yard Maintenance Facility
 - Critical for BART operations



FTA Expedited Project Delivery (EPD) Funding Update

- On October 25, 2021, VTA received a Letter of Intent (LOI) from FTA announcing its intent to obligate 25% of the final project cost through a Full Funding Grant Agreement (FFGA) under the Expedited Project Delivery (EPD) program once VTA satisfies the requirements of the LOI within two years.
- FTA's Risk Assessment provides a probabilistic project cost at \$9.1B. With the LOI in effect, VTA is proceeding to establish a refined cost estimate based on actual construction bids, further mitigate or eliminate perceived risks and secure additional local funding, to ultimately achieve a FFGA.
- VTA continues project activities with pre-award authority to incur costs for engineering activities, utility relocation, real estate acquisition, and other non-construction activities such as procurement of equipment.



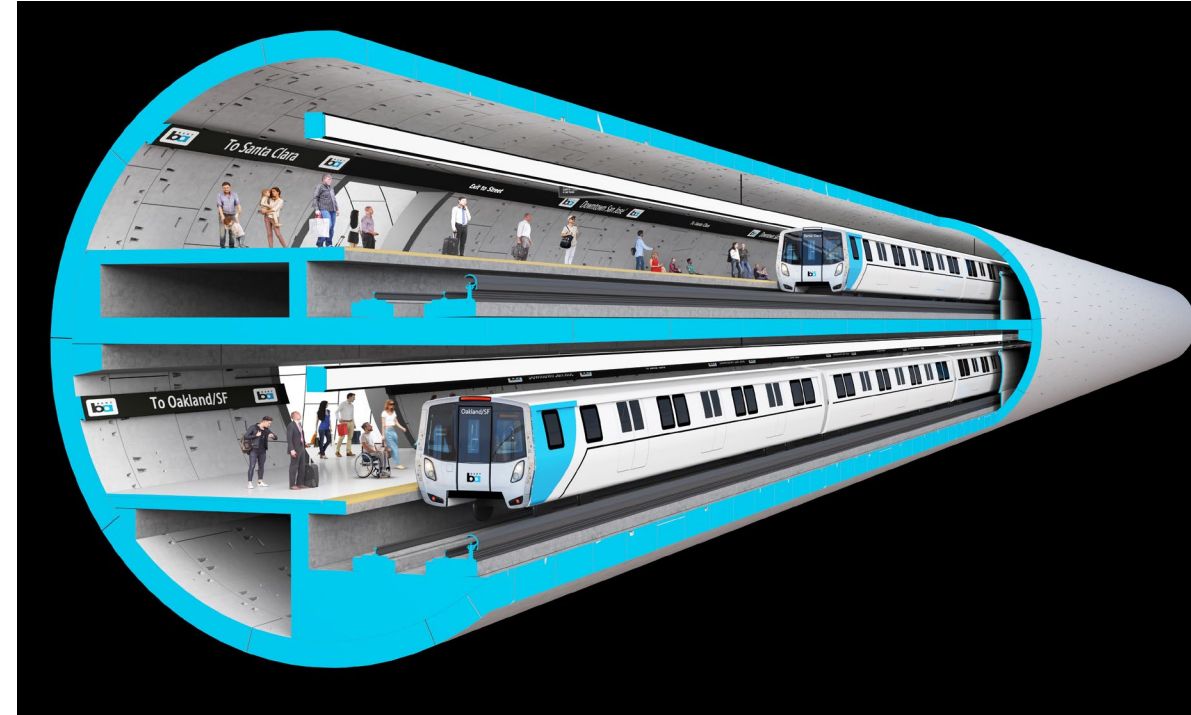
Conceptual Rendering – Subject to Change

Funding Update – Capital / Operations & Maintenance (O&M)

- BART Silicon Valley Phase II project funding is critical focus for VTA
 - *Current funding projections assumed \$6.9B*
 - *Federal estimates reflect \$9.1B*
 - *VTA working toward funding the full \$9.1B as the ceiling*
 - *Key driver will be increasing federal participation*
- BART Silicon Phase I and Phase II O&M
 - *Projections being updated – costs, schedule, etc.*
 - *Funding “shortfall” reference has been specific to 2008 Measure B funds*
 - *Mechanism in place to ensure full funding of agreed-to O&M expenses*

Project Recent Highlights

- Monthly progress meetings with FTA continue discussing next steps to a Full Funding Grant Agreement (FFGA)
- An additional \$200 million was allocated for the project in President Biden's proposed upcoming Fiscal Year 2023 budget; program funding activities continue
- Real estate acquisition process progressing with negotiations underway for key properties required for stations, mid-tunnel, ventilation facilities and contractor's field offices
- Second round of cooperative agreements with Cities of San Jose and Santa Clara being finalized; targeting execution Q2 2022
- Continued ongoing technical coordination with partner agencies and third-parties including Cities of San Jose, Santa Clara, JPB, and PG&E (including for TBM power)



Conceptual Rendering – Subject to Change

BART & VTA Recent Highlights

- **Design Criteria Manual:**
 - VTA and BART completion and joint sign-off on over 70 sections for the Design Criteria Manuals (DCM) that are included in final procurement documents.
 - Jointly identifying required updates to the Design Criteria to align with advanced design documents.
- **Contract Package (CP) Documents:**
 - Updating CP1 (Systems) Volume 1 General Requirements, also to be used for CP3 and CP4 contracts
 - Participated in CP2 (Tunnel/Track) proposal evaluation process
 - Refinement of CP3 (Newhall Yard/Santa Clara Station) yard design. Participated in 1:1 meetings with shortlisted teams.
 - Review CP4 (Stations) Contract package draft revision
- **Other Areas:**
 - Presented to BART's Accessibility Task Force (BATF) and Bicycle Advisory Task Force (BBATF) in March / April
 - Lead ongoing Safety and Security Certification progress meetings
 - Held a workshop with SPUR / City of San Jose presenting an overview of stations
 - VTA Board Workshop on 4/22 – Financial Shortfall on Operations and Capital costs discussed with options to solve

Fire Life Safety and Security (focus on code compliance)

- The Fire/Life Safety and Security Committee (FLSSC) has been established; The FLS Technical Working Group (TWG) membership includes the local Fire Departments and meets biweekly to review relevant FLS issues and develop suggested resolution options, with the goal of concurrence in support of the project.
- FLS design criteria sections have been reviewed by FLSSC. The FLS TWG is working towards the comments resolution including station and tunnel ventilation concepts.
- The CPUC is satisfied with the partnership among VTA, BART and the local Fire Departments, and the FLSSC role in the Safety Certification process.

BART SILICON VALLEY PHASE II DESIGN CRITERIA CONFORMANCE CERTIFICATION Preliminary Engineering Certificate of Conformance	
Certifiable Factor: 1a	Contract: <u>CP2</u> Certifiable Element: <u>Guideway</u>
<p>In accordance with the requirements of the BSVII Safety and Security Certification Plan, I certify, to the best of my knowledge, that:</p> <ol style="list-style-type: none">1. The design contract documents incorporate safety and security criteria applicable to BSVII.2. The design contract documents for this Contract incorporate applicable codes and standards, BART Facilities Standards requirements and Design Criteria Manual requirements.3. Safety related design review comments for this Contract have been satisfactorily resolved.	
<p>Exceptions --- Each exception and associated restrictions/workarounds must be explained. Restrictions/workarounds must be adequate so that the level of safety is not reduced. Use additional sheets if necessary</p>	
<p>DocuSigned by: <u>Dave Young</u> 9/16/2021 Certified (Signature and Date) Dave Young, BSVII Engineering Lead, SVTC</p>	<p>DocuSigned by: <u>Anthony C. Bauer</u> 9/14/2021 Certified (Signature and Date) Anthony Bauer, BSVII Engineering Manager, SVTC</p>
<p>DocuSigned by: <u>John Caulfield</u> 9/21/2021 Concurred (Signature and Date) John Caulfield, BSVII Project Manager</p>	<p>DocuSigned by: <u>Takis Salpeas</u> 9/21/2021 Accepted (Signature and Date) Takis Salpeas, Chief BART Delivery Officer</p>

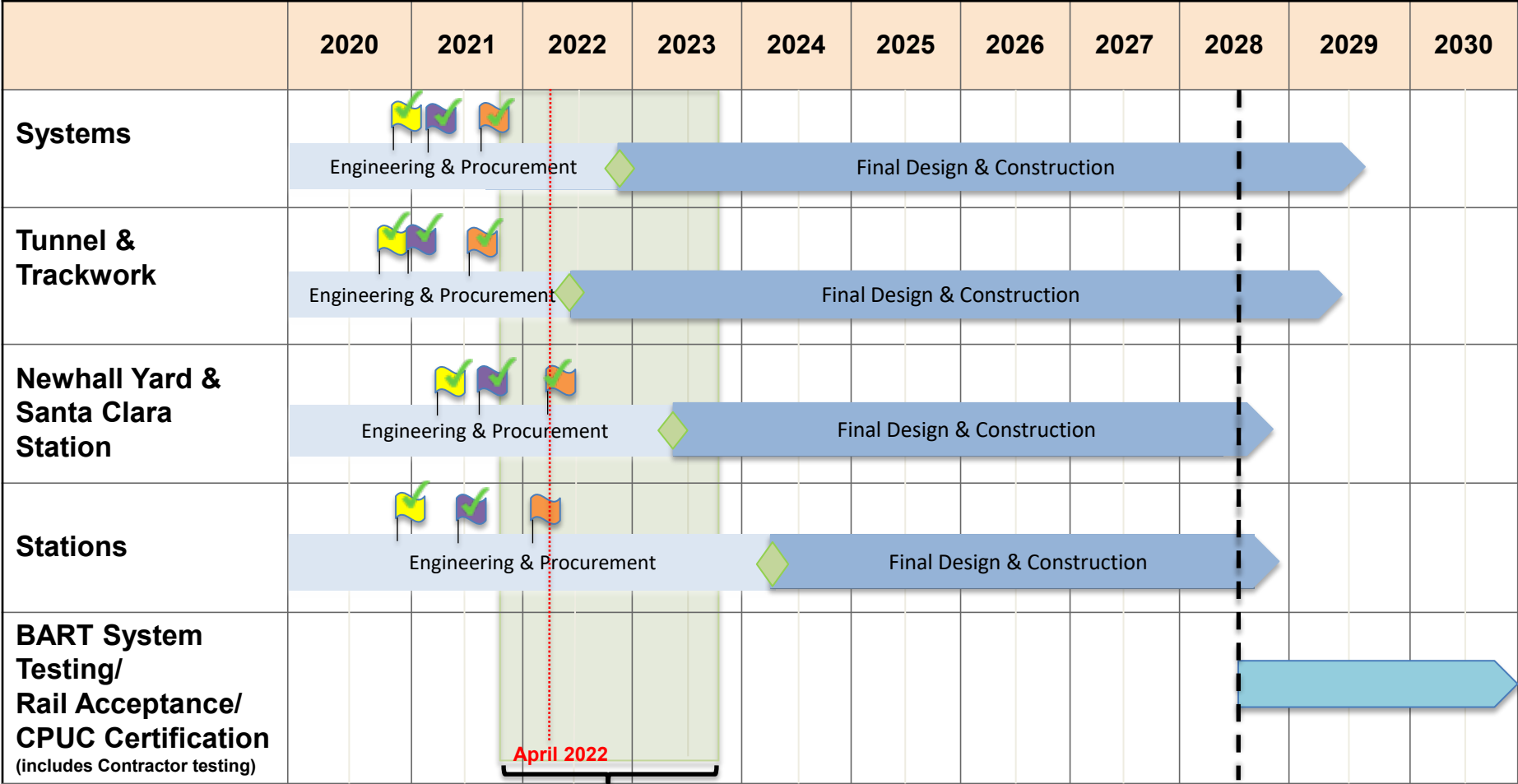
Procurement Update

- Systems (Contract Package 1)
 - Issued RFP Rev C on April 16
 - Next round of interview anticipated in early Summer
 - Final RFP anticipated to be issued late Summer
- Tunnel & Trackwork (Contract Package 2)
 - Negotiations underway with highest scored proposer
 - Anticipated Board award in Q2 2022 for initial Stage 1 services (including review of proposed innovations, advancing design, and construction planning)
- Newhall Yard/Santa Clara Station (Contract Package 3)
 - Draft RFP Rev A issued in March 2022
 - First round of one-on-one interviews completed
 - Final RFP to be issued Summer 2022;
- Stations (Contract Package 4)
 - Current solicitation cancelled; New solicitation under development targeting Q2 2024 award.
 - Development of technical documents continue in support of the other Contract Packages
 - Design coordination with third parties ongoing



Framework to Completion

This framework will be updated into a final project schedule based on completion of the procurement process.



Framework subject to change based on industry feedback.

Two Year FTA LOI Window

Substantial Completion



Thank You

Questions?



Appendix

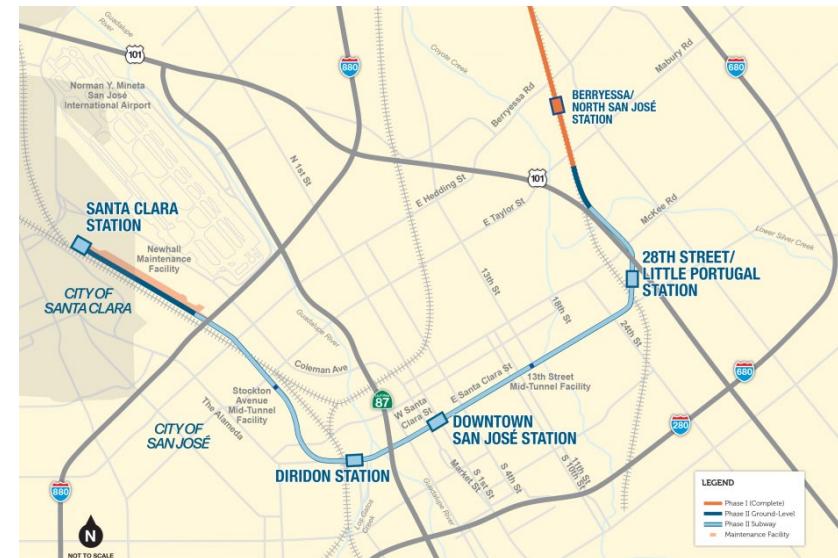
(From VTA Board Workshop 4/22/2022)

BART Project: Identify Operations and Maintenance Costs

- VTA signed a new standalone O&M Agreement with BART in May 2020.
- BART must be reimbursed for costs that VTA does not control – such as operator expenses, direct and indirect management allocations, and others.
- A model allocates Measure B proceeds to projected BART O&M costs over 20 years. The annual escalation in individual expenses ranged from 3% to over 25%.
- 2008 Measure B funds are forecast to be insufficient to cover the Phase I O&M costs.
- The O&M forecast did not include any shared BART train control costs, which have not yet been negotiated.

BART Project: Address Potential Funding Gap

- FTA issued a “Scope, Cost, Schedule, Risk and Contingency Review” Report in July 2021. FTA’s project cost estimate was \$9.1 billion. VTA’s original cost estimate was \$6.9 billion.
- A potential funding gap exists. However, final construction bids have not been received.
- Measure A and B sales tax receipts are projected to be insufficient to cover this gap.
- Debt financing plan for BSV Phase II was not finalized. More bonding may be needed.
- The EPD program’s federal share is 25%.
New Starts program’s federal share is 35%.
Opportunity to transition?



BART Project: Management Areas of Immediate Focus

- BART Phase II is critical focus
 - *Contract bids and overall cost estimate*
 - *Timing of Letter of Intent (LOI) process*
 - *Secure funding to secure execution of FFGA*
- Provide Board with timely updates regarding schedule, cost, and funding
- Maintain open lines of communication with FTA during this process
- Maintain/enhance the operational and financial relationships with BART
- Identify and attempt to remedy any future funding opportunities related to O&M commitment of VTA to BART
- Lead role: BART Delivery Program, with Finance support