



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

June 4, 2025

Mr. Ian Choudri
Chief Executive Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Re: Notice of Proposed Determination

Dear Mr. Choudri:

This letter notifies you of the proposed determination of the Federal Railroad Administration (FRA) to terminate Cooperative Agreement No. FR-HSR-0118-12 (the “FY10 Agreement”) and Cooperative Agreement No. 69A36524521070FSPCA (the “FSP Agreement”) (collectively the “Cooperative Agreements”) based on the events of default as outlined below.

The California High-Speed Rail Project (the “CHSR Project”) was originally represented to FRA as a visionary project that would connect major metropolitan centers throughout the State of California. Based on those representations, FRA provided Federal support to the California High Speed Rail Authority (CHSRA), both through technical assistance and financial support to advance the CHSR Project. FRA demonstrated its support for high-speed rail in 2009, when it committed \$2.55 billion of taxpayer dollars under the High-Speed Intercity Passenger Rail Program (the “HSIPR Program”) to the CHSR Project. At that time, CHSRA represented that the CHSR Project would cost \$33 billion and connect Los Angeles/Anaheim with San Francisco.¹ The purpose of the Federal commitment was clear: to facilitate the delivery of true high-speed rail and serve as a catalyst for future deployment of high-speed rail beyond California. FRA once again demonstrated its support for the CHSR Project in 2010 when it committed to providing enhanced technical assistance along with an additional \$929 million of taxpayer dollars. This commitment was made in reliance on assurances from CHSRA that the CHSR Project could be delivered.

These assurances proved illusory. In 2019, Governor Gavin Newsom announced there was no realistic path to completing the CHSR Project,² which at that point had ballooned to at least a

¹ CHSRA, *2008 Business Plan* at 19, available at https://www.hsr.ca.gov/wp-content/uploads/docs/about/business_plans/BPlan_2008_FullRpt.pdf.

² *State of the State Address*, Office of Governor Gavin Newsom (Feb. 12, 2019), available at <https://www.gov.ca.gov/2019/02/12/state-of-the-state-address/>.

mid-range predicted cost of \$77.3 billion.³ The Governor described a radically reduced vision for the CHSR Project – a mere shell of the visionary project previously touted to FRA. Rather than an 800-mile system connecting California’s major urban centers and designed to carry 100 million passengers a year, the newly proposed CHSR Project would now serve only Merced to Bakersfield for the foreseeable future. These ever-shrinking commitments have become a theme throughout the CHSR Project’s history. FRA took swift action in 2019 to protect the Federal taxpayer and terminated the FY10 Agreement based on CHSRA’s failure to make reasonable progress and noncompliance with the terms and conditions of the FY10 Agreement.

After CHSRA’s initial challenge to FRA’s termination decision, FRA and CHSRA reached a settlement agreement in June 2021.⁴ The settlement reflected FRA’s enduring commitment to the HSIPR Program’s purpose of facilitating the deployment of effective high-speed rail in America. FRA and CHSRA agreed to new terms under the FY10 Agreement, designed to salvage what little remained of the CHSR Project, which had now been essentially reduced to a 171-mile segment – not the proposed 800-mile system designed to carry over 100 million people a year by 2030⁵ – between Bakersfield, CA and Merced, CA (referred to as the “Central Valley Segment”).⁶ This iteration of the CHSR Project was publicly projected in 2020 to cost between \$21.9 billion and \$23.4 billion⁷ and CHSRA committed finally to deliver the Central Valley Segment by 2033. This reduced scope and decade-plus schedule for a small section of the full Phase I high-speed rail project was a dramatic departure from the CHSR Project proposed originally. FRA remained committed to the project, relying largely on CHSRA’s repeated representations that it could deliver on these reduced promises and that the Central Valley Segment would be the catalyst to spur delivery of the full CHSR Project.

In 2021, Congress enacted the Infrastructure Investment and Jobs Act (IIJA), which included the Federal-State Partnership for Intercity Passenger Rail Program (the “FSP Program”). The purpose of the FSP Program is to leverage Federal financial assistance to facilitate projects that could deliver passenger rail. In response to FRA’s FY22-23 FSP Program Notice of Funding Opportunity, CHSRA applied for \$8 billion of Federal funding to advance the Central Valley Segment. Rather than granting the full request, FRA took a targeted approach to focus FSP funds on investments within the Central Valley that realistically could be delivered on schedule and budget and selected CHSRA for a \$3.07 billion award. FRA made these investments based on representations from CHSRA that it would deliver an operational high-speed rail project. FRA obligated the first \$1,711,980,267 of this award in September 2024.⁸ The commitments in the FSP Agreement were clear. CHSRA must deliver an operating high-speed rail system by 2033. Almost immediately, CHSRA began renegeing on its commitments. For example, CHSRA

³ CHSRA, *2018 Business Plan* at 36, available at https://hsr.ca.gov/wp-content/uploads/docs/about/business_plans/2018_BusinessPlan.pdf.

⁴ Settlement Agreement, *California v. U.S. Dep’t of Transportation*, No. 19-cv-02754 (N.D. Cal.), available at <https://hsr.ca.gov/wp-content/uploads/2021/06/California-v.-DOT-Settlement-Agreement-Final-May-26.pdf>.

⁵ CHSRA, *2008 Business Plan* at 2, available at https://www.hsr.ca.gov/wp-content/uploads/docs/about/business_plans/BPlan_2008_FullRpt.pdf.

⁶ The Merced to Bakersfield segment is referred to as the Early Operating Segment (“EOS”) in the FSP and FY10 Agreements.

⁷ CHSRA, *2020 Business Plan* at 95, available at https://hsr.ca.gov/wp-content/uploads/2021/04/2020_Business_Plan.pdf.

⁸ FRA obligated an additional \$680,809,867 on Nov. 1, 2024.

represented to FRA that its rolling stock procurement was well underway and would be finalized by December 2024. Nearly five months later, CHSRA has seemingly made no progress to advance its selection of a rolling stock vendor. Instead, it has unnecessarily reopened its procurement process for unstated reasons. This example, which is not unique, calls into question CHSRA's ability to deliver on its promise to operate high-speed trains on the Central Valley Segment by 2033. CHSRA's delays signal disregard for the FSP Agreement and suggest it has no intention of keeping its promises to FRA. FRA relied upon these promises when committing billions of taxpayer dollars.

FRA is not alone in realizing CHSRA is unable to deliver the Project. In February 2025, CHSRA's own Inspector General (the "CHSRA IG") released a report confirming CHSRA has no credible plan to close the approximately \$7 billion funding gap necessary to complete the Central Valley Segment. Even if CHSRA intended to make good on its commitments to FRA, the CHSRA IG report concludes CHSRA simply lacks the funding to meet these commitments. CHSRA's failure to close this funding gap is unacceptable. CHSRA was on notice that it would need additional funding since at least December 2023, when FRA announced that CHSRA would not be receiving the full amount of FSP funding it had requested. If acting reasonably and in good faith, CHSRA should have identified and secured non-Federal commitments to ensure the Central Valley Segment could be delivered. Instead, CHSRA relied on the false hope of an unending spigot of Federal taxpayer dollars.

FRA is further convinced CHSRA has no credible plan to address this funding gap. Governor Newsom's extravagant new State budget request for CHSRA underscores that CHSRA should not have represented to FRA that it had the capacity to construct the CHSR Project. With this \$7 billion funding gap, CHSRA cannot complete the Central Valley Segment. Although the agreements included an opportunity for CHSRA to propose a contingency plan to allow for operations on a reduced 119-mile segment (First Construction Segment Contingency), the contingency plan was never intended to be the CHSR Project or replace CHSRA's commitment to full operations of the 171-mile segment. It is clear now that CHSRA has effectively once again retreated from its obligations and reduced the scope of the CHSR Project. What started as a proposed 800-mile system was first reduced to 500 miles, then became a 171-mile segment, and is now very likely ended as a 119-mile track to nowhere. In essence, CHSRA has conned the taxpayer out of its \$4 billion investment, with no viable plan to deliver even that partial segment on time.

Due to these concerns, FRA initiated a Compliance Review of the FY10 Agreement and FSP Agreement on February 20, 2025, to assess CHSRA's performance under these two grants. Given the pattern of broken promises, the purpose of the Compliance Review was to analyze whether CHSRA was adhering to Federal requirements prescribed by the Cooperative Agreements' terms and conditions and whether it could deliver on its contractual commitments. The Compliance Review revealed patterns of unattainable proposals and unrealistic assumptions on a wide range of issues, including the availability of State funding resources and the long-term stability of cap-and-trade proceeds from the Greenhouse Gas Reduction Fund; the timing and cost of electrification; the plan for budget deficiencies and change orders; the schedule for trainset procurement and safety and performance testing; and ridership projections for the Central Valley Segment and Phase 1.

Most notably, the CHSR Project continues to be marred by countless change orders for almost every contract. Change orders ranged from tens of thousands of dollars to over \$100 million. In just over two years, from January 2023 to present, CHSRA has publicly reported approximately \$1.6 billion⁹ in change orders, suggesting that a substantial portion of all payments to contractors are being made outside the original terms of negotiated contracts. There is no indication that such renegotiations and costly change orders, necessitated by CHSRA's failure to manage this project effectively, will ever stop.

Simply put, CHSRA is not using State or Federal funding to advance responsibly the CHSR Project. Rather, it is simply perpetuating the same inefficient project management activities with change order after change order. It is no surprise, therefore, why CHSRA has made minimal progress to advance construction. The sheer volume and frequency of these change orders shows waste through an inexcusable combination of poor planning, implementation, or mismanagement of contractors, insufficient legal authority and technical expertise, and other factors. The prevalence of change orders as a standard operating procedure is also a reflection of the untenable position that CHSRA has put itself in with respect to scheduled completion milestones. The CHSRA IG recently found that CHSRA has already pushed the target date for completing the Merced-Bakersfield segment back from the end of 2030 to the end of 2031.¹⁰ As stated by the CHSRA IG, "a quarter of the way through the eight-year timeline it set in 2023, CHSRA's schedule adjustments have already used a third of the excess time provided by the schedule envelope."¹¹ CHSRA further failed to provide a full schedule update in its most recent report required under State law, the 2025 Project Update Report, and it is most likely that when the schedule is updated, additional delays will be admitted based on procurement and contracting issues.

In its role as a granting agency, FRA must act as a responsible steward of Federal funds. To that end, FRA cannot continue to commit taxpayer dollars to CHSRA's Sisyphean endeavor, which now stands as a fraction of what was promised back in 2008. In short, the CHSR project is a story of broken promises and of waste of Federal taxpayer dollars.

FRA has concluded CHSRA's inability to deliver the Central Valley Segment within the budget and schedule agreed to by CHSRA and FRA in the FSP Agreement constitutes a Project Material Change and Event of Default under the FSP Agreement.¹² In addition, FRA has concluded the purpose of the HSIPR Program would not be served adequately by continued Federal investment in the CHSR Project, because CHSRA is not likely able to deliver the Central Valley Segment.¹³ FRA has no confidence CHSRA will ever deliver an operating high-speed rail system.

Further, FRA finds that CHSRA cannot support the representations it made when applying for Federal funds under the Cooperative Agreements. In addition, CHSRA's mismanagement of its commitment to deliver high-speed rail service constitutes persistent non-compliance beginning

⁹ CHSRA, *Change Orders*, available at <https://hsr.ca.gov/about/transparency-accountability/change-orders/>.

¹⁰ CHSRA IG, *Pre-Construction Activities for the Merced and Bakersfield Extensions – Persistent Delays in Securing Agreements with Third Parties Require New Solutions* (Feb. 21, 2025).

¹¹ *Id.*

¹² *FSP Agreement*, art. 9.1(b)(3).

¹³ *FY10 Agreement*, art. 11(a)(5).

from the execution of the Cooperative Agreements, which were based on the flawed premise that the CHSR Project would be timely delivered. This follows a recurring pattern of cascading delays that have stymied site work and construction for many years as CHSRA has plodded on with outdated contracts and endless third-party negotiations. Ultimately, a functional system on budget and on schedule appears to be impossible. Therefore, these awards no longer effectuate the purpose of either the HSIPR or FSP Programs and, for the reasons above, FRA intends to terminate the FSP Agreement consistent with Article 9.1(b)(3) and 2 CFR §§ 200.339 and 340(a) and the FY10 Agreement pursuant to Article 11.¹⁴ FRA's Compliance Review Report is Enclosed.

FRA is providing CHSRA with an opportunity to respond to this notice in accordance with Article 9.3(b) of the FSP Agreement. Please provide CHSRA's initial response within seven days of receiving this letter. If CHSRA proposes to dispute the event of default, CHSRA must provide sufficient supporting documentation supporting CHSRA's compliance no later than 30 days of receiving this letter. Please note, if CHSRA proposes corrective action, it must be specific and supported with documentation that evidences CHSRA's technical and financial capacity to both propose, finance, and implement any proposed corrective action. CHSRA's proposed corrective action plan is due 30 days from the date of CHSRA's initial response. In making a final determination, FRA will consider CHSRA's proposed correction action (if any) and may propose revisions to the proposal or additional corrective actions. If CHSRA chooses to respond, it must strictly adhere to the timelines in the Cooperative Agreements. FRA will construe a failure to respond timely to this notice as acknowledgement of the Events of Default by CHSRA.

To the extent provided in law, if FRA makes a final determination to terminate the agreements, FRA will reprogram awarded but unspent Federal funds from terminated awards to other purposes. FRA may also reassess other awards to CHSRA or other recipients in furtherance of the CHSR Project and take action as deemed appropriate by FRA. At this time, FRA is not proposing to seek repayment of Federal funds under the FSP Agreement, but FRA reserves the right to do so consistent with applicable law. FRA will not reimburse any costs incurred from the date of this letter under the FRA Cooperative Agreements, unless otherwise specified in FRA's final determination.

Thank you for your prompt attention to this matter.

Sincerely,



Drew Feeley
Acting Administrator

Enclosure

¹⁴ FRA is not imposing specific conditions to remedy non-compliance events at this time. However, FRA reserves the right to impose conditions as necessary to address all non-compliance events, which will be addressed with specificity, in the event the Cooperative Agreements are not terminated by FRA's Final Notice of Determination.

**COMPLIANCE REVIEW REPORT
CALIFORNIA HIGH-SPEED RAIL PROJECT
FEDERAL RAILROAD ADMINISTRATION
JUNE 2025**

EXECUTIVE SUMMARY

On February 20, 2025, the Federal Railroad Administration (FRA) initiated a compliance review of the California High-Speed Rail Authority (CHSRA) under two FRA-administered grants totaling over \$4 billion to determine whether CHSRA had met its commitments to FRA under the funding agreements over the period June 15, 2021, to January 31, 2025, or whether action was necessary to protect the Federal taxpayer from potential misuse of Federal funds. Since FRA initially obligated Federal funds for the California High-Speed Rail Project (CHSR Project), there have been numerous reports of CHSRA’s mismanagement of the project, which has resulted in significant delay and substantial cost overruns. In October 2024, FRA executed a grant totaling \$3.07 billion in Federal funds under a Federal-State Partnership for Intercity Passenger Rail (FSP) Agreement to CHSRA to continue to advance the CHSR Project and advance completion of high-speed rail service in the Central Valley between Merced and Bakersfield, California (referred to as the “Early Operating Segment” or “EOS”). Shortly after, in February 2025, CHSRA’s Office of the Inspector General (CHSRA IG) published a report revealing that CHSRA would likely not be able to complete the Early Operating Segment due to a \$7 billion funding gap with no plan to address the gap. In addition, CHSRA notified FRA that its rolling stock procurement would be delayed, missing the target of December 31, 2024 agreed to in the FSP Agreement. CHSRA’s actions raised concerns about whether CHSRA would continue to meet its obligations under the FSP Agreement and whether CHSRA had the capacity to meet its obligations. As such, FRA initiated a review of CHSRA’s performance under both the FSP Agreement and a previous \$929 million agreement, executed in November 2011 (FY10 Agreement). This report outlines FRA’s compliance review, during which FRA reviewed project documents, consulted with State oversight entities, conducted a risk analysis, and regularly met with CHSRA officials.

SUMMARY OF FINDINGS

Based on the compliance review, FRA finds CHSRA is not likely to achieve its commitment to deliver the EOS by 2033. In both the FSP Agreement¹ and the FY10 Agreement, as amended,² CHSRA commits to complete construction of the electrified, dedicated high-speed infrastructure for the EOS *and* initiate electrified high-speed passenger service on the EOS by December 31,

¹ FRA Cooperative Agreement 69A36524521070FSPCA (“FSP Agreement”) (Sept. 23, 2024) Attachment 2, § 5.2.

² FRA Cooperative Agreement FR_HSR_0118_12 (“FY10 Agreement”) Amendment No. 5 (Nov. 11, 2024) Attachment 3 at 46.

2033. To complete the EOS, CHSRA would need to secure approximately \$7 billion in additional funding, as noted by the CHSRA IG.³ CHSRA currently has no credible plan, beyond seeking additional Federal funds, to address this funding gap.

Based on this finding, FRA concludes CHSRA's inability to deliver the EOS, including operations by 2033, constitutes a Project Material Change—an event of default warranting termination of the FSP Agreement (Attachment 1, Section 9.1(b)) and is inconsistent with the purpose of the High-Speed Intercity Passenger Rail Program—warranting action under the terms of the agreement, which may include termination of the FY10 Agreement, as amended (Attachment 1, Section 11). Further, FRA finds that CHSRA's repeated failure to finalize its rolling stock procurement, which has caused CHSRA to miss the deadline agreed to in the FSP Agreement, constitutes Persistent Non-Compliance, which also warrants action under the terms of the agreement, which may include termination of the FSP Agreement (Attachment 1, Section 9.1(b)).

FRA finds CHSRA maintains compliance generally with the other terms and conditions of the FSP Agreement and the FY10 Agreement. CHSRA maintains adequate documentation of project activities and produced these documents when requested by FRA. CHSRA declined, or was not able, to provide a full current risk register beyond the 2023 risk register referenced in CHSRA's 2024 Business Plan. FRA finds CHSRA has executed numerous change orders ranging from \$10,000 to several millions of dollars.⁴ As noted by the CHSRA IG, third-party arrangements and cooperation continue to be a substantial source of delay and cost for the CHSR Project. In the May 2025 Quarterly Review Meeting, CHSRA noted it has 47 open eminent domain cases and continues to dispute with North Kern Water Storage District.⁵ FRA also found CHSRA and its prime contractor for Construction Package 2-3 (CP 2-3), Dragados/Flatiron Joint Venture, are involved in a contract dispute that may have already delayed completion of CP 2-3 until at least August 2027,⁶ which is at least eight months later than CHSRA last estimated in its 2025 Project Update Report.⁷ FRA acknowledges that change orders and disputes with contractors and third parties are likely to occur on projects of this scale and did not find that CHSRA violated the FSP Agreement or FY10 Agreement terms simply as a result of these incidents, numerous though they were. But the substantial number of change orders and the regular delay resulting from third-party disputes has affected CHSRA's ability to deliver on its commitments within the approved project schedule and budget, and a continuation of this pattern could develop into persistent noncompliance and form a basis for termination.

³ See also Zavala, A. (2025, Mei 19). California High Speed Rail's budget gap could grow to \$10.2 billion for Bakersfield-to-Merced line. KCRA. <https://www.kcra.com/article/california-high-speed-rails-budget-gap-bakersfield-merced/64814770>.

⁴ CHSRA, "California High Speed Rail Change Orders - Updated March 18, 2025," available at <https://hsr.ca.gov/about/transparency-accountability/change-orders/>.

⁵ CHSRA, "Quarterly Meeting Report" (May 2025).

⁶ Letter from Dragados/Flatiron Joint Venture letter to CHSRA, January 25, 2025.

⁷ CHSRA, "2025 Project Update Report".

INTRODUCTION

The California High-Speed Rail (CHSR) System is a planned two-phase system that is approximately 800 miles, with claimed operating speeds of up to 220 miles per hour, that would connect major metropolitan cities in California. Phase 1, approximately 500 miles, would connect San Francisco to Los Angeles/Anaheim, and Phase 2 would extend north to Sacramento and south to San Diego. FRA provided Federal funding to CHSRA to facilitate delivery of the CHSR System on the basis that CHSRA would eventually deliver the full Phase 1 and Phase 2 buildout. Since 2008, FRA obligated over \$6 billion in Federal funding to CHSRA; however, CHSRA failed to deliver an operating high-speed rail system. To date, CHSRA has not laid any high-speed track along the initial 171-mile Central Valley Segment that would operate between Merced and Bakersfield, California.

Given CHSRA's failure to make progress and concerns from the State of California's own oversight bodies, FRA initiated a compliance review of CHSRA's performance under two Federal funding agreements: Agreement # FR-HSR-0118-12 (FY10 Agreement) and Agreement # 69A36524521070FSPCA (FSP Agreement). Together, these agreements represent approximately \$4 billion in Federal investment. FRA assessed whether CHSRA was meeting its commitments under the two agreements or whether action was necessary to protect the Federal taxpayer. FRA completed its review in May 2025 and this report supports its findings.

The report was developed as a comprehensive overview of the CHSR Project. The report is organized as follows:

- Section 1. Overview of CHSR Project and Commitments to FRA
- Section 2. Federal Oversight of CHSR Project
- Section 3. State Oversight of CHSR Project
- Section 4. Compliance Review
- Section 5. Risk Assessment
- Section 6. Findings and Conclusions

SECTION 1: OVERVIEW OF THE CHSR PROJECT AND COMMITMENTS TO FRA

The CHSR Project represents a history of shrinking promises to the Federal Government. FRA implemented the High-Speed Intercity Passenger Rail (HSIPR) Program to support the development of a modern, efficient, and competitive passenger rail system in the United States.⁸ In response, the State of California represented the CHSR System as a visionary high-speed rail network that would connect major metropolitan areas, which is the purpose of the HSIPR Program.

The California High-Speed Rail System is a planned two-phase system that is approximately 800 miles, with claimed operating speeds of up to 220 miles per hour, that would connect major metropolitan cities in California. Phase 1, approximately 500 miles, would connect San Francisco to Los Angeles/Anaheim, and Phase 2 would extend north to Sacramento and south to San Diego. The 2024 cost estimate for full Phase 1 buildout is \$106.1 billion,⁹ representing a 31 percent increase from the 2020 cost estimate and a dramatic 222 percent increase from the original estimate of \$33 billion when California voters approved a ballot initiative in 2008.¹⁰

The project was approved by California voters in 2008 through Proposition 1A, a State initiative.¹¹ The State of California then tasked CHSRA to oversee planning, design, and construction of the CHSR System. To advance Phase 1 of the CHSR System, CHSRA sought Federal funding from FRA. Since 2009, FRA has awarded Federal financial assistance to CHSRA through several grants totaling nearly \$7 billion. California has contributed the remaining funds to complete the project through Proposition 1A funds, State bonds, and cap-and-trade tax revenues.

In its 2008 Business Plan, CHSRA assumed Phase 1 service between San Francisco and Los Angeles would be in place by 2030¹² and it maintained this assumption (projecting Phase 1 would be operational in 2029) through its 2016 Business Plan.¹³ CHSRA then scaled back the initial service to connecting San Francisco and Bakersfield.¹⁴ However, in 2019, Governor Newsom further reduced the initial project to the 171-mile Early Operating Segment between

⁸ See FRA, “Guidance for the High-Speed Rail/Intercity Passenger Rail Grant Program, 74 Fed. Reg. 28770 (June 17, 2009).

⁹ \$106 Billion is the midrange estimate provided in CHSRA’s 2024 Business Plan. The high-end estimate was \$128 billion. CHSRA, “2024 Business Plan” at XVI, available at <https://hsr.ca.gov/wp-content/uploads/2024/05/2024-Business-Plan-FINAL.pdf>.

¹⁰ Id. at 97; Letter from CHSRA Peer Review Group to Legislature, (Mar.8, 2024) at 3, available at <https://www.cahsrprg.com/wp-content/uploads/sites/15/2024/03/Signed-letter-to-legislature-on-2024-BP.pdf>.

¹¹ Proposition 1A provided \$9.95 billion in funding to start the project and made several key requirements, including: maximum travel time (San Francisco to Los Angeles in 2 hours and 40 minutes; San Francisco to San Diego in 3 hours and 55 minutes), dedicated high-speed rail tracks, non-state fund matching requirements, independent usability, and financial and environmental review requirements. California Proposition 1A, High-Speed Rail Bond Measure (2008).

¹² CHSRA, “2008 Business Plan”, at 5.

¹³ CHSRA, “2016 Business Plan” at 81.

¹⁴ CHSRA, “2018 Business Plan” at 6.

Merced and Bakersfield. *See map below.* By CHSRA’s own admission, the EOS will have only around 2 million annual riders,¹⁵ and the independent CHSRA Peer Review Group has repeatedly observed that construction of the EOS only makes sense if it is eventually extended to San Francisco and Los Angeles at an additional expense on the order of \$100 billion.¹⁶

CHSRA has started construction on a smaller 119-mile segment of the EOS in the Central Valley that runs from Madera, California to Poplar Avenue (north of Bakersfield, CA) (“First Construction Segment “or “FCS”). The construction activities are organized in three Construction Packages: CP 1 (32 miles between Madera and Fresno); CP 2-3 (65 miles between Fresno and Tulare and the Kern County Line); and CP 4 (22 miles between the Kern County Line and Poplar Ave). The Construction Packages are funded under the 2008 American Recovery and Reinvestment Act (ARRA Agreement) and the FY10 Agreement. As of this report, CP 1 is still incomplete, with substantial completion estimated in November 2026; CP 2-3 is incomplete, with estimated substantial completion in 2026; and CP 4 is substantially complete as of January 2025.

The EOS (i.e., 171-mile segment) extends the FCS north from Madera to Merced (33.9 miles; the “Merced Extension”) and south from Poplar Street to Bakersfield (19 miles; the “Bakersfield Extension”). The Merced Extension is currently under preliminary design and no construction has started. Similarly, construction on the Bakersfield Extension has not started. The FSP Agreement funds design and construction of an interim Bakersfield Extension, but not the complete extension. In the FY10 Agreement and the FSP Agreement, CHSRA committed to delivering the EOS, including the initiation of passenger operations, by 2033, although neither agreement fully funds construction of the EOS.

¹⁵ CHSRA, “2023 Project Update Report” at 30.

¹⁶ *See* Letter from CHSRA Peer Review Group to Legislature, Mar. 8, 2024, at 5 (“[T]he 2024 Draft Business Plan shows a Phase I unfunded gap (P65) of \$93 billion to \$99 billion, again depending on success with meeting the target for additional Federal grants and receipts from Cap-and-Trade funding.”).



Figure 1: California High-Speed Rail Phased Implementation¹⁷

USDOT and FRA Funding for the CHSR Project

The U.S. Department of Transportation (DOT) and FRA have awarded a total of approximately \$6.9 billion to CHSRA for the CHSR Project. By 2010, FRA had provided approximately \$3.48 billion to fund:

- preliminary engineering and environmental review for Phase 1 (San Francisco to Los Angeles/Anaheim); and
- final design/construction of the 119-mile “First Construction Segment” or “FCS” from Madera to north of Bakersfield, which is a mere portion of the 171-mile EOS.

Specifically, between 2009 and 2010, FRA awarded CHSRA two High-Speed Intercity Passenger Rail (HSIPR) program grants for the FCS: American Recovery and Reinvestment Act FY09 (\$2.5 billion) and FY10 (\$929 million).¹⁸

Since then, CHSRA was selected for six FRA-administered grants that fund final design and construction along the FCS, as well as one planning grant for service development and one

¹⁷ The Central Valley Segment is the same segment as the FCS.

¹⁸ In the 2019 *California High-Speed Rail Authority v. U.S. Department of Transportation*, No. 19-cv-02754 (N.D. Cal.), CHSRA challenged the FRA’s decision to terminate the FY10 Agreement. FRA asserted that CHSRA failed to make adequate progress and materially violated terms of the agreement, thereby justifying termination. CHSRA argued the decision was arbitrary and capricious, contending that FRA failed to provide sufficient justification, did not consider relevant factors such as CHSRA’s actual progress, and acted in bad faith. The parties settled the dispute on June 10, 2021, and FRA re-obligated the FY10 Agreement.

further station grant for other California government entities. CHSRA has committed to delivering the FCS by 2030.¹⁹ CHSRA has also committed to commencing service on the EOS by 2033. Except for preliminary engineering and environmental review, FRA has not provided funding for other project elements to Los Angeles, San Francisco, or other major cities.

In late 2022, CHSRA applied for \$8.23 billion in funding from the Federal-State Partnership for Intercity Passenger Rail (FSP) grant program. Following a review of its applications, CHSRA was selected to receive \$3.07 billion for final design and right-of-way acquisition for the Merced Extension (Madera to Merced) and Bakersfield Extension (from Poplar Avenue in Shafter to Bakersfield); civil, track, and systems construction for the 13-mile Bakersfield Interim extension; design and construction of the Fresno Station; design and procurement of trainsets; and design and construction of trainset facilities. Consistent with that selection, in October 2024, FRA obligated a \$3.07 billion²⁰ award to CHSRA for projects along EOS. Note that \$681 million of the \$3.07 billion FSP award is a contingent commitment of FY26 funding awarded through a phased funding agreement.

A summary of the FRA-administered grants awarded to CHSRA, including the scope and status of the grants and amounts obligated, is included in Attachment 2.

CHSRA Commitments to Deliver the Early Operating Segment (Merced-Bakersfield)

FRA awarded two major grants: FY10 Agreement and the FSP Agreement. FRA and DOT have also awarded several smaller grants to complete discrete projects along the EOS corridor that have independent utility, described in Attachment 2. This report focuses on CHSRA compliance under the terms and conditions of the FY10 Agreement and FSP Agreement. FRA focused on these two agreements because CHSRA has not yet drawn down Federal funds under the FY10 Agreement and the FSP Agreement is the largest contribution of Federal funds to the CHSR Project. This does not preclude FRA from reviewing other awards to CHSRA, and findings in this report may be relevant under other awards.

The FY10 Agreement and the FSP Agreement

In 2010, FRA awarded CHSRA \$929 million in Fiscal Year (FY) 2010 funds with a State matching commitment of \$360 million to support development of the FCS, specifically for final design, right-of-way acquisition, and construction. The purpose of the FY10 Agreement was to facilitate CHSRA's delivery of the EOS and the commitments CHSRA made under the ARRA Agreement.

The FY10 Agreement clearly states CHSRA's commitment to FRA. Attachment 2, p. 36, of the FY10 Agreement provides "CHSRA remains committed to complete construction and operation

¹⁹ The period of performance under the American Recovery and Reinvestment Act FY09 agreement, FR-HSR-0009-10, extends to 2028.

²⁰ FSP includes is a Phased Funding Agreement covering several fiscal years under 49 U.S.C. § 24911(g). FSP Attachment 2 § 6.7.

of the full Phase 1, as described in its application for financial assistance...CHSRA will focus its current funding on completing construction of the...high-speed rail infrastructure between Merced and Bakersfield...the First Construction Segment...is a component of the EOS [Merced to Bakersfield]....”

Similarly, in 2024, FRA awarded CHSRA \$3.17 billion in FSP Program funds with a 20 percent State matching commitment. Section 5.2, Attachment 2, of the FSP Agreement provides that the CHSRA “commits to complete the construction of the...high-speed infrastructure for the EOS and provide electrified high-speed passenger service on the EOS by December 31, 2033.”

The FCS Contingency

Both the FY10 Agreement and the FSP Agreement incorporate the “First Construction Segment Contingency Plan” (FCS Contingency Plan) as a worst-case scenario.²¹ The FCS Contingency Plan details steps to implement a provisional service along the FCS in the event that CHSRA is not able to meet its contractual commitments to providing an operating service between Bakersfield and Merced by 2033.²² Under the FCS Contingency Plan, CHSRA would operate a high-speed rail service between the arbitrary end points of Madera, 42 miles south of Merced, and the small town of Wasco.²³ The agreements are clear that the FCS Contingency Plan may act as an *interim* option as CHSRA meets its commitment to service between Merced and Bakersfield, but the FCS Contingency Plan was not intended to abdicate CHSRA from its commitment to deliver the EOS on schedule and on budget. Implementation of the FCS Contingency Plan alone would not be sufficient to meet the purpose of the HSIPR Program and the basis for selection under the FSP Program, which were both predicated on an operating high-speed rail segment, at minimum between Merced and Bakersfield.

Together these agreements memorialize CHSRA’s commitments to FRA to deliver an operating high-speed rail line between Merced and Bakersfield by 2033. Based on these commitments, FRA obligated approximately \$4 billion in Federal funds to CHSRA. However, as described in this report, FRA found that CHSRA will not achieve its commitments to FRA and does not have the capacity to deliver on its commitment to complete the EOS by 2033.

SECTION 2: FEDERAL OVERSIGHT OF THE CHSR PROJECT

The CHSR Project is identified as a major capital project, under FRA’s Capital Project Guidance, for which FRA provides enhanced technical assistance and oversight. FRA endeavors to provide active and robust oversight to ensure the best use of public funding. FRA’s Office of Railroad Development monitors CHSRA on an annual basis to assess compliance and ability to deliver within the project budget and schedule.

Recent oversight and monitoring activities include:

²¹ FSP Attachment 2 § 24.4 (Definition of “Project Substantial Completion”); FY10 Amendment 1 at 46.

²² CHSRA, “First Construction Segment Contingency Plan” (July 31, 2023), at 6.

²³ *Id.* at 17.

- Holding recurring monthly meetings between FRA and CHSRA staff to discuss the project status, budget, and schedule.
- Holding quarterly meetings between FRA and CHSRA leadership to review progress and discuss areas for improvement.
- Holding periodic risk assessment meetings to review enterprise- and project-level risk registers, in accordance with FRA's Railroad Capital Project Guidance.
- Increasing Office of Railroad Development staff and contractor support for review of grant deliverables and project progress.
- Inspection and leadership review trips in May 2023 and February 2024.
- Phased funding of the project (i.e., FY10 HSIPR funding only available after completion of 2009 award scope; and Phased Funding Agreement for FSP award of \$3.07B).
- 2024 FRA annual monitoring review.

In August 2024, FRA conducted its annual monitoring review for the American Recovery and Reinvestment Act and FY10 Agreements FRA finalized the report for that annual review in October 2024, which concluded: "FRA did not identify any fraud, waste, abuse, or other significant findings that would impact project completion or compliance with the terms and conditions of the cooperative agreements." However, FRA identified six areas of concern: Buy America, Construction Quality Documentation, Construction Quality-Non-conformance Reports, Construction Schedule, Utility Coordination, and Scope. Generally, FRA identifies an area of concern when a recipient can improve internal controls or processes, but the concern does not necessarily reflect legal non-compliance. For each area of concern, FRA provided a suggested action and set a timeframe to follow up on CHSRA's progress.

During the May 5, 2025, Quarterly Review Meeting, CHSRA provided an update on the organization, grant agreements, and status of ongoing project activities. CHSRA's new CEO has undertaken an effort to reorganize; however, key positions that are currently vacant will not be filled until September 2025. CHSRA is also revising its schedule and cost assumptions, but does not expect to finalize revisions until the summer of 2025.

Based on the updates from CHSRA on project activities, further schedule slippages virtually guaranteed. For example, CHSRA shared that it is in negotiations with the CP 2-3 contractors, which may not be concluded until the end of May 2025. The current contract completion date is November 2026, but projected renegotiations will likely extend the contract end date beyond this committed date. Likewise, CHSRA shared it will continue its pause on procurements. CHSRA gave conflicting reasoning for the delay, referencing both FRA's compliance review and its own CEO's internal review.

CHSRA also shared that it has several grants that will face cost increases. CHSRA noted there will be increase in costs for the FY22 RAISE and FY23 RAISE grants as the project's design efforts have progressed, described in Attachment 2. It largely attributes the FY22 RAISE grant

increased costs to an effort to value-engineer the Merced to Madera alignment to save construction costs. This has resulted in increased costs up front in engineering.

FRA has continued to maintain active coordination with CHSRA while conducting its oversight responsibilities.

SECTION 3: STATE OVERSIGHT OF THE CHSR PROJECT

The State of California has implemented its own oversight of the CHSR Project, first through the Peer Review Group (PRG), the California Legislative Analyst's Office (LAO) and the CHSRA IG. Generally, State oversight entities will make recommendations to CHSRA to improve project delivery methods and to address issues that can affect CHSRA's ability to deliver the CHSR System on schedule and on budget. Although the State oversight recommendations are not binding on FRA, the agency may consider State recommendations in the context of FRA's oversight its funding agreements to CHSRA and how CHSRA responds to recommendations from the State.

FRA found that CHSRA has failed to address deficiencies identified by independent State oversight bodies, allowing latent and fatal flaws in its cost estimates and schedules to render timely project delivery impossible. Several independent oversight bodies have completed assessments of CHSRA's plans to complete the Merced-Bakersfield segment and have concluded that the most recent cost estimates and schedules for project completion are not realistic. The PRG and LAO have repeatedly cautioned CHSRA that its projections are flawed, yet CHSRA has not updated its cost and schedule estimates since it developed its 2023 Project Update Report.²⁴

CHSRA's failure to forecast accurately and maintain current projections implicates FRA's funding agreements. CHSRA's estimates formed the basis for CHSRA's representations to FRA that revenue service between Merced and Bakersfield would begin by 2030—with the promise that such service would be delivered no later than 2033, even if delays occurred. As discussed above, this commitment was memorialized in the FSP Agreement and in the amended FY10 Agreement.

In preparing its most recent cost estimates and schedules, CHSRA failed to account for risks made known through PRG assessments and its own knowledge of open contracts, anticipated change orders, negotiations with third parties concerning right-of-way needs and utility relocation, and negotiations with local governments and authorities related to legal disputes under California law. For example, in its 2023 Project Update Report (2023 PUR), CHSRA estimates costs have grown from the prior estimate of \$25.7 billion to a cost range based on a probability level ranging from \$32.1 billion (P30) to \$35.3 billion (P65).²⁵ CHSRA identified the

²⁴ LAO, "Overview of the Governor's Budget" (Jan. 13, 2025), at 10.

²⁵ CHSRA, "2023 Project Update Report" (Mar. 1, 2023) at 53.

drivers of the increased cost as: (1) higher costs due to both inflation over time and escalation costs under existing contracts, (2) scope increases such as revised station design and system extensions for station locations desired by local government, dual tracking the 119-mile FCS, and solar-power elements, and (3) a category CHSRA characterized as “Contingency/Other.”²⁶

Despite knowing about these risks from serial PRG, CHSRA IG, and LAO reports, CHSRA has not taken action to close gaps and mitigate project delivery risk. Perhaps most significantly, the PRG has repeatedly highlighted the need for stable, long-term funding. This essential recommendation persisted even as the scope of CHSRA’s planned project shrank. From 2020 through 2021, the PRG emphasized that cap-and-trade funding was too volatile to support borrowing against future receipts, and that the 2030 end to the cap-and-trade program limits potential receipts for the project.²⁷ The PRG also attributed some of CHSRA’s management problems to inadequate and unstable funding.²⁸

Based on the independent reviews conducted by State oversight bodies and FRA’s own review, it is apparent that CHSRA cannot meet its commitment to complete the project envisioned by the FSP agreement, even with a three-year contingency (2030-2033). These reviews suggest that CHSRA is likely only able to deliver the FCS, with no credible plan to complete the full 171-mile segment and no path to ever implementing a full Phase 1 system.

FRA reviewed reports and recommendations developed by the PRG, LAO, and CHSRA IG. Pertinent excerpts from reports are included in Attachment 3.

SECTION 4: COMPLIANCE REVIEW

As the granting agency, FRA is the steward of Federal funds and has general oversight authority over the use of Federal funds to ensure taxpayer dollars are spent in accordance with program requirements, Federal law, and the terms and conditions of the FRA-administered funding agreements. In furtherance of that responsibility, FRA may perform audits, request access to a recipient’s records, and conduct site visits.²⁹ FRA’s grant agreement terms also provide for access to the recipient’s records to facilitate FRA’s oversight.³⁰

Given the complexity of the CHSR Project, the compliance review involved FRA subject matter experts in the Office of Railroad Development; economists in the Office of Research, Development, and Innovation; and counsel in the Office of the Chief Counsel. FRA identified 59 compliance review areas to focus the review. (Attachment 1 – Compliance Review Areas). FRA identified the compliance review period as June 15, 2021 – January 31, 2025. This period

²⁶ Id.

²⁷ CHSRA, “Review of Revised Draft 2020 Business Plan” (Dec. 12, 2021).

²⁸ Id.

²⁹ 2 CFR § 200.337.

³⁰ See FY10 Amendment 5, Attachment 1, § 32; FSP, Attachment 1, §§ 11.4-11.5.

represents the date the FY10 Agreement was reobligated to CHSRA following a settlement agreement between CHSRA and FRA in response to CHSRA's challenge to FRA's termination of the FY10 Agreement in 2019.

On February 27, 2025, FRA requested documentation from CHSRA relevant to each compliance review area. In response, CHSRA produced over 80,000 pages of documents. FRA routinely met with CHSRA representatives to clarify document requests and follow up with additional requests to facilitate the compliance review.

On April 25, 2025, FRA conducted a site visit to tour the alignment of Construction Package 1 within the Central Valley.

On May 5, 2025, FRA and CHSRA held its regularly scheduled Quarterly Review Meeting and relevant information from the meeting was incorporated into FRA's report.

Document Review

Per FRA grant agreements' terms and conditions, FRA required CHSRA to produce documentation as part of FRA's compliance review in a letter dated February 27, 2025. The letter required CHSRA to provide documentation in 59 review areas including satisfactory continuing control, financial management and capacity, procurement, and project delivery. The letter also stated that while the compliance review was on-going, FRA could require additional documents, conduct site visits, hold in-person or virtual meetings, and require interviews or written responses to questions.

On March 21, 2025, CHSRA provided a set of preliminary responses to the documentation request. This included documents related to technical capacity and procurement. Following this preliminary response, CHSRA provided a second set of documents on March 28, 2025, and a third set of documents responding to review areas 58 and 59 on April 4, 2025. Upon review of these submittals, FRA found that CHSRA did not adequately respond to the request. On April 11, 2025, and again on April 14, 2025, FRA provided further clarification, requesting documents related to the FY10 Agreement not previously submitted, to which CHSRA replied on April 21, 2025. The documentation received on April 21, 2025, was again incomplete with regard to change orders. FRA requested a discrete sample set of change orders with a due date of May 2, 2025. CHSRA submitted the requested sample set on May 2, 2025. With respect to the submittals received in response to review areas 58 and 59, CHSRA did not provide current risk registers. FRA offered to meet virtually with CHSRA representatives to conduct an in-camera review. CHSRA cancelled a meeting on April 23, 2025, citing capacity concerns and instead submitted responses via email, which required further follow up. After several phone calls and emails, CHSRA and FRA were finally able to meet on April 30, 2025, to discuss again the intent of review areas 58 and 59. At the meeting, CHSRA committed to providing a set of documents on the same day and to follow up with another item the next day. On May 1, 2025, CHSRA

partially responded to the request, noting that it considered some of the information related to the request confidential and deliberative and thus would not be responsive.

Based on FRA's review of all documents, approximately 80,000 pages, CHSRA provided for the compliance review, FRA found CHSRA maintains adequate documentation of project activities, consistent with the grant agreements' terms and conditions. However, FRA identified several areas of concern. Themes in these areas of concern include numerous change orders, protracted negotiations with third parties, and inadequate consideration of project risk. These themes are discussed in greater detail in Section 6 of this report.

Site Visit

FRA conducted a site visit to the Central Valley of California on April 25, 2025. The site visit focused on Construction Package (CP) 1. CP1 was the first CP contract to be awarded (August 2013) but is currently projected to be the last to be completed (contract completion date of December 2026). There has been a 194 percent increase in time (original contract completion date of March 2018) and a 268 percent increase in cost (originally \$1.022 billion; now \$3.773 billion).

The CP1 construction area is a 32-mile stretch between Avenue 19 in Madera County to East American Avenue in Fresno County, including major work elements in downtown Fresno. It includes 19 grade separations, three viaducts (a major river crossing over the San Joaquin River) and two trenches.³¹

As part of the visit, CHSRA provided an overview of CP1, and FRA visited a variety of worksites in and around the Fresno area. There are 33 structures in CP1. The contractor has completed 18, has 11 underway, and has four remaining. There are 32 miles of guideway. The contractor has expended 75.2 percent of contract funds, suggesting there is still roughly a quarter of the contract work to complete in the next 19 months of a 13-year contract period of performance.³² This is a compressed timeline given there are 15 structures and 21 miles of guideway to complete.

Based on observations from the worksites, detailed in the photos included in Attachment 4 – Site Visit, FRA confirmed the significant amount of work that needs to be completed given the time remaining on the contract. FRA visited several worksites with grade separations that will be opening to the public soon, such as Tulare Street Undercrossing (Figure 1) or Belmont Avenue Grade Separation; however, there are minor elements that need to be completed. FRA visited worksites where a significant amount of work remains to be done such as Church Avenue Grade Separation (Figures 2 and 3). This grade separation is forecasted to be complete by the end of March 2026. CHSRA acknowledged the schedule is aggressive. Some structures have been completed, such as the San Joaquin River Viaduct (Figure 4), but are still awaiting guideway completion and installation of track and systems.

³¹ CHSRA, "California High-Speed Rail Construction Update" (Feb. 19, 2025).

³² CHSRA, "Central Valley Status Report" (May 1, 2025).

SECTION 5: RISK ASSESSMENT

FRA conducted a schedule and cost risk analysis on the EOS. For purposes of this analysis, FRA assumed that CHSRA would be able to receive the necessary funding; the analysis then asked whether operation by 2033 is feasible even with that funding. FRA's schedule analysis indicates that, on average, CHSRA is expected to begin revenue service on the EOS in 2034—missing the 2033 date CHSRA committed to in the FY10 Agreement and FSP Agreement. Further, FRA estimates a 30 to 45 percent probability that CHSRA could begin service on the EOS before the end of 2033 (the estimated probability depends on whether the planned mitigations are successful). FRA's cost analysis recommends a funding target between \$35 billion and \$38 billion to complete the project, excluding financing costs. Due to the limitations of this analysis, caused by CHSRA's failure to provide updated estimates, FRA believes its results are generous estimates of the EOS's expected revenue service date and funding target.

FRA's estimated 45 percent probability of EOS start of service at the end of 2033 assumes all CHSRA's risk mitigation efforts are successful. This initial analysis identified tasks involved in trainset procurement as particularly critical to completing the project on time. Given the criticality of these tasks, FRA conducted a second analysis, this time assuming mitigation efforts relating to trainset procurement risks are unsuccessful. In testing this scenario, FRA arrived at the 30 percent probability estimate. Notably, this estimate still assumes all mitigation efforts aside from those relating to trainset procurement risks are successful.

Again, these substantial risks (55 to 70 percent chance that EOS cannot be completed by 2033) exist even after assuming the substantial funding gap is closed. Turning to the funding gap, FRA estimated a range of recommended funding targets. FRA's funding targets account for the expected delay according to the Agency's schedule analysis. FRA estimates a minimum recommended funding target to complete the EOS of \$35 billion and a maximum recommended funding target of \$38 billion. FRA estimates a 65 percent probability that project costs will be at or below the minimum target, and an 80 percent probability that costs will be at or below the maximum target. These results indicate an estimated funding gap of approximately \$7 to \$9 billion.

Limitations of this analysis include incomplete risk information, submittal of a summary schedule, and open-ended tasks in the submitted schedule. Each of these limitations indicates that FRA's results are likely underestimates of the project completion date and recommended funding targets.

FRA's risk assessment is included in Attachment 5 – Risk Assessment.

SECTION 6: FINDINGS AND CONCLUSIONS

Findings

Based on FRA's compliance review summarized in this report, FRA finds that (additional details on these findings appears below):

1. CHSRA has executed numerous change orders, including change orders for \$154 million for CP1 (October 2023) and \$242 million and \$205 million for CP 2-3 (October and November 2022) as well as \$143 million for CP 2-3 in June 2024, and will likely have many more change orders in the near future to account for contractor expenses as a result of project delays.
2. CHSRA has already missed its deadline for finalizing its rolling stock procurement per its commitment in the FSP Agreement.
3. CHSRA has a \$7 billion funding gap (based on FRA's conservative estimates) to complete the EOS, with no credible plan to secure additional funds.
4. CHSRA does not have a viable path to complete the EOS by 2033 per its commitment in the FY10 Agreement and the FSP Agreement.
5. CHSRA relies on volatile non-federal funding sources, such as the State's cap-and-trade program, which present significant project risk.
6. CHSRA has not adequately budgeted enough time or money to electrify the entire EOS to support revenue operations by 2033.
7. CHSRA's budget contingency is inadequate to cover anticipated contractor delay claims.
8. CHSRA has overrepresented its ridership projections for the EOS substantially.
9. CHSRA lacks the capacity to deliver the EOS by 2033.

1. CHSRA has executed numerous change orders and will likely continue to have more change orders over time.

Between June 2021 and April 2025, CHSRA approved a substantial number of change orders across its Central Valley construction packages, contributing to significant cost increases and schedule delays.

By March 2023, CHSRA had approved over 1,000 change orders, many of which originated from both CHSRA and its contractors.³³ These change orders have been a major factor in the project's escalating costs, which have risen from an initial estimate of \$33 billion to between \$89 and \$128 billion. Notably, approximately 20 change orders related to the construction of barriers to prevent potential freight train derailments from impacting the high-speed rail line have collectively exceeded \$500 million.³⁴

In CP 2-3, CHSRA approved 273 change orders by 2021, amounting to an additional \$800 million. This represents a 62 percent increase over the initial contract bid of \$1.2 billion. The cost overruns in this package were largely due to design changes necessitated by environmental and logistical challenges that were not fully accounted for during the bidding process.³⁵

A specific example includes a change order dated July 30, 2024, for CP1, where the contractor Tutor Perini/Zachry/Parsons was compensated \$350,000 for maintaining completed overhead structures in Madera County that were already in use by CHSRA.

³³ CHSRA, "California High-Speed Rail Change Orders – Updated March 18, 2025."

³⁴ Id.

³⁵ Id.

To date, CHSRA has not laid any track or started work on signal systems required for train operations, and all of this work yet remains. Based on FRA’s review, CHSRA has struggled with the comparatively less complicated civil works contracts and will likely encounter further delays and cost overruns as CHSRA starts to award and implement the more complicated track and systems contracts.

2. CHSRA has already missed its deadline for finalizing its rolling stock procurement per its commitment in the FSP Agreement.

In the FSP Agreement, which was executed in October 2024, CHSRA committed to completing execution of a procurement contract for six trainsets by December 31, 2024. Instead, CHSRA has amended its procurement three times within the last year, leading CHSRA to miss this deadline with only a vague promise to complete the procurement process in July 2025—almost seven months after the deadline.³⁶

3. CHSRA has a \$7 billion funding gap (based on FRA’s conservative estimates) to complete the EOS with no credible plan to secure additional funds.

In its application for FSP Program funds, CHSRA’s proposal for the CHSR Project relied heavily on Federal funding, and, specifically, CHSRA requested approximately \$8 billion in Federal funds. In December 2023, FRA awarded CHSRA \$3.17 billion, substantially less than CHSRA’s request, for discrete scope elements along the EOS. Since December 2023, CHSRA has made no effort to identify alternate sources of funding to replace the unsecured Federal funding. As recognized recently by the California LAO, CHSRA has “[n]o detailed plan to meet [a] roughly \$7 billion funding gap for [the] Merced to Bakersfield [segment that must be met] before June 2026 to avoid negative impacts on the Merced-to-Bakersfield segment schedule.”³⁷ In the May 2025 Quarterly Report Meeting, CHSRA stated that its plan for future funding is to continue “to compete for available Federal funding,” signaling CHSRA has no plan to close this funding gap beyond its overreliance on Federal funds.³⁸ The approximately \$7 billion funding gap is likely to increase further in the coming years because, as the PRG has observed, many projects remain at an early stage of design or involve work with which CHSRA has little or no experience. Without closing the \$7 billion (or larger) funding gap, CHSRA does not have a path to complete the EOS.

4. CHSRA does not have a viable path to complete the EOS by 2033 per its commitment in the FY10 Agreement and the FSP Agreement.

As described throughout this report, the compliance review has revealed a cumulative history of delays, cost overruns, change orders, funding losses, and mismanagement indicating that there is no feasible path for CHSRA to complete the EOS within the budget or timeline represented by CHSRA in its FSP Application. As such, it is likely CHSRA will need to secure additional

³⁶ CHSRA, “Presentation, FRA/CHSRA Quarterly Review Meeting” (May 5, 2025) at 29.

³⁷ LAO, “High-Speed Rail 2025 Project Update Report, (March 26, 2025) at 4.

³⁸ CHSRA, “Presentation, FRA/CHSRA Quarterly Review Meeting” (May 5, 2025) at 16.

funding to complete the EOS, beyond the existing \$7 billion gap. In addition, with no credible plan to secure additional funds, CHSRA may have to stop or delay work on the EOS, thereby further eroding the already shrinking contingency. Even a conservative estimate that assumes CHSRA can adequately mitigate risk reveals CHSRA has a less than 50 percent chance of completing the EOS by 2033. Prior to execution of the FSP Agreement, CHSRA was aware that it could not complete the EOS by 2033 without additional funding. However, CHSRA still committed to FRA in the FSP Agreement that it would complete the EOS by 2033 despite having no credible plan to secure additional funds. FRA relied on this representation in executing the FSP Agreement and subsequently amended the FY10 Agreement to reflect EOS completion by 2033, as represented by CHSRA. CHSRA could not have made that commitment in good faith, based on the information known to them at the time it was made.

5. CHSRA relies on volatile non-federal funding sources, such as the state's cap-and-trade program, which present significant project risk.

The future State financial resources CHSRA identifies for the CHSR Project, rely heavily on expected cap-and-trade auction proceeds. CHSRA's funding projections incorporate a range of annual cap-and-trade funding amounts, from a low of \$750 million per year to a high of \$1.25 billion per year.³⁹ Even at the low projection of \$750 million per year, expected cap-and-trade auction proceeds represent the largest projected source of future State funding for the CHSR Project.⁴⁰ And assuming the mid-range and current revenue trend of \$1 billion per year, expected cap-and-trade auction proceeds would account for over half of the total projected amount of future State funding.⁴¹

CHSRA concedes that the use of cap-and-trade auction proceeds as a source of funding "is uncertain and volatile due [to] its market-based mechanisms."⁴² And as recently as the quarter ending in August 2024, the quarterly cap-and-trade auction proceeds for high-speed rail fell below the level required to attain even the low projection (\$750 million) for annual cap-and-trade auction proceeds ("Low C&T Projection").⁴³ CHSRA also recognizes that "as the COVID-19 pandemic demonstrated, [] a market-based revenue stream is susceptible to shocks that can cause significant revenue fluctuations."⁴⁴ As evidence of that fluctuation, the quarterly cap-and-trade auction proceeds for high-speed rail fell below the Low C&T Projection for at least four consecutive quarters beginning in the quarter ending in May 2020.⁴⁵ The most significant

³⁹ CHSRA, "2025 Project Update Report" at 20. This range corresponds to the \$9.2 billion to \$12.2 billion range of projected total future State funding and the \$13.6 billion to \$16.6 billion range of projected total future combined State and Federal funding.

⁴⁰ Id.

⁴¹ Id.

⁴² Id. at 22.

⁴³ The value of the quarterly cap-and-trade auction proceeds for the quarter ending in August 2024 was \$150.1 million, and quarterly cap-and-trade auction proceeds must average at least \$187.5 million to reach the low (\$750 million) projection for annual cap-and-trade auction proceeds. See id.

⁴⁴ Id.

⁴⁵ Id. The table in Exhibit 3.1 begins at the quarter ending in May 2020, and there is insufficient information in the sources available to FRA to determine whether earlier quarters also fell below the Low C&T Projection.

“revenue fluctuation” occurred in the quarter ending in May 2020, with quarterly cap-and-trade auction proceeds of \$10.6 million, approximately five percent of the \$187.5 million in quarterly cap-and-trade auction proceeds required to achieve the Low C&T Projection.⁴⁶

In its 2025 Project Update Report (“PUR”), released on March 1, 2025, CHSRA claims that “[d]emand for [carbon] allowances⁴⁷ in recent years and resulting current and future prices indicate a market expectation that allowance settlement prices will continue to be high through 2030.”⁴⁸ However, this position conflicts with the views of the California LAO, which recognized in February 2025 that “GGRF⁴⁹ revenues are subject to substantial uncertainty and are trending lower than forecasted.”⁵⁰ LAO cautioned that, even if current revenue patterns persist, rather than decline further, GGRF “revenues may not be sufficient to fund existing statutory commitments” and modifications to future expenditure plans for and allocations of cap-and-trade auction proceeds may become necessary.⁵¹ LAO projects a nearly \$200 million reduction in GGRF expenditures for FY 2025-2026 (which runs from July 1 to June 30 in California) if current cap-and-trade allowance price trends persist, and a greater reduction if price trends decline further.⁵²

A significant contributing factor to the decline in auction settlement proceeds is the growing uncertainty in carbon trading markets, which reduces the carbon investment activity that can lead to higher auction settlement amounts. The primary causes of increased uncertainty include the delay in expected action by the California Air Resources Board (“CARB”) to reduce the supply of carbon allowances⁵³ and delay by the California Legislature in reauthorizing the cap-and-trade program.⁵⁴ These delays are unlikely to end soon, as CARB and the California legislative and executive branches focus on other priorities, including the response to the Los Angeles wildfires.⁵⁵

Other emerging issues cast doubt on the feasibility of a project that relies so heavily on cap-and-trade auction proceeds for funding. Recent events like the Los Angeles wildfires have created new urgent funding priorities for the State of California. Notably, the California Governor’s proposed 2025-2026 budget (“Budget”) does not account for State costs of response, clean up, recovery, and other forms of assistance related to the Los Angeles wildfires.⁵⁶ For comparison,

⁴⁶ Id.

⁴⁷ Sales of carbon allowances provide the cap-and-trade proceeds used to fund the CHSR Project.

⁴⁸ Id.

⁴⁹ Greenhouse Gas Reduction Fund, which holds and distributes cap-and-trade auction proceeds, including those used to fund the CHSR Project.

⁵⁰ LAO, “Cap-and-Trade Expenditure Plan” (Feb. 12, 2025), at 1, 4.

⁵¹ Id. at 5.

⁵² Id.

⁵³ A reduction in the supply of carbon allowances can lead to an increase in demand for each allowance and an increase in auction settlement proceeds.

⁵⁴ Id.; Blanca Begert, “Sacramento’s Favorite Feedbag is Drying Up,” *Politico* (Feb. 26, 2025).

⁵⁵ Id.

⁵⁶ LAO, “Overview of the Governor’s Budget” at 10.

the Budget for FY 2019-2020 included an additional \$918 million in funding to address wildfire activity that occurred in 2018.⁵⁷

A recent slowdown in growth and consumption in California threatens to have an impact on the cap-and-trade program similar to the challenging economic conditions of 2020 and 2021. And it appears that a reduction in stock values could have a particularly severe impact on California State revenue projections. LAO has recognized that revenue increases projected in the Budget “appear largely tied to the booming stock market[,]” and that recent gains in tax collection that influenced the higher revenue projections “are on shaky ground [because they] are not tied to improvements in the state’s broader economy, which has been lackluster, with elevated unemployment, a stagnant job market outside of government and healthcare, and sluggish consumer spending.”⁵⁸ Deficits and revenue reductions for the California General Fund can have a negative impact on programs funded by the GGRF, and LAO acknowledges that the California Legislature could respond to deficits and declining revenues “by redirecting GGRF funds to help sustain higher-priority activities.”⁵⁹

CHSRA’s CEO Ian Choudri has recognized deficiencies in the unstable funding approach found in CHSRA’s current proposals and plans compared with those presented to support requests for Federal funding. Specifically, on March 6, 2025, Mr. Choudri acknowledged that without changes in the current funding approach, the CHSR Project will continue to suffer schedule delays and negative financial impacts from cost uncertainty.⁶⁰

Governor Newsom’s extravagant new State budget request for CHSRA underscores the troubling funding gap for the CHSR Project — and that CHSRA should not have represented to FRA that it had the capacity to construct the CHSR Project. As the Governor acknowledges, CHSRA will need a minimum additional contribution of \$1 billion annually, a challenging proposition when the State has an ever-expanding list of needs and growing deficits. This is particularly true given the growing opposition to the CHSR Project at the State level and CHSRA’s history of poor performance and mismanagement. FRA understands this budget request to be an admission of apparently insurmountable challenges, not a renewed effort to deliver high-speed rail in a timely and efficient way.

⁵⁷ California State Budget, 2019-20 at 13.

⁵⁸ LAO, “Overview of the Governor’s Budget” at 10.

⁵⁹ LAO, “Cap-and-Trade Expenditure Plan” at 6.

⁶⁰ CHSRA, Board of Directors Meeting (March 6, 2025), at 1:03:00 (“I have come to the conclusion that if we do not stabilize the funding approach ... the inefficiencies that are in there ... will continue to cause ... schedule risk because of the way we are procuring different contract packages and ... direct impacts on the cost uncertainty”).

6. CHSRA has likely not adequately budgeted enough time or money to electrify fully the EOS to support revenue operations by 2033.

CHSRA has represented that it will operate the CHSR Project on “fully electrified” infrastructure for the 119-mile segment.⁶¹ It has proposed a budget of approximately \$1.4 billion for signals and electrification related to the CHSR Project.⁶²

For comparison, Caltrain completed the electrification of a 51-mile segment of its operation connecting San Francisco and San Jose in September 2024.⁶³ This electrification project cost \$2.7 billion⁶⁴ and completion took seven years after groundbreaking.⁶⁵

In general, electrification takes between six and eight years for more basic electrification projects and 10 to 15 years for more complex electrification projects, or those that face significant political or technical challenges.⁶⁶

CHSRA has proposed completion of an electrification project involving more than double the mileage of the Caltrain project at approximately 60 percent of the cost. It has provided no explanation of any significant differences between the CHSR Project and the Caltrain project, or identified reasons why future activities will avoid the cost overruns and delays experienced consistently by the CHSR Project, to justify the significantly lower cost estimates.

7. CHSRA’s budget contingency is likely inadequate to cover anticipated contractor delay claims.

CHSRA has proposed total program contingencies and reserves of \$618 million, which represents the funding available to cover change orders for the remainder of the CHSR Project.⁶⁷ In the past, the CHSR Project received multiple individual change orders exceeding that amount. For example, in December 2022, one contractor submitted a single set of change orders exceeding \$672 million.⁶⁸ And, as of March 2021, three separate contractors had pending change orders of \$642.5 million, \$250 million, and \$193 million.⁶⁹ CHSRA has failed to improve on this record over time and has reported approximately \$1.6 billion in change orders between January 2023 to the present.⁷⁰

It appears that the program contingencies and reserves allocated for the CHSR Project would be significantly insufficient to cover change order activity consistent with past practice for the

⁶¹ FY10 Amendment No. 5, Attachment 3, at 46.

⁶² Id., Attachment 4 at 51.

⁶³ Gennady Sheyner, “It’s electrifying: Caltrain celebrates a historic switch,” *Palo Alto Online* (Sept. 19, 2024).

⁶⁴ Dan Zukowski, “Where battery and hydrogen-powered trains are coming to US commuter rail,” *SmartCitiesDive* (March 27, 2025).

⁶⁵ Sheyner.

⁶⁶ “Regional Rail Electrification: Costs, Challenges, Benefits,” *Transit Matter* (Fall 2021), at 2.

⁶⁷ CHSRA, “2025 Project Update Report” at 25, Table 3.1.

⁶⁸ Letter to Mr. Erik van Jaarsveld, Construction Package 2-3 (Dec. 6, 2022), at Exh. 0.0.

⁶⁹ Ralph Vartabedian, “Bullet train contractor warns of further two-year delay as state struggles to secure land,” *The Los Angeles Times* (March 29, 2021).

⁷⁰ CHSRA, “California High-Speed Rail Change Orders – Updated March 18, 2025.”

CHSR Project, and CHSRA has provided no reason to expect different patterns of change order activity in the future construction of this project. In fact, CEO Ian Choudri has stated recently that, absent changes, deficiencies in the current approaches to funding and contract procurement will continue to cause schedule risk and contractor delays.⁷¹

8. CHSRA has substantially overrepresented its ridership projections for the EOS.

In its FSP application, CHSRA projected an annual ridership of 6.6 million for the Merced to Bakersfield segment in 2030, and an annual ridership of 31.3 million for the full Phase 1 corridor by 2040.⁷² However, multiple independent analyses raise doubts as to the accuracy of CHSRA's projections and raise concerns whether the CHSR Project will actually result in any benefits that justify its price tag and substantial Federal investment. .

A UC Berkeley Institute of Transportation Studies report, commissioned by the California Senate, exposed critical flaws in CHSRA's ridership model, including manipulated sampling, inappropriate statistical adjustments, and predetermined station choices designed to inflate projections.⁷³ Despite these issues documented by a third party, CHSRA continued to rely on this model for years, including as support for its requests for financial assistance.

In 2008, the Reason Foundation estimated ridership at 23 to 31 million annually, far below CHSRA's 65 to 96 million by 2030, warning that the inflated figures could mislead funders. Their 2013 report highlighted CHSRA's implausible assumption that 73 percent of riders would shift from highways, compared with 11 to 16 percent in European systems, a discrepancy suggesting intentional exaggeration. In 2022, Reason criticized CHSRA's use of outdated population growth models (projecting 45.87 million residents by 2040 despite California's population decline) If correct, this suggests that CHSRA has been ignoring inconvenient data to help bolster grant applications.

Only in 2023 did CHSRA reduce its Merced–Bakersfield segment ridership projections by 25 percent, citing post-COVID trends and slower population growth. This belated adjustment, reported by the Fresno Bee, came after years of external pressure and undeniable evidence (e.g., Amtrak San Joaquin line's 59 percent ridership drop from 2019 to 2021).

The CHSRA Peer Review Group's March 2023 report identified a \$92.6 to \$103.1 billion funding gap for the San Francisco–Los Angeles line, driven partly by unrealistic ridership-based revenue projections. The CHSRA Office of the Inspector General's 2025 findings further noted the Merced–Bakersfield segment's projected 2 million annual riders would be insufficient to

⁷¹ CHSRA, Board of Directors Meeting (March 6, 2025) at 1:03:00.

⁷² FSP Application at 13.

⁷³ UC Berkeley, Institute of Transportation Studies, "Review of "Bay Area/California High-Speed Rail Ridership and Revenue Forecasting Study," UCB-ITS-RR-2010-1 (June 2010), available at: <https://www.ce.berkeley.edu/sites/default/files/news/77/UCB-ITS-RR-2010-1.pdf>.

cover costs, with a \$6.5 billion shortfall, raising questions about why CHSRA promoted such figures to secure initial grants.⁷⁴

CHSRA's Phase 1 projection of 28.4 million annual riders by 2040 far exceeds Amtrak's Northeast Corridor (12.1 million in 2023), despite serving a less dense region. With only 4.8 million Bay Area–Los Angeles air passengers in 2023.

By changing its ridership forecasting and methodology CHSRA has finally accepted the flaws, and consistent with the independent modeling estimates described above, it is clear that the CHSR Project is not likely to result in the substantial ridership initially expected and presented by CHSRA to FRA in its applications for financial assistance.⁷⁵ As such, with diminishing project benefits the CHSR Project likely does not justify its significant price tag or on the substantial Federal investment that was given with the expectation of commensurate project benefits.

9. CHSRA lacks the capacity to deliver the EOS by 2033.

CHSRA has the legal authority to plan, design, and construct a high-speed rail system within the State and can exercise eminent domain to facilitate such efforts. However, FRA found that the limits on CHSRA's legal authority, including the authorizing legislation for the CHSR System, have severely curtailed CHSRA's ability to deliver the CHSR Project effectively and efficiently, and has resulted in substantial delay and cost overruns. As such, FRA concludes CHSRA lacks the capacity to deliver the EOS within the schedule and budget committed to in the FY10 Agreement and FSP Agreement.

From its outset, CHSRA was not set up for efficient and effective project delivery. For example, Proposition 1A, the ballot measure that authorized the project, requires that the project use an alignment that follows existing transportation and utility corridors.⁷⁶ This lack of flexibility has slowed the project down because these corridors are developed extensively and often involve more utility conflicts.⁷⁷ To resolve these conflicts, CHSRA must negotiate an agreement with each affected owner.⁷⁸ These negotiations have caused a significant delay to the project as they typically take several months to resolve.⁷⁹ The CHSRA IG concluded that these delays are in part due to CHSRA's lack of effective processes and internal controls to progress or elevate

⁷⁴ CHSRA's use of subsidies could violate Proposition 1A's requirement that "the planned passenger train service to be provided by [CHSRA], or pursuant to its authority, will not require operating subsidy." California Assembly Bill 3034 (2008), 2704.08(d)(2)(D). The California Legislative Analyst's Office acknowledged Proposition 1A's "no-subsidy" requirement and warned previously that a CHSRA proposal to use a third-party public entity to operate the proposed high-speed rail system to avoid this requirement "does not appear to be consistent with the spirit of [Proposition 1A]." LAO, "Review of the Draft 2020 High-Speed Rail Business Plan" (March 2020), at 18.

⁷⁵ See e.g., FSP Application at 13 (estimating 31.3 million riders for Phase I); *but see* CHSRA, Business Plan (2024) (estimating 28.4 million riders for Phase I).

⁷⁶ Proposition 1A, 2704.09(g).

⁷⁷ CHSRA OIG, "Pre-Construction Activities for the Merced and Bakersfield Extension" (Feb. 21, 2025), at 8.

⁷⁸ *Id.* at 12.

⁷⁹ *Id.* at 12.

negotiations.⁸⁰ However, the CHSRA IG also noted, with CHSRA’s concurrence, that CHSRA is politically hamstrung and lacks any leverage to get affected property owners, utilities, or municipalities to work toward an agreement.⁸¹ This has led to a pattern of common concessions made by CHSRA such as unrealistically limited construction windows, or agreeing to compensate third parties for their attorney costs related to negotiating the relocation agreements.⁸² CHSRA has acknowledged that its lack of leverage has already caused a year of slippage in its timeline to complete the EOS.⁸³ However, despite these known concerns, the State of California has not enacted legislation to facilitate CHSRA’s ability to negotiate arms-length or to accelerate third-party negotiations.

The delay and concessions that local interests are able to extract quickly reach the absurd. For example, in Kern County, CA, there is a 400-ft-long section in an otherwise continuous 22.5-mi strip of completed guideway that remains incomplete due to protracted negotiations with the owner of a displaced irrigation canal.⁸⁴ The canal relocation was scheduled to be finished in June 2023, but the parties agreed to resolve land rights issues before proceeding with relocation.⁸⁵ The negotiations have been ongoing for nearly two years with no meaningful progress.⁸⁶ Similarly, progress over a critical path item at Herndon Avenue in Fresno has been delayed because the right-of-way owner has required at least seven rounds of revisions to the structure’s design.⁸⁷ This single round of negotiations will likely delay the completion of CP1—the first construction package—from November 2026 to Spring 2027. In another example, CHSRA agreed to build a farm worker housing project in the town of Wasco. The workers lived in a complex that was not impacted directly by the high-speed rail alignment, but rather next to it.⁸⁸ Rather than pay for a simple sound barrier wall to mitigate noise impacts, CHSRA paid \$10 million dollars to relocate the workers.⁸⁹ But the City was still not content. After the workers were relocated, the now-vacant camp became blighted and the City demanded that CHSRA pay to clean it up.⁹⁰ While CHSRA refused initially, local interests prevailed and CHSRA eventually agreed to clean up the former camp and contribute funds to redeveloping the area, for which CHSRA sought Federal funds through a \$24 million RAISE grant.⁹¹

⁸⁰ Id. at 11.

⁸¹ Id. at 22.

⁸² Id.

⁸³ CHSRA OIG, “Merced to Bakersfield Segment” (Feb. 3, 2025), at 25.

⁸⁴ CHSRA OIG, “Pre-Construction Activities for the Merced and Bakersfield Extension” at 6.

⁸⁵ Id.

⁸⁶ Id.

⁸⁷ CHSRA OIG, “Merced to Bakersfield Segment” at 14.

⁸⁸ CHSRA, “Photo Release: New Housing Complex Opens to Wasco Residents” (Jan. 10, 2019), available at <https://hsr.ca.gov/2019/01/10/photo-release-new-housing-complex-opens-to-wasco-residents/>.

⁸⁹ Id.

⁹⁰ Bayan Wang, “Wasco farmworker labor camp is crime-infested community asks HSRA to demolish camp” *23ABC* (Mar. 29, 2021).

⁹¹ CHSRA, “Wasco RAISE Grant Award,” available at <https://hsr.ca.gov/wp-content/uploads/2024/01/Wasco-RAISE-Grant-Factsheet-2023-V3-A11Y.pdf>.

Simply put, California has not empowered CHSRA with sufficient authority to ensure CHSRA can deliver the CHSR Project efficiently. Instead, the legislature has required CHSRA to comply with State and local laws, such as the California Environmental Quality Act (CEQA), which has resulted in numerous challenges to the CHSR Project.⁹² In addition, in the FY 2022-2023 budget, the State Legislature chose to focus on “bookend” projects instead of delivering the high-speed rail system. California legislation specifically sets aside \$1.1 billion of the \$9 billion in high-speed rail funding to contribute to locally sponsored projects.⁹³ The result is landowners, utilities, and municipalities either ignore CHSRA, or extract outsized concessions. Rather than being focused on delivering an operating transportation project, CHSRA has become a jobs and community development program. Even the State legislature has actively worked to shift focus away from the delivery of the high-speed rail system to focus on other activities within the State.

In addition, there is no tangible prospect that CHSRA will be empowered to deliver the CHSR Project. Steps taken to empower CHSRA to date have been ineffective. In 2023, the California State Transportation Agency established an interagency task force to help CHSRA obtain approvals and facilitate agreements with third parties.⁹⁴ The task force, which lacks the authority to pursue broader changes to the negotiation process or make recommendations on legislative action, is rarely used by CHSRA.⁹⁵

Both the CHSRA IG and CHSRA agree that CHSRA needs to be empowered by the California legislature to give it effective leverage to negotiate with intractable utilities, landowners, or local interests.⁹⁶ Proposed solutions include an expedited possession of land right, which would alleviate CHSRA from having to reach settled negotiations or using the full eminent domain process; the authority to establish and enforce regulations requiring utility owners to relocate utilities in a timely manner; and the power to force relocations if parties are non-responsive to CHSRA.⁹⁷ CHSRA responded to the CHSRA IG’s report by claiming that it has been “actively exploring various solutions” to address the challenges,⁹⁸ but no meaningful progress has been made.

The result is that CHSRA lacks the legal power needed to deliver this project in a timely and cost-efficient manner. CHSRA is required by the State to build through a corridor with an especially high amount of land-right conflicts. Yet the State has not empowered CHSRA with the tools needed to manage those conflicts and work through parties who are intransigent or refuse to negotiate in good faith. Because CHSRA has no “stick,” it is forced to rely on the “carrot.” The result is unreasonable concessions, delay, and the CHSR Project has turned from a

⁹² See *California High Speed Rail Authority-Petition for Declaratory Order*, 79 Fed. Reg. 63220 (Oct. 22, 2014) (stating seven lawsuits have been filed against CHSRA under CEQA).

⁹³ LAO, “High-Speed Rail Draft 2024 Business Plan.”

⁹⁴ CHSRA OIG, “Pre-Construction Activities for the Merced and Bakersfield Extension” at 22.

⁹⁵ Id. at 23.

⁹⁶ Id.

⁹⁷ Id. at 24, 31.

⁹⁸ Id. at 31.

railroad infrastructure project to a local jobs and community building program. While CHSRA has now offered a wish list of improved powers, this problem has been well-known for nearly two decades, yet the State has refused to act.

Conclusions

For the reasons described above, FRA concludes:

1. There is no viable path to complete the EOS by 2033.

Given CHSRA's past performance, including substantial change orders, numerous contractor delay claims, protracted third-party arrangements, failure to account adequately for project risk, and lack of a credible plan to close the \$7 billion funding gap, CHSRA is not likely to complete the EOS by 2033. In executing the FSP Agreement and reobligating the FY10 Agreement, FRA relied on CHSRA's representations, which were included as commitments in the funding agreements, that CHSRA would deliver the EOS by 2033.

To secure substantial Federal funding, CHSRA represented that it could connect major metropolitan cities in California, but can now only deliver a system that is reduced substantially and delayed significantly, which may connect two random endpoints.

As such, CHSRA's inability to deliver the EOS by 2033 renders the CHSR Project inconsistent with the goals of the HSIPR Program and constitutes a Project Material Change under the FSP Agreement. These findings support a conclusion that CHSRA is in default under the FSP Agreement and the CHSR Project no longer effectuates the goals of the funding programs, which may give rise to an action under the funding agreements, which could include termination.

2. There is no viable path to complete the full CHSR System.

Similarly, in 2008, the CHSR System was represented as a two-phase visionary system connecting Los Angeles to San Francisco, CA, and later north to Sacramento, CA, and south to San Diego, CA. Since then, the project footprint has been dramatically reduced from an 800-mile segment to a 171-mile segment to the current vision—119-miles. Despite substantial Federal support and funding, CHSRA does not have the capacity to deliver the full CHSR System. This 2025 compliance review demonstrates that CHSRA has not learned from its mistakes and mismanagement and has therefore failed to create an organization capable of effectively and efficiently managing project delivery. Despite the substantial scope reduction, the CHSR Project still continues to face numerous delays and cost overruns. At this rate, CHSRA will never complete the CHSR System. Further, CHSRA has not acted in good faith in making representations to FRA regarding its ability complete the EOS with a reasonable budget and schedule. This not only gives rise to the conditions creating default under the agreement, but also raises a reasonable question about whether continued Federal investment in the CHSR System is a prudent use of taxpayer dollars.

ATTACHMENT 1 – COMPLIANCE REVIEW AREAS

REVIEW AREA	RECIPIENT INFORMATION REQUEST
LEGAL	List of major disputes, breaches, defaults or litigation.
LEGAL	List of false claims received, or criminal violation committed related to FRA-funds and list of law enforcement investigations related to the FRA-funded project.
LEGAL	Documentation of lobbying activities conducted by recipient, subrecipient, contractors and subcontractors.
CONTINUING CONTROL	Property management procedures; real property inventory, including any appraisals; list of FRA-funded facilities planned to be constructed or renovated; procedures for determining sufficient levels of insurance; equipment management procedures.
CONTINUING CONTROL	Policy and procedures for uniform act compliance and property acquisition; appraisals; uniform act appeals
CONTINUING CONTROL	Inventory of excess property; excess property utilization plan.
CONTINUING CONTROL	Procedures for determining whether FRA-funded buildings are located in a special flood hazard area; documentation of flood insurance.
CONTINUING CONTROL	Disposition request and approval correspondence.
CONTINUING CONTROL	Documentation of any incidental use of real property or equipment; lease agreements; or other use agreements
PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	List of all subrecipients; oversight procedures including sample reports, checklists/monitoring materials and training materials for subrecipients; executed subrecipient agreements.
PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	subrecipient agreements template; executed subrecipient agreements; lobbying certificates
PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	Procedures for reviewing subrecipient status
PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	FSRS reports; list of all subrecipients

PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	Procedures for reviewing subrecipients; subrecipient monitoring plans; monitoring materials; performance and progress reports; site visit checklists; documentation of technical assistance or training.
AMERICANS WITH DISABILITIES ACT	ADA complaint procedures; ADA complaint record
CYBERSECURITY	cybersecurity plan and procedures
FINANCIAL MANAGEMENT AND CAPACITY	(1) Financial management policies and procedures that include determining the allowability of costs and timely distribution of funds; (2) Financial statements or comprehensive annual financial reports for the past three years; (3) Sample worksheets used to calculate operating expenses
FINANCIAL MANAGEMENT AND CAPACITY	(1) Organizational chart for organization as a whole and the financial office§; (2) Position and job descriptions for award-related senior financial and accounting staff with financial duties for managing FRA funds; (3) Sample resumes of award-related senior financial and accounting staff with financial duties
FINANCIAL MANAGEMENT AND CAPACITY	(1) Financial management policies and procedures that include determining the allowability of costs and timely distribution of funds
FINANCIAL MANAGEMENT AND CAPACITY	Financial plan projecting revenues and expenses for the next three years (or longer), including the assumptions and notes to the financial plan
FINANCIAL MANAGEMENT AND CAPACITY	(3) Sample record from financial system identifying the following required elements: FRA awards with the Assistance Listing title and number, FAIN (Federal Award Identification Number) and year, name of the awarding Federal agency, and name of the pass-through entity, if any; (2) Sample financial record including Federal award information, amounts awarded, authorized, encumbered and expended; including income earned; (3) Most recent variance report(s) demonstrating that budget/actual comparisons are completed for FRA awards
FINANCIAL MANAGEMENT AND CAPACITY	Internal audits prepared by the recipient, if applicable
FINANCIAL MANAGEMENT AND CAPACITY	(1) List of funds to support relevant programs. Identify the following items for each year: 1. sources of funding (i.e., farebox revenue, toll tax, local share, etc.) 2. amounts 3. status (elected, discretionary, by law, etc.) 4. significant changes that may affect the sources of funding; (2) List of local or State legislation, with sunset provisions, impacting funding

FINANCIAL MANAGEMENT AND CAPACITY	List of subrecipients that charge indirect cost to the recipient
TECHNICAL CAPACITY – PROJECT MANAGEMENT	(1) Project management plans; (2) Quality control procedures; (3) Identify FRA-funded capital projects with significant (33%) delays and/or cost increases; (4) List of subrecipient projects with significant (33%) delays and/or cost increases; (5) List of contractors and lessees; (6) Standard contract and/or lease agreement; (7) Oversight procedures including sample oversight checklists/monitoring materials for contractors/lessees
TECHNICAL CAPACITY – PROJECT MANAGEMENT	Policy and procedures for program income; documentation showing any earned program income and use of program income.
TECHNICAL CAPACITY – PROJECT MANAGEMENT	Procedures for administering and monitoring construction projects, and other capital projects.
PROCUREMENT	Current procurement policies and procedures
PROCUREMENT	Procurement standards of conduct
PROCUREMENT	(1) Procurement protest procedures; (2) List of protests received or decided
PROCUREMENT	(1) List of FRA-funded procurements awarded. Identify the following items for each award: i) Date; ii) Dollar value; iii) Type (professional service, architectural & engineering, operations management services, rolling stock, construction, materials and supplies); iv) Method: (invitation for bid, request for proposal, pre-qualified bidders, sole source, single bid, brand name, award-to-other-than-low-bidder, piggyback, joint procurements, options); v) Change order(s), if applicable; vi) Liquidated damages claimed or recovered; vii) Status of contract (open (percent complete) or completed); (2) Procurement standards of conduct; (3) List of Claims; (4) List of capital leases awarded
PROCUREMENT	List of FRA-funded procurements awarded. Identify the following items for each award: i) Date; ii) Dollar value; iii) Type (professional service, architectural & engineering, operations management services, rolling stock, construction, materials and supplies); iv) Method: (invitation for bid, request for proposal, pre-qualified bidders, sole source, single bid, brand name, award-to-other-than-low-bidder, piggyback, joint procurements, options); v) Change order(s), if applicable; vi) Liquidated damages claimed or recovered; vii) Status of contract (open (percent complete) or completed)

PROCUREMENT	(1) Current procurement policies and procedures; (2) Procurement standards of conduct
PROCUREMENT	[covered by the above]
PROCUREMENT	[covered by the above]
PROCUREMENT	[covered by the above]
PROCUREMENT	[covered by the above]
PROCUREMENT	Documentation showing required certifications: bonding requirements; administrative contractual and legal remedies; termination for cause and convenience; equal employment opportunity; Davis-bacon act; contract work hours and safety standards act; rights to inventions; clean air act; clean water act; Byrd anti-lobbying amendment 6002 solid waste disposal act; prohibition on certain telecommunications and surveillance;
PROCUREMENT	List of change orders executed over \$250,000
PROCUREMENT	[covered by the above]
PROCUREMENT	Documentation of Buy America/BABA certification including RFIs, RFPs, bid solicitations, procurement contracts
PROCUREMENT	[covered by the above]
TECHNICAL CAPACITY - AWARD MANAGEMENT	Quarterly reports, financial reports
TECHNICAL CAPACITY - AWARD MANAGEMENT	Quarterly reports
TECHNICAL CAPACITY - AWARD MANAGEMENT	Financial reports
TECHNICAL CAPACITY - AWARD MANAGEMENT	Project outcomes reports

TECHNICAL CAPACITY - AWARD MANAGEMENT	Documentation of all reports made to the Federal Awardee Performance and Integrity Information System.
TECHNICAL CAPACITY - AWARD MANAGEMENT	Close-out documents, records of expenditures
MAINTENANCE	Maintenance plan
MAINTENANCE	Records of maintenance inspections
MAINTENANCE	Maintenance programs for rolling stock and other equipment with ADA accessibility features
MAINTENANCE	Records of warranty claim system; records of warranty claims pursued and not pursued
MAINTENANCE	Maintenance requirements for subrecipients and contractors. Records of system used to track subcontractor compliance
TITLE VI	Title VI program
TITLE VI	Title VI public awareness documents
TITLE VI	Complaint procedures; list of Title VI investigations, complaints and lawsuits
TITLE VI	Public participation plan, records of implementation of the plan
TITLE VI	Title VI monitoring program; results of Title VI subrecipient monitoring
TITLE VI	Documentation of required assurances in all applicable contracts
DRUG-FREE WORKPLACE ACT	Drug use policy
DRUG-FREE WORKPLACE ACT	Drug use awareness program materials
DRUG-FREE WORKPLACE ACT	Records of reports to FRA regarding drug-related convictions Records of all violations or convictions related to drug use.
PROJECT DELIVERY	All documents used to develop the Madera-Merced Extension project schedule, including any risk analyses, forecasts, and models.
PROJECT DELIVERY	All documents used to develop the Bakersfield Extension project schedule, including any risk analyses, forecasts, and models.
PROJECT DELIVERY	All documents used to develop the Madera-Merced Extension project budget, including any risk analyses, forecasts, and models.
PROJECT DELIVERY	All documents used to develop the Bakersfield Extension project budget, including any risk analyses, forecasts, and models.

ATTACHMENT 2 – FRA-ADMINISTERED FUNDING

Table 1: DOT/FRA Funded Grants to California High-Speed Rail Authority

Program	Program Yr.	Obligation Status	Federal Award Amount	Non-Federal Match	Scope/Status
HSIPR	2010	Closed	\$15,999,995	\$3,999,998	Design and development of new signaling and traffic control systems, for the San Francisco–San Jose High-Speed Rail Corridor.
HSIPR <i>(Also known as the American Reinvestment and Recovery Act, ARRA, grant)</i>	2009	Obligated	\$2,552,556,231	\$2,505,771,231	Preliminary engineering and environmental analysis for Phase 1 of the California High-Speed Train System from San Francisco to Los Angeles/Anaheim (500+miles), as well as station area planning, final design, and construction of the First Construction Section (FCS, 119 miles) in the Central Valley of California. <i>Status: Civil construction underway.</i>
HSIPR <i>(Also known as the FY10 grant)</i>	2010	Obligated	\$928,620,000	\$359,805,000	Construction and delivery of FCS. <i>Status: Track and Systems design contract executed June 2024.</i>
RAISE (FHWA)	2021	Obligated	\$24,000,000	\$60,100,000	Expansion of State Route 46 to a four-lane grade separation under BNSF railroad and California HSR.
RAISE	2022	Obligated	\$25,000,000	\$16,000,000	Preliminary design for Merced to Madera extension. <i>Status: PE activities underway.</i>

Corridor ID	2022	Obligated	\$500,000	\$0	Completion of an SDP. Grant obligated in March 2025. Gap analysis completed. <i>Status: SOW under development.</i>
CRISI	2022	Obligated	\$201,946,942	\$89,873,197	Design and construction of six grade separations in the City of Shafter, acquisition of associated right-of-way, and relocation of BNSF track. <i>Status: Advancing FD and ROW activities.</i>
Federal-State Partnership	2022-2023	Obligated	\$3,073,600,000	\$768,400,000	Final design of the Bakersfield and Merced Extensions, construction of the Bakersfield Extension, construction of the Fresno Station, design and construction of trainset facilities, and design and procurement of six trainsets. <i>Status: Advancing FD and ROW activities.</i>
RAISE	2023	Obligated	\$20,000,000	\$13,200,000	Renovation of Fresno Historic Depot and future station area. <i>Status: Advancing FD and ROW activities.</i>
Railroad Crossing Elimination	2023-2024	Not Obligated	\$89,645,961	\$22,411,490	The proposed project was selected for construction and includes activities to support grade crossing-related improvements on Union Pacific (UPRR)-owned infrastructure in Merced County. <i>Status: Grant agreement under development.</i>
Total			\$6,931,869,129	\$3,839,560,916	

June 2025

ATTACHMENT 3 – STATE OVERSIGHT TIMELINE

Oversight timeline – Peer Review Group (PRG) and Legislative Analyst’s Office (LAO)

In 2008, California voters approved Proposition 1A⁹⁹ to allow the State to sell approximately \$10 billion in bonds to fund at least Phase I of the high-speed rail project, from L.A. to San Francisco, with the objective of extending the system to Sacramento and San Diego. Also in 2008, California created a peer review group to evaluate CHSRA’s funding plans and prepare its independent judgment as to the feasibility and the reasonableness of CHSRA’s plans, appropriateness of assumptions, analyses, and estimates.¹⁰⁰ At the end of his 15-year tenure as a member of the Peer Review Group, departing Chair Louis S. Thompson stated “[t]he primary lesson I have drawn from the Group’s work so far is that Proposition 1A was at best an optimistic aspiration that was nowhere near being adequately planned, designed or funded.”¹⁰¹ Chair Thompson cited at least a \$100 billion shortfall in funding to complete Proposition 1A goals (probably significantly more) and noted “[t]here are no existing programs for financing the gap, either at the Federal or State level, and it is not obvious that the political will exists to fill it.”

Peer Review Group Comments on 2020 Business Plan (April 10, 2020) (PRG)¹⁰²

- The initial goal of a completed system from San Francisco to Los Angeles and Anaheim has had to contract by painful stages, first to a proposal to connect the Central Valley to the Los Angeles Basin (with a delayed connection to San Francisco), then to a proposal to connect the Central Valley to San Francisco (with a delayed connection to Los Angeles), and now to the current proposal to connect Merced to Bakersfield with no clear capability or commitment to extend either north or south. Given the uncertainties in cost estimates for electrification and trackwork and the threat to the Federal financing, CHSRA may have difficulty completing even this segment without further support from the State.

Review of Revised Draft 2020 Business Plan (Dec. 12, 2021) (PRG)¹⁰³

- CHSRA will definitely not be able to extend the system beyond Bakersfield and Merced without new sources of financing. New State sources (gas tax, sales tax, vehicle tax, sugar tax, etc.) beyond Proposition 1A and cap-and-trade are financially feasible but may be difficult politically.
- Cap-and-trade funding is too volatile to support borrowing against future receipts, and the 2030 end to the cap-and-trade program limits potential receipts for the project.

⁹⁹ California Proposition 1A, High-Speed Rail Bond Measure (2008).

¹⁰⁰ CHSRA Peer Review Group, “Who We are,” available at <https://www.cahsrprg.com>.

¹⁰¹ Letter from Louis S. Thompson to Hon. Toks Omishakin (Sept. 27, 2024), available at <https://www.cahsrprg.com/wp-content/uploads/sites/15/2024/12/0resignation.pdf>.

¹⁰² Available at https://www.cahsrprg.com/documents_/.

¹⁰³ Id.

- ... we believe that some of the past management problems can be attributed to inadequate and unstable funding. Looking ahead, the project will never be fully manageable until an adequate and stable funding stream is established.

*Letter to the Legislature – PRG comments on the Draft 2022 Business Plan (April 1, 2022) (PRG)*¹⁰⁴

- The cost and schedule experience so far does not yet support optimism about future performance. The average cost increase over initial award value on Construction Packages (CP) 1,2/3, and 4, is over 86% and the average schedule time increase is 118%. These cost overruns do not report the impact of claims that have been filed but not resolved and they do not account for potential future claims that have not yet been filed. With due regard for the confidentiality of CHSRA's negotiating position vis-a-vis their contractors, the Business Plan should contain more discussion and quantification of CHSRA's potential exposure to additional contract payments.
- Despite the possibility for additional Federal funding, overall project funding remains inadequate and unstable making effective management extremely difficult. In addition, CHSRA has no clear guidance from the Legislature on the next steps in the project. Funding uncertainty and lack of legislative commitment have been true since the project's inception but are gaining added importance as the gap between proposed scope and available funding emerges. In our letter on the 2020 Business Plan, we indicated that completion of the proposed link between Merced and Bakersfield with existing funding will require a favorable outcome of existing contracts and future bidding. Even with a realistic share of new Federal funding, the project cannot get outside the Central Valley without added State or local funding from sources not yet identified.

*Letter to the Legislature – PRG comments on the 2023 PUR (March 23, 2023) (PRG)*¹⁰⁵

- Since its inception in 2008, the Group has issued 18 letters and members have testified before Legislative and Congressional committees 15 times. In reviewing past letters and testimony, a consistent theme emerges: 1) project costs, schedules, and ridership estimates are uncertain and subject to significant risk of deteriorating, a typical experience for mega-projects; 2) the project is underfunded, and its financing is unstable, raising costs and making effective management difficult if not impossible; 3) more legislative oversight is needed. This letter reinforces the message, but with a sense of urgency over the ever-higher stakes.
- **Project costs.** Project costs have risen year after year, and they continue to rise with no clear end in sight. The current contract values for Construction Package One (CP 1), CP2/3, CP4 and the State Road 99 relocation are 97 percent higher than the original award values, up from an 86 percent increase a year ago. The Phase I system cost at the 50 percent probability

¹⁰⁴ Id.

¹⁰⁵ Id.

(P50) level grew from \$68 billion in the 2012 Business Plan to \$92 billion in the 2022 Business Plan and to \$106 billion in the 2023 PUR.

- **Schedules.** Schedules continue to stretch out. CP 1, awarded in August of 2013, was to be completed in March of 2018, but the current completion is December of 2026. CP 2/3, awarded in February of 2013, was to be completed in December of 2018, but has a current completion of March of 2026. CP4 was awarded in February of 2016 with original completion scheduled for June of 2019, and the current completion date is July of 2023...Completion of the Merced to Bakersfield section is now scheduled for some time between 2030 and 2033. There is no longer a projected completion date for the full Phase I system because there is no funding on which to base a credible schedule.
- **Meeting local requests.** Completion of environmental approvals and agreements with local authorities has typically added desirable but unanticipated scope and costs, such as the elevated stations in Merced (\$.96 billion) and Bakersfield (\$1.195 billion). Existing litigation and the need for local buy-in may well bring more such increases.
- **The unfunded gap.** The unfunded gap is growing. In fact, there has always been an unfunded gap between identified credible sources of funding, on the one hand, and project costs on the other. In the early years, CHSRA argued that State funds of \$9 billion would be combined with Federal, local, and private sources to finance the project. The 2009 Business Plan argued that there would be no need for State funding beyond the \$9 billion in Prop 1A funding. Since then, the gap has grown with every Business Plan. The 2023 PUR now shows that for the Merced to Bakersfield section the unfunded gap (P65) is between \$2.5 and \$10.5 billion, depending on the success in meeting the \$8 billion Federal funding target. More important, the 2023 PUR shows a Phase I unfunded gap of \$92.6 billion to \$103.1 billion between estimated costs and known State and Federal funding, again depending on success with meeting the \$8 billion target for new Federal grants.
- **The dilemma.** The dilemma that the project now poses is that, given the expected cost increases, delays and demand decreases for the Merced to Bakersfield segment, there are few who would argue that completing this section, by itself, at a cost of up to \$35 billion, can be justified. Rather it would make sense only in the context of a commitment to building the complete Phase I system. At the same time, completing the full Phase I system poses a growing financial challenge for the State because the gap is already large, and costs have been increasing faster than identifiable potential financing while forecast ridership has fallen.

High-Speed Rail 2023 Project Update Report (March 28, 2023) (LAO)¹⁰⁶

- **2023 PUR Estimates \$13.4 Billion in Higher Costs for Phase I.** As shown in the figure, the 2023 PUR estimates total base costs to complete Phase I at \$107.6 billion, which is an increase of about \$13.4 billion (14 percent) over what was included in the 2022 business plan.

¹⁰⁶ Available at <https://lao.ca.gov/Publications>.

- **Reflects \$11.4 Billion in Higher Costs for Merced to Bakersfield.** The 2023 PUR adds roughly \$11.4 billion to the estimated cost for the Merced-to-Bakersfield segment (from \$23.9 million to \$35.3 million). This represents a nearly 50 percent increase in costs for the segment compared to last year. According to CHSRA, this includes:
 - \$3.9 billion related to scope changes, such as to reflect the costs of a combined station in Merced and a new proposed solar and battery storage system.
 - \$3.7 billion related to contingencies and other factors.
 - \$2.1 billion related to inflation and timing impacts. (The 2023 PUR now assumes an inflation rate of 5.3 percent in 2023, falling to 2 percent starting in 2027. The 2022 business plan assumed 2.25 percent in 2023, increasing to 3 percent starting in 2025-26.)
 - Shifting \$1.7 billion to the Merced-to-Bakersfield segment, including costs related to the new station in Bakersfield (\$1.2 billion) and maintenance facilities (\$481 million).
- **Reflects \$3.3 Billion in Higher Costs for Constructing San Francisco to San Jose.** The 2023 PUR updates the cost estimate of the recently environmentally cleared San Francisco-to-San Jose segment from \$1.7 billion to \$5 billion (roughly three times as much).
- **Reflects Offsetting Changes to Other System Costs.** The 2023 PUR reflects changes to some project costs that are not associated with specific segments. This includes an increase of about \$200 million associated with the portions of the solar and battery system outside of Merced to Bakersfield. It also includes a net decrease of about \$200 million in maintenance facility costs. (This includes a combination of shifting some costs to the Merced-to-Bakersfield segment, as discussed above, the impact of which is partially offset by increased cost estimates for other maintenance facility-related costs.)
- **Does Not Revise Other Cost Estimates.** The 2023 PUR does not make any adjustments to the cost estimates for the other segments of Phase I—such as Southern California or between San Jose and the Central Valley Wye—to account for factors such as cost escalation or additional changes that may be needed to address community concerns. For example, the draft environmental document for the Palmdale-to-Burbank segment contains cost estimates of over \$22 billion—notably higher than the \$16.8 billion reflected in the 2023 PUR.

Remarks by [PRG Chair] Louis S. Thompson before Assembly Transportation and Budget Committees (April 12, 2023) (PRG)¹⁰⁷

- ...project costs continue to rise, schedules are stretching out, demand estimates have fallen, and financing is inadequate and unstable. There is no point in belaboring what you already know. I would like instead to focus on the increasingly urgent DILEMMA that emerges from these facts. As I will discuss, the proposal to build a high-speed, fully electrified segment from Merced to Bakersfield makes no sense without a commitment to build the entire Phase I

¹⁰⁷ Available at https://www.cahsrprg.com/documents_/.

system: there would be a much more reasonable approach available for this market by itself. BUT, a commitment to build the entire system must be based on a commitment to secure funding far beyond the funding available from existing or reasonably predictable sources.

- The Legislature may want to request an independent, updated analysis of the benefits and costs of the project.
- At the same time, the legislature could request an analysis by LAO or other agency of ways to fill the financing gaps that now are apparent:
 - First, the gap, if any, in the 119-mile section (Madera to Poplar Ave). CHSRA argues that this section is adequately funded, and there is a reasonable chance they are right.
 - Then, there is the \$2.5 to \$10.5 billion gap in the proposed 177-mile Merced to Bakersfield section, depending on the award of \$8 billion in Federal grants hoped for. If the Federal money falls short, there will be a corresponding gap.
 - Similarly, there is a gap of \$93 to \$103 billion in Phase I. Again, there is an unfunded gap of between \$93 and \$103 billion if Phase I is to be completed. There is no possibility that the private sector will make a significant contribution, and there is no existing Federal program anywhere near the scale or sustaining level needed. There will need to be significant and sustained additional State funding on a predictable and adequate level.
 - Any funding plan must be adequate, credible and stable. Anything less is a guaranteed continuation of the instability and managerial problems of the last 14 years...
 - If there is no commitment to the full Phase I, then it is clear that the current \$35.3 billion plan for [Merced to Bakersfield] cannot be justified.

Letter to the Legislature (March 8, 2024) (PRG)¹⁰⁸

- The current contract values for Construction Package One (CP 1), CP2/3, CP4 and the State Road 99 relocation are 158 percent higher than the original award values, up from a 97 percent increase a year ago. The Phase I system cost (P50) level grew from \$81 billion in the 2012 Business Plan to \$92 billion in the 2022 Business Plan and to \$106 billion in the Draft 2024 Business Plan. This is a 31 percent increase from 2020 to 2024 (in YOE \$), and a 15 percent increase from 2022 to 2024. While this does not differ greatly from experience with other megaprojects, it does not lend much confidence to projections of future performance.
- Completion of the Merced to Bakersfield section is now scheduled between 2030 and 2033, but this assumes that future contracts will come closer to meeting projections than past contracts have. There is no longer a projected completion date for the full Phase I system because there is no funding on which to base a credible schedule.

¹⁰⁸ Id.

- The 2024 Draft Business Plan now shows that for the Merced to Bakersfield section the unfunded gap (P65) could be up to \$6.7 billion, including the recent \$3.3 billion in Federal funding. Most of this gap might be closed by winning the hoped-for \$4.7 billion in added Federal funds and by assuming an average of \$1.25 billion annually in Cap-and-Trade receipts rather than the \$1.0 billion as currently assumed. Crucially, though, this also assumes that the estimates for the remaining construction as well as for electrification, signaling, rolling stock and stations will prove correct. More important, the 2024 Draft Business Plan shows a Phase I unfunded gap (P65) of \$93 billion to \$99 billion, again depending on success with meeting the target for additional Federal grants and receipts from Cap-and-Trade funding.
- We cannot emphasize too strongly that lack of action by the Legislature and Governor to identify an adequate and stable source of funding for the project is increasing costs and hindering management's control of the project.

High-Speed Rail Draft 2024 Business Plan (March 12, 2024) (LAO)¹⁰⁹

- **Federal Grants Improved Funding Picture but \$7 Billion Gap Remains for Merced to Bakersfield.** The receipt of \$3.3 billion in Federal grants provided a significant infusion of funding to the project. However, even with this additional funding, the draft 2024 plan estimates a funding gap of close to \$7 billion for completing this interim operating segment.
- **Significant Risk That Funding Gap Could Grow.** The funding gap for the Merced-to-Bakersfield segment is at a significant risk of growing for a few reasons, including:
 - **Actual Costs Could Be Even Higher.** Inherent cost risks are associated with large and complex construction projects, and the project has a history of cost increases. Also, while the CVS is well underway, the Merced and Bakersfield Extensions still are in the early planning stages and thus subject to additional uncertainty.
 - **Some Expected GGRF Monies May Not Materialize.** The draft plan assumes that the higher cap-and-trade revenues the State has received over the past couple of years will continue through 2030. We caution, however, that these revenues are subject to notable uncertainty and this lack of clarity grows substantially the further into the future they are projected. Accordingly, the project could receive a smaller amount from GGRF than the draft 2024 plan assumes.
- **Roughly \$80 Billion Funding Gap for Phase I Likely to Grow.** Based on CHSRA's current estimates, the project has a funding gap of about \$80 billion to complete Phase I. However, estimates for portions of Phase I beyond Merced to Bakersfield are subject to substantial uncertainty and therefore could ultimately be much higher. Some reasons include (1) many of these segments are in the early planning stages and additional changes to scope

¹⁰⁹ Available at <https://lao.ca.gov/Publications>.

may be necessary as designs are refined, (2) some segments involve relatively complex and unpredictable work (such as tunneling), and (3) the State has experienced significant construction cost escalation since some of these costs were last comprehensively updated. Notably, as mentioned previously, the environmental documents for two segments already estimate higher costs than are reflected in the draft 2024 plan.

- **No Plan for Addressing the Phase I Funding Gap.** At this time, CHSRA has not identified how the construction costs for the portions of Phase I beyond the Merced-to-Bakersfield segment would be funded. CHSRA indicates that the project will need ongoing State and Federal funding to implement its long-term goals. However, it has not identified a specific, credible plan for (1) how much funding it would secure from each specific source or (2) how it plans to obtain such funds. Absent such a plan, the path to completing Phase I is unclear.

High-Speed Rail 2025 Project Update Report (March 27, 2025) (LAO)¹¹⁰

- **2025 PUR Largely Unchanged From 2024 Business Plan.** The 2025 PUR is largely the same as the 2024 Business Plan. Specifically, the 2025 PUR:
 - Does Not Update Project Schedule. The 2025 PUR does not provide any updates to the project's schedule. In the 2024 Business Plan, CHSRA proposed to launch interim high-speed passenger service on the Merced-to-Bakersfield segment sometime between 2030 and 2033.
 - Does Not Update Project Costs. The 2025 PUR does not update any of the cost estimates included in the 2024 Business Plan (which were the same as the cost estimates included in the 2023 PUR). As shown in the figure on the next page, the 2024 Business Plan estimated the total cost to construct the Merced-to-Bakersfield segment and meet other local and Federal obligations at \$35.3 billion.
- **No Detailed Plan to Meet Roughly \$7 Billion Funding Gap for Merced to Bakersfield.** The information in the 2024 Business Plan and 2025 PUR suggests that there is a funding gap of roughly \$7 billion for completing the Merced-to-Bakersfield segment. CHSRA has not put forward a specific plan to meet this funding gap.

Oversight Timeline – CHSRA Office of the Inspector General (OIG)

Review of 2023 Project Update Report (Jan. 16, 2024) (OIG)¹¹¹

- CHSRA's published funding plan is primarily focused on possible Federal grants. Based on secured funding at the time of the project update report, including anticipated future cap-and-

¹¹⁰ Id.

¹¹¹ Available at <https://hsr.ca.gov/office-of-the-inspector-general/inspector-general-reports/>.

trade revenues through 2030, CHSRA identified a remaining funding gap of more than \$8 billion to complete the segment. In response, CHSRA described goals and strategies for obtaining roughly \$8 billion in Federal funding that could resolve a large portion of that gap. As part of that description, the project update report includes an exhibit showing which components of the segment were unfunded and the calendar years in which CHSRA desired to receive Federal funds for those components. For the time and circumstances in which the project update report was written, this level of detail and Federal funding focus may have been entirely appropriate. However, recent success in obtaining over \$3 billion in Federal funds for the project notwithstanding, there is still uncertainty regarding whether CHSRA will reach its stated goal of obtaining the full \$8 billion in Federal funds. Further, CHSRA's contingency calculations for the segment indicate that the funding gap may well be as large as \$12 billion. Indeed, given existing uncertainties regarding both the segment's ultimate cost and CHSRA's ability to obtain sufficient Federal funding, the LAO concluded that the Legislature will likely need to identify billions in additional project funding within the next few years to help complete the segment.

Review of 2024 Business Plan (May 1, 2024) (OIG)¹¹²

- Some Critical Components of the CHSR Project Need Further Strategic Development by CHSRA and Continued Focus from Project Stakeholders. In its 2023 Project Update report, CHSRA laid out what it characterized as “an aggressive goal to initiate service” on the Merced-to-Bakersfield segment by the end of 2030, with a risk based “schedule envelope” of 2033. In its 2024 business plan, CHSRA retained this schedule for the segment, along with estimated capital costs for completing it. In so doing, CHSRA also carried over ridership estimates for the broader Central Valley service of which the segment will be part. For the following reasons, we believe CHSRA needs to reassess and provide stakeholders with updates to its Merced-to Bakersfield schedule, cost projections, and ridership estimates:
 - Recent developments to design and procurement activities raise risks to the feasibility of completing the Merced-to-Bakersfield segment by 2030.
 - Substantial delays to the construction of the segment would likely carry significant cost impacts—calling into further question the prospects for securing sufficient funding for completing the segment under such a scenario.
 - Additional information, particularly revised estimates for Central Valley ridership, is needed for stakeholders, and State policymakers in particular, to assess the financial implications of operating the segment once completed.
- Notably, CHSRA's revised funding plan itself casts doubt on the current feasibility of commencing Merced-to-Bakersfield revenue operations by the end of 2030. As we discuss

¹¹² Id.

above, the plan does not provide a date by which funding, if received, would facilitate a 2030 completion schedule. However, the dates the plan does provide for completion by 2033 are noteworthy. For example, the plan indicates that roughly \$3 billion in new Federal funding for civil construction to Merced would need to be committed by the first quarter of 2026 to allow for a 2033 completion window. CHSRA confirmed for us that each of these individual scopes and dates is critical to meeting the 2033 timeline; as such, the plan raises questions about how 2030 is possible given that the needed funding date for 2033 (three years later) is less than two years from today. Delays that push completion of construction past 2030 would carry significant cost implications. Notwithstanding its contingencies, CHSRA's current capital cost estimates for the Merced-to-Bakersfield segment are based on the 2030 completion date. Even under such a schedule, CHSRA's cost estimate documentation for the Merced Extension, for example, attributes approximately \$366 million of the \$2.82 billion total cost for the extension's design and civil construction to the effects of inflation. Given inflation's considerable anticipated impact under the current schedule and its compounding effects on total cost, any substantial delays to the completion of the segment's construction would likely include significant cost increases beyond CHSRA's current year-of-expenditure estimates. Because the identified funding gap and associated strategy described in the business plan are based on the current schedule, any such delays would therefore also affect the additional funds needed to be secured.

Funding review of the Merced-Bakersfield Segment (Oct. 28, 2024) (OIG)¹¹³

“[CHSRA] Must Secure Billions in Funding in the Next Two Years to Remain on Schedule.”

- The availability of funding in the next two years will have a critical impact on CHSRA's ability to complete the M-B segment by 2030 to 2033 as scheduled. In response to a recommendation we made during our review of its 2023 Project Update Report, CHSRA has determined that to ensure it can meet the latter end of that timeframe it must secure funding for certain elements of the segment in the near future—between January and June 2026. Specifically, CHSRA reported in its 2024 Business Plan that it needs funding by that time for the second track on the 119-mile portion of the M-B segment that is currently under construction, as well as for building the extensions of the segment into Merced and Bakersfield that are currently being designed.
- CHSRA's assessment of its prospects of receiving grant funding have been optimistic—perhaps overly so considering the size of the estimated \$6.5 billion funding gap facing the program in fiscal year 2025-26.

¹¹³ Id.

- The longer it takes to identify and secure funding, the greater the risk of delays that could push the completion of the segment past 2033. According to the “building-block” project management approach that CHSRA described in the 2024 Business Plan, work on remaining elements of the M-B segment will not begin until funding for a given element is in place. As we described above, it is likely that any delays to the construction of the extensions due to insufficient funding would have a ripple effect on subsequent track and systems work and would jeopardize the goal to initiate high-speed rail operations as currently scheduled.
- Schedule delays would likely also increase costs. First, all else equal, delays on individual elements of the segment would almost certainly result in higher costs for those elements because of inflation over time. Second, delays could require additional work and therefore increase other, non-construction costs. For example, CHSRA explained that schedule delays lead to additional costs for maintaining and securing vacant properties and CHSRA assets during construction and that the longer the project takes, the longer CHSRA will also need to contract for other ongoing program delivery support and related consulting services. CHSRA’s total cost estimates for the M-B segment should technically account for construction-related inflationary cost increases caused by delays up to the end of the schedule envelope in 2033 because those estimates are intended to account generally for risks to the segment’s construction, including a certain amount of delays. However, costs from such delays would leave less margin for covering other potential risks, such as the cost of change orders that may be required if conditions encountered during construction vary from those reflected in the segment’s designs. Further, by logical extension, inflation costs resulting from construction delays past 2033 would not be accounted for in CHSRA’s current cost estimates and could therefore increase the size of the funding gap.

Merced to Bakersfield Segment – CHSRA Is Unlikely to Complete the Segment as Currently Envisioned within Its Planned Schedule (Feb. 3, 2025) (OIG)¹¹⁴

- At the time of the 2023 Project Update Report, CHSRA acknowledged that the goal of initiating operations between 2030 and 2033 was aggressive, and that the corresponding M-B schedule was ambitious.

Pre-Construction Activities for the Merced and Bakersfield Extensions – Persistent Delays in Securing Agreements with Third Parties Require New Solutions (Feb. 21, 2025) (OIG)¹¹⁵

- CHSRA is not on schedule to finish the M-B segment as currently envisioned. When CHSRA established the baseline schedule that it shared in the 2023 Project Update Report, it planned to complete the M-B segment in about eight years, by December 2030. The schedule envelope it presented allowed three additional years—until December 2033—to account for

¹¹⁴ Id.

¹¹⁵ Id.

uncertainty and risk that could delay its planned timeline. CHSRA presented the same 2030 to 2033 envelope in its 2024 Business Plan. However, as Figure 2 shows, CHSRA's current schedule has now pushed the target date for completing the M-B segment back from the end of 2030 to the end of 2031. Although this later completion date is still within the schedule envelope, the quickness and extent of the schedule change is notable. In practical terms, it means that as of now, a quarter of the way through the eight-year timeline it set in 2023, CHSRA's schedule adjustments have already used a third of the excess time provided by the schedule envelope. The schedule has been pushed back, in part, because CHSRA has extended its timeline for completing the CPs on the 119-mile section of the M-B segment. Completing the CPs is on the critical path, meaning that any delay to that milestone in turn delays subsequent activities—such as laying track—and therefore the project's overall completion date.

- The baseline schedules for the Merced and Bakersfield Extensions showed the final configuration footprint being submitted by the end of 2024, which should have included approved utility relocation designs. However, CHSRA did not meet this deadline. For the Merced Extension, CHSRA's data as of November 2024 showed that only 76 of the total 231 utility relocation designs had been reviewed by the utility owner. For the Bakersfield
- Extension, as of early December 2024, CHSRA had not formally submitted any utility relocation designs for owner review. CHSRA now anticipates completing formal third-party review of utility designs by mid-2026—more than a year behind schedule. According to CHSRA, no design packages had been submitted for the Bakersfield Extension in most cases because CHSRA was still in the process of executing with utility owners the agreements that establish the terms of the owner's review.
- Current CP1 schedule information indicates that, unless time can be recovered, the delay to approval of the Herndon Avenue design could push the completion of CP1 from November 2026 into spring of 2027. Because completing CP1 in November 2026 is on the critical path of the M-B schedule, delay to CP1 will in turn delay the start of trackwork and the completion of the M-B segment.

ATTACHMENT 4 – SITE VISIT



Figure 1: Tulare Street Undercrossing



Figure 2: Church Avenue Grade Separation



Figure 2: Church Avenue Grade Separation



Figure 3: San Joaquin River Viaduct

ATTACHMENT 5 – RISK ASSESMENT REPORT

Federal Railroad Administration Schedule and Cost Risk Analysis: California High-Speed Rail Early Operating Segment and Components

Executive Summary

The Federal Railroad Administration (FRA) conducted a schedule and cost risk analysis on the California High-Speed Rail Authority (CHSRA) and its 171-mile Early Operating Segment (EOS) and its components. Note that the schedule analysis assumes that the funding gap is filled and, as a result, its probabilities do not reflect the additional challenge of raising an additional \$7 billion to \$9 billion.

FRA's schedule analysis indicates that, on average, the EOS is expected to begin revenue service in 2034. Further, FRA estimates a 30-45 percent probability that the EOS begins service before the end of 2033 (the estimated probability depends on whether the planned mitigations are successful). FRA's cost analysis recommends a funding target between \$35 billion and \$38 billion to complete the project, excluding financing costs. Due to the limitations of this analysis, FRA believes its results are likely underestimates of the project's expected revenue service date and funding target.

FRA estimated the 45 percent probability assuming all CHSRA's risk mitigation efforts are successful. This initial analysis identified tasks involved in trainset procurement as particularly critical to completing the project on time. Given the criticality of these tasks, FRA conducted a second analysis, with the only difference being the mitigation efforts relating to trainset procurement risks are unsuccessful. In testing this scenario, FRA arrived at the 30% probability estimate. Notably, this estimate still assumes all mitigation efforts aside from those relating to trainset procurement risks are successful.

Similarly, FRA estimated a range of recommended funding targets. FRA's funding targets account for the expected delay according to the Agency's schedule analysis. FRA estimates a minimum recommended funding target of \$35 billion and a maximum recommended funding target of \$38 billion. FRA estimates a 65% probability that project costs will be at or below the minimum target and an 80% probability that costs will be at or below the maximum target. These results indicate an estimated funding gap of approximately \$7 billion to \$9 billion, which represents a separate obstacle to completion of the EOS.

Limitations of this analysis include incomplete risk information, submittal of a summary schedule, and open-ended tasks in the submitted schedule. Each of these limitations indicates that FRA's results are likely underestimates of the project completion date and recommended funding targets.

Introduction

As part of FRA’s compliance review of CHSRA, the Agency conducted a risk analysis on the Authority’s project schedule and budget. Specifically, FRA conducted schedule and cost risk analysis for completion of: (1) the EOS; (2) the 119-mile Central Valley Segment (CVS); (3) the Merced Extension; and (4) the Bakersfield Extension. Further, FRA examined cost risk for track and systems installations, trainsets, traction power systems, and solar power facilities.

The United States Government Accountability Office (GAO) considers it a best practice to conduct schedule and cost risk analysis for capital projects receiving Federal funding.¹¹⁶ Risk analysis, according to GAO, is an important oversight tool for the Federal government; it can inform the government whether projects receiving taxpayer dollars are expected to be completed on-time and on-budget, and it allows the government to manage public funds effectively. FRA conducted its analysis in alignment with GAO guidance, using schedules and budgets provided by CHSRA.

Methods

In technical terms, FRA conducted a bottom-up quantitative schedule risk analysis (QSRA) and a top-down quantitative cost risk analysis (QCRA). “Bottom-up” refers to the use of random number generation (i.e., Monte Carlo simulation) to represent uncertainty in task durations. “Top-down” refers to the imposition of historic uncertainty onto a project sponsor’s cost estimates (here, CHSRA’s estimates). For the QSRA, FRA used Oracle’s Primavera Cloud, an industry-standard risk analysis software.¹¹⁷ For the QCRA, FRA used the Federal Transit Administration (FTA) Oversight Procedure 40 (OP40) cost risk model.¹¹⁸

Schedule Risk Analysis

QSRA is a structured approach to assessing the impact of uncertainty on a project’s schedule. It is necessary for estimating an expected project completion date, because even the best-planned projects experience unforeseen delays. Uncertainty in QSRA is represented in two ways: (1) base uncertainty and (2) risk events. Base uncertainty results from “the inherent variability in the

¹¹⁶ U.S. Government Accountability Office, *GAO Schedule Assessment Guide: Best Practices for Project Schedules*, (GAO-16-89G, 2015), <https://www.gao.gov/products/gao-16-89g>; U.S. Government Accountability Office, *GAO Cost Estimating and Assessment Guide: Best Practices for Developing and Managing Capital Program Costs*, (GAO-09-3SP, 2009), <https://www.gao.gov/products/gao-09-3sp>.

¹¹⁷ “Oracle Primavera Cloud,” Oracle, accessed May 6, 2025, <https://www.oracle.com/construction-engineering/primavera-cloud-project-management/>.

¹¹⁸ “Risk and Contingency Review (OP40),” Federal Transit Administration, accessed May 6, 2025, <https://www.transit.dot.gov/regulations-and-guidance/risk-and-contingency-review-op40>.

actions of individuals and organizations working toward a plan.”¹¹⁹ In other words, since estimated task durations are predictions of the future, it is expected that actual task durations fall within a range around those estimates. Risk events are identifiable “threats” that occur with some probability and, if they do occur, delay the project.¹²⁰ Examples include supply chain issues, permitting delays, and major weather events.

QSRA also accounts for task dependencies. Dependencies establish logical relationships between the start and finish dates of different tasks. The most common relationship is “finish-to-start,” which means a successor task cannot start until its predecessor task finishes. The other two relationships are: “start-to-start” (a successor task cannot start until its predecessor task starts) and “finish-to-finish” (a successor task cannot finish until its predecessor task finishes).

Step 1: Schedule Validation

FRA first reviewed the schedule provided by CHSRA, which the Authority created in the scheduling software Primavera P6. The schedule includes remaining duration estimates for each task as well as dependencies between tasks. The schedule is current as of January 1, 2025, so FRA’s analysis uses that date as the starting point for the remainder of the project.¹²¹ CHSRA’s durations account for weekends and holidays, and FRA made no adjustments to the durations.

It should be noted that CHSRA provided FRA with a summary schedule, rather than a detailed schedule. Using a summary schedule in risk analysis will tend to result in an underestimate of the project completion date due to the underestimation of merge bias.¹²² FRA was partially able to address this limitation, as described later in this section.

First, FRA removed contingency from the schedule. Following OP40 guidelines, CHSRA included a 25 percent schedule contingency, which they included as an individual task at the end of the schedule. FRA was simply able to delete that task. Since contingency is included to account for the effects of base uncertainty and risk events, it must be removed before beginning risk analysis. Otherwise, these effects would be double counted, and the project completion date would be overestimated.

Next, FRA generated a Schedule Check Report in Primavera Risk Analysis. This report identifies common schedule problems that may affect the risk analysis results. It highlights potential problems including date constraints, open-ended tasks, out of sequence updates (“broken logic”), excessively long lags, and negative lags (“leads”). A description of these issues, their potential effects on risk analysis, and possible solutions can be found in Appendix B.

¹¹⁹ GAO, *Schedule Assessment Guide*, 99.

¹²⁰ Risk events also include “opportunities,” which occur with some probability and speed up the project if they occur. These are generally less common than threats.

¹²¹ In Primavera Risk Analysis, this means that the “data date” is set to 1/1/2025.

¹²² According to GAO, merge bias is “the added risk at merge points,” which are points in a project schedule where parallel paths converge. At these points, risk is “multiplicative”—the probability of a merge point being completed on time is the probability of each converging path being completed on time multiplied by one another. GAO considers merge bias “one of the most important reasons for performing a schedule risk analysis.” See *Schedule Assessment Guide* pages 100-102 for discussion of the substantial effects of underestimating merge bias.

The Schedule Check Report identified two notable issues with the schedule provided by CHSRA: (1) 12 tasks with date constraints; (2) 102 tasks with excessively long lag. First, after confirming with the Authority that the date constraints were not intended to be hard constraints, but rather were intended to be goals, FRA removed the constraints. This allows the simulation to determine the project completion date according to the schedule logic, rather than according to artificial dates. Next, FRA used Primavera's "Convert Lags to Tasks" tool to convert excessively long lags into tasks. The default definition of excessively long lag is 20 or more days, which FRA finds reasonable.¹²³ Since the analyzed schedule was a summary schedule, it is likely that many of these excess lags actually represented work that was included in the detailed schedule, but was lost when aggregated to the summary level. Converting the lags to tasks reintroduces some of the uncertainty lost during aggregation, because distributions and risk events can now be applied to the lags. While this conversion is an improvement over no conversion, FRA's risk analysis still underestimates merge bias due to some unaccounted-for converging parallel paths. Finally, FRA was unable to address the open-ended tasks, as discussed in the Limitations section of this report.

Step 2: Developing the Risk Model

As described above, QSRA involves defining base uncertainty and known risk events. FRA defined base uncertainty for task durations using a PERT distribution. The PERT, or "Program Evaluation and Review Technique," distribution is a continuous probability distribution used to estimate the duration of a project task. It is defined by three duration estimates: the optimistic duration, the most likely duration, and the pessimistic duration. These are, respectively, the minimum, mode, and maximum of the distribution. A task's duration is randomly generated during the Monte Carlo simulation according to the probabilities established by the PERT distribution, and will fall within the range set by the min and max. A detailed description of the specific PERT distribution FRA used in this analysis can be found in Appendix A.

Next, risk events that might delay individual tasks or the project as a whole were defined in CHSRA's risk register. The register includes known threats, their probability of occurrence, and their expected schedule impact should they occur. A risk event occurs at random during the Monte Carlo simulation, according to the probabilities in the risk register.

CHSRA only provided a qualitative risk register to FRA for 2025 (i.e., it does not include probabilities or impacts). However, the Authority provided a quantitative risk register (i.e., one that includes probabilities and impacts) to FRA in 2023. FRA therefore used 2023 estimated probabilities and impacts for 2025 risks where possible.¹²⁴ Further, FRA assumed all mitigation efforts will be successful, using the post-mitigated probabilities and impacts. Where FRA felt it did not have sufficient data to estimate a risk's probability or impact, FRA did not include the risk. Further, after discussion with CHSRA about its revised procurement strategies, FRA

¹²³ A typical month includes 20 working days. The U.S. Department of Energy Office of Acquisition and Project Management similarly defines excess lag as 20+ days. See: https://www.energy.gov/sites/default/files/2015/12/f27/Snippet_3.2_with_notes.pdf.

¹²⁴ CHSRA stated to FRA that some risks got worse, and some got better between 2023 and 2025, so FRA determined it was reasonable to assume, on average, approximately similar probabilities and impacts for risks in 2023 and 2025.

reduced the 2023 estimated probability and impact of procurement delays, assuming that the Authority's new strategies will be successful.

Step 3: Running the Risk Analysis

After validating the schedule and developing the risk model, FRA ran the risk analysis. Using Monte Carlo simulation, the Primavera Risk Analysis software generated 80,000 simulated project durations. These simulations randomly varied task durations according to the defined PERT distribution and randomly realized risks according to the risk register.

Step 4: Scenario Testing

In its initial simulation, as with all other risks, FRA assumed the risk of trainset procurement delay would be successfully mitigated. Since FRA's analysis identified trainset procurement as particularly critical to completing the project on schedule (as discussed in the Results section), and CHSRA has stated that they are already experiencing delays, FRA ran a second simulation with the only difference being the mitigation efforts relating to trainset procurement delays are unsuccessful.¹²⁵ Notably, this scenario still assumes all mitigation efforts aside from those relating to trainset procurement delays are successful. FRA conducted this test to highlight the effects of unsuccessfully mitigating risk for a highly critical task.

In the scenario where all mitigation actions are successful, trainset procurement delays, should they occur, are estimated to be 4-6 months. In the scenario where just mitigation actions taken in response to trainset procurement delays are unsuccessful, delays, should they occur, are estimated to be 6-12 months. The risk register submitted by CHSRA lists the impact from trainset procurement delays to be 6-12 months, which FRA revised down to 4-6 months for its mitigated estimate.

Cost Risk Analysis

Using the Federal Transit Administration (FTA) Oversight Procedure 40 (OP40) cost risk model, FRA conducted a quantitative cost risk analysis on the EOS and its components.

Step 1: Importing Cost Data into Model

FRA first reviewed the costs provided by CHSRA. These were provided for the following: (1) the CVS; (2) the Merced Extension; (3) the Bakersfield Extension; (4) Track and Systems; and (5) Trainsets.

FRA removed contingencies and imported base year costs into the OP40 cost risk model. Cost profiles provided by CHSRA for the Merced and Bakersfield Extensions included Base Year

¹²⁵ California High-Speed Rail Office of the Inspector General, *Merced to Bakersfield Segment: The Authority is Unlikely to Complete the Segment as Currently Envisioned within Its Planned Schedule*, (2025), 9, <https://hsr.ca.gov/wp-content/uploads/2025/02/Schedule-Engagement-Report-FINAL-A11Y.pdf>.

(BY) costs and Year of Expenditure (YOE) costs by Standard Cost Categories (SCC) code.¹²⁶ For the Central Valley Segment, YOE costs were provided but not BY; therefore, FRA assumed an average inflation rate by SCC code according to the rates provided in the Merced and Bakersfield Extension cost profile workbooks, to convert from YOE to BY.

Step 2: Adjusting Betas According to Project Stage

The cost model uses “beta range factors,” calculated using historical data, to establish the level of project uncertainty based on the project’s progression. For each cost, the minimum of the uncertainty distribution is set at the sponsor’s estimate minus contingency; the maximum is set as the minimum multiplied by the beta range factor. Generally, project uncertainty decreases as it progresses toward completion, so the beta range factor decreases. FRA used standard beta range factor values from the OP40 model as follows:

Cost Categories	Central Valley Segment	Merced Extension	Bakersfield Extension	Track/Systems & Trainsets
Guideway/Track, Sitework, ROW, Professional Services	65% Construction ¹²⁷	30% Design	30% Design	15% Design
Stations, Support Facilities, Systems, Vehicles	15% Design	15% Design	15% Design	15% Design

Table 1: Project Stages for EOS Component Cost Categories

Step 3: Adding Costs for Additional Two Years Based on Schedule Analysis Results

The cost model was adjusted based on the schedule analysis. Since FRA estimates that the project duration will likely be two years later than projected by the schedule provided by CHSRA, FRA has added 10 percent additional costs per year for each segment to account for the additional time needed to complete each segment.¹²⁸ This 10 percent estimate is based on annual outlays provided by CHSRA. For most costs broken down by category, the final year’s costs account for between 5 percent and 15 percent of the total costs for that category, therefore 10 percent is a reasonable estimate of those costs being pushed out an additional year. Since, as discussed later, the schedule duration is likely underestimated, this adjustment is likely underestimated as well.

Step 4: Adjusting Inflation Rates

FTA provides an average annual inflation rate of 3.5 percent for large capital projects, based on historic data. CHSRA used an average annual inflation rate below this recommended figure,

¹²⁶ “Base Year” costs can also be referred to as “Real” or “Inflation-adjusted” costs. Presenting BY costs can mean, e.g., presenting all costs from 2020-2024 in 2024 dollars. “Year-of-Expenditure” costs can also be referred to as “Nominal” costs and are not adjusted for inflation. This means presenting 2020 costs in 2020 dollars, 2021 costs in 2021 dollars, and so on.

¹²⁷ Average of the default 50 percent and 75 percent construction beta range factors included in the model.

¹²⁸ CHSRA’s schedules indicated revenue service beginning on 12/31/2031. FRA estimates a service date in 2034, resulting in an approximate difference of two years.

basing their estimate on consumer expenditures rather than capital investment. FRA adjusted the Authority's year-of-expenditure costs to reflect the 3.5 percent average annual inflation.

Step 5: Incorporating Risks

Using CHSRA's risk register, FRA adjusted the beta range values upward based on the model's calculations. As with the schedule risk analysis, FRA used 2023 risk information submitted by CHSRA when estimating risk probabilities and impacts, and left many risks out of the analysis altogether due to insufficient information.

Results

Schedule Risk Analysis

The results of a schedule risk analysis show the probability of completing a project, or a component of a project, on or before a certain date. Primavera Risk Analysis outputs a cumulative frequency graph, which FRA generated for the EOS and its components. The graph plots the results of the Monte Carlo simulation. Each bar represents the number of simulated schedules that finished in a given week. The right-hand side of each graph shows the probability of finishing on or before a given date.

Early Operating Segment

FRA expects the EOS to begin service, on average, in 2034. In Figure 1, the average result of the simulation is around the 50 percent cumulative probability date. FRA estimates an approximately 45 percent chance that EOS service begins before the end of 2033, the end of CHSRA's schedule window. Due to the limitations of this analysis, described in detail below, FRA believes its analysis likely underestimates the finish date of the project and its components.

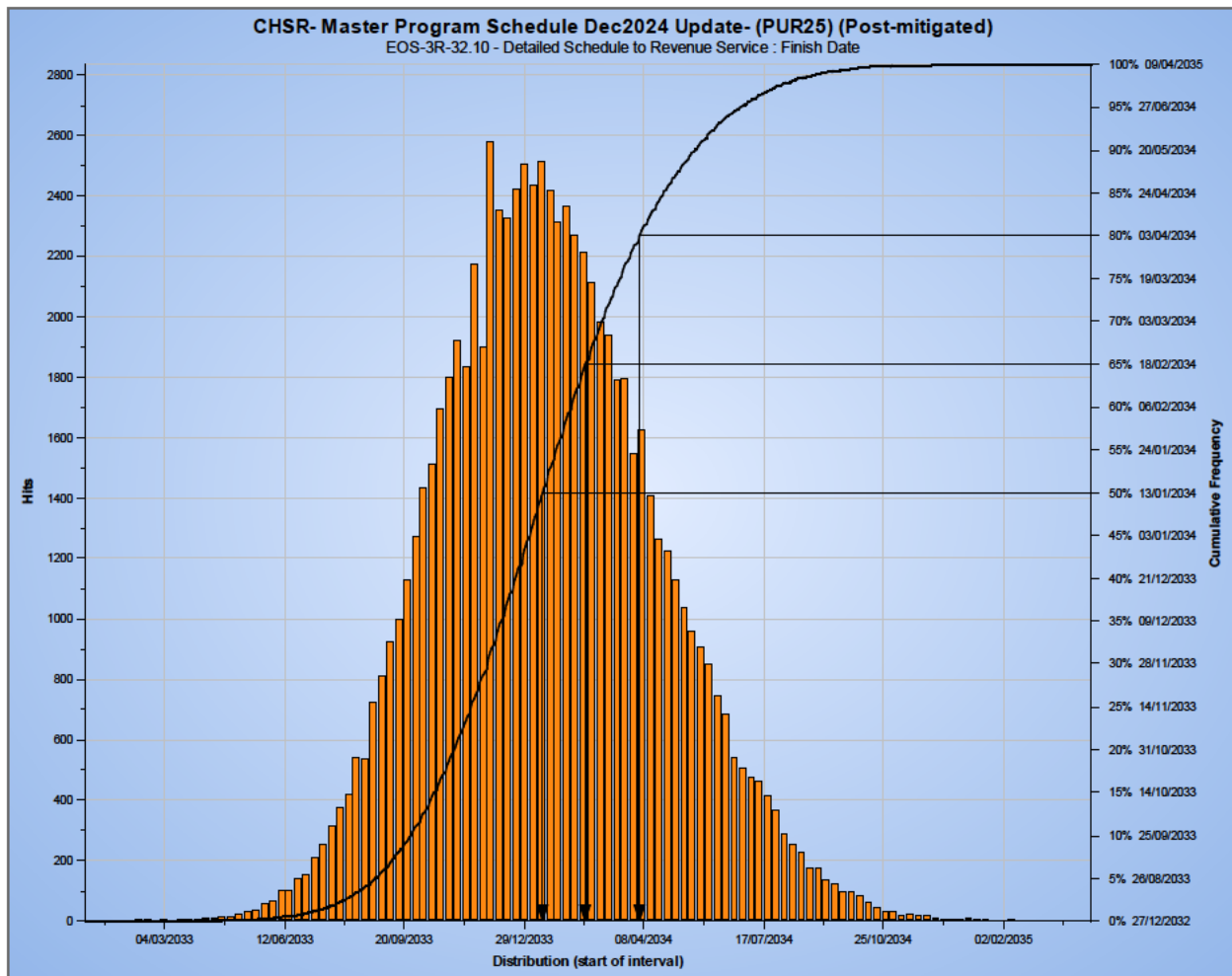


Figure 1: Early Operating Segment Finish Date Cumulative Probability

As shown in Figure 2, the target completion date and reasonable completion window according to FRA's analysis appear to be later than those proposed by the Authority. Whereas the schedule submitted by CHSRA indicated a target completion date in 2031, with a window between 2030 and 2033, FRA's analysis indicates a target completion date in 2034, with a window between 2032 and 2035. FRA determined this completion window using the minimum and maximum years shown in Figure 1.

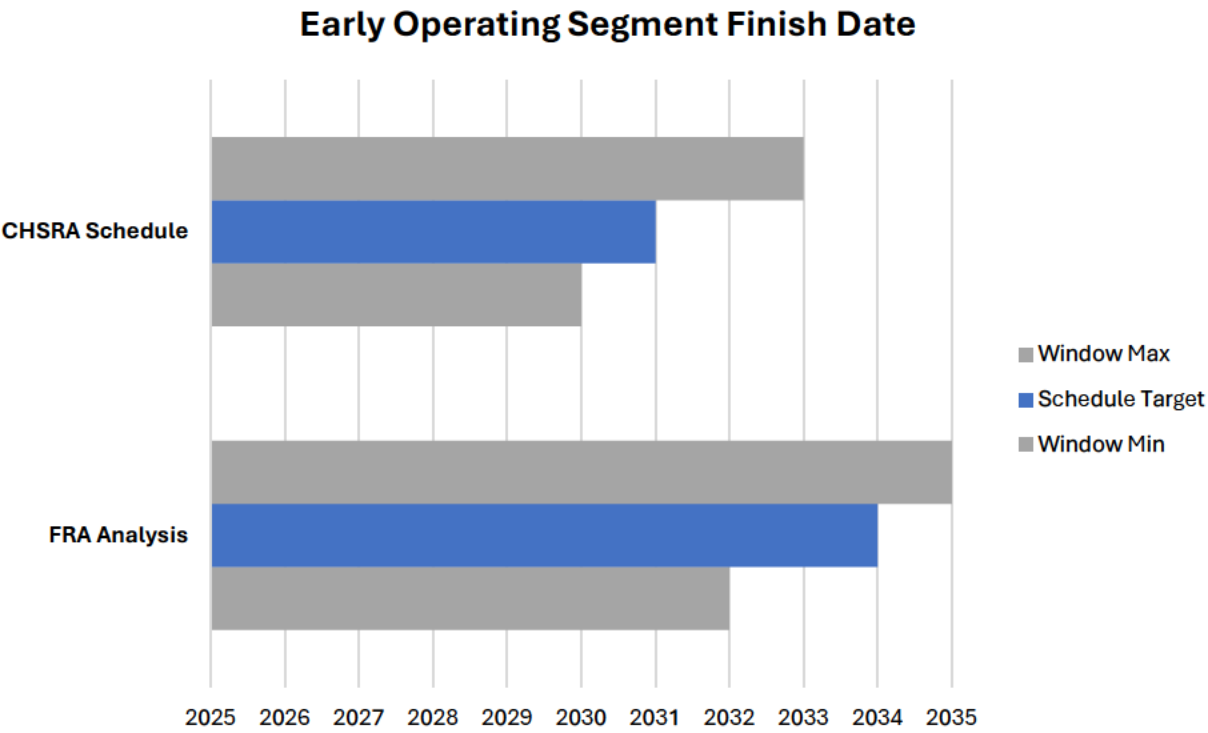


Figure 2: Schedule Target and Window Comparison

Early Operating Segment: Unsuccessful Mitigation of Trainset Procurement Delays

While the other estimates in this section assume all mitigation efforts are successful, this estimate represents the scenario in which mitigation efforts for trainset procurement risks, only, are unsuccessful. In this scenario, all other mitigation efforts are still successful.

Here, FRA expects the EOS to begin service, on average, later into 2034. In Figure 3, the average result of the simulation is around the 50 percent cumulative probability date. With the expected service date pushed back under this scenario, FRA estimates an approximately 30 percent chance that EOS service begins before the end of 2033. Due to the limitations of this analysis, described in detail below, FRA similarly believes this result is a likely underestimate of the project duration.

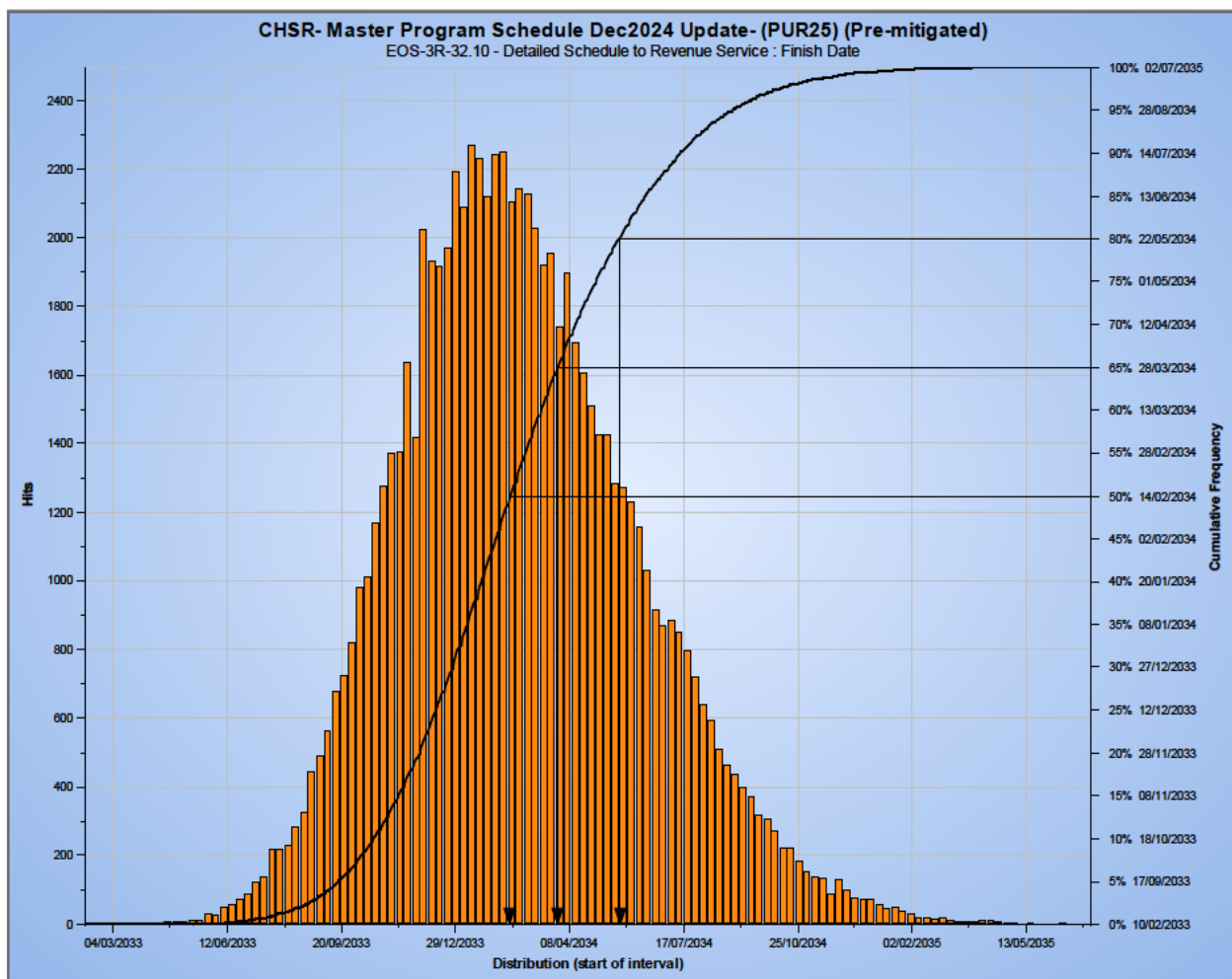


Figure 3: Early Operating Segment Finish Date Cumulative Probability, Given Unsuccessful Mitigation of Trainset Procurement Delays

Central Valley Segment

FRA expects the CVS to complete construction (including track and systems), on average, in 2031. In Figure 4, the average result of the simulation is around the 50 percent cumulative probability date. FRA estimates a less than 5 percent chance of CVS construction (including track and systems) being completed before the end of 2029, the completion date in the schedule provided by CHSRA.

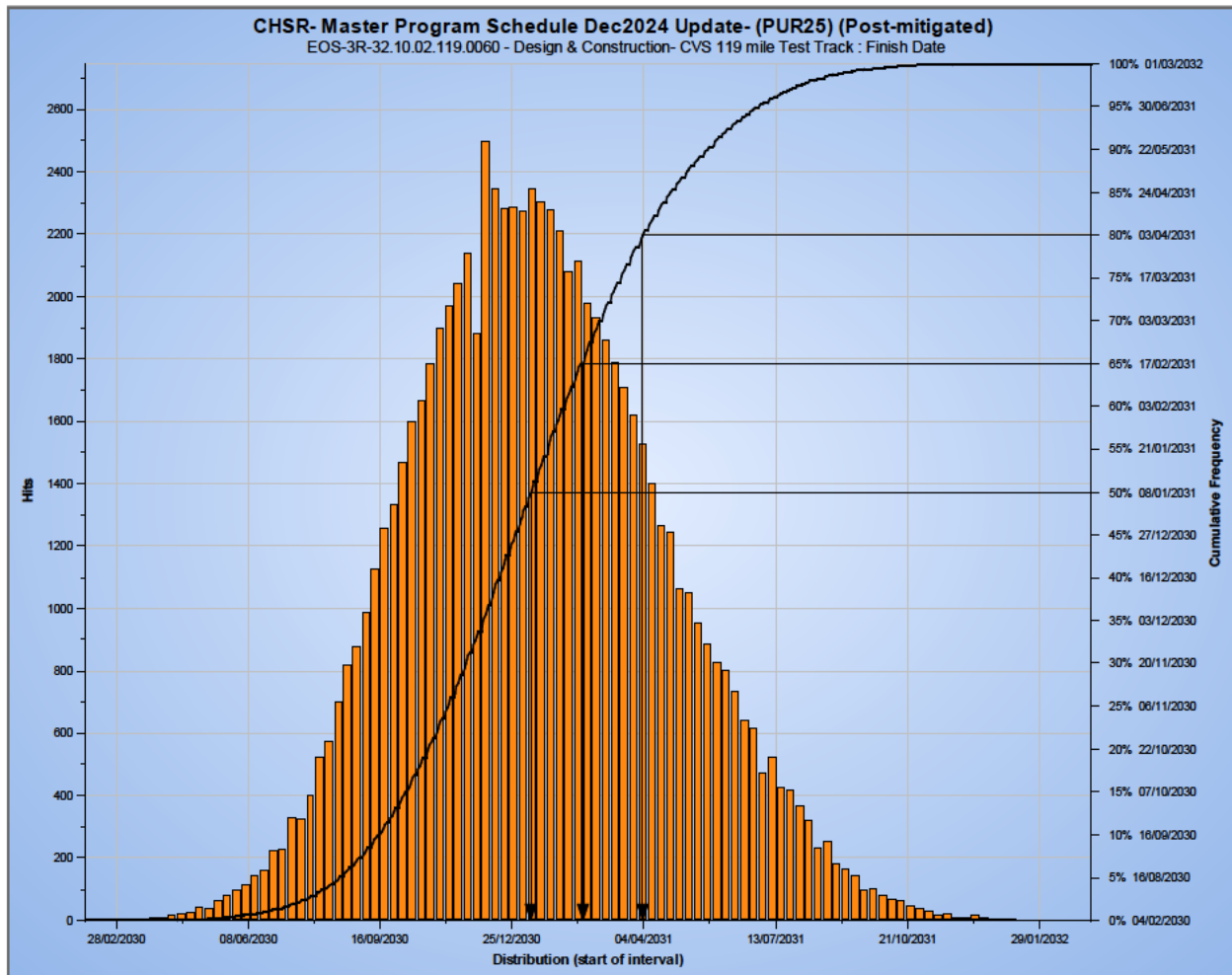


Figure 4: Central Valley Segment Construction Finish Date Cumulative Probability

Merced Extension

FRA expects the Merced Extension to complete construction (including track and systems), on average, in 2032. In Figure 5, the average result of the simulation is around the 50 percent cumulative probability date. FRA estimates a less than 5 percent chance of Merced Extension construction (including track and systems) being completed before the end of 2030, the completion date in the schedule provided by CHSRA.

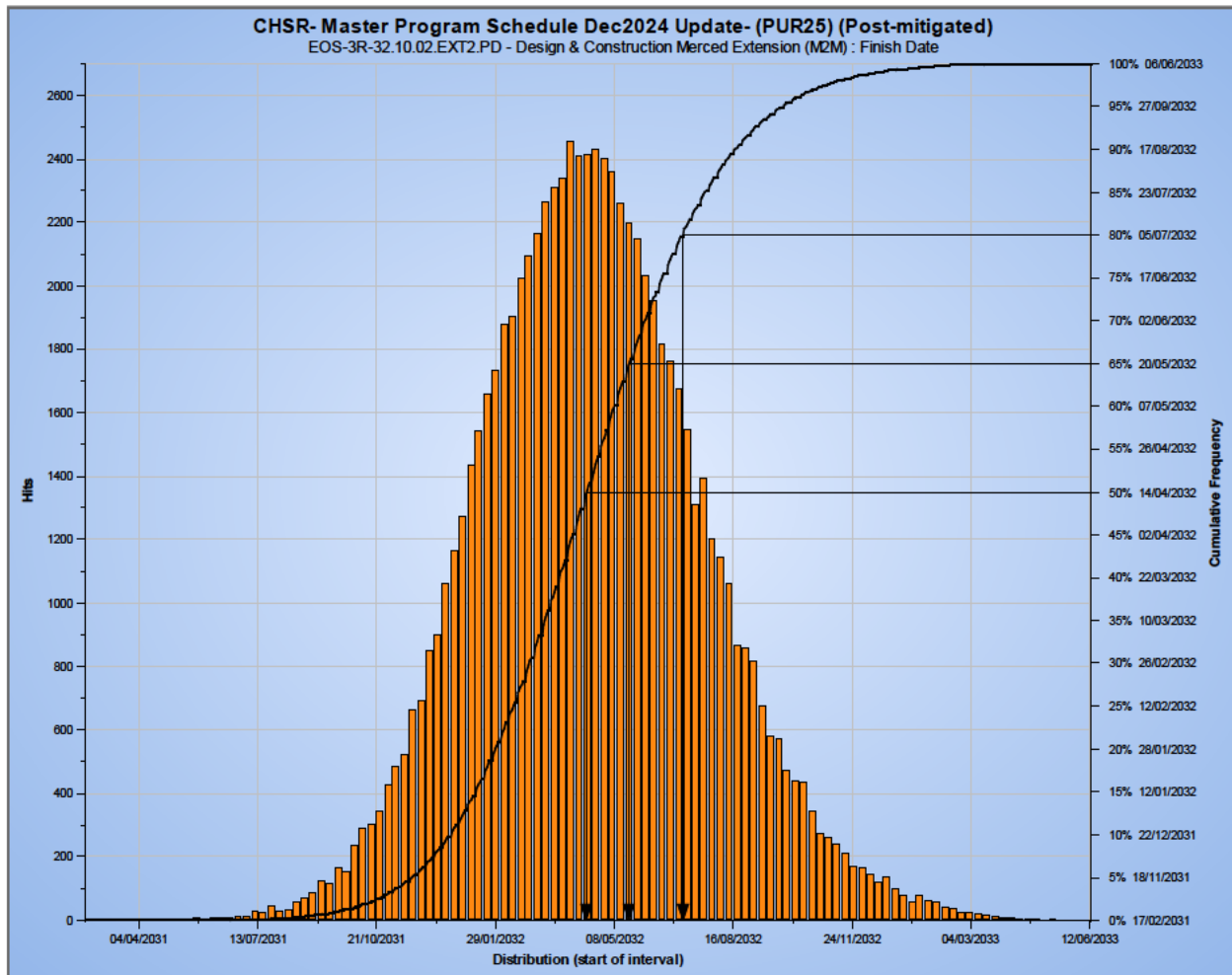


Figure 5: Merced Extension Construction Finish Date Cumulative Probability

Bakersfield Extension

FRA expects the Bakersfield Extension to complete construction (including track and systems), on average, in 2032. In Figure 6, the average result of the simulation is around the 50 percent cumulative probability date. FRA estimates a less than 5 percent chance of Bakersfield Extension construction (including track and systems) being completed before the end of 2030, the completion date in the schedule provided by CHSRA.

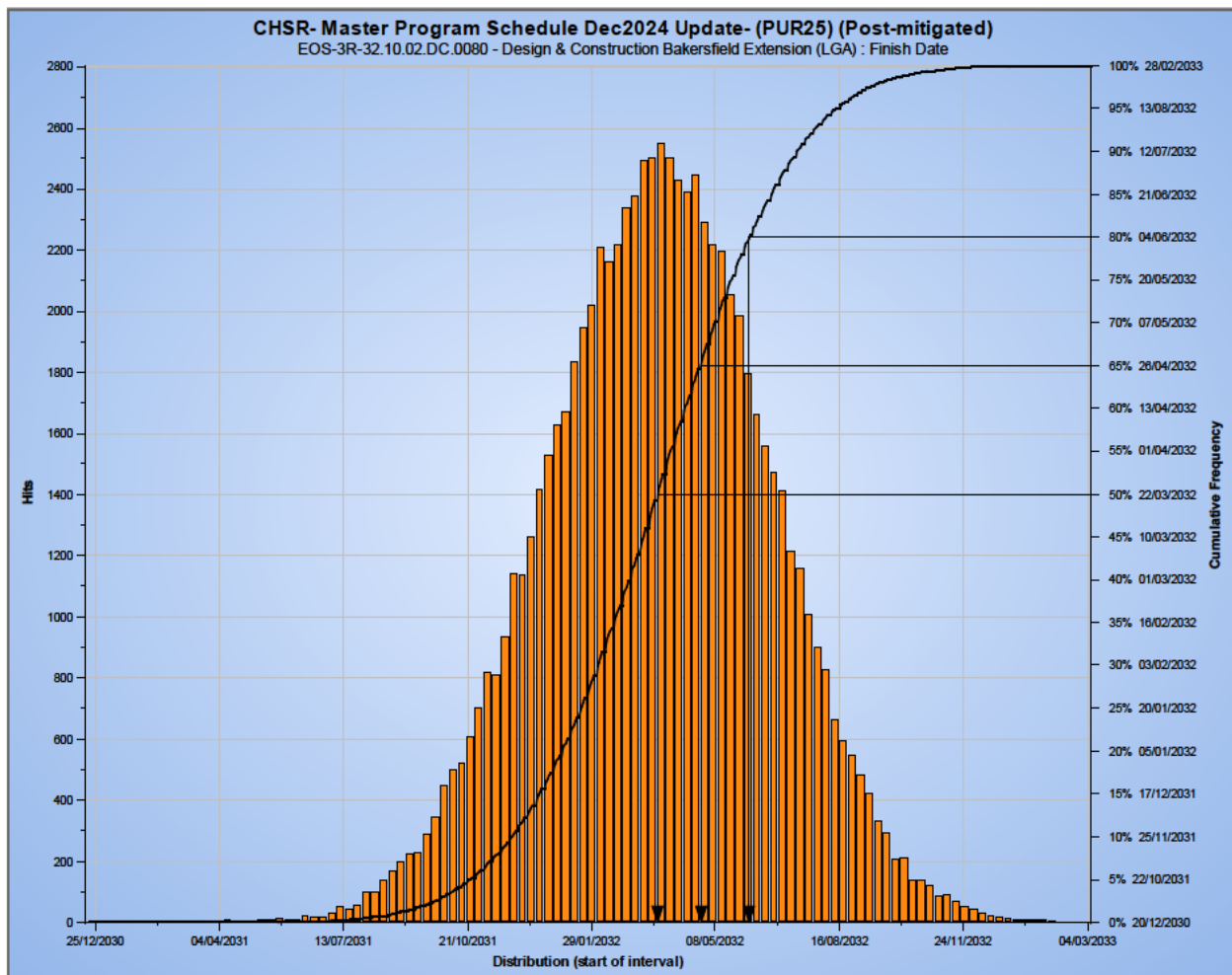


Figure 6: Bakersfield Extension Construction Finish Date Cumulative Probability

Tasks Likely to Delay EOS Service

FRA was also able to examine which tasks are most likely to delay the overall project finish (i.e., EOS service). Figure 5 is a tornado graph showing the individual tasks with the highest “schedule sensitivity index.” A task’s schedule sensitivity index is calculated by Primavera Risk Analysis according to the variability in its duration and its probability of being on the critical path of the project.¹²⁹ The tasks in Figure 5, therefore, are tasks that, if delayed, are likely to delay EOS service; and, at the same time, have a relatively high chance of being delayed by virtue of their high duration variability.

Tasks in Figure 7 include trial running on the 171-mile segment (EOS), trainset design and manufacture for procurement, trainset procurement, right-of-way appraisals and acquisitions for the Merced Extension, and systems work.

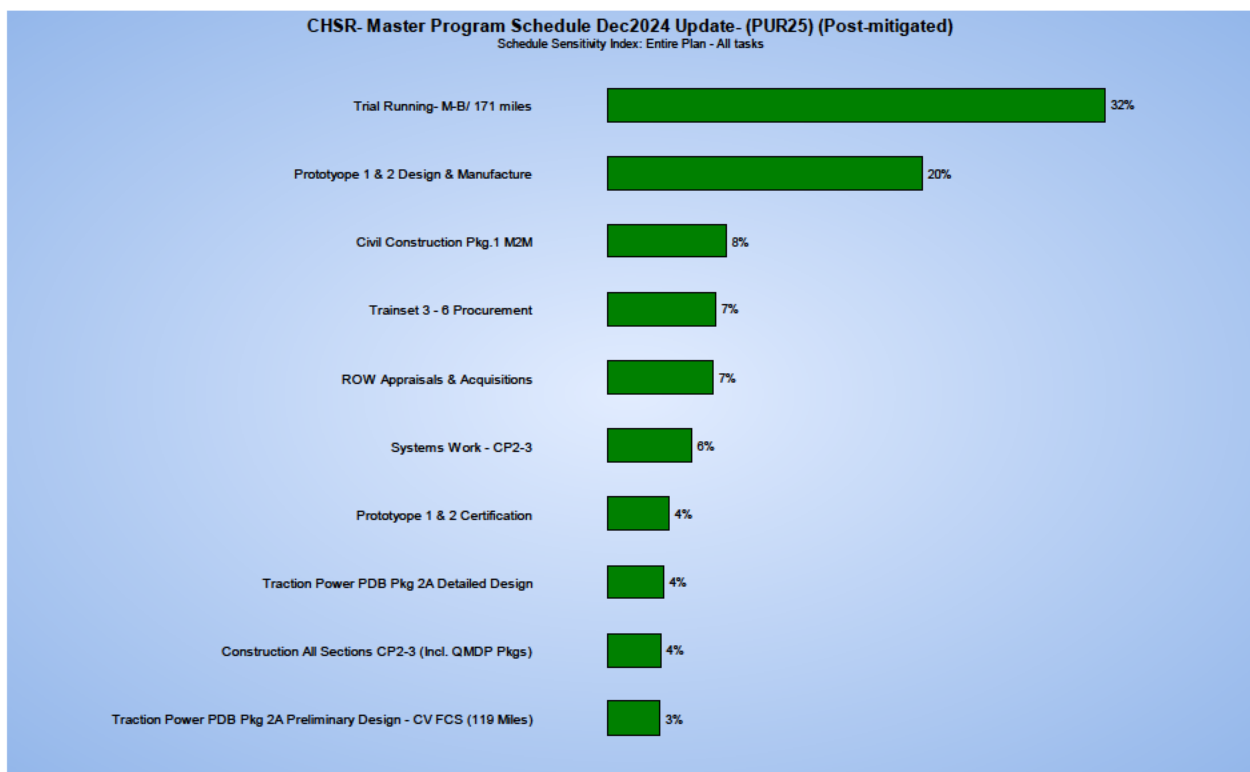


Figure 7: Tasks Likely to Delay EOS Service

¹²⁹ The critical path is the sequence of tasks that determines the earliest possible project completion date. It represents the longest duration path through the schedule. In QSRA, because task durations vary across simulations, the critical path can shift from one iteration to another. Any task that lies on the critical path in a given simulation and is delayed will directly delay the simulated project completion time.

Cost Risk Analysis

FTA’s OP40 cost risk model provides an estimated funding target based on historical cost overruns and project-specific risks. Generally, OP40 recommends funding a project such that there is only a 35 percent probability that its costs will exceed its funding.¹³⁰ However, OP40 guidance also allows for funding at a higher level of certainty (e.g., funding a project such that there is only a 20 percent probability that its costs will exceed its funding).

For each component of the EOS, the FTA model generated a cumulative probability graph for that component’s estimated costs. The left-hand side of each graph shows the probability of completing the project at or below a given cost.

Early Operating Segment

FRA conducted cost risk analyses on the individual components of the EOS. It arrived at its EOS total estimate by summing the component estimates. Table 2 shows a range of estimates for each component and the overall EOS. The minimum recommended target is set such that there is a 35 percent probability that costs will exceed that target (and, therefore, a 65 percent probability that costs will be at or below it). The maximum recommended target is set such that there is a 20 percent probability that costs will exceed that target (and, therefore, an 80 percent probability that costs will be at or below it). It should be noted that the costs in Table 2 do not include financing costs.¹³¹

Element	Minimum Recommended Funding Target (35% Probability of Exceeding)	Maximum Recommended Funding Target (20% Probability of Exceeding)
Central Valley Segment (a)	\$20.8 B	\$21.8 B
Merced Extension (b)	\$ 4.1 B	\$ 4.5 B
Bakersfield Extension (b)	\$ 3.0 B	\$ 3.3 B
Track/Systems & Trainsets (c)	\$ 7.1 B	\$ 7.8 B
Solar & Utility	\$ 0.3 B	\$ 0.4 B
Total EOS*	\$35.4 B	\$37.8 B

Table 2: Early Operating Segment Cost Target Range

- (a) Includes stations.
- (b) Includes right-of-way.
- (c) Includes maintenance facility and simulator.
- * Estimates in this table may not sum to total due to rounding.

Funding Gap

FRA calculated the funding gap according to the method used in the October 2024 funding review of the EOS conducted by the California High-Speed Rail Office of the Inspector General

¹³⁰ Put differently, there is a 65% probability that the project’s costs will not exceed its funding. This is known as the “P65” funding target.

¹³¹ I.e., they do not include SCC 100 costs.

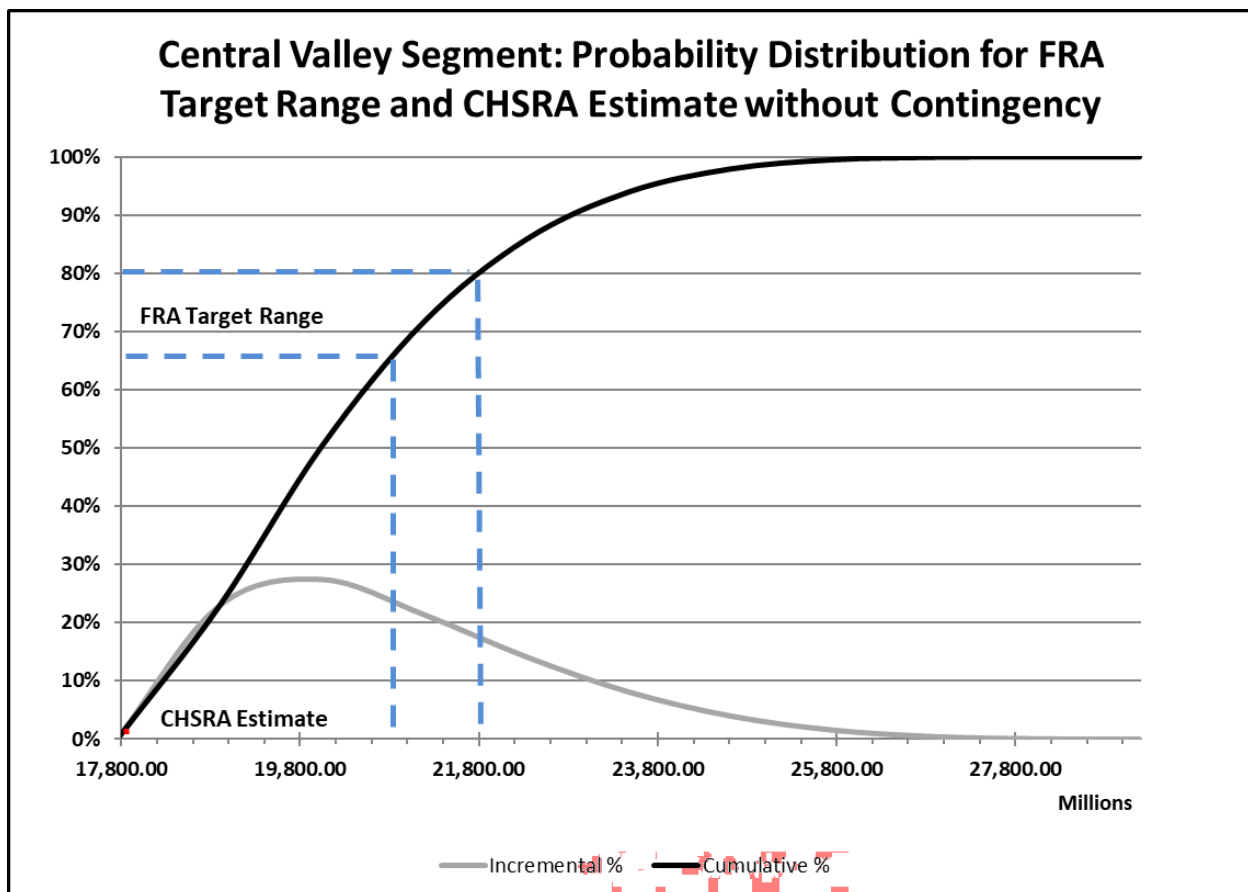
(CAHSR OIG).¹³² Table 3 shows FRA’s and CAHSR OIG’s gap estimates; the gap is the difference between a funding target which accounts for uncertainty and risk and the level of funding CAHSRA currently has according to the CAHSR OIG’s October 2024 funding review.

	FRA Minimum Funding Target	FRA Maximum Funding Target	CAHSR OIG Funding Target	CAHSRA Funding
	\$35.4 B	\$37.8 B	\$35.3 B	\$28.8 B
Gap	\$ 6.6 B	\$ 9.0 B	\$ 6.5 B	---

Table 3: Funding Gap Calculation

Central Valley Segment

FRA recommends a minimum funding target of \$20.8B and a maximum funding target of \$21.8B for the CVS, including stations. There is a 65 percent probability costs remain at or below the minimum recommended target and an 80 percent probability costs remain at or below the maximum recommended target. FRA estimates a less than 1 percent probability that CVS costs remain at or below the contingency-stripped estimate provided by CHSRA.



¹³² California High-Speed Rail Office of the Inspector General, *Funding Review of the Merced-to-Bakersfield Segment: New Federal Grants Will Not Likely Be Sufficient to Resolve a Fast-Approaching, Multi-Billion-Dollar Funding Gap*, (2025), 5, <https://hsr.ca.gov/wp-content/uploads/2024/10/Funding-Review-24-R-01-A11Y.pdf>.

Figure 8: Central Valley Segment Cost Cumulative Probability¹³³Merced Extension

FRA recommends a minimum funding target of \$4.1B and a maximum funding target of \$4.5B for the Merced Extension, including right-of-way. There is a 65 percent probability costs remain at or below the minimum recommended target and an 80 percent probability costs remain at or below the maximum recommended target. FRA estimates a 9 percent probability that Merced Extension costs remain at or below the contingency-stripped estimate provided by CHSRA.

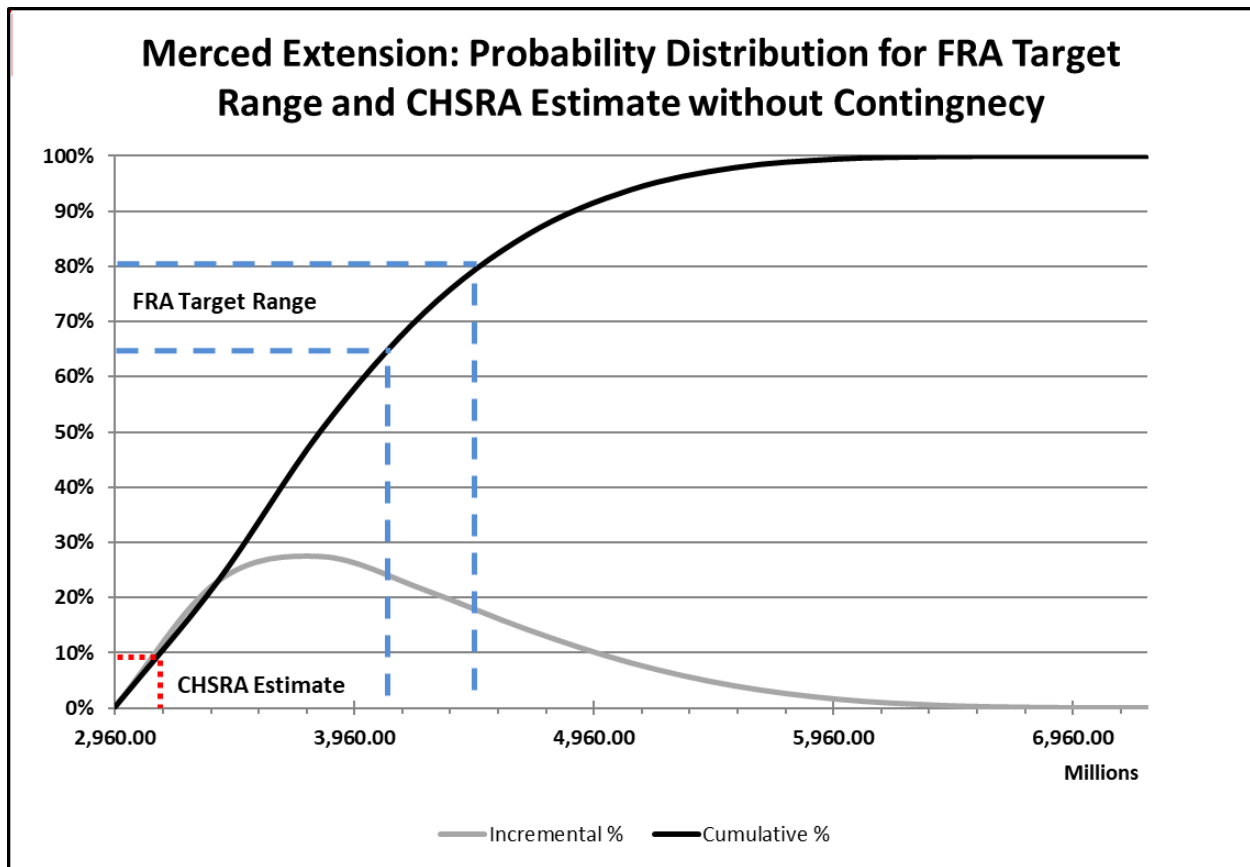


Figure 9: Merced Extension Cost Cumulative Probability

¹³³ Incremental probability represents the probability of project costs being a particular level. Cumulative probability represents the probability of project costs being at a particular level or lower.

Bakersfield Extension

FRA recommends a minimum funding target of \$3.0B and a maximum funding target of \$3.3B for the Bakersfield Extension, including right-of-way. There is a 65 percent probability costs remain at or below the minimum recommended target and an 80 percent probability costs remain at or below the maximum recommended target. FRA estimates a 5 percent probability that Bakersfield Extension costs remain at or below the contingency-stripped estimate provided by CHSRA.

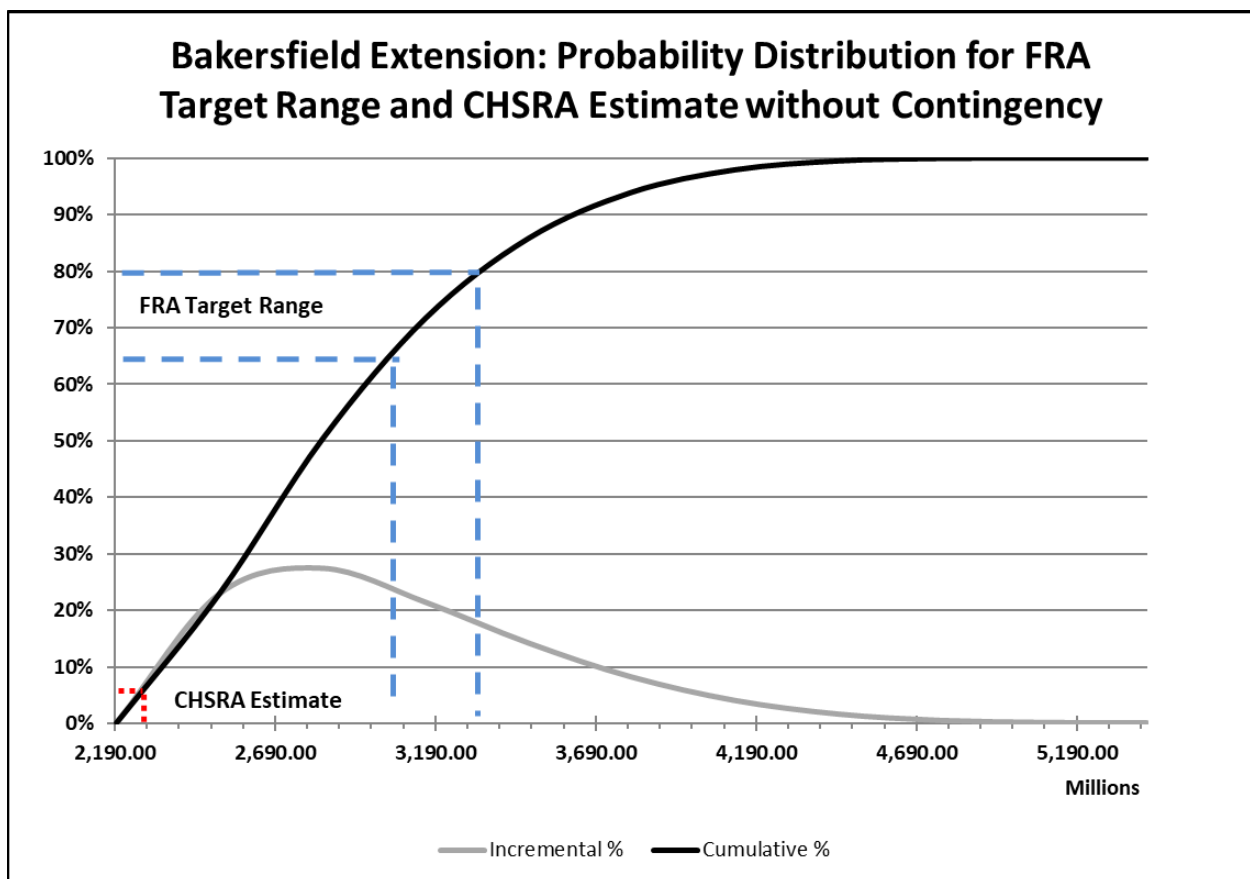


Figure 10: Bakersfield Extension Cost Cumulative Probability

Track/Systems & Trainsets

FRA recommends a minimum funding target of \$7.1B and a maximum funding target of \$7.8B for Track/Systems & Trainsets, including maintenance facilities and simulator. There is a 65 percent probability costs remain at or below the minimum recommended target and an 80 percent probability costs remain at or below the maximum recommended target. FRA estimates a 1 percent probability that Track/Systems & Trainset costs remain at or below the contingency-stripped estimate provided by CHSRA.

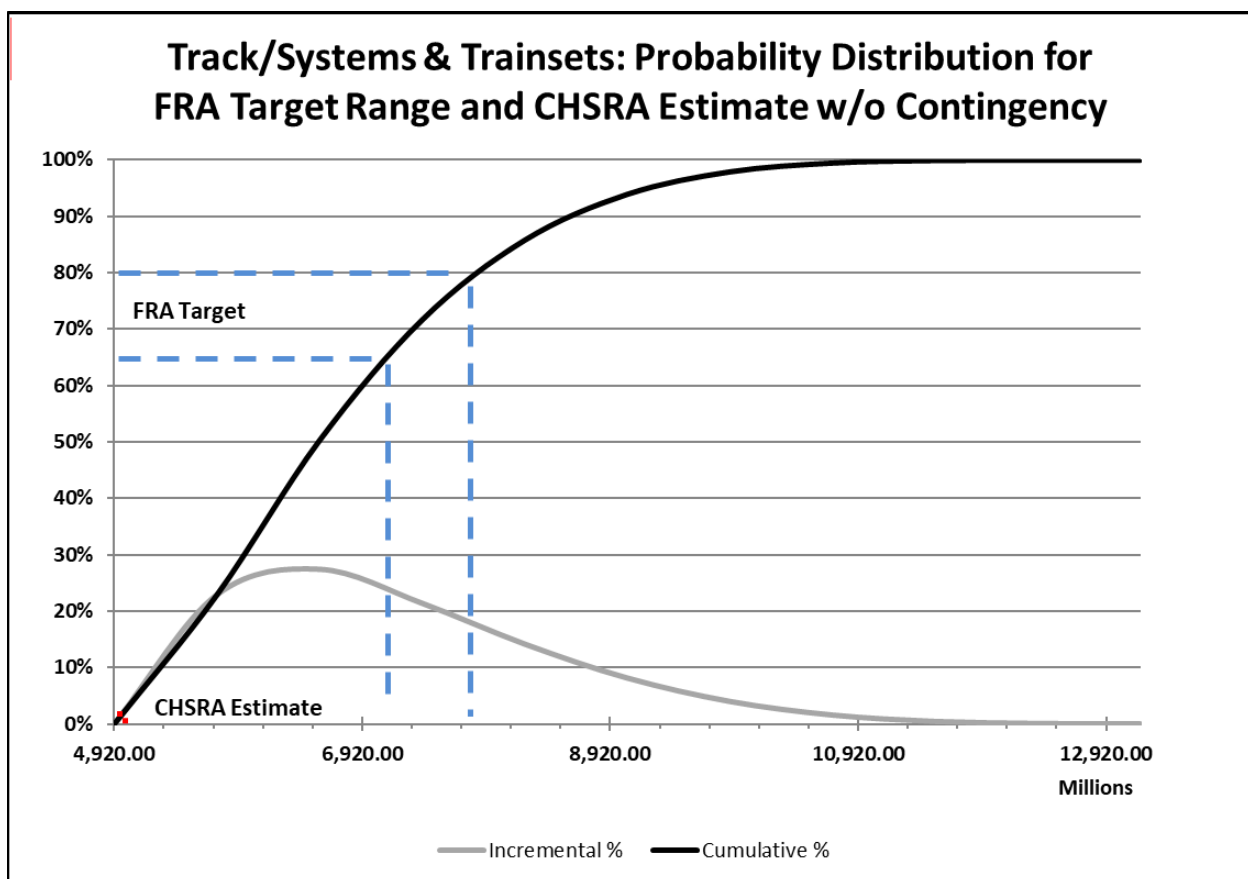


Figure 11: Track/Systems & Trainsets Cost Cumulative Probability

Discussion

Schedule

Assuming that CHSRA is able to fill its funding gap, FRA's schedule analysis showed an expected EOS revenue service date in 2034, with construction of the CVS (including track and systems) expected to be completed in 2031 and construction of the Merced and Bakersfield Extensions (including track and systems) expected to be completed in 2032. Further, FRA's analysis identified some tasks most likely to delay EOS service, including tasks involved in procurement, testing, and right-of-way acquisition. These results appear reasonable when considering the nature of the construction for this project is relatively straightforward (e.g., there are no underground tracks), but beginning service depends on inherently complex processes such as procurement, testing, and right-of-way acquisition.

Cost

Separate from the schedule analysis, FRA's cost analysis recommends a funding target for the EOS between \$35 billion and \$38 billion, indicating a funding gap of between \$7 billion and \$9 billion. FRA estimates increased costs resulting from schedule delays, use of appropriate inflation figures, and projected procurement market uncertainty.

Limitations

FRA's analysis has several limitations, all indicating FRA's results are a likely underestimate of delay and cost for the EOS and its components. FRA considers the following to be the primary limitations of its analysis: (1) CHSRA only submitted a qualitative risk register for 2025; (2) the submitted schedule is a summary schedule, not a detailed schedule; (3) the submitted schedule contains open-ended tasks; and (4) schedule underestimation leads to cost underestimation.

First, since CHSRA only submitted a qualitative risk register, FRA had to make assumptions to fill in gaps in information, or leave identified risks out of the analysis altogether. FRA made conservative assumptions where it had little information and left a number of risks out of the analysis due to insufficient information, indicating the risk probabilities and impacts are likely underestimated for both the schedule and cost analysis. Second, since the submitted schedule is only a summary schedule, merge bias is underestimated. Merge bias is considered a major source of delay in schedule risk analysis, indicating total schedule delay is highly likely to be underestimated. Third, CHSRA's schedule included 44 open-ended tasks. FRA was not able to close these tasks without potentially compromising the integrity of the remaining schedule. Since open-ended tasks do not connect to the rest of the schedule via relationship logic, delays in their durations do not affect the final project completion date.¹³⁴ Again, this is a source of

¹³⁴ I.e., they are "hanging" tasks with no predecessor task driving their start date and/or no successor task driving their finish date.

underestimation. Finally, since the schedule is likely underestimated for the reasons described in this section, the schedule adjustments to the cost estimates are likely not sufficient to capture the cost effects of delay.

Conclusion

The Federal Railroad Administration (FRA) conducted a schedule and cost risk analysis on the California High-Speed Rail Authority (CHSRA) and its 171-mile Early Operating Segment (EOS) and its components. FRA's schedule analysis indicates that, on average, the EOS is expected to begin revenue service in 2034. Further, FRA estimates a 30-45 percent probability that the EOS begins service before the end of 2033, the end of CHSRA's stated schedule window. FRA's cost analysis recommends a funding target between \$35 billion and \$38 billion to complete the project, excluding financing costs, indicating a funding gap of between \$7 billion and \$9 billion. Due to the limitations of this analysis, FRA believes its results are likely underestimates of the project's expected revenue service date and funding target.

Appendix A – PERT Distribution Parameters

To represent base uncertainty in task durations, FRA used a PERT distribution. For each task, FRA set the minimum duration to 80% of the sponsor-provided duration, the modal duration to 100% of the sponsor-provided duration, and the maximum duration to 130% of the sponsor-provided duration (referred to here as an 80/100/130 distribution). FRA calculated this distribution based on the practices of project management experts. Primarily, FRA relied on three papers to estimate this distribution.

First, Hulett breaks the concept of base uncertainty into three components: inherent variability, estimating error, and estimating bias.¹³⁵ Inherent variability is “random [variation, or ‘noise,’] in... activity durations reflecting the fact that individuals and organizations cannot be relied upon to perform [exactly] to plan.” Estimating error arises from the unavoidable “lack of information concerning specific issues needed to make up an activity’s duration.” Estimating bias is the systematic tendency to produce “optimistic” duration estimates. To represent the effects of inherent variability, estimating error, and estimating bias, Hulett uses an 80/105/130 distribution. Second, Moret and Einstein rely on experts to estimate optimistic, most likely, and pessimistic durations for tasks involved in a Portuguese high-speed rail project. Their study elicited an average distribution of 67/100/200.¹³⁶ Third, Mabeba et. al conducted a survey to estimate optimistic, most likely, and pessimistic durations for tasks involved in a hypothetical rail project, resulting in an average distribution of 75/100/140.¹³⁷ Taking the most conservative (i.e., least variable) estimates from among these, FRA settled on the 80/100/130 distribution. FRA chose the least variable distribution to avoid overestimating delay from uncertainty. FRA then tested the calibration of its model using this distribution.

When selecting schedule contingency, FTA OP40 recommends the greater between 65th percentile estimated delay and 25% delay above a project’s stripped adjusted schedule. This 25% figure is based on historic data for large capital projects. FRA assumes, on account of a choice being presented between them, that 65th percentile delay and 25% delay are roughly similar. Since total delay is comprised of delay from base uncertainty and delay from risk events, FRA assumes each component makes up roughly half of total delay. Therefore, a well-calibrated risk model would be expected to show 65th percentile delay from base uncertainty, only, of less than 12.5%. In the case of FRA’s model, when run without risk events included, it showed 65th percentile delay of under 10%.¹³⁸ FRA therefore feels its model is well-calibrated to historic data and uses a PERT distribution supported by the practices of project management experts.

¹³⁵ David T. Hulett, “What Should We Do with Unknowns in Schedule Risk Analysis?,” *PM World Journal* IV, no. VIII (2015), <https://pmworldlibrary.net/wp-content/uploads/2015/08/pmwj37-Aug2015-Hulett-unknowns-in-schedule-risk-analysis-featured-paper.pdf>.

¹³⁶ Yvonne Moret and Herbert H. Einstein, “Construction Cost and Duration Uncertainty Model: Application to High-Speed Rail Line Project,” *Journal of Construction Engineering and Management* 12, no. 10 (2016), [https://doi.org/10.1061/\(ASCE\)CO.1943-7862.0001161](https://doi.org/10.1061/(ASCE)CO.1943-7862.0001161).

¹³⁷ Motlatso Mabeba, Jan Harm C. Pretorius, and Leon Pretorius, “Schedule Risk Analysis of Railway Projects Using Monte Carlo Simulation for Improved Project Management,” *International Structural Engineering and Construction Society* (2018), https://www.isec-society.org/ISEC_PRESS/ASEA_SEC_04/pdf/CPM-13.pdf.

¹³⁸ This result being under 10% is also consistent with historical data showing that base uncertainty likely contributes less to total delay than risk events. See: National Academies, “Managing Capital Costs of Major Federally Funded Public Transportation Projects,” (2006),

Appendix B – Schedule Check Definitions¹³⁹

Date Constraints—“Schedule constraints have a significant effect on risk analysis results. They should be used sparingly, and only when the constraint reflects reality. Constraints to be particularly aware of are: • Must start on and Must finish on – preceding delays will not delay the task, and preceding time savings will not bring it earlier • Start on or after (SNET) and Finish on or after (FNET) – preceding time savings will not bring the task earlier Consider removing these constraints and replacing them with logic (e.g. Finish-to-Start links) instead. Other types of constraints are less significant because they do not influence the tasks' dates, only their floats [(slack)]. For example, you can use a Finish on or before constraint to indicate a desired completion date of a task – this will not force the task to finish on that day, but the shortfall will be indicated in the task's float.”

Open-ended tasks—“For a schedule risk analysis to be meaningful, it is important that tasks' dates are set by logic (e.g. Finish-to-Start links) rather than constraints. This is so that the risk analysis will recognize the knock-on effect of delays. An open-ended task is one that does not have at least one predecessor and one successor – it indicates a possible lack of logic. Consider closing open-ended tasks: • If a task has no predecessor, try to find some other tasks which could potentially delay it. Leave it as open-ended if it is the project start milestone. • If a task has no successors, try to find some other tasks which it could potentially delay. Leave it as open-ended if it is a project finish or reporting milestone.”

Out of sequence updates (“broken logic”)—“The logic in a plan can be broken when tasks have started or finished before their predecessors. It is recommended that any broken logic is removed or corrected to ensure the project schedules as expected. For example, if task A has a Finish-to-Start link to task B, but B has been started (by giving it an Actual Start date), this is broken logic. It is not clear whether B's remaining work should wait for task A to finish or start straight away. Consider fixing the broken logic by either removing the link or removing the actual dates. Also consider using the retained logic / progress override options on the Scheduling tab of the Plan | Options dialog box.”

Excessively long lags—“A lag is a gap in the logic between two tasks – a delay between the dates of two tasks that are linked together. Lags cannot have risk or uncertainty. In reality it is likely that the lag represents either work or a delay, whose duration is uncertain. This is particularly significant for long lags. Consider replacing the lag with a task, so that uncertainty and risks can be assessed against it. Use the Convert Lags to Tasks tool when a project contains a large number of long lags.”

Negative lags (“leads”)—“A negative lag is an overlap in the logic between two tasks – often it is used to represent a task starting earlier, with sufficient time allow some other work to happen. Lags cannot have risk or uncertainty. In reality it is likely that the negative lag represents an [sic] necessary overlap, whose duration is uncertain. Consider replacing a negative lag with another kind of link that does not need the lag. For example: • Replace a negative lag on a Finish-to-Start

<https://nap.nationalacademies.org/catalog/23226/managing-capital-costs-of-major-federally-funded-public-transportation-projects-contractors-final-report>.

¹³⁹ All definitions come directly from the Primavera Risk Analysis Schedule Check Report.

link with a positive lag on a Start-to-Start link. • Split the tasks so that the overlap is explicitly represented by a task.”

ATTACHMENT 6 – FY10 AGREEMENT, AS AMENDED, and FSP AGREEMENT



U.S Department of Transportation

Federal Railroad Administration

Cooperative Agreement

1. RECIPIENT NAME AND ADDRESS
CALIFORNIA HIGH-SPEED RAIL AUTHORITY

770 L St Ste 620
Sacramento, CA 95814-3385

2. AGREEMENT NUMBER:

3. AMENDMENT NO.

4. PROJECT PERFORMANCE PERIOD: FROM TO

5. FEDERAL FUNDING PERIOD: FROM TO

1A. IRS/VENDOR NO.

6. PRE-AWARD AUTHORITY: No 6A. PRE-AWARD DATE: N/A

1B. UEI. FJW5LSYDQLF3 1C. DUNS.

7. ACTION Extension with/without Funds

8. ASSISTANCE LISTING#:

TITLE	FEDERAL	NON-FEDERAL	TOTAL
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9. PROJECT TITLE
Initial Central Valley Section: Madera County to Bakersfield (Kern County) of the California High-Speed Train Program

10. PREVIOUS AGREEMENTS	928,620,000.00	359,805,000.00	1,288,425,000.00
11. THIS AGREEMENT	0.00	0.00	0.00
12. TOTAL AGREEMENT	928,620,000.00	359,805,000.00	1,288,425,000.00

12A. OTHER FEDERAL FUNDING	0.00
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13. INCORPORATED ATTACHMENTS
THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS, INCORPORATED HEREIN AND MADE A PART HEREOF:
Amended Terms and Conditions, Attachment 1; Exhibits, Attachment 2

14. STATUTORY AUTHORITY FOR GRANT/ COOPERATIVE AGREEMENT
Omnibus Appropriations Act, 2010, Public Law 111-117 (December 16, 2009)

15. REMARKS

GRANTEE ACCEPTANCE

AGENCY APPROVAL

16. NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL
Shannon Shields
Grants Manager

18. NAME AND TITLE OF AUTHORIZED FRA OFFICIAL
Jamie Rennert
Director, Regional Outreach & Project Delivery

17. SIGNATURE OF AUTHORIZED GRANTEE OFFICIAL
Electronically Signed

17A. DATE
11/04/2024

19. SIGNATURE OF AUTHORIZED FRA OFFICIAL Electronically Signed	19A. DATE 11/04/2024
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AGENCY USE ONLY

20. OBJECT CLASS CODE: 41010

21. ORGANIZATION CODE: 9013000000

22. ACCOUNTING CLASSIFICATION CODES

DOCUMENT NUMBER	FUND	BY	BPAC	AMOUNT
FR-HSR-0118-12-01-00				
FR-HSR-0118-12-01-00				

AWARD ATTACHMENTS

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

FR-HSR-0118-12

1. Amended Terms and Conditions, Attachment 1
2. Exhibits, Attachment 2

Attachment 1 to Amendment No. 5

The parties, intending to be legally bound, agree to amend their Agreement of November 18, 2011 as amended on January 19, 2017, which was terminated in its entirety on May 16, 2019, reobligated on June 11, 2021, and amended on June 15, 2021 as follows:

- A. In the Notice of Grant Award Coversheet, section 4, the end date of 12/31/2026 is deleted, and the end date of 1/31/2030 is substituted therefor.
- B. In the Notice of Grant Award Coversheet, section 5, the end date of 12/31/2026 is deleted, and the end date of 1/31/2030 is substituted therefor.
- C. In the Notice of Grant Award cover sheet, section 14 is amended by deleting, “Exhibits added – Exhibit A: Detailed Project Schedule, Exhibit B: Detailed Project Budget, and Exhibit C: Funding Contribution Plan. This Amendment No. 4 removes the watermarks on pages 1 through 29 of Attachment 1 to Amendment No. 3. Amendment No. 3 was fully executed on June 11, 2021 and is restated in its entirety herein.”
- D. Attachment 1 is deleted in its entirety, and the following substituted therefor:

DEPARTMENT OF TRANSPORTATION
FEDERAL RAILROAD ADMINISTRATION

Grant Agreement – Attachment 1
STANDARD TERMS AND CONDITIONS

PART I. ATTACHMENT OVERVIEW AND DEFINITIONS

Attachment 1 is part of the Agreement and contains the standard terms and conditions governing the execution of the Project and the administration of the Agreement. By entering into this Agreement with the Federal Railroad Administration (FRA), the Grantee agrees to comply with these terms and conditions and all applicable Federal laws and regulations, including those discussed in this Agreement. Terms that appear frequently throughout the Agreement are defined, as follows:

- a. **Agreement** means this Grant Agreement, including all attachments and amendments. As used on the Agreement cover sheet, section 9 “Previous Agreements” refers to the amount of the original Agreement, together with, if applicable, all amounts from amendments to the Agreement that precede the current amendment. As used on the Agreement cover sheet, section 10 “This Agreement” refers to the amount being added or subtracted with the current amendment, if applicable, or the original Agreement. As used on the Agreement cover sheet, and section 11 “Total Agreement” refers to the combined amounts of Section 9 “Previous Agreements” and Section 10 “This Agreement”.
- b. **Application** means the signed and dated application submitted by or on behalf of the Grantee, as may be amended, seeking Federal financial assistance for the Project, together with all explanatory, supporting, and supplementary documents, assurances and certifications filed with and accepted by FRA or DOT.
- c. **Approved Project Budget** is in Attachment 4 to this Agreement and means the most recently dated written statement, approved in writing by FRA, of the estimated total cost of the Project.
- d. **Approved Project Schedule** is in Attachment 3 to this Agreement.
- e. **Authorized Representative** means the person(s) at FRA or the Grantee who is able and approved to communicate on behalf of the organization, perform the referenced action, or commit the organization to the referenced action, pursuant to the organization’s internal policies, procedures, or reporting structure.
- f. **DOT** means the United States Department of Transportation, including its operating administrations.
- g. **Effective Date** means the earlier of the federal award date and the beginning of the Project Performance Period.
- h. **Federal Contribution** means the amounts obligated, whether paid or not, by FRA to the Grantee under this Agreement as shown in the “Federal” column in sections 9, 10 and 11 of the Agreement cover sheet.
- i. **Federal Funding Period** means the period that FRA provides funds under this Agreement as shown in section 5 of the Agreement cover sheet.
- j. **Federal Government** means the United States of America and any executive department or agency thereof.
- k. **Federal Railroad Administration or FRA** is an operating administration of the DOT and the Federal Awarding Agency for this Agreement.

- l. Grantee** means the entity identified on the Agreement cover sheet that receives Federal grant assistance directly from FRA for the accomplishment of the Project referenced in this Agreement.
- m. Grant** as used in this Agreement means funding awarded through a grant agreement as well as funding awarded through a cooperative agreement as each of those terms is defined in 2 C.F.R. Part 200.
- n. Non-Federal Contribution** means any amount, as shown under the “Non-Federal” column in sections 9, 10 and 11 of the Agreement cover sheet, including matching funds as used in 2 C.F.R. Part 200, not funded by FRA under this Agreement, regardless of whether the source of any or all of such contribution is a Federal source.
- o. Pre-Agreement Costs** means “pre-award costs,” as that term is defined in 2 C.F.R. § 200.458.
- p. Project** means the task or set of tasks set forth in the Statement of Work.
- q. Project Performance Period** means “period of performance” as defined in 2 C.F.R. § 200.1 and described in 2 C.F.R. § 200.309, and is shown in section 4 of the Agreement cover sheet.
- r. Statement of Work** means a detailed description of the work the Grantee will complete under this Agreement, and appears in Attachment 2 to this Agreement.
- s. Total Federal Assistance** means the combined total of the Federal Contribution and the portion, if any, of the Non-Federal Contribution that is from a Federal source.
- t. California High Speed Rail Authority (CHSRA)** is the Grantee and an agency of the State of California established pursuant to California Public Utilities Code Section 185020, is the State of California entity responsible for planning, constructing and operating a high-speed train system in California.

Additional definitions are found in 2 C.F.R. § 200.1, and these definitions are incorporated herein by reference and made a part hereof. These definitions incorporated herein are not capitalized in this Agreement.

PART II. GENERAL TERMS AND CONDITIONS

1. Grant Agreement:

This Agreement constitutes the entire agreement between the Grantee and FRA relating to this Grant. All prior discussions and understandings concerning such scope and subject matter are superseded by this Agreement. This Agreement is governed by and subject to 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and DOT’s implementing regulations at 2 C.F.R. Part 1201.

2. FRA Role:

This Agreement is between FRA and the Grantee. FRA is responsible for funding disbursements to the Grantee under this Agreement. FRA will also conduct oversight and

monitoring activities to assess Grantee progress against established performance goals and the Statement of Work, as well as to assess compliance with terms and conditions and other requirements of this Agreement.

This award is made as a Cooperative Agreement and FRA will have substantial programmatic involvement. Substantial involvement means that, after award, technical, administrative, or programmatic staff will assist, guide, coordinate, or otherwise participate with the Grantee in Project activities.

FRA may provide professional staff to review work in progress, completed products, and to provide or facilitate access to technical assistance when it is available, feasible, and appropriate, which may include the following:

- a. Financial Analyst. The Financial Analyst will serve as the Grantee's point of contact for systems (e.g., GrantSolutions and the Delphi eInvoicing System) access and troubleshooting as well as for financial monitoring. The Financial Analyst is not authorized to unilaterally change the Statement of Work, make any changes which affect this Agreement's monetary amount, the delivery schedule, Project Performance Period or other terms or conditions.
- b. Grant Manager. The Grant Manager will serve as the Grantee's point of contact for grant administration and will oversee compliance with the terms and conditions in this Agreement. The Grant Manager reviews financial reports, performance reports, and works with the Project Manager to facilitate effective Project delivery. The Grant Manager is not authorized to unilaterally change the Statement of Work, make any changes which affect this Agreement's monetary amount, Project Performance Period, or other terms and conditions.
- c. Project Manager. The Project Manager will be the Grantee's point of contact for the technical aspects of Project delivery. The Project Manager coordinates Project deliverable review, evaluates Grantee technical assistance needs, and generally assesses Project progress and performance. The Project Manager is not authorized to unilaterally change the Statement of Work, make any changes which affect this Agreement's monetary amount, Project Performance Period, or other terms and conditions.
- d. Contact Information. FRA strongly prefers electronic submission of most documents (instructions for electronic submission are included under various requirements outlined in Part II of this attachment). Documentation should be delivered to the Project Manager and Grant Manager at:

Bernardo Bustamante
Project Manager
Federal Railroad Administration
1200 New Jersey Avenue, SE, Washington, DC 20590
(202) 573-1777
bernardo.bustamante@dot.gov

Mariam Ouhamou
Grant Manager
Federal Railroad Administration
1200 New Jersey Avenue, SE, Washington, DC 20590
(202) 493-6437
mariam.ouhamou@dot.gov

3. Grantee Responsibility and Authority:

The Grantee affirms that it had and has, as applicable, the legal authority to apply for the Grant, to enter into this Agreement, and to finance and carry out the proposed Project. The Grantee further affirms that any required resolution, motion or similar action has been duly adopted or passed as an official act authorizing the filing of the Application, where applicable, including all understandings and assurances contained therein, and the entering into of this Agreement. The Grantee will not take or permit any action that would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in this Agreement without the written approval of the FRA, and will act promptly to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with such performance by the Grantee. The Grantee agrees that this will be done in a manner acceptable to the FRA.

4. Project Scope, Schedule, and Budget:

The Grantee agrees to carry out, complete and ensure the use of the Project in a sound, economical, and efficient manner, and in accordance with the provisions of this Agreement, including the Approved Project Budget, the Statement of Work, the Approved Project Schedule, grant guidance, the Application as applicable, and all applicable laws, regulations, and published policies.

- a. Scope. The Grantee will furnish all personnel, facilities, equipment, and other materials and services, except as otherwise specified herein, that are necessary to complete the approved Project, in accordance with the representations, certifications and assurances set forth in the Grantee's Applications(s) as applicable, and any amendments thereto, incorporated herein by reference and made a part hereof.
- b. Schedule. The Grantee will complete this Project, as documented in the Statement of Work, within the Project Performance Period. Schedule and Project Performance Period extension requests may be permitted, at the discretion of the FRA, subject to applicable law. The Grantee should request such an extension no later than 90 days prior to the Project Performance Period end date.
- c. Budget. The Grantee will complete the Project within the funding limits and parameters specified on the Agreement cover sheet and the Statement of Work.
 - 1) Project Costs and Funding Contributions. The Federal Contribution, Non-Federal Contribution and total estimated Project costs toward this Project are documented in sections 9, 10 and 11 of the Agreement cover sheet and may not be changed without a written request and justification from the Grantee, written approval from FRA, and an amendment or closeout to the Agreement. FRA will fund the Project at the lesser of the Federal Contribution or the Federal Contribution percentage of total Project costs, as reflected in sections 9, 10 and 11 of the Agreement cover sheet and the Statement of Work.
 - 2) Non-Federal Contribution. The Grantee is responsible for completing the Project, including providing the Non-Federal Contribution and any other funds necessary for completing the Project. The Grantee affirms that it will complete all actions

necessary to provide the Non-Federal Contribution at or before the time that such funds are needed to meet Project expenses. The Grantee also affirms that it has sufficient funds available to assure operation and maintenance of items funded under this Agreement that it will own or control.

- 3) **Project Budget Detail.** The Grantee agrees to carry out the Project according to the Approved Project Budget. The Grantee agrees to obtain the prior written approval from FRA for any revisions to this Approved Project Budget that equal or cumulatively exceed 10 percent of any budget line item (or pertain to a cost category involving contingency or miscellaneous costs), or amount to a reallocation of 10 percent or more of the total Approved Project Budget across cost categories.

d. **Property and Equipment.**

- 1) The Grantee will operate the property and equipment funded with this Agreement for the originally authorized purpose.
- 2) If the Grantee is not the entity operating the property and/or equipment funded with this Agreement, then the Grantee represents that it will ensure the property and equipment funded with this Agreement will be used for the originally authorized purpose, if necessary, through appropriate arrangements with:
 - i. The entity or entities operating the property and/or equipment funded with this Agreement; and
 - ii. If applicable, the owner of right-of-way used by the property and/or equipment funded with this Agreement.

- e. **Pre-Agreement Costs.** Grantee may request approval of Pre-Agreement costs incurred after the date of selection. Such a request must demonstrate the purpose and amount of the costs, and whether such costs serve as cost-sharing or matching funds. If FRA approves Pre-Agreement Costs, within the constraints described in the Statement of Work, the Grantee may seek reimbursement for these costs on or after the start of the Federal Funding Period specified on the Agreement cover sheet. Such costs are allowable for reimbursement only to the extent that they are otherwise allowable under the terms of this Agreement, and are consistent with 2 C.F.R. § 200.458.

5. Grant Amendments:

Other than close-out, modifications to this Agreement may be made only in writing, signed by an Authorized Representative for FRA and the Grantee, and specifically referred to as an amendment to this Agreement.

6. Flow Down Provisions:

The Grantee will ensure persons or entities that perform any part of the work under this Agreement, including subrecipients or Contractors, each as defined in 2 C.F.R. § 200.1, will comply with applicable federal requirements and federal guidance, and the applicable

requirements of this Agreement. Grantee agrees that flowing down such requirements does not relieve it of any obligation to comply with the requirements itself.

For each of the Grantee's subawards or contracts to perform all or part of the work under this Agreement:

- a. The Grantee must include applicable grant regulations in the subaward or contract and ensure compliance with these provisions, including applicable provisions of 2 C.F.R. Part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and DOT's implementing regulations at 2 C.F.R. Part 1201 *See* 2 C.F.R. § 200.101.
- b. The Grantee must include applicable federal statutory and regulatory requirements in the subaward or contract and ensure compliance with these requirements, including applicable limitations on use of federal funds.
- c. The Grantee must include any other applicable requirements of this Agreement in the subaward or contract and ensure compliance with these requirements.
- d. There will be provisions for the further flow down of the regulations and requirements in subsections (a) and (b) of this section to each subsequent subaward or subcontract, as required.

7. Successors and Assigns:

The Grantee is not authorized to assign this Agreement without FRA's express prior written consent.

8. Execution:

This Agreement may be executed by the Grantee and FRA in separate counterparts, each of which when so executed and delivered will be deemed an original.

9. Changed Conditions of Performance (Including Litigation):

The Grantee agrees to immediately notify FRA, in a written statement to the FRA Grant Manager, of any change in local law, conditions, or any other event that may affect its ability to perform the Project in accordance with the terms of this Agreement. In addition, the Grantee agrees to immediately notify the FRA Grant Manager of any decision pertaining to the Grantee's conduct of litigation that may affect FRA's interests in the Project or FRA's administration or enforcement of applicable federal laws or regulations. Before the Grantee may name FRA as a party to litigation for any reason, the Grantee agrees first to inform the FRA Grant Manager in writing; this proviso applies to any type of litigation whatsoever, in any forum.

10. Severability:

If any provision of this Agreement is held invalid, all remaining provisions of this Agreement will continue in full force and effect to the extent not inconsistent with such holding.

11. Right of FRA to Terminate:

- a. The Grantee agrees that, upon written notice, FRA may suspend and/or terminate all or part of the Federal Contribution if:
 1. Grantee fails to meet or violates the terms, conditions and obligations specified under this Agreement;
 2. Grantee fails to make reasonable progress on the Project;
 3. Grantee fails to provide the Non-Federal Contribution;
 4. Grantee violates any other provision of this Agreement that significantly endangers substantial performance of the Project;
 5. FRA determines that the purposes of the statute(s) under which the Project is authorized or funded would not be adequately served by continuation of the Federal Contribution; or
 6. FRA determines that termination of this Agreement is in the public interest.
- b. In general, suspension and/or termination of any part of the Federal Contribution will not invalidate obligations properly incurred by the Grantee and concurred in by FRA before the termination date; to the extent those obligations cannot be canceled. However, FRA reserves the right to require the Grantee to refund the entire amount of the Federal Contribution provided under this Agreement or any lesser amount as may be determined by FRA in its sole discretion, if FRA determines that the Grantee has willfully misused the Federal Contribution, including by:
 1. Failing to make adequate progress
 2. Failing to make reasonable use of the Project property, facilities, or equipment, or
 3. Failing to adhere to the terms of this Agreement.

12. Term

This Agreement is in effect from the Effective Date until the end of the closeout period, regardless of whether FRA suspends or terminates all or part of the Federal Contribution provided herein. The expiration of any time period for performance or funding established for this Project does not, by itself, constitute an expiration or termination of this Agreement.

The end of the closeout period of this Agreement does not affect continuing obligations under 2 C.F.R. Part 200, including those in 2 C.F.R. § 200.345. Any right or obligation of the parties in this Agreement or the closeout notification which, by its express terms or nature and context is intended to survive termination or expiration of this Agreement, will survive any such termination or expiration of this Agreement.

PART III. GRANT MANAGEMENT TERMS AND CONDITIONS

Performance and Reporting Provisions

13. Deliverables and Products:

The Grantee will submit deliverables, including publications or other products, to FRA as stipulated in this Agreement. Substantive changes to the nature of the deliverables or significant timeline modifications require advanced written approval and may require an Amendment to this Agreement.

The Grantee will submit deliverables that adhere to all applicable laws, regulations, and FRA guidance within the timeframes established. In some instances, as articulated in the Statement of Work, the Grantee may be required to submit deliverables and obtain approval from FRA prior to continuing all or a portion of the work on the Project. Accordingly, the Grantee must account for FRA deliverable review time when planning work or submissions.

Whether for technical examination, administrative review, publication, or approval, all deliverable submissions will be of a professional quality and suitable for their intended purpose.

14. Quarterly Progress Reports:

The Grantee will submit one completed progress report quarterly (totaling four annually), in the form/format provided by FRA at <http://www.fra.dot.gov/Page/P0274>. For the duration of the Project Performance Period, the Grantee must report for the periods of: January 1 – March 31; April 1 – June 30; July 1 – September 30; and October 1 – December 31. The Grantee will furnish one copy of the completed progress report to the assigned FRA Grant Manager on or before the thirtieth (30th) calendar day of the month following the end of the quarter for which the report is submitted.

The Grantee will complete the report in its entirety with the most accurate information available at the time of reporting. The Grantee must be able to support the information contained in its progress reports and ensure that the activities described in the report are commensurate with reimbursement requests and/or outlay figures reported for the quarter. This report will be consistent with 2 C.F.R. §§ 200.301 and 200.329.

15. Quarterly Federal Financial Reports:

The Grantee will submit the Federal Financial Report (Standard Form 425) on the same schedule as the required quarterly progress report (listed above). Reports should be submitted online through GrantSolutions. Reports will be submitted in accordance with the form's instructions. The final SF-425 is due within 120 days after the end of the Project Performance Period, but may be submitted as soon as all outstanding expenditures have been completed. The Grantee must be able to support the information contained in its financial reports and will ensure that all data included in the reports is accurate and consistent.

16. Interim and Final Performance Reports:

If required by the Statement of Work, the Grantee will submit interim Performance reports at the intervals specified in the Statement of Work. The Grantee must submit a Final Performance Report via email to the FRA Grant Manager when the Project(s) funded through this Agreement are completed. The Grantee must complete closeout activities and

submit reports, no later than 120 days after the end of the Project Performance Period for this Agreement or the FRA termination date.

17. Project Completion and Closeout:

- a. **Final Documentation.** As soon as the funded Project(s) are complete, the Grantee will submit a final SF-425, a final Progress Report, a final Performance Report, and a final payment request. Closeout activities by Grantee, including submission of the referenced documents, must be completed no later than 120 days after the end of the Project Performance Period for this Agreement or the FRA termination date.
- b. **Excess Payments.** If FRA has made payments to the Grantee in excess of the total amount of FRA funding due, the Grantee will promptly remit that excess and interest as may be required by section 20(f) of this Attachment.
- c. **Closeout.** Grantees should begin closeout procedures when their Project(s) is complete. The Project closeout period is complete when all of the following is complete: 1) the required Project work is complete; 2) all administrative procedures described in 2 C.F.R. Part 200 (all sections), as applicable, have been completed; and 3) when FRA either notifies the Grantee of closeout or when FRA acknowledges the Grantee's remittance of a proper refund. Project closeout will not invalidate any continuing obligations imposed on the Grantee by this Agreement, including 2 C.F.R. § 200.345, or by the FRA's final notification or acknowledgment.

18. Transparency Act Requirements—Reporting Subawards and Executive Compensation:

The Grantee will comply with the provisions of the Federal Funding Transparency and Accountability Act of 2006 (Pub. L. 109-282) and 2 C.F.R. Part 170, incorporated herein by reference and made part hereof. For more information, visit <https://www.frs.gov/>.

19. Recipient Integrity and Performance Matters

- a. **General Reporting Requirement.** If the total value of the Grantee's currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the Project Performance Period, then the Grantee during that period of time must maintain the currency of information reported to the System for Award Management (SAM) that is made available in the designated integrity and performance system (currently the Federal Awardee Performance and Integrity Information System (FAPIIS)) about civil, criminal, or administrative proceedings described in subsection (b) of this section. This is a statutory requirement under section 872 of Public Law 110-417, as amended (41 U.S.C. § 2313). As required by section 3010 of Public Law 111-212, all information posted in the designated integrity and performance system on or after April 15, 2011, except past performance reviews required for federal procurement contracts, will be publicly available.
- b. **Proceedings About Which the Grantee Must Report.**

Submit the information required about each proceeding that:

- 1) Is in connection with the award or performance of a grant, cooperative agreement, or procurement contract from the federal government;

- 2) Reached its final disposition during the most recent five-year period; and
- 3) Is one of the following:
 - A criminal proceeding that resulted in a conviction, as defined in subsection (e) of this section;
 - A civil proceeding that resulted in a finding of fault and liability and payment of a monetary fine, penalty, reimbursement, restitution, or damages of \$5,000 or more;
 - An administrative proceeding, as defined in subsection (e) of this section, that resulted in a finding of fault and liability and the Grantee's payment of either a monetary fine or penalty of \$5,000 or more or reimbursement, restitution, or damages in excess of \$100,000; or
 - Any other criminal, civil, or administrative proceeding if:
 - It could have led to an outcome described in subsection (b)(3) of this section;
 - It had a different disposition arrived at by consent or compromise with an acknowledgment of fault on the Grantee's part; and
 - The requirement in this section to disclose information about the proceeding does not conflict with applicable laws and regulations.
- c. Reporting Procedures. Enter in the SAM Entity Management area the information that SAM requires about each proceeding described in section (b) of this section. The Grantee does not need to submit the same information a second time under assistance awards that the Grantee received if the Grantee already provided the information through SAM because the Grantee was required to do so under federal procurement contracts that the Grantee was awarded.
- d. Reporting Frequency. During any period of time when the Grantee is subject to the requirement in subsection (a) of this section, the Grantee must report proceedings information through SAM for the most recent five-year period, either to report new information about any proceeding(s) that the Grantee has not reported previously or affirm that there is no new information to report. Recipients that have federal contract, grant and cooperative agreement awards with a cumulative total value greater than \$10,000,000 must disclose semiannually any information about the criminal, civil, and administrative proceedings.
- e. Definitions. For purposes of this section:
 - 1) Administrative proceeding means a non-judicial process that is adjudicatory in nature in order to make a determination of fault or liability (*e.g.*, Securities and Exchange Commission Administrative proceedings, Civilian Board of Contract Appeals proceedings, and Armed Services Board of Contract Appeals proceedings). This includes proceedings at the federal and state level but only in connection with performance of a federal contract or grant. It does not include audits, site visits, corrective plans, or inspection of deliverables.

- 2) Conviction, for purposes of this award term and condition, means a judgment or conviction of a criminal offense by any court of competent jurisdiction, whether entered upon a verdict or a plea, and includes a conviction entered upon a plea of nolo contendere.
- 3) Total value of currently active grants, cooperative agreements, and procurement contracts includes—
 - Only the federal share of the funding under any federal award with a Grantee; and
 - The value of all expected funding increments under a federal award and options, even if not yet exercised.

Financial Management Provisions

20. Payments:

- a. Request by the Grantee for Payment. The Grantee's request for payment of the Federal Contribution of allowable costs will be made to FRA and will be acted upon by FRA as set forth in this section. For states, payments are governed by Treasury/State CMIA agreements, and default procedures codified at 31 C.F.R. Part 205 “Rules and Procedures for Efficient Federal-State Funds Transfers” and TFM 4A-2000 Overall Disbursing Rules for All Federal Agencies. Non-states must comply with the provisions of 2 C.F.R. §200.305(b). To receive a Federal Contribution payment, the Grantee must:
 - 1) Demonstrate or certify that it has made a binding commitment of the Non-Federal Contribution, if applicable, adequate when combined with the Federal Contribution, to cover all costs to be incurred under the Project as of the date of the request. A Grantee required by federal statute or this Agreement to provide Non-Federal Contribution for the Project agrees:
 - i. to refrain from requesting or obtaining any Federal Contribution that is more than the amount justified by the Non-Federal Contribution that has been provided; and
 - ii. to refrain from taking any action that would cause the proportion of the Federal Contribution at any time to exceed the percentages authorized under this Agreement. The phasing or expenditure rate of the Non-Federal Contribution may be temporarily adjusted only to the extent expressly provided in writing by an Authorized Representative of FRA.
 - 2) Submit to FRA all financial and progress reports required to date under this Agreement; and
 - 3) Identify the funding source(s) provided under this Project, if applicable, from which the payment is to be derived.
- b. Reimbursement Payment by FRA. Unless otherwise approved by FRA, FRA will disburse funds to the Grantee on a reimbursable basis, whereby the Grantee will be reimbursed for actual expenses incurred and paid, after the submission of complete and accurate invoices and payment records. The Grantee’s request for payment will be made

to FRA through the Department of Transportation's Delphi eInvoicing System and will be acted upon as set forth in this section.

- 1) Delphi eInvoicing System first-time users must obtain access to the System by contacting the Financial Analyst. Additional information on the System can be found at www.dot.gov/cfo/delphi-einvoicing-system.html.
- 2) Upon receipt of a payment request and adequate accompanying information (invoices in accordance with applicable cost principles), FRA will authorize payment by direct deposit, provided the Grantee: (i) is complying with its obligations under this Agreement; (ii) has satisfied FRA that it needs the requested Federal Contribution for the period covered by the payment request (as identified on the Standard Form 270 Request for Advance or Reimbursement (SF-270)); and (iii) is making adequate and timely progress toward Project completion. If all these circumstances are present, FRA may reimburse allowable costs incurred by the Grantee up to the maximum amount of the Federal Contribution.

The Grantee agrees to give a written, five-day notice to the assigned FRA Grant Manager for any payment request totaling \$50 million or more. Grantees should note that FRA is unable to process single payment requests greater than \$99,999,999. The Grantee agrees to adhere to and impose upon its subrecipients all applicable foregoing "Reimbursement Payment by FRA" requirements of this Agreement.

If the Grantee fails to adhere to the foregoing "Reimbursement Payment by FRA" requirements of this Agreement, FRA may withhold funding disbursements.

- c. Allowable Costs. FRA will reimburse the Grantee's expenditures, within the Federal Funding Period, only if they meet all of these requirements:
 - 1) Conform to the Project description, the Statement of Work, the Approved Project Budget, and all other terms of this Agreement;
 - 2) Be necessary in order to accomplish the Project;
 - 3) Be reasonable for the goods or services purchased;
 - 4) Be actual net costs to the Grantee (i.e., the price paid minus any applicable credits, refunds, rebates, or other items of value received by the Grantee that have the effect of reducing the cost actually incurred);
 - 5) Be incurred (and be for work performed) within the Project Performance Period, unless specific authorization from FRA to the contrary is received in writing;
 - 6) Unless permitted otherwise by federal statutes or regulation, conform to federal guidelines or regulations and federal cost principles, as set forth in 2 C.F.R. Subpart E § 200.400 – 200.476.
 - 7) Be satisfactorily documented; and

- 8) Be treated uniformly and consistently under accounting principles and procedures approved and prescribed by FRA for the Grantee, and those approved or prescribed by the Grantee for its subrecipients and contractors.

d. Disallowed Costs. Disallowed costs include the following:

- 1) Any Project costs incurred, activities undertaken, or work performed outside of the Project Performance Period, unless specifically authorized by FRA in writing, allowed by this Agreement, or otherwise permitted by federal law or regulation;
- 2) Any costs incurred by the Grantee that are not included in the latest Approved Project Budget; and
- 3) Any costs attributable to goods or services received under a contract or other arrangement that is required to be, but has not been, concurred in or approved in writing by FRA.

The Grantee agrees that reimbursement of any cost under this section does not constitute a final FRA decision about the allowability of that cost and does not constitute a waiver of any violation by the Grantee of the terms of this Agreement. The Grantee understands that FRA will not make a final determination about the allowability of any cost until an audit of the Project has been completed. If FRA determines that the Grantee is not entitled to receive any part of the Federal Contribution requested, FRA will notify the Grantee stating the reasons therefor. Project closeout will not alter the Grantee's obligation to return any funds due to FRA as a result of later refunds, corrections, or other transactions. Project closeout will not alter FRA's right to disallow costs and recover funds on the basis of a later audit or other review. Unless prohibited by law, FRA may offset any Federal Contribution to be made available under this Agreement, as needed, to satisfy any outstanding monetary claims that the federal government may have against the Grantee. Exceptions pertaining to disallowed costs will be assessed based on their applicability, as set forth in the applicable federal cost principals or other written federal guidance.

- e. Bond Interest and Other Financing Costs. To the extent permitted in writing by FRA and consistent with 2 C.F.R. § 200.449, bond interest and other financing costs are allowable.
- f. Requirement to Remit Interest. The Grantee agrees that any interest earned by the Grantee on the Federal Contribution must be handled in accordance with 2 C.F.R. §200.305, and remittance back to the federal government must be made in accordance with the provisions thereof.

21. Accounting Procedures:

- a. Project Accounts. The Grantee will establish and maintain for the Project either a separate set of accounts or accounts within the framework of an established accounting system, in a manner consistent with 2 C.F.R. §§ 200.302, 200.303, and 200.305.
- b. Funds Received or Made Available for the Project. Grantees other than states will follow the provisions of 2 C.F.R. § 200.305(b) with respect to the use of banks and other

institutions as depositories of any advance payments that may be received under this Agreement. States will follow the provisions of 2 C.F.R. §200.305(a).

- c. Documentation of Project Costs and program income. All costs charged to the Project, including any approved services contributed by the Grantee or others, will be supported by properly executed payrolls, time records, invoices, contracts, or vouchers describing in detail the nature and propriety of the charges. The Grantee will also maintain accurate records of all program income derived from Project implementation.
- d. Checks, Orders, and Vouchers. The Grantee will ensure that all checks, payrolls, invoices, contracts, vouchers, orders, or other accounting documents pertaining in whole or in part to the Project are clearly identified with a Grant Agreement number, readily accessible, and, to the extent feasible, kept separate from documents not pertaining to the Project.

22. Program Income:

The Grantee is encouraged to earn income to defray Project costs, where appropriate, and should work with the assigned FRA Grant Manager to determine how this income may be applied to the grant, in accordance with 2 C.F.R. § 200.307 and 2 C.F.R. § 1201.80. Program income not deducted from total allowable costs may be used only for the purposes and under the terms and conditions established in this Agreement. Records of program income should be maintained consistent with subsection 21(c) of this Agreement.

Project Management Provisions

23. Environmental Protection:

- a. **Grantee Assistance.** Grantees must comply with the governing laws and regulations referenced in section 44(c) of this Attachment and may also be required to assist with FRA's compliance with applicable Federal laws, regulations, executive orders, and policies related to environmental review under the National Environmental Policy Act (NEPA), 42 U.S.C. § 4321 *et seq.*, and its implementing regulations; DOT Order 5610.1D, Procedures for Considering Environmental Impacts; FRA's "Procedures for Considering Environmental Impacts" (45 Fed. Reg. 40854, June 16, 1980), as revised May 26, 1999, 64 Fed. Reg. 28545, and as updated in 78 FR 2713, January 14, 2013) or 23 C.F.R. Part 771, as applicable; Section 106 of the National Historic Preservation Act (NHPA) (54 U.S.C. § 300101 *et seq.*) and its implementing regulations (36 C.F.R. Part 800); Executive Order No. 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations; Section 4(f) of the Department of Transportation Act of 1966 (49 U.S.C. § 303(c)), and its implementing regulations (23 C.F.R. Part 774). In providing such assistance, FRA may require that the Grantee conduct environmental and/or historic preservation analyses and to submit documentation to FRA.¹
- b. **Timing of Grantee Action.** The Grantee may not expend any of the funds provided in this Agreement on construction activities or other activities that represent an irretrievable commitment of resources to a particular course of action affecting the environment until the Grantee has completed the required environmental review process.
- c. **Minimization, Avoidance and Mitigation Measures.** The Grantee must implement all measures to minimize, avoid, or mitigate adverse environmental impacts identified in the applicable categorical exclusion, Finding of No Significant Impact, or Record of Decision for the Project. The Grantee must also implement any additional measures identified through all other environmental or historic preservation review processes conducted to support Project construction and operation (e.g., any commitments included in a Memorandum of Agreement executed pursuant to Section 106 of the NHPA).
- d. **Revisions to Minimization, Avoidance or Mitigation Measures.** The Grantee must provide FRA with written notice if it has not, or cannot, implement any of the minimization, avoidance or mitigation measures identified in subsection (c). Upon receiving such notice, FRA will provide the Grantee direction in writing, which may include substitute mitigation measures. If applicable, FRA may also revise its categorical exclusion, Finding of No Significant Impact, or Record of Decision.

¹ Beginning in July 2019, CHSRA assumed FRA's responsibility for conducting the Federal environmental reviews for the California High-Speed Rail System pursuant to 23 U.S.C. § 327. Therefore, and consistent with the July 23, 2019, Memorandum of Understanding between FRA and State of California, CHSRA is responsible for taking any actions relating to the environmental review process for the Project.

24. Property, Equipment and Supplies:

Unless otherwise approved by FRA, the following terms and conditions apply to property, equipment, and supplies funded under this Agreement:

- a. **General Federal Requirements.** The Grantee will comply with the property standards of 2 C.F.R. §§ 200.310 through 200.316, including any amendments thereto, and other applicable guidelines or regulations. Exceptions to the requirements must be specifically approved by FRA in writing. The Grantee will use Project real property, as defined in 2 C.F.R. § 200.1, in accordance with the Property Standards of 2 C.F.R. § 200.311. Notwithstanding 2 C.F.R. § 200.313, subrecipients of states will comply with 2 C.F.R. § 1201.313 with respect to the use, management and disposal of equipment acquired under this Agreement.
- b. **Maintenance.** The Grantee agrees to maintain the Project property and equipment in good operating order, and in accordance with any guidelines, directives, or regulations that FRA may issue.
- c. **Records.** The Grantee agrees to keep satisfactory records with regard to the use of the property, equipment, and supplies, and submit to FRA, upon request, such information as may be required to assure compliance with this section of this Agreement.
- d. **Transfer of Project Property, Equipment or Supplies.** The Grantee agrees that FRA may require the Grantee to transfer title to, or direct the disposition of, any property, equipment, or supplies financed with FRA assistance made available by this Agreement, as required by 2 C.F.R. §§ 200.311 – 200.316.
- e. **Withdrawn Property, Equipment or Supplies.** If any Project property, equipment, or supplies are not used for the Project for the duration of their useful lives, as determined by FRA, whether by planned withdrawal, misuse or casualty loss, the Grantee agrees to notify FRA immediately. Disposition of withdrawn property, equipment, or supplies will be in accordance with 2 C.F.R. §§ 200.311 – 200.316.
- f. **Encumbrance of Project Property or Equipment.** Unless expressly authorized in writing by FRA, the Grantee agrees not to:
 - 1) Execute any transfer of title, lease, lien, pledge, mortgage, encumbrance, contract, grant anticipation note, alienation, or other obligation that in any way would dispose of or encumber the Grantee's title or other interest in any Project property or equipment; or
 - 2) Obligate itself in any manner to any third party with respect to Project property or equipment. The Grantee will refrain from taking any action or acting in a manner that would adversely affect FRA's interest or impair the Grantee's continuing control over the use of Project property or equipment.

25. Relocation and Land Acquisition:

The Grantee agrees to comply with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, 42 U.S.C. §§ 4601 *et seq.* and the U.S. DOT implementing regulations, 49 C.F.R. Part 24.

26. Flood Hazards:

The Grantee agrees to comply with the flood insurance purchase requirements of section 102(a) of the Flood Disaster Protection Act of 1973, 42 U.S.C. § 4012a(a), with respect to any construction or acquisition project.

27. Procurement:

- a. Federal Standards. The Grantee may acquire property, goods or services in connection the Project. If the Grantee is a state, then it will use its own procurement procedures that reflect applicable state laws and regulations in compliance with 2 C.F.R. § 200.317. A subrecipient of a state will follow such policies and procedures allowed by that state when procuring property and services under this award consistent with 2 C.F.R. § 1201.317, notwithstanding 2 C.F.R. § 200.317. An entity that is not a state or a subrecipient of a state will comply with 2 C.F.R. §§ 200.318 – 200.327, and applicable supplementary U.S. DOT or FRA directives and regulations. If determined necessary for proper Project administration, FRA reserves the right to review the Grantee's technical specifications and requirements.
- b. Cargo Preference – Grantee will comply with the U.S. DOT Maritime Administration regulations, 46 C.F.R. Part 381 as follows:
 - Use of United States-flag vessels:
 - Pursuant to Pub. L. 664 (43 U.S.C. 1241(b)) at least 50 percent of any equipment, materials or commodities procured, contracted for or otherwise obtained with funds granted, guaranteed, loaned, or advanced by the U.S. Government under this Agreement, and which may be transported by ocean vessel, will be transported on privately owned United States-flag commercial vessels, if available.
 - Within 20 days following the date of loading for shipments originating within the United States or within 30 working days following the date of loading for shipments originating outside the United States, a legible copy of a rated, 'on-board' commercial ocean bill-of-lading in English for each shipment of cargo described in paragraph (a)(1) of this section will be furnished to both the Contracting Officer (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of National Cargo, Office of Market Development, Maritime Administration, Washington, DC 20590.

The Grantee will insert the following clauses in contracts let by the Grantee in which equipment, materials or commodities may be transported by ocean vessel in carrying out the Project.

“Use of United States-flag vessels: The contractor agrees -

- 1) To utilize privately owned United States-flag commercial vessels to ship at least 50% of the gross tonnage (computed separately for dry bulk carriers, dry cargo liners, and tankers) involved, whenever shipping any equipment, materials, or commodities pursuant to this contract to the extent such vessels are available at fair and reasonable rates for United States-flag commercial vessels.
- 2) To furnish within 20 days following the date of loading for shipments originating within the United States, or within 30 working days following the date of loading for shipment originating outside the United States, a legible copy of a rated, “on-board” commercial ocean bill-of-lading in English for each shipment of cargo described in subsection (1) above to the recipient (through the prime contractor in the case of subcontractor bills-of-lading) and to the Division of Cargo Preference and Domestic Trade, Maritime Administration, 1200 New Jersey Avenue, SE, Washington, D.C. 20590, marked with appropriate identification of the Project.
- 3) To insert the substance of the provisions of this clause in all subcontracts issued pursuant to this contract.”

c. Notification Requirement. With respect to any procurement for goods and services (including construction services) having an aggregate value of \$500,000 or more, the Grantee agrees to:

- 1) specify in any announcement of the awarding of the contract for such goods or services the amount of Federal Contribution that will be used to finance the acquisition; and
- 2) express said amount as a percentage of the total costs of the planned acquisition.

d. Debarment and Suspension; and Drug-Free Work Place. The Grantee agrees to obtain certifications on debarment and suspension from its third-party contractors and subrecipients and otherwise comply with U.S. DOT regulations, Nonprocurement Suspension and Debarment, 2 C.F.R. Part 1200, and Government- wide Requirements for Drug-Free Workplace (Grants), 49 C.F.R. Part 32.

e. Small and Disadvantaged Business Requirements. The Grantee shall expend all funds under this award in compliance with the requirements at 2 C.F.R. § 200.321 (“Contracting with small and minority businesses, women’s business enterprises, and labor surplus area firms”), and to the extent applicable, 49 C.F.R. Part 26 (“Participation by disadvantaged business enterprises in Department of Transportation financial assistance programs”).

28. Rights in Intangible Property:

- a. Title to Intangible Property. Intangible property, as defined in 2 C.F.R. § 200.1, acquired in the performance of this Agreement vests upon acquisition in the Grantee. The Grantee must use that property for the originally-authorized purpose, and must not encumber the property without approval of FRA. When no longer needed for the originally-authorized purpose, disposition of the intangible property must occur in accordance with the provisions of 2 C.F.R. § 200.313(e).
- b. Copyright. The Grantee may copyright any work that is subject to copyright and was developed or for which ownership was acquired under this Agreement. FRA reserves a royalty-free, nonexclusive and irrevocable right to reproduce, publish, or otherwise use the work, and to authorize others to do so.
- c. Patents. The following provisions will apply to patents under this Agreement:
 - 1) The Grantee is subject to applicable regulations governing patents and inventions, including government-wide regulations issued by the Department of Commerce at 37 C.F.R. Part 401, “Rights to Inventions Made by Nonprofit Organizations and Small Business Firms Under Government Awards, Contracts and Cooperative Agreements”.
 - 2) If the Grantee secures a patent with respect to any invention, improvement, or discovery of the Grantee or any of its subrecipients or contractors conceived or first actually reduced to practice in the course of or under this Project, the Grantee agrees to grant to FRA a royalty-free, nonexclusive, and irrevocable license to use and to authorize others to use the patented device or process.
- d. Research Data. For any research data (as defined in 2 C.F.R. § 200.315(e)(3)) acquired under a grant or contract, FRA has the right to:
 - 1) Obtain, reproduce, publish, or otherwise use the research data produced under this Agreement; and
 - 2) Authorize others to receive reproduce, publish, or otherwise use such data.
- e. Freedom of Information Act (FOIA). A response to a FOIA request for research data acquired under this Agreement will be handled in accordance with the provisions of 2 C.F.R. § 200.315(e), including any definitional provisions set forth therein. The “Federal awarding agency” is FRA, and the “non-Federal entity” is the Grantee for purposes of this clause.

29. Acknowledgment of Support and Disclaimer:

- a. Acknowledgement and Disclaimer. An acknowledgment of FRA support and a disclaimer of said support must appear in any Grantee publication developed under a research and development grant, or any other product based on or developed under the Agreement as directed by FRA, whether copyrighted or not, in the following terms:
 - 1) "This material is based upon work supported by the Federal Railroad Administration under [Grant/Cooperative Agreement number], [date of award]."
 - 2) "Any opinions, findings, and conclusions or recommendations expressed in this publication are those of the author(s) and do not necessarily reflect the view of the Federal Railroad Administration and/or U.S. DOT."
- b. Signs. The Grantee is encouraged to erect at the site of any construction, and to maintain during construction, signs identifying the Project and indicating that FRA is participating in the development of the Project.

30. Reprints of Publications:

At such time as any article resulting from work under this Agreement is published in a scientific, technical, or professional journal or publication, two reprints of the publication should be sent to the FRA Grant Manager, clearly referenced with the appropriate identifying information.

Documentation and Oversight Provisions

31. Record Retention:

During the course of the Project and for three years after notification of grant closeout, the Grantee agrees to retain intact and to provide any data, documents, reports, records, contracts, and supporting materials relating to the Project as FRA may require. In cases where litigation, a claim, or an audit is initiated prior to the expiration of the record retention period, records must be retained until completion of the action and resolution of issues or the end of the record retention period, whichever is later. Reporting and record-keeping requirements are set forth in 2 C.F.R. §§ 200.334 – 200.338 Project closeout does not alter these requirements.

32. Audit and Inspection.

- a. General Audit Requirements. The Grantee will comply with all audit requirements of 2 C.F.R. §§ 200.500 – 200.512.
- b. Inspection by Federal Officials. The Grantee agrees to permit the Secretary and the Comptroller General of the United States, or their Authorized Representatives, to inspect all Project work, materials, payrolls, and other data, and to audit the books, records, and accounts of the Grantee and its contractors and subrecipients pertaining to the Project.

33. Fraud, Waste or Abuse:

The Grantee agrees to take all steps, including initiating litigation, if necessary, to recover the Federal Contribution if the FRA determines, after consultation with the Grantee, that all or a portion of such funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner in undertaking the Project.

34. Site Visits:

FRA, through its Authorized Representatives, has the right, at all reasonable times, to make site visits to review Project activities, accomplishments, and management control systems and to provide such technical assistance as may be required. If any site visit is made by FRA under this Agreement on the premises of the Grantee, contractor, beneficiary or subrecipient, the Grantee will provide, or will ensure the provision of all reasonable facilities and assistance for the safety and convenience of FRA representatives in the performance of their duties. All site visits and evaluations will be performed in such a manner as will not unduly delay work being conducted by the Grantee or any subrecipient.

35. Safety Compliance:

To the extent applicable, the Grantee agrees to comply with any Federal regulations, laws, or policy and other guidance that FRA or U.S. DOT may issue pertaining to safety in general, and in the performance of this Agreement, in particular.

36. Electronic and Information Technology:

The Grantee agrees that reports or information it provides to or on behalf of FRA will use electronic or information technology that complies with the accessibility requirements of Section 508 of the Rehabilitation Act of 1973, as amended, 29 U.S.C. § 794d, and “Electronic and Information Technology Accessibility Standards,” 36 C.F.R. Part 1194.

Other Legislative and Regulatory Provisions

37. Buy America:

- a. The Grantee shall comply with the Buy America provisions set forth in 49 U.S.C. 22905(a) for the Project requiring the use of steel, iron, and manufactured goods produced in the United States, in accordance with the conditions therein set forth.
- b. Under 2 C.F.R. § 200.322, as appropriate and to the extent consistent with law, the Grantee should, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Grantee will include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award. The Grantee must comply with Executive Order 14005 on Ensuring the Future is Made in All of America by All of America’s Workers issued on January 25, 2021.

38. Ethics:

- a. Standards of Conduct. The Grantee will maintain a written code or standards of conduct governing the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts or agreements supported by the Federal Contribution provided through this Agreement. The code or standards will provide that the Grantee's officers, employees, board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential subrecipients or contractors. The Grantee may set minimum rules where the financial interest is not substantial or the gift is an unsolicited item of nominal intrinsic value. As permitted by state or local law or regulations, such code or standards will provide for penalties, sanctions, or other disciplinary actions for violations by the Grantee's officers, employees, board members, or agents, or by subrecipients or their agents.
 - 1) Personal Conflict of Interest. The Grantee's code or standards must provide that no employee, officer, board member, or agent of the Grantee may participate in the selection, award, or administration of a contract supported by the Federal Contribution if a real or apparent conflict of interest would be involved. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.
 - 2) Organizational Conflicts of Interest. The Grantee's code or standards of conduct must include procedures for identifying and preventing real and apparent organizational conflicts of interests. An organizational conflict of interest exists when the nature of the work to be performed under a proposed contract, may, without some restrictions on future activities, result in an unfair competitive advantage to the contractor or impair the contractor's objectivity in performing the contract work.
- b. Existing Codes or Standards. This section does not require the Grantee to implement a new code or standards of conduct where a state statute, or written code or standards of conduct, already effectively covers all of the elements of Section 38(a) of this Attachment.

39. Civil Rights:

The Grantee agrees to comply with all civil rights laws and regulations, in accordance with applicable Federal directives. These include, but are not limited to, the following: (a) Title VI of the Civil Rights Act of 1964 (P.L. 88-352), as amended, 42 U.S.C. § 2000d *et seq.*, the DOT Title VI regulations at 49 C.F.R. part 21, which prohibits discrimination on the basis of race, color or national origin; (b) the Americans with Disabilities Act, as amended, 42 U.S.C. § 12101 *et seq.*, the DOT ADA regulations at 49 C.F.R. parts 37-38, section 504 of the Rehabilitation Act of 1973, as amended (29 U.S.C. § 794), and the DOT regulations at 49 C.F.R. part 27, which prohibits discrimination on the basis of disability; (c) the Age Discrimination in Employment Act, as amended (42 U.S.C. §§ 621 – 634), and the Age Discrimination Act of 1975, as amended (42 U.S.C. §§ 1601-1607), which prohibits discrimination on the basis of age; (d) Title IX of the Education Amendments of 1972, as

amended (20 U.S.C. § 1681 *et seq.*), which prohibits discrimination on the basis of sex; (e) 49 U.S.C. § 306, which prohibits discrimination on the basis of race, color, national origin, or sex in railroad financial assistance programs; (f) any nondiscrimination regulation implemented relating to the above stated statutes; (g) any nondiscrimination Executive Order implemented relating to the above stated statutes; (h) any U.S. DOT Order implemented relating to nondiscrimination, and (i) any other applicable federal laws, regulations, requirements, and guidance prohibiting discrimination.

40. SAM Registration and DUNS Number:

The Grantee is responsible for maintaining an active SAM Registration and Data Universal Numbering System (DUNS) Number and ensuring that all SAM/DUNS information is current throughout the lifecycle of this Agreement, in accordance with 2 C.F.R. § 25.200(a)(2). If SAM/DUNS information becomes inactive, expired, or incorrect, the Grantee will not be able to do any grant-related business with FRA, including the obligation and/or payment of Federal grant funds, and FRA may take appropriate action to terminate this Agreement, in accordance with the terms of this Agreement.

41. Freedom of Information Act:

The FRA is subject to the Freedom of Information Act (FOIA). The Grantee should, therefore, be aware that all applications and related materials submitted by the Grantee related to this Agreement will become agency records and thus are subject to FOIA and to public release through individual FOIA requests.

42. Text Messaging While Driving:

The Grantee is encouraged to adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies that bar text messaging while driving company-owned or –rented vehicles, or government-owned, leased, or rented vehicles or privately-owned vehicles when on official government business or when performing any work for or on behalf of the government. *See* Executive Order 13513 “Federal Leadership on Reducing Text Messaging While Driving,” Oct. 1, 2009 (available at <http://www.gpo.gov/fdsys/pkg/FR-2009-10-06/pdf/E9-24203.pdf>) and DOT Order 3902.10 “Text Messaging While Driving,” Dec. 30, 2009, as implemented by Financial Assistance Policy Letter (No. FAP- 2010-01, Feb. 2, 2010, available at http://www.dot.gov/sites/dot.dev/files/docs/FAPL_2010-01.pdf). This includes, but is not limited to, the Grantee:

- considering new rules and programs or re-evaluating existing programs to prohibit text messaging while driving;
- conducting education, awareness, and other outreach for employees about the safety risks associated with texting while driving; and
- encouraging voluntary compliance with the agency’s text messaging policy while off duty.

The Grantee is encouraged to insert the substance of this clause in all assistance awards. Where a Grantee is located within a state that already has enacted legislation regarding texting while driving, that state’s law controls and the requirements of this section will not apply to or be a part of this Agreement.

43. Trafficking in Persons:

- a. Provisions applicable to a recipient that is a private entity.
 - 1) You as the recipient, your employees, subrecipients under this award, and subrecipients' employees may not—
 - i. Engage in severe forms of trafficking in persons during the period of time that the award is in effect;
 - ii. Procure a commercial sex act during the period of time that the award is in effect; or
 - iii. Use forced labor in the performance of the award or subawards under the award.
 - 2) We as the Federal awarding agency may unilaterally terminate this award, without penalty, if you or a subrecipient that is a private entity —
 - i. Is determined to have violated a prohibition in paragraph a.1 of this award term; or
 - ii. Has an employee who is determined by the agency official authorized to terminate the award to have violated a prohibition in paragraph a.1 of this award term through conduct that is either—
 - a) Associated with performance under this award; or
 - b) Imputed to you or the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 C.F.R. part 1200.
- b. Provision applicable to a recipient other than a private entity. We as the Federal awarding agency may unilaterally terminate this award, without penalty, if a subrecipient that is a private entity—
 - 1) Is determined to have violated an applicable prohibition in paragraph a.1 of this award term; or
 - 2) Has an employee who is determined by the agency official authorized to terminate the award to have violated an applicable prohibition in paragraph a.1 of this award term through conduct that is either—
 - i. Associated with performance under this award; or
 - ii. Imputed to the subrecipient using the standards and due process for imputing the conduct of an individual to an organization that are provided in 2 C.F.R. part 180, “OMB Guidelines to Agencies on Governmentwide Debarment and Suspension (Nonprocurement),” as implemented by our agency at 2 C.F.R. part 1200.

c. Provisions applicable to any recipient.

- 1) You must inform us immediately of any information you receive from any source alleging a violation of a prohibition in paragraph a.1 of this award term.
- 2) Our right to terminate unilaterally that is described in paragraph a.2 or b of this section:
 - i. Implements section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), as amended (22 U.S.C. § 7104(g)), and
 - ii. Is in addition to all other remedies for noncompliance that are available to us under this award.
- 3) You must include the requirements of paragraph a.1 of this award term in any subaward you make to a private entity.

d. Definitions. For purposes of this award term:

- 1) “Employee” means either:
 - i. An individual employed by you or a subrecipient who is engaged in the performance of the project or program under this award; or
 - ii. Another person engaged in the performance of the project or program under this award and not compensated by you including, but not limited to, a volunteer or individual whose services are contributed by a third party as an in-kind contribution toward cost sharing or matching requirements.
- 2) “Forced labor” means labor obtained by any of the following methods: the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.
- 3) “Private entity”:
 - i. Means any entity other than a State, local government, Indian tribe, or foreign public entity, as those terms are defined in 2 C.F.R. § 175.25.
 - ii. Includes:
 - a) A nonprofit organization, including any nonprofit institution of higher education, hospital, or tribal organization other than one included in the definition of Indian tribe at 2 C.F.R. § 175.25(b).
 - b) A for-profit organization.
- 4) “Severe forms of trafficking in persons,” “commercial sex act,” and “coercion” have the meanings given at section 103 of the TVPA, as amended (22 U.S.C. § 7102).
- 5) “Recipient” and “subrecipient” include for-profit entities for the purpose of this award term only.

44. Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment:

Grant, cooperative agreement, and loan recipients are prohibited from using government funds to enter into subawards or contracts (or extend or renew subawards or contracts) with entities that use covered technology. See section 889 of the John S. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. No. 115- 232, 132 Stat. 1636, 1917 (Aug. 13, 2018). See also 2 C.F.R. § 200.471.

PART IV. GOVERNING LAWS AND REGULATIONS

45. Governing Laws and Regulations:

- a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards. The Grantee acknowledges and agrees that its performance will be governed by and in compliance with this Agreement, 2 C.F.R. §§ 200 – 200.521, including Appendices I – XI, and DOT’s implementing regulations at 2 C.F.R. Part 1201.
- b. Application of Federal, State, and Local Laws and Regulations.
 - 1) Federal Laws and Regulations. The Grantee understands that Federal laws, regulations, policies, and related and applicable administrative practices in place on the date this Agreement was executed may be modified from time to time. The Grantee agrees that the most recent of such Federal requirements will govern the administration of this Agreement at any particular time, except if FRA specifies otherwise (as permitted by law) in writing or if there is sufficient evidence in this Agreement of a contrary intent. Likewise, new Federal laws, regulations, policies and administrative practices may be established after the date the Agreement has been executed and may apply to this Agreement. To achieve compliance with changing federal requirements, the Grantee agrees to include in all subawards and contracts financed with all or part of the Federal Contribution under this Agreement, specific notice that Federal requirements may change and the changed requirements will apply to the Project, as required. All limits or standards set forth in this Agreement to be observed in the performance of the Project are minimum requirements.
 - 2) State, Territorial Law and Local Law. Except to the extent that a Federal statute or regulation preempts state, territorial, or local law, nothing in this Agreement will require the Grantee to observe or enforce compliance with any provision thereof, perform any other act, or do any other thing in contravention of any applicable state, territorial, or local law; however, if any of the provisions of this Agreement violate any applicable state, territorial, or local law, or if compliance with the provisions of this Agreement would require the Grantee to violate any applicable state, territorial, or local law, the Grantee agrees to notify the FRA immediately in writing in order that FRA and the Grantee may make appropriate arrangements to proceed with the Project.
 - 3) The Grantee will ensure that Federal funding is expended in full accordance with the U.S. Constitution, Federal Law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public

welfare, the environment, and prohibiting discrimination. Further, the Grantee will ensure compliance with all regulations, executive orders, policies, guidance, and requirements as they relate to the application, acceptance, and/or use of funds under this Agreement which may include, but are not limited to, those referenced in this Agreement.

- c. Environmental Protection. In addition to complying with the requirements described in Section 23 of this Attachment, the Grantee will ensure that all work conducted under this Agreement complies with all applicable laws, regulations, executive orders, and policies related to environmental protection and historic preservation, including, but not limited to: Section 114 of the Clean Air Act (42 U.S.C. § 7414); the Executive Order on Tackling the Climate Crisis at Home and Abroad; and Section 308 of the Federal Water Pollution Control Act (33 U.S.C. § 1318).

E. Attachment 1A is deleted in its entirety, and the following is substituted therefor:

PRIIA CLAUSES FOR CORRIDOR PROGRAMS, ATTACHMENT 1A

Section 1. Railroad Agreements.

The Grantee represents that it has entered into and will abide by, or will enter into and abide by, a written agreement, in form and content satisfactory to FRA, with any railroad owning property on which the Project is to be undertaken, in accordance with 49 U.S.C. 22905(c)(1) and the relevant section(s) of the High-Speed Intercity Passenger Rail (HSIPR) Program Interim Guidance/Notice of Funding Availability (NOFA) through which this Project was selected for funding (see, e.g., Appendix 3.4.3 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)). Such agreement shall provide for compensation for use, assurance regarding the adequacy of infrastructure capacity, a commitment to keeping railroad collective bargaining agreements in full force and effect, and compliance with liability requirements consistent with 49 U.S.C. 28103. The Grantee shall not enter into or agree to any substantive changes to the FRA approved written agreement with the railroad on which the Project is undertaken without FRA's prior written consent. The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or construction of the Project, or commence any part of the final design and/or construction for the Project, or any component of the Project, without receiving FRA's prior written approval of the executed railroad agreement satisfying the requirements of this section.

Section 2. Service Outcome Agreements with Infrastructure Owners and Operators.

- a. The Grantee represents that it has or will have satisfactory continuing control over the use of Project improvements and the capability and ability to maintain the Project improvements for the useful life of the Project, in accordance with 49 U.S.C. 22902(b)(1) and (c)(1)(B). Satisfactory continuing control may be established by either the direct ownership of Project improvements or through a written agreement(s) in form and content satisfactory to FRA with the owners of infrastructure on which the Project is to be undertaken and the proposed service operator of any rail passenger service that benefits from the Project, which agreement(s) shall authorize construction of, access to, and/or use of Project improvements for a minimum of twenty years from the date the Project improvements are placed in service. Such agreements may be combined, if appropriate.

- b. The written agreement(s) shall include the following minimum terms and conditions tailored to the Project: (1) specific identification of Project benefits in terms relevant to the Project being implemented, including, as appropriate, additional frequencies, improved reliability, future availability of developed capacity, and improved schedules, (2) a firm commitment on the part of the infrastructure owner and operator to achieving the Project benefits included in the Grantee's application and reflected in the Statement(s) of Work attached to this Agreement, and (3) reasonable and appropriate enforcement mechanisms that provide for prompt resolution of disputes and the ability of the Grantee to obtain the Project benefits funded through this Agreement in an expeditious and reasonable manner.
- c. The Grantee shall not enter into or agree to any substantive changes in the FRA-approved written agreement(s) with the infrastructure owner and service operator without FRA's prior written consent.
- d. The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or construction of the Project, or commence any part of final design and/or construction for the Project or any component of the Project, without receiving FRA's prior written approval of a fully executed agreement(s) satisfying the requirements of this section.
- e. The agreement required by this section 2 is supplemental to any agreement that may be required by section 1 of Attachment 1A, however, the requirements of sections 1 and 2 may be satisfied in one agreement, where appropriate.

Section 3. Project Management Plan.

The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or construction of the Project, or commence any part of final design and/or construction for the Project or any component of the Project, without receiving FRA's prior written approval of a project management plan that complies with the requirements of 49 U.S.C. §22903(a) and the relevant section(s) of the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding (see, e.g., section 2.2 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)). The project management plan should document assumptions and decisions regarding communications, management processes, execution and overall project control.

Section 4. Financial Plans.

The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or construction of the Project, or commence any part of final design and/or construction for the Project or any component of the Project, without receiving FRA's prior written approval of a financial plan that complies with the requirements of section 2.2 of the High Speed Intercity Passenger Rail (HSIPR) Program Interim Guidance published in the Federal Register on June 23, 2009 (74 FR 29900) and that is consistent with the requirements described in Attachment 3, Task 5.

Section 5. Environmental Assessment.

Prior to initiating final design, or commencing construction for the Project or any component of the Project, the Grantee shall submit all necessary environmental documentation, in accordance with Attachment 2, section 21(d) of this Agreement, and receive FRA's written confirmation that relevant Project environmental reviews have been completed for the overall Project or for an individual component of the Project that the Grantee proposes to advance to final design or construction (see also the relevant section(s) of the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding (e.g., section 1.5 and Appendix 3.2.9 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)). The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or construction of the Project, or commence any part of final design and/or construction for the Project or any component of the Project, without receiving such written confirmation from FRA.

Section 6. Final Design and Engineering.

Prior to commencing final design activities for the Project or any individual component of the Project, the Grantee shall submit to FRA a complete set of Preliminary Engineering documents, prepared by or on behalf of the Grantee in accordance with the provisions of the relevant section(s) of the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding (see, e.g., Appendix 2.2 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)), and in accordance with the Statement(s) of Work incorporated into this Agreement. Except in unusual circumstances and where approved in advance by FRA, the submitted Preliminary Engineering documents shall include evidence of concurrence by infrastructure owners and operators of rail service whose operations would be affected by the Project improvements. The Grantee may not obligate or expend any funds (federal, state or private) for final design and/or final engineering of the Project, or commence any part of final design and/or final engineering for the Project or any component of the Project, without receiving FRA's prior written approval of the Preliminary Engineering documents.

Section 7. Construction.

Prior to commencing construction activities for the Project or any individual component of the Project, the Grantee shall submit to FRA a complete set of Final Design documents, completed by or on behalf of the Grantee in accordance with the provisions of the relevant section(s) of the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding (see, e.g., section 2.2 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)), and in accordance with the Statement(s) of Work incorporated into this Agreement. In unusual circumstances where the Preliminary Engineering documents approved by FRA did not contain evidence of concurrence by infrastructure owners and operators of rail service whose operations would be affected by Project improvement, then the submitted Final Design documents shall include evidence of concurrence by such infrastructure owners and operators. The Grantee may not obligate or expend any funds (federal, state or private) for construction of the Project, as defined in the Statement(s) of Work, or commence any part of construction for the Project or any component of the Project, without receiving FRA's prior written approval of the Final Design documents.

Section 8. Design/Build Program Plan.

Project components being implemented by the Grantee through a design/build implementation Process shall, with FRA's concurrence, comply with this section 8 in lieu of sections 6 and 7. Prior to commencing any design activities that follow preliminary engineering/design, and expressly including the preparation of final construction plans and detailed specifications for the performance of construction work for the Project or any individual component of the Project, the Grantee shall submit to FRA a comprehensive Design/Build Program Plan completed by or on behalf of the Grantee, and as described in the Statement of Work attached to this Agreement. The Design/Build Program Plan shall include, at a minimum, a description identifying: (1) the suitability of the Project as a design/build candidate, (2) the performance metrics to be used to assess successful Project completion, (3) the composition of the design/build Project team, (4) Project scope, (5) the decision factors to be used for the selection from among the design/build proposals, and (6) methods for contract administration. FRA may issue additional guidance in the future further describing the required contents of Design/Build Program Plans. Except in unusual circumstances and where approved in advance by FRA, the Grantee will be responsible for providing in the Design/Build Program Plan evidence of concurrence by infrastructure owners and operators of rail service whose operations would be affected by the Project improvements. The Grantee may not obligate or expend any funds (federal, state or private) for implementing the design/build implementation process for the Project (not including preparation of the Plan) or any component of the Project or commence any part of implementing the design/build implementation process (not including the preparation of the Plan) without receiving FRA's prior written approval of the Design/Build Program Plan.

Section 9. Property Acquisition.

The Grantee may not obligate or expend any funds (Federal, State, or private) to acquire any real property for the Project, including rights-of-way, unless property acquisition is specifically authorized in the Statement of Work incorporated as an attachment to this Agreement and unless the required National Environmental Policy Act (NEPA) documentation for the associated acquisition step is by then completed as determined in writing by FRA and any required California Environmental Quality Act (CEQA) documentation for the associated acquisition step is by then completed as determined by the Grantee.

Section 10. Detailed Statements of Work for Project Components.

The Grantee may not obligate or expend any funds (federal, state or private) for the final design and/or construction of the Project or commence any activity on or for the Project, that is not specifically authorized in a Statement of Work incorporated as an attachment to this Agreement and/or which has not secured all required FRA approvals. The parties recognize that this Agreement contemplates a phased Project implementation process, whereby individual Project components or phases will be implemented as they are developed by the Grantee and approved by FRA. These phases may be reflected in terms of stages of Project development (e.g., preliminary engineering, final design, or construction) or in terms of individual Project components (e.g., stations, interlocking, or third track construction) of the larger Project.

Section 11. Buy America.

Consistent with Attachment 1, Section 37, the Grantee shall comply with the Buy America provisions set forth in 49 U.S.C. 22905(a) for the Project requiring the use of steel, iron, and manufactured goods produced in the United States, in accordance with the conditions therein set forth.

Section 12. Labor Provisions.

49 U.S.C. 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided through this Agreement shall be considered a “rail carrier,” as defined by 49 U.S.C. 10102(5), for the purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including the Railroad Retirement Act of 1974 (45 U.S.C. 231 et seq.), the Railway Labor Act (43 U.S.C. 151 et seq.), and the Railroad Unemployment Insurance Act (45 U.S.C. 351 et seq.). The Grantee shall reflect these provisions in its agreements with the entities operating rail services over such rail infrastructure to the extent required by 49 U.S.C. 22905(b) and other laws referenced above.

Section 13. Labor Protective Arrangements.

For a project that uses rights-of-way owned by a railroad, the Grantee shall comply with the protective arrangements established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976 (4R Act), 45 U.S.C. 836, with respect to employees affected by actions taken in connection with the Project financed in whole or in part under this Agreement (See 49 U.S.C. 22905(c)). The Grantee agrees to include the applicable protective arrangements established by the Department of Labor under 45 U.S.C. 836 in its agreements with entities operating rail services over rail infrastructure constructed as part of the Project. The following definitions apply for purposes of applying those protective arrangements:

‘Protected employee’ means an employee of a railroad who had an employment relationship with such railroad on the date on which the Grantee first applied for financial assistance applicable to the Project involved and who is affected by actions taken pursuant to this Agreement; provided, however, that an employee who was benefitted solely as a result of the Project shall not be a protected employee under these provisions.

‘Railroad’ means a rail carrier or a common carrier by railroad or express as defined in 49 U.S.C. 10102, and includes the National Railroad Passenger Corporation and the Alaska Railroad as well as a person that conducts rail operations over rail infrastructure constructed or improved with funding provided in whole or in part in a grant made pursuant to this Agreement.

Section 14. Maintenance Responsibility and Refunds.

- a. Except as otherwise provided herein, the Grantee shall ensure the maintenance of Project property to the level of utility (including applicable FRA track safety standards) which exists when the Project improvements are placed in service (as set forth in the Statement(s) of Work incorporated into this Agreement) for a period of twenty (20) years from the date such Project property was placed in service, consistent with the satisfactory continuing control and maintenance responsibilities of 49 U.S.C. 22902(b)(1) and (c)(1) and as addressed in Section 2 above. In the event the Project property is not maintained as required by this section, for a period of time in excess of six (6) months, or such other period as may be mutually determined by the parties, and is not restored within a reasonable time to the level of utility which exists when the Project improvements are placed in service, the Grantee will refund to FRA a pro-rata share of the Federal contribution, based upon the percentage remaining of the twenty (20) year period that commenced when the Project property was placed in service.
- b. In the event that all intercity passenger rail service making use of the Project property is discontinued during the twenty (20) year period, the Grantee shall continue to ensure that maintenance of the Project property, as set forth above, for a period of one (1) year from the date of the discontinuance to allow for the possible reintroduction of intercity rail passenger service.

Section 15. Project Use for Intercity Passenger Rail Service and Refunds.

- a. The Grantee acknowledges that the purpose of the Project is to benefit intercity passenger rail service. In the event that all intercity passenger rail service making use of the Project improvements is discontinued (for any reason) at any time during a period of twenty (20) years from the date such Project improvements were placed in service, as set forth above, and if such intercity passenger rail service is not reintroduced during a one (1) year period following the date of such discontinuance, the Grantee shall refund to FRA, no later than eighteen (18) months following the date of such discontinuance, a pro-rata share of the Federal contribution, based upon the percentage of the twenty (20) year period remaining at the time of such discontinuance.
- b. To the extent necessary and appropriate, sections 14 and 15 shall be implemented in a manner so as to avoid any double counting of any refunds paid or required to be paid to the FRA.

Section 16. Davis-Bacon Act Provisions.

Payment of prevailing wages on the Project is required by 49 U.S.C. 22905(c)(2) for Project components that use or would use rights-of-way owned by a railroad. The Grantee shall comply with the provisions of 49 U.S.C. 22905(c) (2), and the relevant section(s) of the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding (see, e.g., Appendix 3.4.5 of the NOFA published in the Federal Register on June 23, 2009 (74 FR 29900)), with respect to the payment of prevailing wages consistent with the provisions of 49 U.S.C. 24312. For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

Section 17. Replacement of Existing Intercity Passenger Rail Service.

49 U.S.C. 22905(d) requires any entity providing intercity passenger railroad transportation on a project funded by this Agreement to comply with certain requirements with respect to its employees and the employees of preexisting intercity rail passenger services. The Grantee shall comply with the applicable provisions of 49 U.S.C. 22905(d) to the extent it is or becomes a provider of intercity passenger railroad transportation. If it is not the operator or provider of the intercity passenger rail services benefitting from the Project funded under this Agreement, then it shall notify its selected operator of the requirements imposed by section 22905(d).

Section 18. Additional Guidance.

As noted above, additional guidance for Grantees in complying with the requirements of this Appendix 1A (and with the Cooperative Agreement generally) is found in the HSIPR Program Interim Guidance/NOFA through which this Project was selected for funding. The Grantee should refer to this Guidance as necessary when carrying out the activities associated with implementing the Project.

- F. Attachment 2 is deleted in its entirety, and the following is substituted therefor:

ATTACHMENT 2

STATEMENT OF WORK

FINAL DESIGN AND CONSTRUCTION OF THE FIRST CONSTRUCTION SECTION (FCS)

BACKGROUND

California High-Speed Train System Program Background

CHSRA through the California High-Speed Train Program (CHSTP) is working to environmentally clear, design, and construct the high-speed train (HST) system. The new HST system will be fully grade-separated from road vehicle traffic in places where it will be operated on separate, dedicated tracks with a top operating speed of up to 220 mph. The 800-mile, statewide program will provide reliable, high-speed electrified train service between the Bay Area, the Central Valley, Sacramento, and Southern California. CHSRA has been working to plan and design this HST system since at least 1996, when the California Legislature passed the California High-Speed Rail Act.

Phase 1 of the CHSTP would involve construction of about 520 miles of the HST system between San Francisco and Anaheim. Phase 1, when complete, would be designed to provide 2-hour and 40-minute nonstop service—competitive with air travel—between San Francisco and Los Angeles, compared with over 6 hours of travel time by automobile.

While CHSRA remains committed to complete construction and operation of the full Phase 1, as described in its application for financial assistance, CHSRA has continued to refine its approach to advancing construction and delivering operations. CHSRA will focus its current funding on completing construction of the fully electrified, dedicated high-speed rail infrastructure between Merced and Bakersfield (referred to herein as the Early Operating Segment or “EOS”) and commence hourly, bidirectional, high-speed rail service, between the hours of 5am and 11pm over the EOS. The First Construction Section (FCS), described further below, is a component of the EOS, over which CHSRA intends to complete testing and commissioning activities necessary to certify HSR operations, prior to initiating high-speed passenger rail operations.

Federal

Federal Funding:

The American Recovery and Reinvestment Act (ARRA), enacted February 17, 2009, contained \$8 billion to fund high-speed and intercity passenger rail (HSIPR) projects authorized through the Passenger Rail Investment and Improvement Act of 2008. Following enactment of ARRA, FRA created the High-Speed Intercity Passenger Rail Program and issued notices of funding availability soliciting applications for high speed and intercity passenger rail projects.

On January 28, 2010, the U.S. Department of Transportation (USDOT) announced the selection of CHSRA to receive up to \$2.25 billion in ARRA funds for environmental

clearance and supporting preliminary engineering for Phase 1 and funding for certain CHSRA design-build Project Sections.²

In September 2010, FRA and CHSRA executed ARRA Cooperative Agreement FR-HSR-0009-10-01-00 (ARRA Grant) with an initial Federal award amount of \$194 million for environmental clearance and preliminary engineering (PE). The initial work funded CHSRA's preparation of environmental documentation necessary to support final environmental decisions in the form of Federal Records of Decision (RODs) and state Notices of Determination (if required) for each Phase 1 Project Section, and other work required prior to the start of construction including right-of-way (ROW) acquisition planning and development of the necessary procurement plans and documents for final design and construction for the FCS.

On October 28, 2010, USDOT announced the selection of CHSRA to receive an additional \$715 million in funding from the Transportation, Housing, and Urban Development and related Agencies Appropriations Act for 2010 (Div. A of Consolidated Appropriations Act, 2010 (Pub. L. 11-117, December 16, 2010)) (FY 10 Appropriations) to fund FCS construction activities in California's Central Valley. FRA and the CHSRA entered into this Cooperative Agreement FR-HSR-0118-12-01-00 (Agreement), obligating the funding from the FY10 appropriation.³

On December 9, 2010, USDOT announced the selection of CHSRA to receive an additional \$616,176,231 for PE/Environmental work and final design and construction of the initial Central Valley section.

In May 2011, USDOT announced selection of CHSRA to receive an additional \$86,380,000 in ARRA funding and \$213,620,000 in FY10 Appropriations funding for final design and construction of the FCS in California's Central Valley. The \$86,380,000 is included in the ARRA Grant Statement of Work (SOW) while the FY10 appropriations are covered in this Agreement.⁴

PROJECT OBJECTIVE

Under this Agreement,⁵ CHSRA will conduct Project management activities, real property acquisition, environmental mitigation, and final design and construction necessary to complete the FCS. The FCS will be the first section of California's high-speed rail system and will provide the infrastructure necessary over which CHSRA will provide electrified high-speed passenger rail operations. Consistent with Attachment 3, CHSRA commits to commencing high-speed passenger rail operations over the FCS, as a component of the EOS.

² FRA awarded \$400 million of the \$2.25 billion to Transbay Joint Powers Authority (TJPA) for specific HSR-related improvements to Transbay Terminal, reducing the total funding amount to \$1.85 billion for Phase 1 PE/Environmental work and final design/construction.

³ Because these funds have a different statutory authority and associated requirements, they have been awarded in a separate Cooperative Agreement.

⁴ \$2.25 billion minus \$400 million allocated for TJPA's Transbay Terminal = \$1.85 billion minus \$194 million allocated to Phase 1 PE/Environmental work = \$1.656 billion plus \$616.2 million in redistributed HSIPR funds for final design/construction minus \$37.5 million in redistributed HSIPR funds for PE/Environmental = \$2.23 billion of Federal funds plus and additional \$86.38 million in HSIPR funds for final design/construction = \$2.321 billion.

⁵ Under the ARRA Grant, CHSRA is also required to complete the final design and construction of the FCS. However, CHSRA may only expend funding from the ARRA Grant and this Agreement on specific Tasks and Subtasks, as shown in the Detailed Project Budget.

DESCRIPTION OF WORK

CHSRA will complete the following Tasks:⁶

Task 5: Program, Project, and FCS Construction Management⁷

CHSRA will provide the appropriate program, project, and FCS construction management activities, oversight, and reporting on Tasks in this Agreement. These activities will include but are not limited to coordination with appropriate local, regional, State, and Federal agencies, all railroad owners and operators within the FCS area whose infrastructure might be affected by the FCS, and outreach to local communities affected by the Project. CHSRA is responsible for ensuring sufficient public communication and outreach to citizens, communities and stakeholders during all aspects and phases of the Project.

Program Management activities may include program and project management and controls, engineering due diligence reviews, FCS commercial and procurement support, legal support, program wide planning, implementation planning, planning for system electrification and testing and commissioning as necessary to provide project definition for Task 1 of the ARRA Grant, FCS design/build support (as applicable), network integration and system assurance. Specific FCS construction management activities may include contract administration, submittal review, quality assurance oversight inspection for work in place and materials, management of claims and change orders, and review and approval of progress payment requests and final acceptance of the work.

CHSRA will provide FRA with the following Deliverables through the end of the Period of Performance of this Agreement:

- ***Deliverable: Project Status Report.*** The Project Status Report shall include a summary of all activities CHSRA has completed and funded under the ARRA Grant, and a summary of the remaining activities necessary to complete Tasks 1 through 10. The Project Status Report will also describe CHSRA's plans to advance the EOS in accordance with its Stage Gate approach to project delivery; a summary of activities CHSRA has completed to advance construction of the EOS; a summary of remaining activities necessary to support operations; activities to advance testing and commissioning and revenue operations of the FCS and EOS; and the remaining activities necessary to provide high-speed rail electrified passenger service.
- ***Deliverable: Work Breakdown Structure (WBS) and Budget Detail.*** CHSRA will prepare a detailed WBS and budget subtasks for FRA review and comment.
- ***Deliverable: Annual Work Plan (AWP).*** CHSRA will prepare for FRA's review and comment a detailed staffing plan and cost estimate for the Project. The AWP outlines the work necessary to establish and manage project control systems to maintain, manage, and monitor project schedule, budget, documentation, procurement, and tracking of deliverables so that implementation of the Project stays on schedule and within budget. CHSRA will detail project progress through performance metrics and appropriate measures to mitigate potential increases in Project schedule or costs so that FRA may evaluate CHSRA's ability to effectively manage the delivery of the FCS.

⁶ Tasks 1-4 are described and funded through the ARRA Grant.

⁷ This Agreement funds Task 5 activities but only after CHSRA has begun expending Agreement funds on Task 8, as reflected in the Detailed Project Budget.

- ***Deliverable: Program Management Plan (PMP) Updates.*** CHSRA will update the Phase 1 Program Management Plan (PMP) and produce a Project-specific PMP addressing the management requirements of this Project and submit it to FRA for review and approval. CHSRA will update the PMP annually.
- ***Deliverable: FCS Financial Plan.*** Prior to the release of the first Requests for Proposals (RFPs) for the design and/or construction contracts in the FCS, CHSRA will provide for FRA review and approval a Financial Plan for the FCS (FCS Financial Plan, aka Central Valley Project Financial Plan) that demonstrates CHSRA has secured firm commitments of all funding (other than that provided through this Agreement) required to complete construction of the FCS. The financial plan will provide (in year-of-expenditure dollars) finalized annual projections for the sources and uses of all funds, during the development and construction phases of the FCS and a detailed assessment of financial risks facing the FCS during both the construction (including risks such as capital cost overruns, revenue shortfalls, and maintenance cost overruns), along with proposed actions for mitigating or accommodating such risks (including assessment of additional funding sources available to compensate for potential capital financing shortfalls). The FCS Financial Plan will discuss and incorporate the Interim Use Reserve. CHSRA will provide FRA with updates to the FCS Financial Plan, on at least an annual basis, or where there are material changes to the previous FRA-approved plan.
- ***Deliverable: Phase I Program Financial Plan.*** CHSRA will develop the information and analysis to support a financial plan that covers the entire Phase 1 Program (including the FCS). This information may be used to inform the other deliverables under this Task 5 (e.g. FCS Financial Plan) and to inform CHSRA's Business Plan.
- ***Deliverable: Design/Build Program Plan.*** CHSRA will provide FRA with a Design/Build Program Plan that identifies: (1) the suitability of the Project as a design/build candidate, (2) the performance metrics to be used to assess successful Project completion, (3) the composition of the design/build Project team, (4) Project scope, (5) the decision factors to be used for the selection from among the design/build proposals, and (6) the methods for contract administration for review and approval.
- ***Deliverable: RFPs/Notice(s) to Proceed (NTP) for FCS Design and/or Construction Services.*** CHSRA will provide a copy of the proposed terms and conditions of the RFPs related to proposed contracts for FCS design and/or construction services to FRA for the opportunity to review and provide written approval prior to formally soliciting such proposals. FRA may request to review documents submitted during the procurement process and may also participate in the technical review of those documents including any Alternative Technical Concepts. CHSRA must receive FRA's written approval to issue NTP for any contract for design and/or construction service. The Parties will work closely to complete such reviews in sufficient time to avoid impacting the Project schedule.
- ***Deliverable: Final Inspection and Acceptance Reports.*** Upon completion of construction of each construction package comprising the FCS, CHSRA shall invite FRA to participate in final inspection and acceptance of the work and shall provide to FRA a copy of a final inspection and acceptance report.

- **Service Development Updates.** CHSRA will refine and update the Phase 1 Service Development Plan (SDP) to plan for an integrated passenger rail network as the HST System is built out and integrated into the statewide rail network (Network Integration), maximizing benefits to the user at each major milestone of the development of the system. CHSRA will coordinate service development planning efforts, ridership and revenue forecast updates, business planning and financial planning with other Statewide planning efforts to develop a Network Integration Strategic Service Plan (NISSP) and an initial operating segment SDP, in conjunction with other State and State-designated Stakeholder Agencies. These efforts will be planned and developed jointly by the CHSRA, the CalSTA and Caltrans in consultation with FRA and the stakeholder agencies.
 - ***Deliverable: Network Integration Strategic Service Plan.*** CHSRA will prepare, jointly with CalSTA, and Caltrans in consultation with FRA and the stakeholder agencies, a Network Integration Strategic Service Plan (NISSP). The scope for this effort will include defining the roles and responsibilities for stakeholder agencies with potentially shared responsibility for completion of technical studies. CHSRA will provide the NISSP to FRA.
 - ***Deliverable: Updated Service Development Plan.*** CHSRA will prepare an initial operating segment SDP that reflects Network Integration and is consistent with FRA SDP guidance. FRA may also request CHSRA include any other relevant segments, as deemed necessary by FRA. The Service Development Plan shall be developed and updated for the purpose of informing design and construction determinations and decision making and shall be limited in scope to such purpose and provide to FRA the relevant information based on mutual agreement with FRA that may include Operations (Service Goals, Operations Analysis, including railroad operation simulation and equipment, operations planning, and crew scheduling analysis); Fleet Management Plan (this includes a determination of the number of trainsets required for the HSIPR Corridor); Capital Needs (Phase 1 Investments and Cost Estimate); and Operating and Financial Results (Methods, Assumptions, and Outputs for Travel Demand Forecasts; Expected Revenue; and all Operating Expenses).
- ***Deliverable: Infrastructure Maintenance Plan.*** CHSRA will submit a maintenance-of-way (MOW) plan to FRA for review and comment. The MOW Plan will generally describe how the maintenance of the FCS track infrastructure, once completed, will be maintained addressing inspection and maintenance activities and frequency intervals (time or mileage as appropriate) typical for high-speed rail infrastructure.
- ***Deliverable: Rolling Stock Maintenance Plan for the FCS.*** CHSRA will develop and submit to FRA for review and comment a rolling stock inspection and maintenance plan that includes maintenance activities, and frequency intervals (time or mileage as appropriate) typical for high-speed rail rolling stock for purposes of determining rolling stock facility requirements as necessary to inform the environmental reviews in Task 1 of the ARRA Grant including types of facilities, activities at each of the facilities including major equipment, required frequency of inspection and maintenance, approximate location for each of the facility types, approximate size of each facility type, and rolling stock dwell time at each location. CHSRA will update the Rolling Stock Maintenance Plan if and as necessary to ensure the project description supporting Task 1 of the ARRA Grant is current for each EIS.

Subtask Structure for Task 5: Program, Project, and FCS Construction Management:

Task 5 is broken down into the subtasks that correlate to the most current WBS provided to FRA under Task 5. These subtasks are included as line items in the Approved Project Budget. CHSRA will organize each invoice submitted to FRA according to the appropriate subtask and will provide a brief narrative describing what activities in this Task 5 were completed.

Task 6: Real Property Acquisition and Environmental Mitigation⁸

CHSRA will timely obtain and manage the necessary property rights required to complete Task 8, Final Design and Construction Contract Work for FCS, in compliance with all relevant State and Federal relocation assistance requirements including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act). CHSRA will provide the staff and consultant resources to appraise and acquire required properties; coordinate other real property issues regarding utilities relocations and railroad and other public agency agreements; and provide relocation assistance and property management. CHSRA will also fully implement the Mitigation Monitoring and Enforcement Programs developed in Task 1 of the ARRA Grant related to the FCS.

CHSRA will obtain all real property interests necessary to construct the FCS consistent with the Uniform Act, its implementing regulations at 49 CFR part 24, and the applicable sections of the CHSRA ROW Procedures Manual.

CHSRA will fully implement the CHSRA-approved MMEP and any conditions of Federal and state environmental approvals and permits required for construction of the FCS. CHSRA understands that FRA may withhold payment if FRA determines that CHSRA (or its contractors) has failed to comply with the CHSRA-approved MMEP or the conditions of any Federal or state environmental permit.

Subtask Structure for Task 6: Real Property Acquisition:

Task 6 is broken down into the subtasks that correlate to the most recent WBS provided to FRA under Task 5. These subtasks are included as line items to the Approved Project Budget and funded by the ARRA Grant.

Task 7: Early Work Program

Activities in this Task 7 are redistributed among the other Tasks in this Agreement.

Task 8: Final Design and Construction Contract Work for FCS

CHSRA has organized the FCS final design and construction activities into six distinct subtasks. CHSRA has contracted with Caltrans to relocate State Route (SR-99).

Three design-build construction packages cover civil construction of the FCS. Two Track and Systems subtasks cover the installation of track suitable for high-speed rail operations, a signal system (including a Positive Train Control system necessary to comply with all applicable FRA regulations and related requirements), communications systems, and the infrastructure necessary to electrify the FCS.

⁸ This Agreement does not fund Task 6 activities.

Under this Agreement, CHSRA is required to complete all final design and construction activities in this Task 8. However, the ARRA Grant, including Federal and Non-Federal Contribution, and any additional Non-Federal funds, will be used to complete Construction Package 1 through 4, as shown in the Detailed Project Budget. CHSRA will use funds provided under this Agreement to complete Track and Systems for the FCS (Tasks 8.5 and 8.6).

For each Construction Package, CHSRA will provide FRA with design packages documentation listed below if such documentation is required by the underlying contract included in this Task 8, in digital format, for acceptance at the following stages of design:

- ***Deliverable:*** Type Selection Report;
- ***Deliverable:*** 60% Design;
- ***Deliverable:*** 90% Design;
- ***Deliverable:*** Ready for Construction Design; and
- ***Deliverable:*** Detailed construction schedule.

CHSRA will also submit the Central Valley Status Report monthly for FRA's review. FRA will use this report to track CHSRA's Project progress, CHSRA's ability to identify and implement the appropriate measures to mitigate potential increases in construction schedule or costs, and to evaluate CHSRA's ability to effectively manage the delivery of the FCS.

During final design and construction of the FCS, CHSRA will coordinate closely with FRA to ensure the work is progressing on time and on budget. As part of this coordination, CHSRA will provide FRA with routine Project updates and notify FRA where CHSRA or its contractor(s) is proposing a change from FRA's Task 1 environmental approvals or the FRA's Task 2 preliminary engineering acceptance of the ARRA Grant that requires an environmental reexamination, design variance, or exceeds budgeted contingencies. FRA will also have an opportunity to review and comment on any change orders proposed during the construction process that require consideration by the Authority's Executive Committee (i.e., CHSRA's committee that manages and approves changes to the Project).

CHSRA will complete the following final design and construction activities to deliver the FCS:

Task 8.1: Final Design and Construction: SR-99

Final design and construction for highway relocations (State Route-99) as well as interface reviews and civil infrastructure. This work will be completed by Caltrans working as a contractor to CHSRA.

Task 8.2: Final Design and Construction: Civil Infrastructure Construction Package 1

Final design and construction of civil and structural infrastructure from approximately Avenue 19 in Madera County to approximately East American Avenue in Fresno County.

Task 8.3: Final Design and Construction: Civil Infrastructure Construction Package 2-3

Final design and construction of civil and structural infrastructure between approximately East American Avenue in Fresno County to approximately one mile north of the Tulare-Kern County line.

Task 8.4: Final Design and Construction: Civil Infrastructure Construction Package 4

Final design and construction of civil and structural infrastructure from one mile north of the Tulare-Kern County Line southward to North of Bakersfield, currently near Poplar Ave.

Task 8.5: Final Design and Construction: Track and Systems - Track work

Final design and construction of track work for the civil and structural infrastructure constructed in Construction Packages 1 through 4.⁹

Task 8.6: Final Design and Construction: Track and Systems - Signaling and Electrification

CHSRA will complete signaling and communications systems and all other necessary components to achieve electrification of the FCS.

Subtask Structure for Task 8: Final Design and Construction Work

Task 8 is broken down into subtasks that correlate to the most recent WBS submitted to FRA under Task 5. These subtasks are included as line items in the Approved Project Budget. CHSRA will organize each invoice submitted to FRA according to the appropriate subtask and will provide a brief narrative describing what activities in this Task 8 were completed.

Task 9: Interim Use Project Reserve

CHSRA and FRA have established an Interim Use Project Reserve as described further in Task 3 of the ARRA Grant. The parties understand that CHSRA has committed to complete the EOS because it is the preferred operating segment for electrified high-speed passenger service. The purpose of the Interim Use Project Reserve is to provide reserve funds to implement electrified high-speed passenger service on the FCS, a portion of the EOS, at the earliest possible date while CHSRA completes construction of the full EOS.¹⁰

CHSRA will work with FRA, the California State Transportation Agency and local rail operators to identify the earliest possible electrified high-speed passenger service on the FCS while CHSRA completes the EOS. This early service option, including the timeframe for CHSRA's implementation of the option after December 31, 2028, will be described in the FCS Contingency Plan and shall provide for sustained operations to ensure the utility of the Federal investment. The FCS Contingency Plan is an existing deliverable in the ARRA Grant describing CHSRA's proposal(s) for interim use, which must be submitted to FRA for approval.¹¹ The FCS Contingency Plan must be approved by FRA before CHSRA is eligible for reimbursement for any costs under this Agreement. Further, CHSRA may not use the Interim Use Project Reserve funds without written approval by FRA. If CHSRA completes construction of, and commences electrified high-speed revenue passenger operations over, the EOS by June 30, 2029, the FCS Contingency Plan implementation requirement is waived.

- ***Deliverable:*** FCS Contingency Plan for FRA review and approval.

⁹ If CHSRA proposes to advance single-track operations, forty-five days prior to awarding the relevant Track work contract, CHSRA must submit to FRA a full evaluation of the cost, operation, and safety issues related to advancing the single-track option. At a minimum, any track option advanced by CHSRA must provide capacity for hourly, bidirectional service between Merced and Bakersfield between 5am and 11pm. In any event, CHSRA commits to installing double track infrastructure as soon as its operations require such infrastructure.

¹⁰ This interim plan does not relieve the Grantee from complying with the terms of this Agreement.

¹¹ As necessary, following FRA's approval, CHSRA may submit to FRA updates to the FCS Contingency Plan, including new options for early service on the FCS. Any such updates must be approved by FRA.

Subtask Structure for Task 9: Project Reserves

Task 9 is broken down into the subtasks that correlate to the most current WBS provided to FRA in Task 5. These subtasks are included as line items in the Approved Project Budget. CHSRA will organize each invoice submitted to FRA according to the appropriate subtask and will provide a brief narrative describing what activities in this Task 9 were completed.

Task 10: Unallocated Contingency

CHSRA will allocate a portion of the Project budget as unallocated contingency consistent with the CHSRA Contingency Management Plan submitted to FRA for review and comment. CHSRA will update the Contingency Management Plan quarterly.

PROJECT ADMINISTRATION

CHSRA will provide Project receipts and documents as required by FRA. CHSRA will obtain documentation of materials, payrolls and work performed, invoices and receipts, etc., during the Program from contractors and consultants as conditions of payment. These will be submitted or made available to FRA as required.

PROJECT DELIVERABLES

CHSRA will provide FRA with all deliverables described in this Agreement on or before the Delivery Date identified in Attachment 3. All Deliverables will include the appropriate information and be of sufficient quality, as determined by FRA. CHSRA shall promptly and completely address all FRA comments it receives on Deliverables. CHSRA will revise the Deliverable Table in Attachment 3 as necessary, and provide to FRA for approval.

PROJECT COORDINATION

CHSRA will perform all Tasks including necessary coordination with all involved Federal and State agencies, local governments, and all railroad owners and operators and stakeholders using processes already in place. CHSRA's coordination process is based on ongoing practice, executed Memoranda of Understanding and other Agreements, and public involvement processes developed for Task 1 of the ARRA Grant.

PROJECT MANAGEMENT

CHSRA's staff organization currently consists of personnel responsible for management and execution of executive, financial, engineering, construction, real estate, environmental, human resources, IT, financial, external affairs, legal, and administrative functions. Consultants provide support in various areas, as needed.

CHSRA will engage contractors through the competitive bidding process established by the State of California for all construction activities and in compliance with Federal regulations. CHSRA will provide oversight for all contracted services.

CHSRA will satisfy the requirements of this Agreement including providing all deliverables in a timely manner for FRA's review, acceptance, or approval. Failure to satisfy the deliverables

within the prescribed timeframes may result in FRA withholding grant payments or any other action consistent with the terms of the Cooperative Agreement and Federal law. FRA normally requires a minimum of 30 calendar days for review and approvals.

Nothing herein is intended to, or will be construed to or will operate to, preclude or to limit CHSRA from negotiating such changes in its contracts with its consultants as it finds are necessary and appropriate to secure the performance of the work described herein in an adequate and timely manner, provided, however, that CHSRA will provide FRA timely written notice of all such contractual changes relevant to the work to be performed under this Agreement.

Substantial Federal Involvement

Because FRA's awards of HSIPR funds to CHSRA were made as cooperative agreements, FRA has substantial involvement after award in CHSRA's completion of the Tasks listed in this Attachment 2, which means that technical, administrative or programmatic staff will assist, guide, coordinate, or otherwise participate in project activities.

In addition, CHSRA's Change Control Process (aka, Change Management Process), which documents the scope, schedule, cost, quality, risks and configuration impacts to the Approved FCS Project provides a formal and methodical process to review and analyze changes to ensure that the final delivered FCS meets associated requirements.

Executive Council

CHSRA and FRA agree that close coordination between the agencies is essential to CHSRA's delivery of the Project, including the development and submittal of the deliverables described in Attachment 3. As such, the parties agree to establish an Executive Council to identify, discuss, and resolve issues related to Project delivery and deliverables. The Executive Council will meet monthly, unless otherwise directed by FRA, and will be led by FRA's Director of Regional Outreach and Project Delivery and CHSRA's Chief Financial Officer.

PERFORMANCE OBJECTIVES AND DELIVERABLES

CHSRA will achieve the following performance objectives to be authorized for funding of Project components and for the Project to be considered complete.

Overall Postaward Requirements

1. Prior to commencing any activities described in Tasks 6-8, CHSRA will provide to FRA an updated Program Management Plan, including an updated cost estimate appropriate to the level of project development. This submittal must be approved by FRA in writing.
2. Prior to award of Design/Build contract work funded by this Agreement, CHSRA will complete PE and environmental documentation for the Project as defined in Tasks 1 and 2 of the ARRA Grant.
3. CHSRA will execute any required stakeholder agreements with infrastructure owners and operators (principally BNSF and Union Pacific Railroad) and other stakeholders as appropriate and submit copies to FRA for review.

G. Attachment 3 is deleted in its entirety and the following is substituted therefor:

ATTACHMENT 3
DELIVERABLES AND APPROVED PROJECT SCHEDULE

California High-Speed Rail Authority
Final Design and Construction of the FCS

DELIVERABLES AND APPROVED PROJECT SCHEDULE

PROJECT SCHEDULE

CHSRA will complete all Tasks in this Agreement according to the schedule in Table 1 and the Detailed Project Schedule included as Exhibit A. CHSRA will provide FRA with quarterly updates to the Detailed Project Schedule for review and comment.

Table 1: Schedule

	Start*	Finish
Task 5: Program, Project, FCS CN Management	7-1-2012	12-31-2029
Task 6: Real Property Acquisition	7-1-2011	12-31-2026
Task 7: Early Works (N/A)		
Task 8: Final Design and Construction Contract Work	4-1-2012	12-31-2029
Task 9: Project Reserve	(Throughout)	12-31-2029
Task 10: Unallocated Contingency	(Throughout)	12-31-2029

*These start dates are the same as in the ARRA Grant for consistency.

As shown in Table 1, CHSRA will complete the Project by December 31, 2029, the end of the Agreement's Period of Performance.

Following the completion of construction activities on the FCS, CHSRA will complete any required testing and commissioning activities necessary for electrified high-speed passenger operations by December 31, 2030. Following testing and commissioning of the FCS, CHSRA will implement the early high-speed passenger service option in a manner and timeline consistent with the FRA-approved FCS Contingency Plan should that plan be necessary (i.e., the Early Operating Segment (EOS) is significantly delayed). CHSRA also commits to complete the construction of the fully electrified, dedicated high-speed infrastructure for the EOS and initiate electrified high-speed passenger service on the EOS by December 31, 2033.

CHSRA has entered into contracts for advance design, ROW mapping and third-party work for the EOS in FY 21/22 to expeditiously advance the Merced and Bakersfield extensions toward construction beginning in 2024.¹²

¹² These procurement activities will be reported in the Project Delivery Status Report described further in Attachment 2.

Unless otherwise approved, requests for extensions of the Project Performance Period must be submitted not later than 90 days before the end of the Project Performance Period, consistent with Section 4(b) of Attachment 1.

The deliverables required under this Agreement are listed in Table 2 below. The Grantee must complete these deliverables to FRA's satisfaction to be authorized for funding reimbursement and for the Project to be considered complete.

Table 2: Deliverables¹³

DELIVERABLE	DELIVERY DATE (calendar year)
Task 5: Program, Project, and FCS Construction Management	
Work Breakdown Structure	2 nd Qtr 2016; Update 2 nd Qtr 2021
Annual Work Plan (AWP)	3 rd Qtr (Annually)
Project Status Update Report	1 st Qtr 2023
Program Management Plan (PMP) Updates	3 rd Qtr (Annually)
Central Valley Project Financial Plan	3 rd Qtr (Annually)
Phase I Program Financial Plan	2 nd Qtr 2016
Design/Build Program Plan	4 th Qtr 2015
RFPs/ Notice(s) to Proceed (NTP) for Design and/or Construction Services	
CP 1	RFP: 1 st Qtr 2012 NTP: 4 th Qtr 2013
CP 2-3	RFP: 2 nd Qtr 2014 NTP: 3 rd Qtr 2015
CP 4	RFP: 2 nd Qtr 2015 NTP: 2 nd Qtr 2016
Track and Systems	RFP: 4 th Qtr 2023 NTP: 2 nd Qtr 2024
Final Inspection and Acceptance Reports	
CP 1	4 th Qtr 2026
CP 2-3	4 th Qtr 2026
CP 4	4 th Qtr 2024
Track and Systems	4 th Qtr 2028
Network Integration Strategic Service Plan	3 rd Qtr 2016; Update 4 th Qtr 2024
Updated Service Development Plan	4 th Qtr 2018; Last Update 4 th Qtr 2024
Infrastructure Maintenance Plan	2 nd Qtr 2011; Update 4 th Qtr 2018; Update 2 nd Qtr 2022 Update 4 th Qtr 2024
Rolling Stock Maintenance Plan	2 nd Qtr 2011; Update 4 th Qtr 2018; Update 2 nd Qtr 2022 Update 4 th Qtr 2024
Task 6: Real Property Acquisition and Environmental Mitigation	
N/A	N/A
Task 7: Early Work Program	
N/A	N/A

¹³ Where this Table shows a Delivery Date before April 20, 2016, it means that CHSRA has submitted the required deliverable to FRA and FRA has taken the appropriate action. After April 20, 2016, the Delivery Date represents the date the Deliverable is or was due to be submitted to FRA.

DELIVERABLE	DELIVERY DATE (calendar year)
Task 8: Final Design and Construction Contract Work	
Construction Package 1 (updates include Madera Extension)	
Detailed baseline construction schedule (and updates) for each of the construction packages	Quarterly
Type Selection Reports	4 th Qtr 2016
60% Design	3 rd Qtr 2018
90% Design	4 th Qtr 2018
Ready for Construction Design	3 rd Qtr 2021
Construction Package 2–3	
Detailed baseline construction schedule (and updates) for each of the construction packages	Quarterly
Type Selection Reports	2 nd Qtr 2017
60% Design	1 st Qtr 2019
90% Design	2 nd Qtr 2019
Ready for Construction Design	3 rd Qtr 2021
Construction Package 4	
Detailed baseline construction schedule (and updates) for each of the construction packages	Quarterly
Type Selection Reports	4 th Qtr 2017
60% Design	3 rd Qtr 2018
90% Design	4 th Qtr 2018
Ready for Construction Design	1 st Qtr 2019
Track and Systems	
Detailed baseline construction schedule (and updates) for each of the construction packages	Quarterly
Track/Systems Selection Report	4 th Qtr 2025
60% Design	2 nd Qtr 2026
90% Design	3 rd Qtr 2026
Ready for Construction Design	4 th Qtr 2026
Task 9: Project Reserves¹⁴	
FCS Contingency Plan	2 nd Quarter (Annually)
Task 10: Unallocated Contingency	
Contingency Management Plan	Quarterly

¹⁴ The parties intend for the FCS Contingency Plan required in Task 9 of this Agreement to be the same deliverable required under Task 2 of the ARRA Agreement. CHSRA shall not use funds under this Agreement to complete this Deliverable.

H. Attachment 4 is deleted in its entirety, and the following is substituted therefor:

ATTACHMENT 4
APPROVED PROJECT BUDGET
California High-Speed Rail Authority
Final Design and Construction of the FCS

APPROVED PROJECT BUDGET

The total amount of Federal Contribution and Grantee Non-Federal contribution provided under this Agreement is \$1,288,425,000, \$1,021,400,000 from the December 2010 award and \$267,025,000 from the May 2011 award. Of the total amount FRA will contribute no more than \$928,620,000 and CHSRA will contribute not less than \$359,805,000. Of the December 2010 award, FRA shall contribute up to 70% but no more than \$715,000,000 and CHSRA will contribute not less than 30% or \$306,400,000. Of the May 2011 award FRA shall contribute up to 80% but no more than \$213,620,000 and CHSRA will contribute not less than 20% or \$53,405,000. Funding contributions by source are shown in Table 1.

Table 1: FY10 Federal and Non-Federal Contributions		
Funding Source	Project Contribution Amount	Percentage of Total Agreement Cost
Federal Contribution (Amount of FRA Grant)	\$928,620,000	
<i>December 2010 award</i>	<i>\$715,000,000</i>	70.00%
<i>May 2011 award</i>	<i>\$213,620,000</i>	80.00%
Non-Federal Contribution	\$359,805,000	
<i>December 2010 award</i>	<i>\$306,400,000</i>	30.00%
<i>May 2011 award</i>	<i>\$53,405,000</i>	20.00%
Total Project Cost	\$1,288,425,000	100%

The Grantee will document expenditures by task or subtask where appropriate, according to the most recent WBS submitted to FRA, and by Federal and Non-Federal Contributions, when seeking reimbursement from FRA. The activities eligible to receive reimbursement under this Agreement are shown in Table 2.

Table 2: FY10 BUDGET BY TASK				
	Task	Federal Contribution	Non-Federal Contribution	Total Task Budget
Program, Project, and FCS Construction Management	Task 5	\$48,991,180	\$20,564,640	\$69,555,820
Real Property Acquisition	Task 6	\$0	\$0	\$0
Early Works Program	Task 7	\$0	\$0	\$0
Final Design and Construction Contract Work for the FCS	Task 8	\$703,359,197	\$295,172,954	\$998,532,151
SR99 Relocation	Task 8.1	\$0	\$0	\$0
CP1	Task 8.2	\$0	\$0	\$0
CP2-3	Task 8.3	\$0	\$0	\$0
CP4	Task 8.4	\$0	\$0	\$0
Track and Systems - Track work	Task 8.5	\$357,528,094	\$150,135,589	\$507,663,683
Track and Systems - Signals and Electrification	Task 8.6	\$345,831,103	\$145,037,365	\$490,868,468
Interim Use Project Reserves	Task 9	\$123,432,289	\$30,858,072	\$154,290,361
Unallocated Contingency	Task 10	\$52,837,334	\$13,209,334	\$66,046,668
Subtotal		\$928,620,000	\$359,805,000	\$1,288,425,000

The total estimate costs to complete the Project, which is funded through this Agreement and the ARRA Grant, is \$16,720,224,135 as shown in Table 3.

The Detailed Project Budget in Exhibit B shows the activities eligible for funding under each Agreement, the required Non-Federal contribution, the estimated costs to complete all required Tasks, and any additional amounts necessary to complete the Project. Grantee will secure, and expend, any additional state funding necessary to complete the Project. Quarterly, CHSRA will provide FRA with an updated Detailed Project Budget for FRA review.

Table 3: PROJECT BUDGET BY TASK					
	Task	Combined ARRA and FY10 Federal Contribution	Combined ARRA and FY10 Non-Federal Contribution	Additional State Funding	Total Task Budget
Program, Project, and FCS Construction Management	Task 5	\$353,517,744	\$206,362,126	\$1,397,605,203	\$1,957,485,073
Real Property Acquisition	Task 6	\$595,942,690	\$359,952,894	\$996,048,138	\$1,951,943,722
Early Works Program	Task 7	\$0	\$0	\$0	\$0
Final Design and Construction Contract Work for the FCS	Task 8	\$1,828,689,111	\$2,027,476,644	\$8,336,253,610	\$12,192,419,365
SR99 Relocation	Task 8.1	\$155,404,314	\$119,280,834	\$8,904,710	\$283,589,858
CP1	Task 8.2	\$566,077,189	\$672,995,400	\$3,075,656,567	\$4,314,729,156
CP2-3	Task 8.3	\$343,972,366	\$658,571,650	\$2,888,622,595	\$3,891,166,611
CP4	Task 8.4	\$59,876,045	\$281,455,806	\$536,863,853	\$878,195,704
Track and Systems - Track work	Task 8.5	\$357,528,094	\$150,135,589	\$955,394,247	\$1,463,057,930
Track and Systems - Signals and Electrification	Task 8.6	\$345,831,103	\$145,037,365	\$870,811,638	\$1,361,680,106
Interim Use Project Reserves	Task 9	\$177,288,681	\$30,858,072	\$0	\$208,146,753
Unallocated Contingency	Task 10	\$52,837,334	\$13,209,334	\$344,182,554	\$410,229,222
Total		\$3,008,275,560	\$2,637,859,070	\$11,074,089,505	\$16,720,224,135¹⁵

CHSRA will spend the Federal funds obligated through the ARRA Grant and the required state contributory match to those funds before spending any funds obligated through this Agreement. The Federal Contribution obligated through this Agreement, and corresponding non-Federal Contribution, will be expended at the end of FCS construction. This funding sequence, and when CHSRA must expend any additional non-Federal funding necessary to complete the Project will be governed by, and reflected in, the FRA-approved Funding Contribution Plan (FCP), which is included herein as Exhibit C. CHSRA will submit an updated FCP quarterly for FRA approval.

¹⁵ This figure reflects the single-track option over the FCS. Should CHSRA advance the double-track option over the FCS and as part of this Agreement, it will revise the budget and submit a Grant Adjustment Request Form requesting the change to FRA for approval.

I. Attachment 5 is deleted in its entirety, and the following is substituted therefor:

ATTACHMENT 5

PERFORMANCE MEASUREMENT TABLE

California High-Speed Rail Authority (CHSRA)

Final Design and Construction of the First Construction Section

Study Area: The study area for this project is located at First Construction Section, 119-miles, from Madera to Poplar Ave., in the Central Valley of California.

Pre-Project (Baseline) Measurement Date: 5/1/2024

Pre-Project (Baseline) Measurement Report Date: 12/31/2024

Project Outcomes Measurement Date: 12/31/2037

Interim Project Performance Measurement Reports: Following the Project's first full year of operation under normal conditions, the Grantee will submit these reports to the Government for each of the performance measures specified in the Performance Measurement Table 1 below, including a discussion of the influence of external factors on Project expectations if necessary. The Grantee will submit reports at each of the intervals identified for the duration of the time period specified in the Performance Measurement Table 1 below. The Grantee will represent that the data in each of the interim Project Performance Reports is current as of the final date of the reporting interval. The Grantee need not include any analysis in addition to the described data; however, the Grantee is welcome to provide information explaining the reported data.

Project Outcomes Report: This report will consist of a narrative discussion detailing Project successes and/or the influence of external factors on Project expectations. It will include an *ex post* examination of Project effectiveness in relation to the Pre-Project Report baselines. The Grantee will represent that the data in the Project Outcomes Report is current as of 12/31/2037. The report will be due 3/31/2038. The Grantee need not include any analysis in addition to the described data; however, the Grantee is welcome to provide information explaining the reported data.

Table 1: Performance Measurement Table

Measure	Description of Measure	Measurement Frequency and Dates*	Reporting Dates*
Measure 1: Travel Time	Point-to-point travel times between pre-determined station stops within the project area. This measure demonstrates how track improvements and other upgrades improve operations on a rail line. It also helps make sure the railroad is maintaining the line after project.	<p>Pre-Project (Baseline) Measurement Date: 12/31/2024</p> <p>Interim Project Performance Measurement Dates: Annually for 3 years after the Project opens for its first full year of operation under normal conditions. Dates of Measurement: Open to operation 12/31/2033 First Date of Measurement: 12/31/2034 Second Date of Measurement: 12/31/2035 Third Date of Measurement: 12/31/2036</p> <p>Project Outcomes Measurement Date: 12/31/2037</p>	<p>Pre-Project (Baseline) Measurement: Report due: 12/31/2024</p> <p>Interim Project Performance Measurement Reports due: Annually for 3 years, starting 1 year after Project opens for its first full year of operation. This data will be reported annually by: 3/31/2035 3/31/2036 3/31/2037</p> <p>Project Outcomes Report due: 3/31/2038</p>

Measure	Description of Measure	Measurement Frequency and Dates*	Reporting Dates*
Measure 2: Passenger Counts	Count of the annual passenger boardings and alightings at stations within the project area.	<p>Pre-Project (Baseline) Measurement Date: 12/31/2024</p> <p>Interim Project Performance Measurement Dates: Annually for 3 years after the Project opens for its first full year of operation under normal conditions. Dates of Measurement: Open to operation 12/31/2033 First Date of Measurement: 12/31/2034 Second Date of Measurement: 12/31/2035 Third Date of Measurement: 12/31/2036</p> <p>Project Outcomes Measurement Date: 12/31/2037</p>	<p>Pre-Project (Baseline) Measurement: Report due: 12/31/2024</p> <p>Interim Project Performance Measurement Reports due: Annually for 3 years, starting 1 year after Project opens for its first full year of operation. This data will be reported annually by: 3/31/2035 3/31/2036 3/31/2037</p> <p>Project Outcomes Report due: 3/31/2038</p>

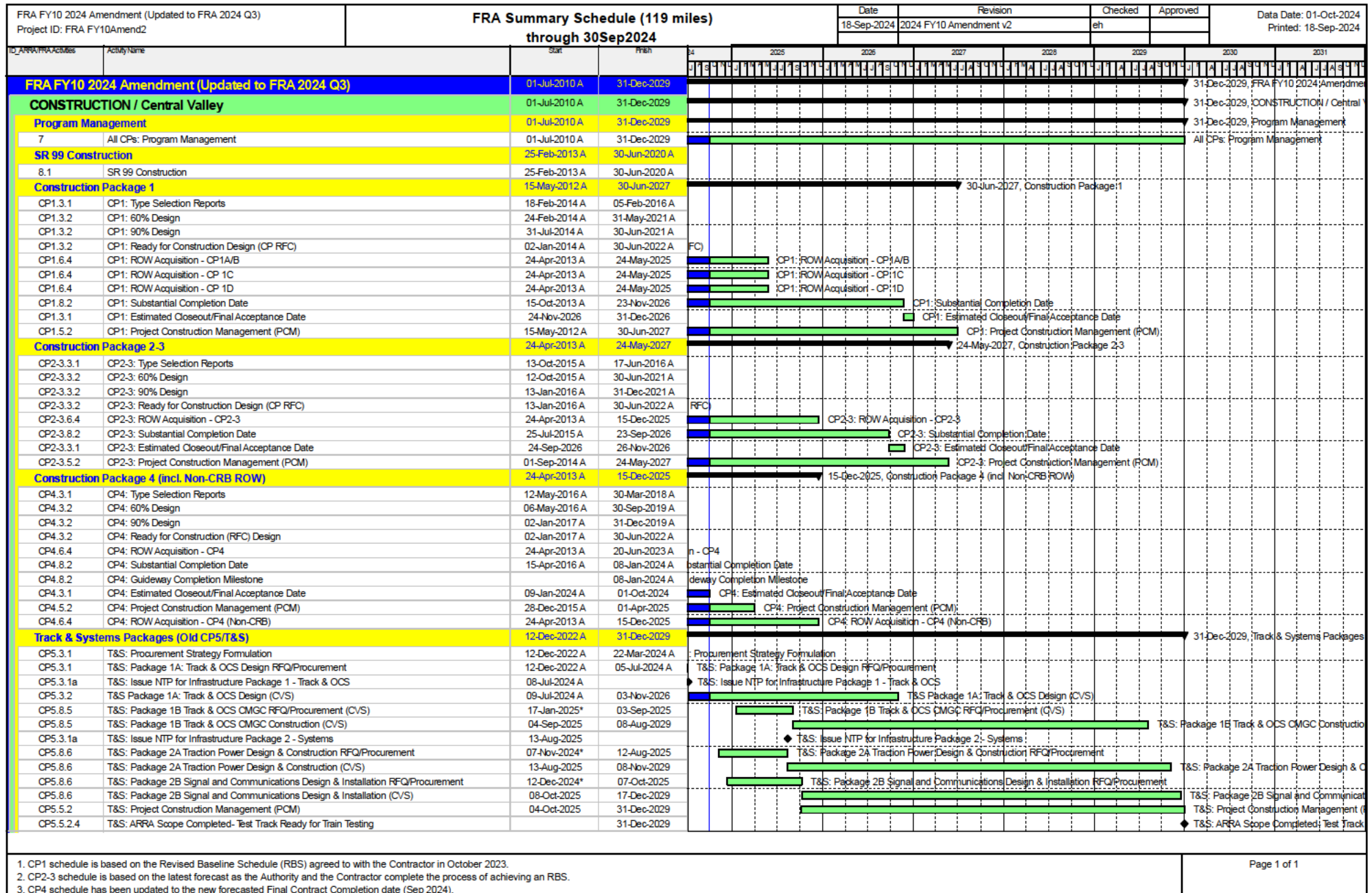
*Performance measurement and performance measure reporting dates may be adjusted to reflect the actual date that passenger service commences.

J. Exhibits A, B, and C are deleted in their entirety, and the following substituted therefor:



Exhibits

EXHIBIT A - DETAILED PROJECT SCHEDULE





California High-Speed Rail Authority

Quarterly Budget (QB) June 30, 2024

Table of Contents

Table of Contents	1
General Assumptions	2
Detailed Project Budget	3



General Assumptions

The following Quarterly Budget is submitted for the quarter that ended June 30th, 2024.

Report Updates

- This report reflects no budget or forecast changes.
- The Construction Package (CP) 4 final completion of the construction contract is now expected in August 2024 (formerly May 2024). Subsequently, the Project and Construction Management (PCM) contract will be extended to February 2025, permitting the PCM an additional 6 months to closeout remaining work following the completion of the design-build contract.

Historical Assumptions

- There are no changes to historical spend or state match.
- This report retains the March-2024 FY10 expenditure start date of August 2027. The overall multi-funded Baseline budgets by task remain unchanged.
- As of April 2023, this QB reflects the increased budget to align with the 2023 Project Update Report forecasts. The Authority Board updated the multiyear Program Baseline Budget at the January 2024 meeting to include new federal grants awarded in 2023 and other adjustments in the 2023 Project Update Report. The project end date of December 2028 remains unchanged, as agreed in ARRA Cooperative Amendment 7.

Project Funding

- This report reflects a funding sequence that is consistent with the FRA's position to expend "additional state" funding prior to accessing FY10 funds.
- FY10 Grant Funding and state match is planned to be spent starting August 2027 as the last funding source for Tasks 5, 8, 9, and 10.
- Total Federal ARRA expended to date reflect \$7.4M in ARRA refunds, and the State match has been adjusted by \$7.4M to reflect this.



EXHIBIT B - DETAILED PROJECT BUDGET

Detailed Project Budget

QUARTERLY BUDGET UPDATE - DETAILED PROJECT BUDGET									
		ARRA Grant Budget		Additional State	FY10 Grant Budget		TOTAL Budget This Update	March 31, 2023 Budget	Variance
		Federal	State Match		Federal	State Match			
Task 1	Environmental Review	\$ 237,431,974	\$ 119,169,521	\$ 485,652,004	\$ -	\$ -	\$ 842,253,499	\$ 842,463,613	-0.02%
	San Francisco - San Jose	\$ 17,892,698	\$ 21,424,868	\$ 30,098,942	\$ -	\$ -	\$ 69,416,509	\$ 69,446,459	-0.04%
	San Jose - Merced	\$ 39,018,417	\$ 19,172,748	\$ 75,473,493	\$ -	\$ -	\$ 133,664,657	\$ 133,879,918	-0.16%
	Merced - Fresno - Bakersfield	\$ 69,163,219	\$ 40,367,414	\$ 109,152,604	\$ -	\$ -	\$ 218,683,238	\$ 218,683,238	0.00%
	Bakersfield - Palmdale	\$ 30,438,573	\$ 14,362,763	\$ 36,039,068	\$ -	\$ -	\$ 80,840,404	\$ 81,054,400	-0.26%
	Palmdale - Los Angeles	\$ 51,164,702	\$ 14,191,251	\$ 84,435,061	\$ -	\$ -	\$ 149,791,014	\$ 149,367,650	0.28%
	Los Angeles - Anaheim	\$ 29,754,364	\$ 9,650,476	\$ 104,663,446	\$ -	\$ -	\$ 144,068,287	\$ 143,918,287	0.10%
	Program Wide	\$ -	\$ -	\$ 45,789,390	\$ -	\$ -	\$ 45,789,390	\$ 46,113,662	0.00%
Task 2	Preliminary Engineering (PE)	\$ 185,827,824	\$ 85,258,117	\$ 86,653,799	\$ -	\$ -	\$ 357,739,740	\$ 357,530,081	0.06%
	San Francisco - San Jose	\$ 12,893,486	\$ 10,745,904	\$ 1,284,864	\$ -	\$ -	\$ 24,924,254	\$ 24,924,254	0.00%
	San Jose - Merced	\$ 27,193,290	\$ 15,451,299	\$ 12,176,993	\$ -	\$ -	\$ 54,821,582	\$ 54,821,582	0.00%
	Merced - Fresno - Bakersfield	\$ 57,577,427	\$ 14,786,614	\$ 28,964,425	\$ -	\$ -	\$ 101,328,465	\$ 101,328,465	0.00%
	Bakersfield - Palmdale	\$ 21,708,615	\$ 12,493,923	\$ 4,512,002	\$ -	\$ -	\$ 38,714,540	\$ 38,714,540	0.00%
	Palmdale - Los Angeles	\$ 54,258,388	\$ 24,483,993	\$ 20,585,531	\$ -	\$ -	\$ 99,327,912	\$ 99,118,254	0.21%
	Los Angeles - Anaheim	\$ 12,196,618	\$ 7,296,383	\$ 11,700,989	\$ -	\$ -	\$ 31,193,990	\$ 31,193,990	0.00%
	Program Wide	\$ -	\$ -	\$ 7,428,995	\$ -	\$ -	\$ 7,428,995	\$ 7,428,995	0.00%
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 41,573,384	\$ 15,845,969	\$ 70,473,995	\$ -	\$ -	\$ 127,893,348	\$ 127,892,892	0.00%
	San Francisco - San Jose	\$ 7,521,309	\$ 2,878,714	\$ 1,223,256	\$ -	\$ -	\$ 11,623,279	\$ 11,623,279	0.00%
	San Jose - Merced	\$ 5,612,995	\$ 3,731,706	\$ 6,942,463	\$ -	\$ -	\$ 16,287,164	\$ 16,287,164	0.00%
	Merced - Fresno - Bakersfield	\$ 12,473,762	\$ 3,549,715	\$ 17,238,292	\$ -	\$ -	\$ 33,261,770	\$ 33,261,770	0.00%
	Bakersfield - Palmdale	\$ 3,933,211	\$ 1,869,544	\$ 989,179	\$ -	\$ -	\$ 6,791,933	\$ 6,791,933	0.00%
	Palmdale - Los Angeles	\$ 8,536,618	\$ 2,533,150	\$ 4,172,217	\$ -	\$ -	\$ 15,241,985	\$ 15,241,529	0.00%
	Los Angeles - Anaheim	\$ 3,495,489	\$ 1,283,140	\$ 16,176,817	\$ -	\$ -	\$ 20,955,447	\$ 20,955,447	0.00%
	Program Wide	\$ -	\$ -	\$ 23,731,770	\$ -	\$ -	\$ 23,731,770	\$ 23,731,770	0.00%
Task 4	Project Administration and SWCAP	\$ 677,872	\$ -	\$ -	\$ -	\$ -	\$ 677,872	\$ 677,872	0.00%



EXHIBIT B - DETAILED PROJECT BUDGET

Detailed Project Budget

Task 5	Program, Project and FCS Construction Management	\$ 304,526,564	\$ 185,797,486	\$ 1,397,605,204	\$ 48,991,180	\$ 20,564,640	\$ 1,957,485,075	\$ 1,957,485,075	0.00%
Task 5.1	Program Management (RDP)	\$ 237,770,514	\$ 48,131,286	\$ 453,038,801	\$ -	\$ -	\$ 738,940,601	\$ 738,940,601	0.00%
Task 5.2	Project Construction Management (PCM)	\$ 65,493,424	\$ 134,978,646	\$ 887,059,814	\$ 48,991,180	\$ 20,564,640	\$ 1,157,087,704	\$ 1,157,087,704	0.00%
Task 5.2.1	Project Construction Management 1	\$ 29,141,246	\$ 44,682,457	\$ 266,149,567	\$ -	\$ -	\$ 339,973,270	\$ 339,973,270	0.00%
Task 5.2.2	Project Construction Management 2-3	\$ 26,909,977	\$ 54,749,376	\$ 251,566,769	\$ -	\$ -	\$ 333,226,123	\$ 333,226,123	0.00%
Task 5.2.3	Project Construction Management 4	\$ 9,442,200	\$ 35,546,813	\$ 95,749,484	\$ -	\$ -	\$ 140,738,497	\$ 140,738,497	0.00%
Task 5.2.4	Project Construction Management 5	\$ -	\$ -	\$ 273,593,993	\$ 48,991,180	\$ 20,564,640	\$ 343,149,813	\$ 343,149,813	0.00%
Task 5.3	Legal Services - Construction	\$ 1,262,627	\$ 2,687,554	\$ 57,506,589	\$ -	\$ -	\$ 61,456,770	\$ 61,456,770	0.00%
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 595,942,689	\$ 359,952,893	\$ 996,048,138	\$ -	\$ -	\$ 1,951,943,720	\$ 1,958,935,939	-0.36%
Task 6.1	Real Property - Preliminary ROW	\$ 14,035,927	\$ 4,689,426	\$ 462,346	\$ -	\$ -	\$ 19,187,698	\$ 19,187,698	0.00%
Task 6.2	Real Property - ROW Services & Relocation	\$ 136,195,551	\$ 130,014,312	\$ 237,034,437	\$ -	\$ -	\$ 503,244,300	\$ 510,236,519	-1.37%
Task 6.2.1	CP1 ROW Services & Relocation	\$ 86,851,810	\$ 106,156,622	\$ 79,005,455	\$ -	\$ -	\$ 272,013,887	\$ 272,013,887	0.00%
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 36,946,414	\$ 20,174,535	\$ 124,465,602	\$ -	\$ -	\$ 181,586,551	\$ 188,578,770	-3.71%
Task 6.2.3	CP4 ROW Services & Relocation	\$ 12,397,327	\$ 3,683,156	\$ 33,563,380	\$ -	\$ -	\$ 49,643,862	\$ 49,643,862	0.00%
Task 6.3	Real Property - Environmental Mitigation	\$ 37,056,579	\$ 4,214,174	\$ 105,743,289	\$ -	\$ -	\$ 147,014,042	\$ 147,014,042	0.00%
Task 6.4	Real Property - ROW Acquisition	\$ 408,654,633	\$ 221,034,981	\$ 652,808,067	\$ -	\$ -	\$ 1,282,497,680	\$ 1,282,497,680	0.00%
Task 6.4.1	CP1 ROW Acquisition	\$ 292,025,350	\$ 24,309,197	\$ 366,679,250	\$ -	\$ -	\$ 683,013,798	\$ 683,013,798	0.00%
Task 6.4.2	CP2-3 ROW Acquisition	\$ 104,576,553	\$ 128,975,096	\$ 181,855,845	\$ -	\$ -	\$ 415,407,494	\$ 415,407,494	0.00%
Task 6.4.3	CP4 ROW Acquisition	\$ 12,052,730	\$ 67,750,688	\$ 104,272,971	\$ -	\$ -	\$ 184,076,389	\$ 184,076,389	0.00%
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
Task 8	Final Design and Construction Contract Work for the FCS	\$ 1,125,329,914	\$ 1,732,303,691	\$ 8,336,253,610	\$ 703,359,197	\$ 295,172,954	\$ 12,192,419,364	\$ 12,185,427,145	0.06%
Task 8.1	SR-99	\$ 155,404,314	\$ 119,280,834	\$ 8,904,710	\$ -	\$ -	\$ 283,589,858	\$ 283,589,858	0.00%
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 566,077,189	\$ 672,995,400	\$ 3,075,656,567	\$ -	\$ -	\$ 4,314,729,156	\$ 4,314,729,156	0.00%
	CP1	\$ 566,077,189	\$ 672,995,400	\$ 2,643,932,914	\$ -	\$ -	\$ 3,883,005,504	\$ 3,849,265,162	0.88%
	CP1 Contingency	\$ -	\$ -	\$ 431,723,652	\$ -	\$ -	\$ 431,723,652	\$ 465,463,994	-7.25%
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 343,972,366	\$ 658,571,650	\$ 2,888,622,595	\$ -	\$ -	\$ 3,891,166,611	\$ 3,884,174,391	0.18%
	CP2-3	\$ 343,972,366	\$ 658,571,650	\$ 2,597,812,004	\$ -	\$ -	\$ 3,600,356,020	\$ 3,420,306,635	5.26%
	CP2-3 Contingency	\$ -	\$ -	\$ 290,810,591	\$ -	\$ -	\$ 290,810,591	\$ 463,867,756	-37.31%
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 59,876,045	\$ 281,455,806	\$ 536,863,853	\$ -	\$ -	\$ 878,195,704	\$ 878,195,704	0.00%
	CP4	\$ 59,876,045	\$ 281,455,806	\$ 532,986,176	\$ -	\$ -	\$ 874,318,027	\$ 874,318,027	0.00%
	CP4 Contingency	\$ -	\$ -	\$ 3,877,678	\$ -	\$ -	\$ 3,877,678	\$ 3,877,678	0.00%
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ -	\$ -	\$ 955,394,247	\$ 357,528,094	\$ 150,135,589	\$ 1,463,057,930	\$ 1,463,057,930	0.00%
Task 8.5.1	CP5 - Trackwork	\$ -	\$ -	\$ 871,375,620	\$ 339,488,592	\$ 142,405,095	\$ 1,353,269,307	\$ 1,353,269,307	0.00%
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ 84,018,627	\$ 18,039,501	\$ 7,730,494	\$ 109,788,623	\$ 109,788,623	0.00%
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ -	\$ -	\$ 870,811,638	\$ 345,831,103	\$ 145,037,365	\$ 1,361,680,106	\$ 1,361,680,106	0.00%
Task 8.6.1	CP5 - Systems and Electrification	\$ -	\$ -	\$ 799,224,102	\$ 325,387,852	\$ 136,374,126	\$ 1,260,986,080	\$ 1,260,986,080	0.00%
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ 71,587,536	\$ 20,443,251	\$ 8,663,238	\$ 100,694,025	\$ 100,694,025	0.00%
Task 9	Interim Use Project Reserve	\$ 53,856,392	\$ -	\$ -	\$ 123,432,289	\$ 30,858,072	\$ 208,146,753	\$ 208,146,753	0.00%
Task 10	Unallocated Contingency	\$ -	\$ -	\$ 344,182,554	\$ 52,837,334	\$ 13,209,334	\$ 410,229,222	\$ 410,229,222	0.00%
TOTAL		\$ 2,545,166,612	\$ 2,498,327,676	\$ 11,716,869,304	\$ 928,620,000	\$ 359,805,000	\$ 18,048,788,592	\$ 18,048,788,592	0.00%



California High-Speed Rail Authority
Funding Contribution Plan (FCP) June 30th, 2024

Table of Contents

Table of Contents	1
General Assumptions	2
FCP Historical Expenditures	4
Monthly Expenditure and Forecast Plan	6



General Assumptions

The following Funding Contribution Plan is submitted for the quarter that ended June 30th, 2024.

Report Updates

- This report reflects no budget or forecast changes.
- The Authority achieved 93% actuals to planned fiscal year 23-24 budget.
- The new Fiscal Year starting July 1, 2024 (Fiscal Year 2024-25) reflects an expenditure forecast of \$1.832B.
- The Construction Package (CP) 4 final completion of the construction contract is now expected in August 2024 (formerly May 2024). Subsequently, the Project and Construction Management (PCM) contract will be extended to February 2025, permitting the PCM an additional 6 months to closeout remaining work following the completion of the design-build contract.
- For real property acquisitions, this FCP updated completion deadlines for CP1 is now May-2025, CP2-3 and CP4 (non-DB) are unchanged with completion deadline of December 2025.
- The completion of Palmdale to Burbank environmental clearance was obtained June 2024.

Historical Assumptions

- There are no changes to historical spend or state match.
- This report retains the March-2024 FY10 expenditure start date of August 2027. The overall multi-funded Baseline budgets by task remain unchanged.
- As of April 2023, the FCP reflects the increased budget to align with the 2023 Project Update Report forecast. The Authority Board updated the multiyear Program Baseline Budget at the January 2024 meeting to include new federal grants awarded in 2023 and adjustments in the 2023 Project Update Report. ARRA and FY10 scope and the project end date of December 2028 remains unchanged, as agreed in ARRA Cooperative Amendment 7.

Project Funding

- This report reflects a funding sequence that is consistent with the FRA's position to expend "additional state" funding prior to accessing FY10 funds.
- FY10 Grant Funding and state match is planned to be spent starting August 2027 as the last funding source for Tasks 5, 8, 9, and 10.

EXHIBIT C - FUNDING CONTRIBUTION PLAN



- Total Federal ARRA expended to date reflect \$7.4M in ARRA refunds, and the State match has been adjusted by \$7.4M to reflect this.

EXHIBIT C - FUNDING CONTRIBUTION PLAN



FCP Historical Expenditures

Fiscal Year Month		FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE		FY10/11	FY11/12	FY12/13	FY13/14	FY14/15	FY15/16	FY16/17	FY17/18	FY18/19	FY19/20
	ARRA - Federal	\$ 124,562,306	\$ 20,057,647	\$ 60,208,174	\$ 287,181,606	\$ 180,174,247	\$ 951,228,011	\$ 918,749,435	\$ 5,320,493	\$ (785,294)	\$ (65,779)
	ARRA - State Match	\$ 77,169,330	\$ 52,046,267	\$ 14,788,442	\$ 7,491,934	\$ 268,795,100	\$ 28,497,016	\$ 67,999,371	\$ 624,364,791	\$ 483,379,954	\$ 665,104,855
	Additional State	\$ -	\$ -	\$ 14,356,572	\$ 13,422,906	\$ 23,096,713	\$ 16,069,511	\$ 9,330,175	\$ 329,621,922	\$ 333,872,757	\$ 708,016,305
	FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 201,731,636	\$ 72,103,914	\$ 89,353,188	\$ 308,096,445	\$ 472,066,060	\$ 995,794,538	\$ 996,078,981	\$ 959,307,206	\$ 816,467,417	\$ 1,373,055,381

ACTUAL AND FORECASTED EXPENDITURE BY TASK		FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20
Task 1	Environmental Review	\$ 130,187,249	\$ 58,300,244	\$ 46,825,472	\$ 46,172,003	\$ 42,680,980	\$ 58,578,173	\$ 82,291,768	\$ 61,241,091	\$ 57,261,590	\$ 93,568,241
	San Francisco - San Jose	\$ 15,577,519	\$ 9,178,574	\$ 6,270,554	\$ 5,121,113	\$ 4,349,358	\$ 8,384,534	\$ 11,616,755	\$ (1,100,010)	\$ 3,796,068	\$ (524,787)
	San Jose - Merced	\$ 11,642,215	\$ 7,772,589	\$ 6,131,979	\$ 5,400,510	\$ 5,611,641	\$ 5,215,016	\$ 15,709,588	\$ 48,227,594	\$ 13,829,548	\$ 5,594,021
	Merced - Fresno - Bakersfield	\$ 75,366,961	\$ 25,202,053	\$ 18,576,814	\$ 18,122,422	\$ 8,276,168	\$ 7,233,416	\$ 11,064,588	\$ (7,527,068)	\$ 22,526,628	\$ 30,940,103
	Bakersfield - Palmdale	\$ 9,047,301	\$ 5,715,055	\$ 4,501,738	\$ 4,146,848	\$ 10,636,065	\$ 14,841,243	\$ 15,698,649	\$ (4,183,757)	\$ 3,776,307	\$ 8,250,160
	Palmdale - Los Angeles	\$ 8,447,220	\$ 6,360,461	\$ 7,258,615	\$ 10,671,115	\$ 10,345,879	\$ 19,744,767	\$ 20,623,152	\$ 15,940,197	\$ 8,108,798	\$ 14,234,764
	Los Angeles - Anaheim	\$ 10,106,033	\$ 4,071,511	\$ 4,085,771	\$ 2,709,995	\$ 3,461,868	\$ 3,159,196	\$ 7,579,037	\$ 9,884,134	\$ 5,224,242	\$ 35,073,980
Task 2	Preliminary Engineering (PE)	\$ 64,380,735	\$ 10,443,363	\$ 23,199,222	\$ 29,176,942	\$ 388,632	\$ 46,058,988	\$ 42,072,708	\$ 35,456,117	\$ 40,352,927	\$ 33,070,303
	San Francisco - San Jose	\$ 10,804,413	\$ 1,727,117	\$ 1,480,831	\$ 1,859,966	\$ (1,065,446)	\$ 3,019,468	\$ 3,709,787	\$ (894,612)	\$ 2,982,357	\$ (55,024)
	San Jose - Merced	\$ -	\$ 741,997	\$ 2,914,504	\$ 3,707,145	\$ (2,130,891)	\$ 3,209,280	\$ 8,678,137	\$ 28,602,797	\$ 8,970,786	\$ (976,781)
	Merced - Fresno - Bakersfield	\$ 48,584,058	\$ 3,072,027	\$ 4,253,204	\$ 4,955,493	\$ 5,041,271	\$ 580,547	\$ (1,174,966)	\$ 914,043	\$ 16,919,186	\$ 14,639,395
	Bakersfield - Palmdale	\$ -	\$ 1,298,495	\$ 5,100,381	\$ 6,487,504	\$ (3,179,815)	\$ 12,137,966	\$ 10,096,604	\$ (4,278,830)	\$ 1,784,936	\$ 6,145,692
	Palmdale - Los Angeles	\$ 189,110	\$ 2,456,630	\$ 7,574,400	\$ 10,407,698	\$ 2,041,630	\$ 25,432,015	\$ 17,667,814	\$ 7,455,649	\$ 7,174,991	\$ 10,746,262
	Los Angeles - Anaheim	\$ 4,803,154	\$ 1,147,098	\$ 1,875,901	\$ 1,759,136	\$ (318,116)	\$ 1,679,711	\$ 3,095,332	\$ 3,657,070	\$ 2,520,671	\$ 2,570,758
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 7,129,688	\$ 2,225,309	\$ 11,368,622	\$ 7,612,134	\$ (1,240,532)	\$ 11,525,630	\$ 23,715,049	\$ 14,294,168	\$ 5,078,923	\$ (9,623,055)
	San Francisco - San Jose	\$ 334,164	\$ 171,039	\$ 1,102,887	\$ 1,527,686	\$ 1,220,554	\$ 3,337,898	\$ 1,059,121	\$ 579,204	\$ 637,872	\$ 1,391,567
	San Jose - Merced	\$ 15,410	\$ 309,985	\$ 2,165,954	\$ 1,436,837	\$ (379,594)	\$ 1,768,664	\$ 2,326,058	\$ 2,031,536	\$ 1,249,304	\$ (660,861)
	Merced - Fresno - Bakersfield	\$ 6,385,536	\$ 654,846	\$ 408,415	\$ 298,597	\$ 436,118	\$ 1,499,396	\$ 5,264,989	\$ 11,033,696	\$ 2,274,742	\$ (794,808)
	Bakersfield - Palmdale	\$ 8,458	\$ 529,275	\$ 3,774,043	\$ 1,773,899	\$ (1,995,378)	\$ 936,439	\$ 896,308	\$ (25,265)	\$ 198,948	\$ (161,933)
	Palmdale - Los Angeles	\$ 13,322	\$ 460,154	\$ 3,278,352	\$ 1,866,323	\$ (1,285,401)	\$ 2,635,922	\$ 2,523,173	\$ 531,417	\$ 626,400	\$ 1,572,566
	Los Angeles - Anaheim	\$ 372,798	\$ 100,010	\$ 638,972	\$ 708,791	\$ 763,169	\$ 1,347,311	\$ 11,645,400	\$ 143,581	\$ 91,657	\$ (10,969,587)
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ 659,952	\$ 17,920	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



FCP Historical Expenditures

		Fiscal Year	FY2010-11	FY2011-12	FY2012-13	FY2013-14	FY2014-15	FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20
		Month										
Task 5	Program, Project and FCS Construction Management		\$ -	\$ -	\$ 105,912	\$ 59,347,811	\$ 49,895,945	\$ 94,291,609	\$ 112,070,920	\$ 156,458,004	\$ 139,856,165	\$ 90,839,631
Task 5.1	Program Management (RDP)		\$ -	\$ -	\$ 50,164	\$ 54,185,571	\$ 40,335,369	\$ 70,172,128	\$ 76,800,062	\$ 102,878,157	\$ 85,785,655	\$ 34,397,585
Task 5.2	Project Construction Management (PCM)		\$ -	\$ -	\$ 55,748	\$ 4,710,835	\$ 9,506,511	\$ 20,027,192	\$ 31,710,531	\$ 50,669,841	\$ 48,775,672	\$ 58,073,636
Task 5.2.1	Project Construction Management 1		\$ -	\$ -	\$ 55,748	\$ 4,710,835	\$ 6,670,271	\$ 9,555,242	\$ 10,139,828	\$ 13,424,970	\$ 15,922,223	\$ 17,890,501
Task 5.2.2	Project Construction Management 2-3		\$ -	\$ -	\$ -	\$ -	\$ 2,836,240	\$ 9,613,316	\$ 15,001,102	\$ 20,596,311	\$ 19,586,747	\$ 26,346,707
Task 5.2.3	Project Construction Management 4		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 858,635	\$ 6,569,602	\$ 16,648,559	\$ 13,266,702	\$ 13,836,428
Task 5.2.4	Project Construction Management 5		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.3	Legal Services - Construction		\$ -	\$ -	\$ -	\$ 451,405	\$ 54,065	\$ 4,092,289	\$ 3,560,327	\$ 2,910,007	\$ 5,294,838	\$ (1,631,590)
Task 6	Real Property Acquisition and Environmental Mitigation		\$ 33,964	\$ 1,134,997	\$ 5,232,170	\$ 75,875,922	\$ 258,177,036	\$ 281,171,786	\$ 234,196,039	\$ 151,363,705	\$ 93,526,953	\$ 236,737,321
Task 6.1	Real Property - Preliminary ROW		\$ 33,964	\$ 1,134,997	\$ 4,665,278	\$ 9,744,034	\$ 5,598,312	\$ 3,014	\$ 335,825	\$ -	\$ 149,645	\$ (2,477,371)
Task 6.2	Real Property - ROW Services & Relocation		\$ -	\$ -	\$ 566,892	\$ 66,131,888	\$ 149,165,662	\$ 266,549,948	\$ 154,332,084	\$ 49,818,658	\$ 17,206,172	\$ (474,488,690)
Task 6.2.1	CP1 ROW Services & Relocation		\$ -	\$ -	\$ 566,892	\$ 64,911,731	\$ 129,812,555	\$ 226,496,306	\$ 135,508,594	\$ 30,289,630	\$ 6,458,332	\$ (466,657,483)
Task 6.2.2	CP2-3 ROW Services & Relocation		\$ -	\$ -	\$ -	\$ 1,220,157	\$ 16,767,133	\$ 35,041,492	\$ 14,053,786	\$ 14,088,501	\$ 9,101,587	\$ (8,173,283)
Task 6.2.3	CP4 ROW Services & Relocation		\$ -	\$ -	\$ -	\$ -	\$ 2,585,975	\$ 5,012,150	\$ 4,769,705	\$ 5,440,526	\$ 1,646,253	\$ 342,076
Task 6.3	Real Property - Environmental Mitigation		\$ -	\$ -	\$ -	\$ -	\$ 1,364,377	\$ 358,943	\$ 34,445,831	\$ 18,182,607	\$ 7,709,393	\$ 38,104,733
Task 6.4	Real Property - ROW Acquisition		\$ -	\$ -	\$ -	\$ -	\$ 102,048,684	\$ 14,259,882	\$ 45,082,298	\$ 83,362,440	\$ 68,461,743	\$ 675,598,649
Task 6.4.1	CP1 ROW Acquisition		\$ -	\$ -	\$ -	\$ -	\$ 3,234,516	\$ 693,926	\$ 434,672	\$ 20,786,535	\$ 38,823,300	\$ 558,306,364
Task 6.4.2	CP2-3 ROW Acquisition		\$ -	\$ -	\$ -	\$ -	\$ 98,814,168	\$ 41,982	\$ 23,769,189	\$ 14,332,761	\$ 25,136,592	\$ 83,273,083
Task 6.4.3	CP4 ROW Acquisition		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 13,523,975	\$ 20,878,438	\$ 48,243,144	\$ 4,501,851	\$ 34,019,202
Task 7	Early Works (Not Used)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS		\$ -	\$ -	\$ 2,621,789	\$ 89,251,680	\$ 122,146,080	\$ 450,311,961	\$ 501,732,498	\$ 540,494,121	\$ 480,390,859	\$ 928,462,940
Task 8.1	SR-99		\$ -	\$ -	\$ 2,250,462	\$ 11,141,399	\$ 19,060,641	\$ 38,108,106	\$ 78,290,895	\$ 82,724,230	\$ 40,485,743	\$ 2,547,721
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)		\$ -	\$ -	\$ 371,327	\$ 76,110,281	\$ 65,895,970	\$ 215,786,524	\$ 263,231,676	\$ 253,122,328	\$ 171,194,551	\$ 324,479,977
Task 8.2.1	CP1		\$ -	\$ -	\$ 371,327	\$ 76,110,281	\$ 65,895,970	\$ 215,786,524	\$ 263,231,676	\$ 253,122,328	\$ 171,194,551	\$ 324,479,977
Task 8.2.2	CP1 Contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)		\$ -	\$ -	\$ -	\$ 2,000,000	\$ 37,189,469	\$ 170,301,701	\$ 125,205,875	\$ 167,711,127	\$ 178,616,698	\$ 439,066,394
Task 8.3.1	CP2-3		\$ -	\$ -	\$ -	\$ 2,000,000	\$ 37,189,469	\$ 170,301,701	\$ 125,205,875	\$ 167,711,127	\$ 178,616,698	\$ 439,066,394
Task 8.3.2	CP2-3 Contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,115,630	\$ 35,004,052	\$ 36,936,435	\$ 90,093,867	\$ 162,368,848
Task 8.4.1	CP4		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 26,115,630	\$ 35,004,052	\$ 36,936,435	\$ 90,093,867	\$ 162,368,848
Task 8.4.2	CP4 Contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction (CP5)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.1	CP5 - Trackwork		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.2	CP5 Contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction (CP5)		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.1	CP5 systems and electrification		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.2	CP5 systems and electrification contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve		\$ -	\$ -	\$ -	\$ -	\$ -	\$ 53,856,392	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL			\$ 201,731,636	\$ 72,103,914	\$ 89,353,188	\$ 308,096,445	\$ 472,066,060	\$ 995,794,538	\$ 996,078,981	\$ 959,307,206	\$ 816,467,417	\$ 1,373,055,381

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year Month	FY2020-21											
	Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE												
ARRA - Federal	\$ (117,878)	\$ -	\$ (195,965)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (775)	\$ -	\$ -	\$ -
ARRA - State Match	\$ 87,445,256	\$ 99,321,333	\$ 20,860,196	\$ 99,819	\$ 72,754	\$ 541,203	\$ 365,536	\$ 999,256	\$ 143,269	\$ -	\$ -	\$ -
Additional State	\$ 8,298,003	\$ 28,020,140	\$ 94,460,629	\$ 81,480,318	\$ 91,493,792	\$ 87,805,586	\$ 72,221,198	\$ 42,824,011	\$ 81,390,556	\$ 56,851,938	\$ 75,154,768	\$ 106,759,852
FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 95,625,381	\$ 127,341,472	\$ 115,124,860	\$ 81,580,137	\$ 91,566,546	\$ 88,346,789	\$ 72,586,734	\$ 43,823,267	\$ 81,533,050	\$ 56,851,938	\$ 75,154,768	\$ 106,759,852

ACTUAL AND FORECASTED EXPENDITURE BY TASK														
Task 1	Environmental Review	\$ 3,458,466	\$ 2,006,144	\$ 2,955,975	\$ 3,583,136	\$ 2,637,361	\$ 2,183,857	\$ 2,353,946	\$ 1,766,232	\$ 2,503,458	\$ 2,059,182	\$ 2,837,395	\$ 4,111,657	
	San Francisco - San Jose	\$ 334,430	\$ 66,961	\$ 212,781	\$ 374,150	\$ 391,641	\$ 231,032	\$ 257,220	\$ 167,871	\$ 229,293	\$ 188,900	\$ 319,210	\$ 663,088	
	San Jose - Merced	\$ 342,398	\$ 482,747	\$ 319,655	\$ 329,546	\$ 374,977	\$ 125,252	\$ 212,911	\$ 147,127	\$ 223,276	\$ 284,479	\$ 348,876	\$ 468,171	
	Merced - Fresno - Bakersfield	\$ 760,912	\$ 452,903	\$ 469,059	\$ 628,367	\$ 370,164	\$ 467,878	\$ 737,456	\$ 443,294	\$ 643,960	\$ 319,117	\$ 749,452	\$ 1,286,451	
	Bakersfield - Palmdale	\$ 825,725	\$ 251,459	\$ 696,337	\$ 582,627	\$ 269,376	\$ 431,595	\$ 239,956	\$ 402,302	\$ 279,089	\$ 327,567	\$ 618,977	\$ 670,493	
	Palmdale - Los Angeles	\$ 677,737	\$ 627,782	\$ 989,102	\$ 1,151,200	\$ 819,390	\$ 552,762	\$ 720,510	\$ 423,556	\$ 771,266	\$ 762,921	\$ 611,645	\$ 608,073	
	Los Angeles - Anaheim	\$ 517,265	\$ 124,293	\$ 269,041	\$ 517,246	\$ 411,813	\$ 375,339	\$ 185,894	\$ 182,082	\$ 356,574	\$ 176,198	\$ 189,235	\$ 415,381	
Task 2	Preliminary Engineering (PE)	\$ 2,284,733	\$ 1,909,137	\$ 1,088,231	\$ 140,412	\$ (234,439)	\$ 874,531	\$ 722,785	\$ 713,065	\$ (327,638)	\$ 773,024	\$ 634,515	\$ 1,776,777	
	San Francisco - San Jose	\$ 169,553	\$ 153,941	\$ 45,460	\$ (81,968)	\$ 9,402	\$ 33,519	\$ 13,585	\$ 27,013	\$ (53,219)	\$ 96,028	\$ 36,408	\$ 165,690	
	San Jose - Merced	\$ 149,525	\$ 184,141	\$ 164,017	\$ (61,924)	\$ (181,343)	\$ 115,280	\$ (21,846)	\$ 14,981	\$ (44,711)	\$ 15,776	\$ 15,911	\$ 97,077	
	Merced - Fresno - Bakersfield	\$ 835,782	\$ 634,858	\$ 218,090	\$ (452,440)	\$ (475,043)	\$ 84,404	\$ 130,018	\$ 158,362	\$ (417,605)	\$ 108,546	\$ 107,276	\$ 604,584	
	Bakersfield - Palmdale	\$ 353,967	\$ 411,908	\$ 419,384	\$ 649,570	\$ 207,116	\$ 256,617	\$ 257,682	\$ (68,897)	\$ (45,019)	\$ 58,958	\$ 105,832	\$ 173,608	
	Palmdale - Los Angeles	\$ 613,956	\$ 375,154	\$ 193,269	\$ 10,176	\$ 224,308	\$ 327,934	\$ 219,795	\$ 480,031	\$ 227,822	\$ 423,915	\$ 280,204	\$ 647,945	
	Los Angeles - Anaheim	\$ 161,950	\$ 149,135	\$ 48,010	\$ 76,998	\$ (18,878)	\$ 56,777	\$ 123,550	\$ 101,575	\$ 5,095	\$ 69,801	\$ 88,883	\$ 87,873	
Task 3	Other Related Work Needed Prior to Start of Construction	\$ -	\$ 842	\$ 49,508	\$ 99,819	\$ 77,203	\$ 541,203	\$ 365,536	\$ 1,003,373	\$ 502,923	\$ 148,163	\$ 854,041	\$ 990,341	
	San Francisco - San Jose	\$ -	\$ (3,093)	\$ (17,089)	\$ 8,124	\$ 6,177	\$ 7,988	\$ 48,194	\$ 6,332	\$ 26,894	\$ 12,117	\$ 62,147	\$ 28,181	
	San Jose - Merced	\$ -	\$ 1,185	\$ 4,481	\$ 7,152	\$ 3,214	\$ 7,148	\$ -	\$ 503,171	\$ 24,145	\$ 10,878	\$ 55,810	\$ 27,813	
	Merced - Fresno - Bakersfield	\$ -	\$ 1,715	\$ 50,363	\$ 58,401	\$ 60,377	\$ 487,140	\$ 191,243	\$ 441,087	\$ 504,461	\$ 60,806	\$ 548,220	\$ 422,973	
	Bakersfield - Palmdale	\$ -	\$ 281	\$ 3,185	\$ 6,543	\$ 2,556	\$ 7,839	\$ -	\$ 22,999	\$ 22,091	\$ 23,770	\$ 50,910	\$ 32,807	
	Palmdale - Los Angeles	\$ -	\$ 524	\$ 5,941	\$ 14,203	\$ 2,772	\$ 24,623	\$ -	\$ 27,501	\$ 31,209	\$ 32,383	\$ 94,970	\$ 459,478	
	Los Angeles - Anaheim	\$ -	\$ 231	\$ 2,626	\$ 5,396	\$ 2,108	\$ 6,465	\$ 126,100	\$ 2,283	\$ (105,877)	\$ 8,208	\$ 41,984	\$ 19,089	
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year		FY2020-21											
Month		Jul 2020	Aug 2020	Sep 2020	Oct 2020	Nov 2020	Dec 2020	Jan 2021	Feb 2021	Mar 2021	Apr 2021	May 2021	Jun 2021
Task 5	Program, Project and FCS Construction Management	\$ 12,538,759	\$ 10,804,134	\$ 12,165,428	\$ 14,348,379	\$ 13,950,399	\$ 13,318,526	\$ 10,490,109	\$ 13,467,545	\$ 16,443,228	\$ 13,257,141	\$ 8,920,691	\$ 17,066,735
Task 5.1	Program Management (RDP)	\$ 6,069,218	\$ 5,921,821	\$ 5,291,596	\$ 8,132,547	\$ 7,472,554	\$ 6,669,317	\$ 5,581,073	\$ 6,626,335	\$ 9,149,240	\$ 7,406,471	\$ 7,147,494	\$ 6,299,956
Task 5.2	Project Construction Management (PCM)	\$ 6,469,542	\$ 4,882,313	\$ 6,700,805	\$ 5,823,928	\$ 6,415,713	\$ 6,509,350	\$ 4,648,259	\$ 6,716,256	\$ 7,159,200	\$ 5,780,640	\$ 1,632,274	\$ 9,758,224
Task 5.2.1	Project Construction Management 1	\$ 1,932,403	\$ 1,758,724	\$ 1,760,776	\$ 1,667,468	\$ 1,588,610	\$ 1,728,802	\$ 1,731,171	\$ 2,198,601	\$ 2,633,912	\$ 3,036,826	\$ 1,356,240	\$ 1,769,251
Task 5.2.2	Project Construction Management 2-3	\$ 2,800,000	\$ 2,346,017	\$ 3,366,830	\$ 3,080,795	\$ 3,000,000	\$ 3,568,823	\$ 1,912,033	\$ 2,795,006	\$ 2,700,000	\$ 1,400,000	\$ 156,807	\$ 6,146,451
Task 5.2.3	Project Construction Management 4	\$ 1,737,139	\$ 777,572	\$ 1,573,199	\$ 1,075,665	\$ 1,827,103	\$ 1,211,724	\$ 1,005,055	\$ 1,722,649	\$ 1,825,288	\$ 1,343,815	\$ 119,227	\$ 1,842,521
Task 5.2.4	Project Construction Management 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.3	Legal Services - Construction	\$ -	\$ -	\$ 173,026	\$ 391,904	\$ 62,132	\$ 139,859	\$ 260,778	\$ 124,955	\$ 134,787	\$ 70,030	\$ 140,923	\$ 1,008,554
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 1,696,081	\$ 13,300,725	\$ 1,960,053	\$ 15,429,746	\$ 15,119,579	\$ 4,555,865	\$ (2,647,735)	\$ 2,200,090	\$ 12,051,474	\$ 5,596,532	\$ 6,258,444	\$ 5,273,142
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 937,754	\$ 1,709,518	\$ 1,468,017	\$ 4,727,941	\$ 2,066,993	\$ 2,264,485	\$ 1,538,035	\$ 690,543	\$ 3,935,809	\$ 1,160,051	\$ 2,177,375	\$ 2,541,190
Task 6.2.1	CP1 ROW Services & Relocation	\$ 193,846	\$ 1,223,970	\$ 435,367	\$ 1,612,195	\$ 507,785	\$ 874,957	\$ 144,143	\$ 298,716	\$ 506,987	\$ 215,347	\$ 703,031	\$ 841,355
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 1,129,905	\$ 476,961	\$ 18,524	\$ 2,337,706	\$ 950,058	\$ 772,962	\$ 1,078,312	\$ 365,421	\$ 2,735,149	\$ 720,590	\$ 1,110,080	\$ 1,109,918
Task 6.2.3	CP4 ROW Services & Relocation	\$ (385,997)	\$ 8,588	\$ 1,014,125	\$ 778,040	\$ 609,150	\$ 616,566	\$ 315,580	\$ 26,406	\$ 693,672	\$ 224,113	\$ 364,264	\$ 589,918
Task 6.3	Real Property - Environmental Mitigation	\$ -	\$ 4,415,000	\$ -	\$ -	\$ -	\$ 1,959,766	\$ (5,015,684)	\$ -	\$ 29,920	\$ 78,000	\$ 3,808,600	\$ 7,392,592
Task 6.4	Real Property - ROW Acquisition	\$ 758,327	\$ 7,176,207	\$ 492,036	\$ 10,701,805	\$ 13,052,586	\$ 331,614	\$ 829,914	\$ 1,509,547	\$ 8,085,745	\$ 4,358,481	\$ 272,469	\$ (4,660,640)
Task 6.4.1	CP1 ROW Acquisition	\$ 5,000	\$ 120,215	\$ 187,171	\$ 1,054,294	\$ 674,083	\$ 61,575	\$ (21,190)	\$ 192,353	\$ 374,475	\$ 235,307	\$ 78,055	\$ (9,769,937)
Task 6.4.2	CP2-3 ROW Acquisition	\$ 415,427	\$ 6,981,328	\$ 185,807	\$ 5,839,912	\$ 3,851,573	\$ 267,925	\$ 778,308	\$ 1,298,358	\$ 7,711,270	\$ 4,071,335	\$ 180,312	\$ 1,458,482
Task 6.4.3	CP4 ROW Acquisition	\$ 337,900	\$ 74,663	\$ 119,058	\$ 3,807,600	\$ 8,526,930	\$ 2,114	\$ 72,797	\$ 18,836	\$ -	\$ 51,840	\$ 14,102	\$ 3,650,814
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 75,647,341	\$ 99,320,491	\$ 96,905,666	\$ 47,978,644	\$ 60,016,444	\$ 66,872,807	\$ 61,302,093	\$ 24,672,961	\$ 50,359,605	\$ 35,017,897	\$ 55,649,683	\$ 77,541,200
Task 8.1	SR-99	\$ 25,950	\$ 50,000	\$ 10,126	\$ 19,239	\$ 16,543	\$ 68,556	\$ 15,741	\$ (268)	\$ 6,974	\$ 8,312	\$ 6,156	\$ 72,164
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 18,405,184	\$ 46,218,380	\$ 48,847,691	\$ 18,676,635	\$ 22,242,806	\$ 30,227,990	\$ 13,350,302	\$ 20,979,349	\$ 29,131,734	\$ 19,098,982	\$ 24,235,694	\$ 39,982,124
Task 8.2.1	CP1	\$ 18,405,184	\$ 46,218,380	\$ 48,847,691	\$ 18,676,635	\$ 22,242,806	\$ 30,227,990	\$ 13,350,302	\$ 20,979,349	\$ 29,131,734	\$ 19,098,982	\$ 24,235,694	\$ 39,982,124
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 44,316,207	\$ 46,131,495	\$ 36,620,569	\$ 19,458,786	\$ 28,563,637	\$ 19,651,798	\$ 33,772,361	\$ (4,434,615)	\$ 12,425,801	\$ 7,898,394	\$ 21,981,817	\$ 31,118,420
Task 8.3.1	CP2-3	\$ 44,316,207	\$ 46,131,495	\$ 36,620,569	\$ 19,458,786	\$ 28,563,637	\$ 19,651,798	\$ 33,772,361	\$ (4,434,615)	\$ 12,425,801	\$ 7,898,394	\$ 21,981,817	\$ 31,118,420
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 12,900,000	\$ 6,920,615	\$ 11,427,280	\$ 9,823,985	\$ 9,193,457	\$ 16,924,464	\$ 14,163,689	\$ 8,128,495	\$ 8,795,096	\$ 8,012,209	\$ 9,426,014	\$ 6,368,493
Task 8.4.1	CP4	\$ 12,900,000	\$ 6,920,615	\$ 11,427,280	\$ 9,823,985	\$ 9,193,457	\$ 16,924,464	\$ 14,163,689	\$ 8,128,495	\$ 8,795,096	\$ 8,012,209	\$ 9,426,014	\$ 6,368,493
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.1	CP5 - Trackwork	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.2	CP5 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.1	CP5 systems and electrification	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.2	CP5 systems and electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 95,625,381	\$ 127,341,472	\$ 115,124,860	\$ 81,580,137	\$ 91,566,546	\$ 88,346,789	\$ 72,586,734	\$ 43,823,267	\$ 81,533,050	\$ 56,851,938	\$ 75,154,768	\$ 106,759,852

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year		FY2021-22											
Month		Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
	ARRA - Federal	\$ -	\$ -	\$ -	\$ (237,745)	\$ (268,004)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ARRA - State Match	\$ -	\$ -	\$ -	\$ (239,480)	\$ (269,960)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Additional State	\$ 101,258,329	\$ 67,223,051	\$ 61,520,301	\$ 54,646,347	\$ 63,990,450	\$ 73,345,934	\$ 164,588,257	\$ 67,914,015	\$ 71,527,093	\$ 85,332,298	\$ 91,642,847	\$ 109,230,819
	FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 101,258,329	\$ 67,223,051	\$ 61,520,301	\$ 54,169,122	\$ 63,452,487	\$ 73,345,934	\$ 164,588,257	\$ 67,914,015	\$ 71,527,093	\$ 85,332,298	\$ 91,642,847	\$ 109,230,819
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 2,534,761	\$ 2,368,728	\$ 1,939,711	\$ (11,499)	\$ 1,130,540	\$ 1,261,181	\$ 2,015,504	\$ 594,040	\$ 627,204	\$ 1,312,417	\$ 1,874,391	\$ 5,315,262
	San Francisco - San Jose	\$ 82,696	\$ 774,949	\$ 257,239	\$ (449,029)	\$ 191,959	\$ 234,733	\$ 392,687	\$ (173,222)	\$ 91,926	\$ (78,762)	\$ 82,878	\$ 567,057
	San Jose - Merced	\$ 612,863	\$ 96,962	\$ 222,886	\$ 429,569	\$ 192,781	\$ 283,901	\$ 363,233	\$ 18,289	\$ 140,147	\$ 38,785	\$ 158,558	\$ 750,988
	Merced - Fresno - Bakersfield	\$ 346,280	\$ 223,206	\$ 252,541	\$ (135,331)	\$ 18,377	\$ 319,713	\$ 1,178,987	\$ 28,679	\$ (17,945)	\$ 40,919	\$ (628)	\$ (68,597)
	Bakersfield - Palmdale	\$ 375,294	\$ 171,184	\$ 128,002	\$ 64,135	\$ 141,949	\$ (38,877)	\$ 281,342	\$ 70,348	\$ (25,405)	\$ (40,919)	\$ -	\$ (53,806)
	Palmdale - Los Angeles	\$ 563,006	\$ 1,020,779	\$ 872,364	\$ (472,035)	\$ 369,642	\$ 392,713	\$ 815,100	\$ 446,636	\$ 505,501	\$ 681,693	\$ 386,850	\$ 737,005
	Los Angeles - Anaheim	\$ 554,622	\$ 81,648	\$ 206,678	\$ 551,191	\$ 215,833	\$ 68,997	\$ (1,015,845)	\$ 203,310	\$ (67,019)	\$ 176,712	\$ 68,612	\$ 862,219
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 493,989	\$ 1,178,121	\$ 2,520,394
Task 2	Preliminary Engineering (PE)	\$ 350,304	\$ 310,355	\$ 335,112	\$ 243,561	\$ 817,988	\$ 150,194	\$ 42,035	\$ 3,101,410	\$ 207,635	\$ 2,046,693	\$ 680,278	\$ 2,093,038
	San Francisco - San Jose	\$ 18,236	\$ 12,020	\$ 1,637	\$ 37,117	\$ 79,385	\$ 7,559	\$ 2,180	\$ 317,940	\$ 9,190	\$ 5,506	\$ 5,352	\$ 2,545
	San Jose - Merced	\$ 69,021	\$ 22,121	\$ 5,616	\$ 36,481	\$ 71,269	\$ 25,384	\$ 52,520	\$ 314,077	\$ 7,280	\$ 3,743	\$ 10,504	\$ 9,058
	Merced - Fresno - Bakersfield	\$ 63,091	\$ 115,262	\$ 116,417	\$ (50,794)	\$ 390,526	\$ (108,620)	\$ (22,611)	\$ 1,486,571	\$ 17,534	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ 22,660	\$ 17,492	\$ 23,746	\$ 22,177	\$ 65,206	\$ (8,730)	\$ 118	\$ 195,341	\$ 2,870	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ 79,061	\$ 129,344	\$ 123,349	\$ 59,380	\$ 157,830	\$ 159,433	\$ 12,881	\$ 540,409	\$ 168,394	\$ 58,116	\$ 198,601	\$ 30,420
	Los Angeles - Anaheim	\$ 98,236	\$ 14,116	\$ 64,348	\$ 139,199	\$ 53,773	\$ 75,169	\$ (3,052)	\$ 247,071	\$ 2,367	\$ 54,751	\$ -	\$ 74,331
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,924,577	\$ 465,821	\$ 1,976,683
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 360,851	\$ 1,769	\$ 51,600	\$ (345,957)	\$ 52,161	\$ 97,581	\$ 1,680,592	\$ 39,412	\$ 708,289	\$ 3,585	\$ (364,071)	\$ (552,645)
	San Francisco - San Jose	\$ 36,278	\$ 178	\$ 957	\$ 5,433	\$ 5,244	\$ 13,060	\$ 3,075	\$ 3,929	\$ 6,494	\$ -	\$ 167	\$ -
	San Jose - Merced	\$ 32,569	\$ 160	\$ 859	\$ 4,878	\$ 4,708	\$ 11,274	\$ 2,761	\$ 3,862	\$ 649,524	\$ 453,971	\$ 335	\$ -
	Merced - Fresno - Bakersfield	\$ 182,047	\$ 892	\$ 46,885	\$ 27,265	\$ 26,315	\$ 35,183	\$ 15,433	\$ 19,714	\$ 32,588	\$ (3,050)	\$ (13,366)	\$ -
	Bakersfield - Palmdale	\$ 29,798	\$ 146	\$ 786	\$ 4,463	\$ 4,307	\$ 10,315	\$ 2,526	\$ 3,227	\$ 5,334	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ 55,586	\$ 272	\$ 1,466	\$ (391,675)	\$ 8,035	\$ 19,242	\$ 4,712	\$ 6,020	\$ 9,950	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 24,573	\$ 120	\$ 648	\$ 3,680	\$ 3,552	\$ 8,506	\$ 1,652,083	\$ 2,661	\$ 4,399	\$ -	\$ -	\$ -
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (447,336)	\$ (351,207)	\$ (552,645)
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year	Month	FY2021-22											
		Jul 2021	Aug 2021	Sep 2021	Oct 2021	Nov 2021	Dec 2021	Jan 2022	Feb 2022	Mar 2022	Apr 2022	May 2022	Jun 2022
Task 5	Program, Project and FCS Construction Management	\$ 16,088,292	\$ 9,340,376	\$ 14,895,021	\$ 15,122,114	\$ 17,507,135	\$ 11,245,044	\$ 13,161,501	\$ 12,248,157	\$ 15,228,363	\$ 21,300,902	\$ 13,799,567	\$ 17,303,339
Task 5.1	Program Management (RDP)	\$ 6,421,306	\$ 4,095,822	\$ 7,739,052	\$ 7,226,215	\$ 8,181,288	\$ 5,722,003	\$ 5,393,102	\$ 4,537,092	\$ 7,596,711	\$ 10,371,774	\$ 3,381,093	\$ 7,419,813
Task 5.2	Project Construction Management (PCM)	\$ 9,666,986	\$ 5,239,644	\$ 7,039,602	\$ 7,605,895	\$ 9,186,105	\$ 5,666,929	\$ 7,332,463	\$ 7,544,154	\$ 7,540,767	\$ 10,509,755	\$ 10,340,521	\$ 7,866,027
Task 5.2.1	Project Construction Management 1	\$ 5,501,749	\$ 2,803,236	\$ 2,340,644	\$ 2,202,157	\$ 2,325,427	\$ 1,940,081	\$ 2,405,034	\$ 2,408,784	\$ 2,761,225	\$ 3,131,307	\$ 4,249,667	\$ 3,086,454
Task 5.2.2	Project Construction Management 2-3	\$ 3,200,000	\$ 936,844	\$ 3,200,000	\$ 3,135,129	\$ 5,191,933	\$ 2,072,612	\$ 3,061,867	\$ 2,700,000	\$ 2,495,567	\$ 4,078,981	\$ 4,146,937	\$ 2,316,299
Task 5.2.3	Project Construction Management 4	\$ 965,237	\$ 1,499,564	\$ 1,498,957	\$ 2,268,609	\$ 1,668,745	\$ 1,654,236	\$ 1,865,562	\$ 2,435,370	\$ 2,283,975	\$ 3,299,467	\$ 1,943,917	\$ 2,463,273
Task 5.2.4	Project Construction Management 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.3	Legal Services - Construction	\$ -	\$ 4,909	\$ 116,367	\$ 290,004	\$ 139,742	\$ (143,888)	\$ 435,935	\$ 166,911	\$ 90,885	\$ 419,373	\$ 77,953	\$ 2,017,499
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 10,005,084	\$ 1,367,583	\$ 9,071,126	\$ 4,174,031	\$ 3,527,313	\$ 10,834,773	\$ 31,201,567	\$ 706,262	\$ 1,738,267	\$ 1,837,376	\$ 3,994,257	\$ 3,973,790
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 435,615	\$ 389	\$ 653,369	\$ 1,066,969	\$ 1,087,619	\$ 1,102,672	\$ 1,299,861	\$ 494,618	\$ 1,167,374	\$ 1,054,034	\$ 1,515,024	\$ 3,500,471
Task 6.2.1	CP1 ROW Services & Relocation	\$ 11,096	\$ 389	\$ 158,187	\$ 390,174	\$ 621,895	\$ 633,362	\$ 911,731	\$ 370,122	\$ 660,042	\$ 726,117	\$ 1,008,000	\$ 1,561,730
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 424,519	\$ 0	\$ 353,803	\$ 608,816	\$ 385,686	\$ 383,348	\$ 280,212	\$ 79,088	\$ 291,268	\$ 239,330	\$ 488,314	\$ 837,039
Task 6.2.3	CP4 ROW Services & Relocation	\$ -	\$ -	\$ 141,379	\$ 67,979	\$ 80,038	\$ 85,961	\$ 107,919	\$ 45,408	\$ 216,063	\$ 88,587	\$ 18,710	\$ 1,101,703
Task 6.3	Real Property - Environmental Mitigation	\$ -	\$ -	\$ -	\$ 1,563,075	\$ 552,844	\$ (2,520,000)	\$ 244,475	\$ -	\$ 21,000	\$ 2,690	\$ 231,020	\$ 201,310
Task 6.4	Real Property - ROW Acquisition	\$ 9,569,468	\$ 1,367,194	\$ 8,417,757	\$ 1,543,986	\$ 1,886,849	\$ 12,252,102	\$ 29,657,231	\$ 211,644	\$ 549,894	\$ 780,651	\$ 2,248,213	\$ 272,009
Task 6.4.1	CP1 ROW Acquisition	\$ 125,452	\$ 67,525	\$ 1,173	\$ 133,182	\$ (155,589)	\$ 203,315	\$ 83,141	\$ 79,878	\$ 18,725	\$ 21,800	\$ 24,950	\$ 272,009
Task 6.4.2	CP2-3 ROW Acquisition	\$ 1,101,576	\$ 1,293,109	\$ 3,041,191	\$ 419,037	\$ 512,126	\$ 11,999,171	\$ 29,571,931	\$ 125,066	\$ 531,169	\$ 758,851	\$ 2,223,263	\$ -
Task 6.4.3	CP4 ROW Acquisition	\$ 8,342,440	\$ 6,560	\$ 5,375,394	\$ 991,767	\$ 1,530,312	\$ 49,616	\$ 2,158	\$ 6,700	\$ -	\$ -	\$ -	\$ -
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 71,919,037	\$ 53,834,241	\$ 35,227,732	\$ 34,986,872	\$ 40,417,350	\$ 49,757,162	\$ 116,487,059	\$ 51,224,735	\$ 53,017,335	\$ 58,831,325	\$ 71,658,424	\$ 81,098,036
Task 8.1	SR-99	\$ 825	\$ 4,880	\$ 19,676	\$ 9,983	\$ -	\$ -	\$ 9,145	\$ 604,593	\$ (6,259)	\$ -	\$ 4,675	\$ 12,500
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 50,597,287	\$ 20,645,179	\$ 14,377,711	\$ 16,601,161	\$ 14,974,335	\$ 15,167,427	\$ 92,488,818	\$ 23,442,379	\$ 19,093,922	\$ 17,171,553	\$ 31,594,473	\$ 32,352,626
Task 8.2.1	CP1	\$ 50,597,287	\$ 20,645,179	\$ 14,377,711	\$ 16,601,161	\$ 14,974,335	\$ 15,167,427	\$ 92,488,818	\$ 23,442,379	\$ 19,093,922	\$ 17,171,553	\$ 31,594,473	\$ 32,352,626
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 12,988,372	\$ 21,327,651	\$ 8,064,999	\$ 11,818,211	\$ 18,642,426	\$ 13,280,421	\$ 15,352,711	\$ 17,664,769	\$ 21,011,454	\$ 34,318,862	\$ 32,648,590	\$ 33,151,811
Task 8.3.1	CP2-3	\$ 12,988,372	\$ 21,327,651	\$ 8,064,999	\$ 11,818,211	\$ 18,642,426	\$ 13,280,421	\$ 15,352,711	\$ 17,664,769	\$ 21,011,454	\$ 34,318,862	\$ 32,648,590	\$ 33,151,811
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 8,332,553	\$ 11,856,531	\$ 12,765,346	\$ 6,557,517	\$ 6,800,590	\$ 21,309,314	\$ 8,636,385	\$ 9,512,994	\$ 12,918,218	\$ 7,340,910	\$ 7,410,685	\$ 15,581,099
Task 8.4.1	CP4	\$ 8,332,553	\$ 11,856,531	\$ 12,765,346	\$ 6,557,517	\$ 6,800,590	\$ 21,309,314	\$ 8,636,385	\$ 9,512,994	\$ 12,918,218	\$ 7,340,910	\$ 7,410,685	\$ 15,581,099
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.1	CP5 - Trackwork	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.1	CP5 - Systems and Electrification	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 101,258,329	\$ 67,223,051	\$ 61,520,301	\$ 54,169,122	\$ 63,452,487	\$ 73,345,934	\$ 164,588,257	\$ 67,914,015	\$ 71,527,093	\$ 85,332,298	\$ 91,642,847	\$ 109,230,819

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year Month	FY2022-23											
	Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE												
ARRA - Federal	\$ (2,806)	\$ -	\$ -	\$ (46,953)	\$ (305,925)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ARRA - State Match	\$ (2,826)	\$ -	\$ -	\$ (47,296)	\$ (308,158)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional State	\$ 58,260,803	\$ 59,519,502	\$ 60,552,323	\$ 120,350,941	\$ 122,461,596	\$ 68,517,839	\$ 60,835,227.38	\$ 80,788,579.76	\$ 89,666,825.63	\$ 114,486,859	\$ 120,571,694	\$ 125,433,101
FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL	\$ 58,255,172	\$ 59,519,502	\$ 60,552,323	\$ 120,256,692	\$ 121,847,512	\$ 68,517,839	\$ 60,835,227	\$ 80,788,580	\$ 89,666,826	\$ 114,486,859	\$ 120,571,694	\$ 125,433,101
ACTUAL AND FORECASTED EXPENDITURE BY TASK												
Task 1 Environmental Review	\$ 1,264,089	\$ (134,543)	\$ 2,092,594	\$ 3,970,757	\$ 3,973,620	\$ 2,988,812	\$ 3,096,130	\$ 1,810,112	\$ 1,108,724	\$ 187,218	\$ 1,303,912	\$ (255,547)
San Francisco - San Jose	\$ 136,980	\$ (2,680)	\$ (2,252)	\$ 141,076	\$ 163,321	\$ 224,969	\$ 20,311	\$ (79,712)	\$ 18,458	\$ 49,831	\$ 67,960	\$ 8,206
San Jose - Merced	\$ 202,332	\$ (2,216)	\$ (1,822)	\$ 106,112	\$ 32,698	\$ 103,684	\$ (82,232)	\$ (259,257)	\$ 12,827	\$ (61,938)	\$ 47,227	\$ (4,650)
Merced - Fresno - Bakersfield	\$ 2,226	\$ (22,964)	\$ (10,009)	\$ (341,620)	\$ -	\$ -	\$ (20,845)	\$ (6,094)	\$ -	\$ -	\$ -	\$ (257,380)
Bakersfield - Palmdale	\$ 23,201	\$ 1,459	\$ (10,523)	\$ -	\$ 15,859	\$ (0)	\$ -	\$ -	\$ 4,888	\$ 9,507	\$ -	\$ 34,646
Palmdale - Los Angeles	\$ 558,809	\$ (270,391)	\$ (463)	\$ 767,876	\$ 752,715	\$ 355,676	\$ 127,948	\$ 257,764	\$ 211,600	\$ (69,573)	\$ 358,614	\$ 161,763
Los Angeles - Anaheim	\$ 340,541	\$ 162,250	\$ (40,851)	\$ 451,552	\$ 358,752	\$ (24,382)	\$ 221,526	\$ 218,928	\$ (270,521)	\$ (248,338)	\$ 153,686	\$ (152,708)
Program Wide Support	\$ (0)	\$ -	\$ 2,158,515	\$ 2,845,762	\$ 2,650,275	\$ 2,328,864	\$ 2,829,422	\$ 1,678,482	\$ 1,131,472	\$ 507,730	\$ 676,424	\$ (45,424)
Task 2 Preliminary Engineering (PE)	\$ (1,822)	\$ 735,725	\$ (706,450)	\$ (468,954)	\$ (99,187)	\$ 158,836	\$ 59,555	\$ 137,923	\$ 178,033	\$ 168,228	\$ 255,465	\$ 181,836
San Francisco - San Jose	\$ 5,263	\$ 2,346	\$ 2,252	\$ 6,022	\$ 3,379	\$ 797	\$ 1,112	\$ -	\$ -	\$ 6,618	\$ -	\$ 1,041
San Jose - Merced	\$ 2,433	\$ 2,216	\$ 1,822	\$ 719	\$ 4,602	\$ 1,650	\$ 1,433	\$ -	\$ -	\$ 5,490	\$ -	\$ 10,288
Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Palmdale - Los Angeles	\$ 25,417	\$ 41,969	\$ 463	\$ 52,893	\$ 49,434	\$ 47,964	\$ 57,011	\$ 91,183	\$ 70,471	\$ 83,101	\$ 174,356	\$ 102,803
Los Angeles - Anaheim	\$ 76,784	\$ 66,186	\$ 40,851	\$ 94,421	\$ 429,970	\$ 108,425	\$ -	\$ 46,740	\$ 107,562	\$ 73,019	\$ 81,109	\$ 67,703
Program Wide Support	\$ (111,719)	\$ 623,009	\$ (751,839)	\$ (623,009)	\$ (586,572)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 3 Other Related Work Needed Prior to Start of Construction	\$ (399)	\$ 5,192	\$ 169,187	\$ 175,607	\$ 710,693	\$ 117,092	\$ 174,321	\$ 110,940	\$ 447,075	\$ 89,589	\$ 222,536	\$ 288,871
San Francisco - San Jose	\$ 167	\$ 335	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
San Jose - Merced	\$ 167	\$ -	\$ -	\$ -	\$ 560,743	\$ -	\$ 119,906	\$ -	\$ 328,998	\$ -	\$ -	\$ -
Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 845	\$ -	\$ -	\$ -	\$ -	\$ -
Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ 17,355	\$ 35,588	\$ 18,961	\$ 11,928	\$ 7,768	\$ -	\$ 28,698	\$ 51,643	\$ 24,960
Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Program Wide Support	\$ (734)	\$ 4,858	\$ 169,187	\$ 158,252	\$ 114,362	\$ 98,131	\$ 41,642	\$ 103,171	\$ 118,076	\$ 60,891	\$ 170,893	\$ 263,911
Task 4 Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

Fiscal Year	Month	FY2022-23											
		Jul 2022	Aug 2022	Sep 2022	Oct 2022	Nov 2022	Dec 2022	Jan 2023	Feb 2023	Mar 2023	Apr 2023	May 2023	Jun 2023
Task 5	Program, Project and FCS Construction Management	\$ 9,629,943	\$ 11,607,574	\$ 10,570,016	\$ 15,132,111	\$ 13,638,029	\$ 10,874,916	\$ 11,001,212	\$ 10,637,786	\$ 13,278,783	\$ 13,184,398	\$ 14,966,951	\$ 14,950,412
Task 5.1	Program Management (RDP)	\$ 2,557,361	\$ 5,433,276	\$ 1,579,991	\$ 6,316,677	\$ 4,192,076	\$ 3,421,301	\$ 3,409,359	\$ 2,413,331	\$ 4,089,465	\$ 2,978,572	\$ 2,720,616	\$ 2,859,416
Task 5.2	Project Construction Management (PCM)	\$ 7,069,612	\$ 6,174,298	\$ 8,931,235	\$ 8,722,702	\$ 9,327,939	\$ 7,321,153	\$ 7,234,397	\$ 8,127,661	\$ 9,056,851	\$ 10,000,164	\$ 12,086,696	\$ 11,449,211
Task 5.2.1	Project Construction Management 1	\$ 3,106,579	\$ 2,379,410	\$ 2,725,223	\$ 2,788,894	\$ 3,100,825	\$ 2,931,581	\$ 2,513,917	\$ 2,611,474	\$ 2,854,807	\$ 3,353,530	\$ 3,394,788	\$ 3,606,038
Task 5.2.2	Project Construction Management 2-3	\$ 2,900,000	\$ 2,700,000	\$ 3,476,187	\$ 2,900,000	\$ 3,652,721	\$ 2,989,572	\$ 3,290,274	\$ 3,149,244	\$ 3,200,000	\$ 2,988,297	\$ 3,361,474	\$ 4,149,230
Task 5.2.3	Project Construction Management 4	\$ 1,063,032	\$ 1,094,888	\$ 2,729,825	\$ 3,033,807	\$ 2,574,392	\$ 1,400,000	\$ 1,430,206	\$ 2,366,943	\$ 1,397,001	\$ 2,137,337	\$ 2,686,125	\$ 2,459,355
Task 5.2.4	Project Construction Management 5	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,605,042	\$ 1,521,000	\$ 2,644,309	\$ 1,234,588
Task 5.3	Legal Services - Construction	\$ 2,970	\$ 0	\$ 58,790	\$ 92,733	\$ 118,013	\$ 132,462	\$ 357,456	\$ 96,794	\$ 132,467	\$ 205,662	\$ 159,638	\$ 641,785
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 677,310	\$ 239,446	\$ (969,986)	\$ 1,734,340	\$ 6,268,530	\$ 1,305,347	\$ 1,391,808	\$ 1,017,410	\$ 1,154,114	\$ 12,213,603	\$ 2,553,937	\$ 2,231,668
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 936,740	\$ 16,508	\$ 1,591,154	\$ 616,522	\$ 924,968	\$ 600,052	\$ 798,613	\$ 875,217	\$ 587,795	\$ (721,987)	\$ 887,940	\$ 286,669
Task 6.2.1	CP1 ROW Services & Relocation	\$ 1,126,821	\$ 88,684	\$ 1,177,922	\$ 234,714	\$ 370,371	\$ 310,816	\$ 296,011	\$ 351,292	\$ 187,276	\$ 38,669	\$ 395,190	\$ 30,024
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 149,911	\$ 100,032	\$ 396,806	\$ 49,721	\$ 255,911	\$ 247,060	\$ 181,376	\$ 363,139	\$ (52,626)	\$ (424,183)	\$ 292,723	\$ 50,807
Task 6.2.3	CP4 ROW Services & Relocation	\$ (339,993)	\$ (172,208)	\$ 16,426	\$ 332,088	\$ 298,686	\$ 42,175	\$ 321,226	\$ 160,787	\$ 453,145	\$ (336,474)	\$ 200,027	\$ 205,838
Task 6.3	Real Property - Environmental Mitigation	\$ 9,131	\$ (16,329)	\$ (2,655,489)	\$ 907,183	\$ 10,140	\$ 212,845	\$ 250,290	\$ -	\$ 79,381	\$ 1,784,529	\$ 3,505	\$ 624,670
Task 6.4	Real Property - ROW Acquisition	\$ (268,560)	\$ 239,268	\$ 94,349	\$ 210,635	\$ 5,333,422	\$ 492,450	\$ 342,905	\$ 142,192	\$ 486,938	\$ 11,151,061	\$ 1,662,492	\$ 1,320,329
Task 6.4.1	CP1 ROW Acquisition	\$ (5,560)	\$ 163,728	\$ (3,500)	\$ 126,250	\$ 465,575	\$ 297,735	\$ 23,275	\$ 104,117	\$ 371,023	\$ 1,118,169	\$ 22,271	\$ 4,485
Task 6.4.2	CP2-3 ROW Acquisition	\$ (263,000)	\$ 75,540	\$ 97,849	\$ 64,850	\$ 4,867,847	\$ 191,290	\$ 56,663	\$ 38,075	\$ 111,415	\$ 10,014,346	\$ 1,452,688	\$ (239,699)
Task 6.4.3	CP4 ROW Acquisition	\$ -	\$ -	\$ -	\$ 19,535	\$ -	\$ 3,425	\$ 262,968	\$ -	\$ 4,500	\$ 18,546	\$ 187,533	\$ 1,555,543
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 46,686,051	\$ 47,066,107	\$ 49,396,962	\$ 99,712,831	\$ 97,355,828	\$ 53,072,836	\$ 45,112,201	\$ 67,074,409	\$ 73,500,097	\$ 88,643,823	\$ 101,268,892	\$ 108,035,862
Task 8.1	SR-99	\$ 12,204	\$ 1,237,086	\$ 8,536	\$ -	\$ 2,917,651	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,845,670
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 12,382,745	\$ 12,811,932	\$ 17,214,925	\$ 17,960,155	\$ 17,840,688	\$ 22,354,696	\$ 10,261,313	\$ 21,168,020	\$ 36,078,448	\$ 55,362,986	\$ 46,935,662	\$ 43,981,550
Task 8.2.1	CP1	\$ 12,382,745	\$ 12,811,932	\$ 17,214,925	\$ 17,960,155	\$ 17,840,688	\$ 22,354,696	\$ 10,261,313	\$ 21,168,020	\$ 36,078,448	\$ 55,362,986	\$ 46,935,662	\$ 43,981,550
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 26,781,249	\$ 21,067,179	\$ 22,550,514	\$ 60,624,270	\$ 70,559,706	\$ 24,702,573	\$ 33,889,372	\$ 42,056,949	\$ 25,339,878	\$ 24,152,086	\$ 46,083,183	\$ 42,908,156
Task 8.3.1	CP2-3	\$ 26,781,249	\$ 21,067,179	\$ 22,550,514	\$ 60,624,270	\$ 70,559,706	\$ 24,702,573	\$ 33,889,372	\$ 42,056,949	\$ 25,339,878	\$ 24,152,086	\$ 46,083,183	\$ 42,908,156
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 7,509,853	\$ 11,949,910	\$ 9,622,987	\$ 21,128,406	\$ 6,037,783	\$ 6,015,567	\$ 961,516	\$ 3,849,440	\$ 12,081,771	\$ 9,128,752	\$ 8,250,048	\$ 17,300,486
Task 8.4.1	CP4	\$ 7,509,853	\$ 11,949,910	\$ 9,622,987	\$ 21,128,406	\$ 6,037,783	\$ 6,015,567	\$ 961,516	\$ 3,849,440	\$ 12,081,771	\$ 9,128,752	\$ 8,250,048	\$ 17,300,486
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.1	CP5 - Trackwork	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.1	CP5 - Systems and Electrification	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 58,255,172	\$ 59,519,502	\$ 60,552,323	\$ 120,256,692	\$ 121,847,512	\$ 68,517,839	\$ 60,835,227	\$ 80,788,580	\$ 89,666,826	\$ 114,486,859	\$ 120,571,694	\$ 125,433,101

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2023-24											
		Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
	ARRA - Federal	\$ -	\$ -	\$ (5,918)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (282,263)	\$ -	
	ARRA - State Match	\$ -	\$ -	\$ (5,961)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (284,324)	\$ -	
	Additional State	\$ 106,183,244	\$ 212,899,267	\$ 102,175,056	\$ 188,382,339	\$ 175,135,046	\$ 120,598,605	\$ 58,819,493	\$ 86,462,095	\$ 86,268,784	\$ 104,274,505	\$ 176,755,432	\$ 115,732,252
	FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 106,183,244	\$ 212,899,267	\$ 102,163,177	\$ 188,382,339	\$ 175,135,046	\$ 120,598,605	\$ 58,819,493	\$ 86,462,095	\$ 86,268,784	\$ 104,274,505	\$ 176,188,845	\$ 115,732,252
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 1,015,221	\$ 1,079,601	\$ 774,593	\$ 1,006,822	\$ 1,048,492	\$ 1,106,524	\$ 964,976	\$ 1,221,346	\$ 1,528,910	\$ 1,385,763	\$ 1,195,661	\$ 1,230,555
	San Francisco - San Jose	\$ -	\$ 27,265	\$ 110,270	\$ 27,165	\$ -	\$ 27,738	\$ 59,642	\$ 20,341	\$ 32,193	\$ 29,836	\$ 23,769	\$ -
	San Jose - Merced	\$ 90,123	\$ 293,883	\$ -	\$ -	\$ -	\$ 26,243	\$ 18,105	\$ 37,577	\$ 30,767	\$ 35,525	\$ 36,573	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ (4,021)	\$ -	\$ -
	Bakersfield - Palmdale	\$ 28,696	\$ -	\$ -	\$ 18,557	\$ 25,213	\$ -	\$ -	\$ 15,351	\$ 97,894	\$ 12,965	\$ -	\$ 18,261
	Palmdale - Los Angeles	\$ 351,685	\$ 397,755	\$ 519,260	\$ 660,332	\$ 523,851	\$ 516,692	\$ 45,418	\$ 491,073	\$ 824,459	\$ 712,199	\$ 424,376	\$ 537,487
	Los Angeles - Anaheim	\$ 224,683	\$ 178,214	\$ -	\$ 169,612	\$ 232,642	\$ 464,683	\$ 561,323	\$ 575,628	\$ 543,597	\$ 599,259	\$ 445,293	\$ 393,796
	Program Wide Support	\$ 320,034	\$ 182,483	\$ 145,064	\$ 131,156	\$ 266,787	\$ 71,168	\$ 280,488	\$ 81,375	\$ -	\$ -	\$ 265,649	\$ 281,011
Task 2	Preliminary Engineering (PE)	\$ 188,793	\$ 228,095	\$ 159,688	\$ 97,919	\$ 223,906	\$ 313,231	\$ 161,861	\$ 212,034	\$ 341,276	\$ 222,852	\$ 227,100	\$ 119,371
	San Francisco - San Jose	\$ -	\$ 13,086	\$ 3,881	\$ 12,484	\$ -	\$ 18,484	\$ 44,183	\$ 32,441	\$ 49,638	\$ 12,971	\$ 9,862	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ 107,245	\$ 143,568	\$ 82,880	\$ -	\$ 157,103	\$ 175,383	\$ -	\$ 99,449	\$ 154,927	\$ 97,199	\$ 100,353	\$ 43,093
	Los Angeles - Anaheim	\$ 81,548	\$ 71,441	\$ 72,927	\$ 85,435	\$ 66,803	\$ 119,364	\$ 117,678	\$ 80,144	\$ 136,712	\$ 112,681	\$ 116,886	\$ 76,278
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 66,527	\$ 304,460	\$ 146,527	\$ 283,359	\$ 208,880	\$ 240,369	\$ 147,264	\$ 96,383	\$ 169,462	\$ 180,416	\$ 264,201	\$ 150,235
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 59,609	\$ -	\$ 18,920	\$ 25,949	\$ 39,333	\$ 81,188	\$ 43,077
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ 71,038	\$ -	\$ -	\$ 42,653	\$ -	\$ 1,006	\$ 2,755	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ 44,135	\$ 1,380	\$ 102,864	\$ -	\$ 52,389	\$ 57,973	\$ -	\$ 28,986	\$ 506	\$ 137	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ 81	\$ -	\$ 5,941	\$ 4,802	\$ -	\$ 22,212	\$ -	\$ -	\$ -
	Program Wide Support	\$ 66,527	\$ 260,325	\$ 145,147	\$ 109,376	\$ 208,880	\$ 122,429	\$ 41,836	\$ 77,463	\$ 91,308	\$ 137,822	\$ 182,876	\$ 107,158
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2023-24											
		Jul 2023	Aug 2023	Sep 2023	Oct 2023	Nov 2023	Dec 2023	Jan 2024	Feb 2024	Mar 2024	Apr 2024	May 2024	Jun 2024
Task 5	Program, Project and FCS Construction Management	\$ 9,759,866	\$ 16,202,783	\$ 6,157,723	\$ 13,852,310	\$ 13,157,496	\$ 12,018,674	\$ 9,915,241	\$ 10,488,648	\$ 13,400,284	\$ 10,755,843	\$ 11,040,920	\$ 12,391,372
Task 5.1	Program Management (RDP/PDS)	\$ 207,512	\$ 1,597,999	\$ 134,834	\$ 1,340,177	\$ 1,509,244	\$ 77,960	\$ -	\$ 53,034	\$ (73,041)	\$ (52,454)	\$ (473,665)	\$ -
Task 5.2	Project Construction Management (PCM)	\$ 9,470,328	\$ 12,344,727	\$ 5,597,148	\$ 12,157,191	\$ 11,419,301	\$ 11,036,368	\$ 9,781,712	\$ 10,079,350	\$ 13,272,355	\$ 10,576,640	\$ 10,841,145	\$ 12,035,555
Task 5.2.1	Project Construction Management 1	\$ 3,196,247	\$ 3,509,544	\$ 3,456,571	\$ 3,989,223	\$ 4,176,336	\$ 4,147,806	\$ 3,867,718	\$ 4,430,238	\$ 6,032,479	\$ 5,186,124	\$ 5,463,425	\$ 6,397,349
Task 5.2.2	Project Construction Management 2-3	\$ 3,000,513	\$ 7,000,513	\$ 180,680	\$ 4,024,308	\$ 3,428,312	\$ 3,913,292	\$ 4,100,000	\$ 4,500,530	\$ 4,127,000	\$ 4,101,441	\$ 3,757,830	\$ 3,845,737
Task 5.2.3	Project Construction Management 4	\$ 3,273,567	\$ 1,834,669	\$ 1,959,897	\$ 1,885,707	\$ 1,415,445	\$ 2,005,998	\$ 1,313,860	\$ 1,148,582	\$ 1,135,377	\$ 1,289,076	\$ 1,619,891	\$ 1,792,469
Task 5.2.4	Project Construction Management 5	\$ -	\$ -	\$ -	\$ 2,257,952	\$ 2,399,207	\$ 969,272	\$ 500,133	\$ -	\$ 1,977,498	\$ -	\$ -	\$ -
Task 5.3	Legal Services - Construction	\$ 82,026	\$ 2,260,058	\$ 425,742	\$ 354,942	\$ 228,950	\$ 904,345	\$ 133,529	\$ 356,265	\$ 200,969	\$ 231,656	\$ 673,439	\$ 355,817
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 638,707	\$ 1,148,481	\$ 4,525,712	\$ 1,281,118	\$ 387,999	\$ 16,300,882	\$ 1,945,107	\$ 652,170	\$ 651,646	\$ 18,273,605	\$ 14,357,360	\$ 567,904
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 485,404	\$ 678,710	\$ 256,159	\$ 368,017	\$ 219,337	\$ 16,293,642	\$ 773,130	\$ 361,049	\$ 398,614	\$ 199,257	\$ 329,173	\$ 301,549
Task 6.2.1	CP1 ROW Services & Relocation	\$ 326,993	\$ 255,844	\$ 175,002	\$ 209,402	\$ 63,768	\$ 16,152,690	\$ 322,153	\$ 72,594	\$ 179,992	\$ 39,986	\$ 87,903	\$ 89,663
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 95,765	\$ 284,023	\$ 75,933	\$ 139,475	\$ 131,359	\$ 109,136	\$ 246,979	\$ 267,554	\$ 151,187	\$ 118,893	\$ 203,342	\$ 189,400
Task 6.2.3	CP4 ROW Services & Relocation	\$ 62,646	\$ 138,843	\$ 5,224	\$ 19,140	\$ 24,211	\$ 31,816	\$ 203,998	\$ 20,900	\$ 67,436	\$ 40,377	\$ 37,927	\$ 22,486
Task 6.3	Real Property - Environmental Mitigation	\$ 85,549	\$ 464,843	\$ 189,586	\$ 31,516	\$ 7,538	\$ (2,102)	\$ 250,616	\$ 21,000	\$ 87,867	\$ -	\$ 8,527	\$ 21,647
Task 6.4	Real Property - ROW Acquisition	\$ 67,755	\$ 4,928	\$ 4,079,967	\$ 881,585	\$ 161,124	\$ 9,342	\$ 921,361	\$ 270,121	\$ 165,165	\$ 18,074,348	\$ 14,019,661	\$ 244,708
Task 6.4.1	CP1 ROW Acquisition	\$ (500)	\$ 1,246	\$ 106,802	\$ 544,147	\$ 3,201	\$ 9,245	\$ 17,200	\$ -	\$ 42,246	\$ 19,550	\$ 84,688	\$ (14,800)
Task 6.4.2	CP2-3 ROW Acquisition	\$ 4,317	\$ 3,682	\$ 3,973,165	\$ 336,925	\$ 157,923	\$ 97	\$ 904,161	\$ 3,712	\$ 123,369	\$ 18,054,798	\$ 13,934,972	\$ 259,508
Task 6.4.3	CP4 ROW Acquisition	\$ 63,938	\$ -	\$ -	\$ 514	\$ -	\$ -	\$ -	\$ 266,409	\$ (450)	\$ -	\$ -	\$ -
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 94,514,130	\$ 193,935,847	\$ 90,398,934	\$ 171,860,812	\$ 160,108,274	\$ 90,618,925	\$ 45,685,044	\$ 73,791,514	\$ 70,177,206	\$ 73,456,027	\$ 149,103,604	\$ 101,272,816
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 37,198,800	\$ 68,712,275	\$ 41,937,846	\$ 116,864,335	\$ 24,263,543	\$ 33,237,529	\$ 18,434,620	\$ 20,174,180	\$ 20,275,657	\$ 32,858,630	\$ 44,199,518	\$ 38,545,636
Task 8.2.1	CP1	\$ 37,198,800	\$ 68,712,275	\$ 41,937,846	\$ 116,864,335	\$ 24,263,543	\$ 33,237,529	\$ 18,434,620	\$ 20,174,180	\$ 20,275,657	\$ 32,858,630	\$ 44,199,518	\$ 38,545,636
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 27,166,324	\$ 95,033,376	\$ 33,447,265	\$ 47,001,394	\$ 126,898,865	\$ 49,041,620	\$ 19,718,519	\$ 39,776,266	\$ 39,478,914	\$ 38,163,838	\$ 94,332,663	\$ 58,954,458
Task 8.3.1	CP2-3	\$ 27,166,324	\$ 95,033,376	\$ 33,447,265	\$ 47,001,394	\$ 126,898,865	\$ 49,041,620	\$ 19,718,519	\$ 39,776,266	\$ 39,478,914	\$ 38,163,838	\$ 94,332,663	\$ 58,954,458
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 30,049,006	\$ 30,099,428	\$ 14,896,094	\$ 7,840,726	\$ 8,784,947	\$ 8,330,588	\$ 7,359,430	\$ 13,697,852	\$ 10,275,058	\$ 2,433,560	\$ 10,571,424	\$ 3,772,722
Task 8.4.1	CP4	\$ 30,049,006	\$ 30,099,428	\$ 14,896,094	\$ 7,840,726	\$ 8,784,947	\$ 8,330,588	\$ 7,359,430	\$ 13,697,852	\$ 10,275,058	\$ 2,433,560	\$ 10,571,424	\$ 3,772,722
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.1	CP5 - Trackwork	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 100,000	\$ 90,769	\$ 117,730	\$ 154,357	\$ 160,919	\$ 9,188	\$ 172,475	\$ 143,216	\$ 147,577	\$ -	\$ -	\$ -
Task 8.6.1	CP5 - Systems and Electrification	\$ 100,000	\$ 90,769	\$ 117,730	\$ 154,357	\$ 160,919	\$ 9,188	\$ 172,475	\$ 143,216	\$ 147,577	\$ -	\$ -	\$ -
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 106,183,244	\$ 212,899,267	\$ 102,163,177	\$ 188,382,339	\$ 175,135,046	\$ 120,598,605	\$ 58,819,493	\$ 86,462,095	\$ 86,268,784	\$ 104,274,505	\$ 176,188,845	\$ 115,732,252

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2024-25											
		Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
	ARRA - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ARRA - State Match	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Additional State	\$ 177,737,009	\$ 157,967,397	\$ 143,730,101	\$ 157,102,344	\$ 142,849,999	\$ 158,731,654	\$ 153,085,439	\$ 138,985,962	\$ 143,210,972	\$ 166,471,814	\$ 147,689,173	\$ 145,215,437
	FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 177,737,009	\$ 157,967,397	\$ 143,730,101	\$ 157,102,344	\$ 142,849,999	\$ 158,731,654	\$ 153,085,439	\$ 138,985,962	\$ 143,210,972	\$ 166,471,814	\$ 147,689,173	\$ 145,215,437
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 4,955,844	\$ 2,545,660	\$ 2,509,988	\$ 2,486,904	\$ 2,362,846	\$ 2,362,846	\$ 2,362,846	\$ 2,433,419	\$ 2,362,846	\$ 1,933,372	\$ 1,914,582	\$ 1,985,155
	San Francisco - San Jose	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ 25,606	\$ -	\$ -	\$ -
	San Jose - Merced	\$ 900,018	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ 46,645	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ 1,446,072	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ 422,658	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 1,574,831	\$ 1,557,381	\$ 1,526,709	\$ 1,578,053	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568	\$ 1,524,568
	Program Wide Support	\$ 540,015	\$ 540,015	\$ 535,015	\$ 460,587	\$ 390,015	\$ 390,015	\$ 390,015	\$ 460,587	\$ 390,015	\$ 408,804	\$ 390,015	\$ 460,587
Task 2	Preliminary Engineering (PE)	\$ 1,988,641	\$ 1,506,919	\$ 1,506,919	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 88,533
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,457
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ 481,722	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 1,433,844	\$ 1,433,844	\$ 1,433,844	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075	\$ 73,075
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 5,472,921	\$ 2,566,836	\$ 2,586,836	\$ 1,860,173	\$ 1,860,173	\$ 1,864,105	\$ 1,864,105	\$ 1,864,105	\$ 1,836,643	\$ 1,834,105	\$ 1,831,911	\$ 3,638,846
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ 2,936,085	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,485,251
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 623,257
	Palmdale - Los Angeles	\$ 709,091	\$ 709,091	\$ 709,091	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ 1,297,407	\$ -
	Program Wide Support	\$ 530,338	\$ 560,338	\$ 580,338	\$ 562,766	\$ 562,766	\$ 566,699	\$ 566,699	\$ 566,699	\$ 539,236	\$ 536,699	\$ 534,505	\$ 530,338
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year		FY2024-25											
Month		Jul 2024	Aug 2024	Sep 2024	Oct 2024	Nov 2024	Dec 2024	Jan 2025	Feb 2025	Mar 2025	Apr 2025	May 2025	Jun 2025
Task 5	Program, Project and FCS Construction Management	\$ 15,742,184	\$ 15,792,184	\$ 15,742,549	\$ 15,692,585	\$ 15,692,585	\$ 15,692,585	\$ 15,821,232	\$ 15,821,232	\$ 15,245,826	\$ 15,028,397	\$ 15,228,397	\$ 15,278,397
Task 5.1	Program Management (RDP/PDS)	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770
Task 5.2	Project Construction Management (PCM)	\$ 12,408,287	\$ 12,458,287	\$ 12,408,651	\$ 12,358,687	\$ 12,358,687	\$ 12,358,687	\$ 12,487,335	\$ 12,487,335	\$ 11,911,928	\$ 11,694,500	\$ 11,894,500	\$ 11,944,500
Task 5.2.1	Project Construction Management 1	\$ 5,014,065	\$ 5,014,065	\$ 5,014,466	\$ 5,014,466	\$ 5,014,466	\$ 5,014,466	\$ 5,143,113	\$ 5,143,113	\$ 5,143,113	\$ 4,925,685	\$ 4,925,685	\$ 4,925,685
Task 5.2.2	Project Construction Management 2-3	\$ 4,283,333	\$ 4,333,333	\$ 4,283,297	\$ 4,233,333	\$ 4,233,333	\$ 4,233,333	\$ 4,233,333	\$ 4,233,333	\$ 4,233,333	\$ 4,233,333	\$ 4,433,333	\$ 4,483,333
Task 5.2.3	Project Construction Management 4	\$ 575,406	\$ 575,406	\$ 575,406	\$ 575,406	\$ 575,406	\$ 575,406	\$ 575,406	\$ 575,406	\$ -	\$ -	\$ -	\$ -
Task 5.2.4	Project Construction Management 5	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482	\$ 2,535,482
Task 5.3	Legal Services - Construction	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 15,335,822	\$ 9,593,374
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921	\$ 6,446,921
Task 6.2.1	CP1 ROW Services & Relocation	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922	\$ 3,346,922
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040	\$ 2,443,040
Task 6.2.3	CP4 ROW Services & Relocation	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958	\$ 656,958
Task 6.3	Real Property - Environmental Mitigation	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664	\$ 1,514,664
Task 6.4	Real Property - ROW Acquisition	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 7,374,238	\$ 1,631,789
Task 6.4.1	CP1 ROW Acquisition	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ 5,742,448	\$ -
Task 6.4.2	CP2-3 ROW Acquisition	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631	\$ 866,631
Task 6.4.3	CP4 ROW Acquisition	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159	\$ 765,159
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 134,241,596	\$ 120,219,976	\$ 106,047,987	\$ 121,653,785	\$ 107,525,497	\$ 107,078,784	\$ 117,628,358	\$ 103,458,308	\$ 108,356,759	\$ 115,942,607	\$ 113,305,385	\$ 114,631,133
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 67,621,152	\$ 50,019,057	\$ 42,366,305	\$ 56,231,155	\$ 42,048,588	\$ 40,725,560	\$ 51,119,351	\$ 36,596,847	\$ 39,886,282	\$ 47,692,038	\$ 48,940,714	\$ 49,533,964
Task 8.2.1	CP1	\$ 62,558,239	\$ 45,091,038	\$ 37,438,287	\$ 51,303,136	\$ 37,120,570	\$ 35,797,542	\$ 46,191,333	\$ 31,668,829	\$ 34,958,264	\$ 42,764,020	\$ 44,012,696	\$ 44,049,968
Task 8.2.2	CP1 Contingency	\$ 5,062,912	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 4,928,018	\$ 5,483,997
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 50,869,629	\$ 54,450,105	\$ 55,242,658	\$ 56,983,607	\$ 57,037,886	\$ 57,914,200	\$ 58,069,983	\$ 58,422,437	\$ 60,031,453	\$ 59,811,545	\$ 61,275,647	\$ 62,008,144
Task 8.3.1	CP2-3	\$ 42,962,983	\$ 46,543,459	\$ 47,336,012	\$ 49,076,961	\$ 49,131,240	\$ 50,007,554	\$ 50,163,337	\$ 50,515,791	\$ 52,124,807	\$ 51,904,899	\$ 53,369,000	\$ 54,101,498
Task 8.3.2	CP2-3 Contingency	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646	\$ 7,906,646
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ 7,311,791	\$ 7,311,791	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.1	CP4	\$ 5,372,952	\$ 5,372,952	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.2	CP4 Contingency	\$ 1,938,839	\$ 1,938,839	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 2,419,024	\$ 2,419,024
Task 8.5.1	CP5 - Trackwork	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 7,769,024	\$ 2,419,024	\$ 2,419,024
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000
Task 8.6.1	CP5 - Systems and Electrification	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000	\$ 670,000
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,324,436	\$ -	\$ -	\$ -	\$ 16,324,436	\$ -	\$ -
TOTAL		\$ 177,737,009	\$ 157,967,397	\$ 143,730,101	\$ 157,102,344	\$ 142,849,999	\$ 158,731,654	\$ 153,085,439	\$ 138,985,962	\$ 143,210,972	\$ 166,471,814	\$ 147,689,173	\$ 145,215,437

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2025-26											
		Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
	ARRA - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ARRA - State Match	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Additional State	\$ 182,449,266	\$ 180,864,503	\$ 261,810,618	\$ 215,677,380	\$ 204,333,152	\$ 246,102,578	\$ 197,163,024	\$ 186,226,493	\$ 226,588,807	\$ 187,201,147	\$ 190,575,419	\$ 204,457,483
	FY10 - State	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	FY10 - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 182,449,266	\$ 180,864,503	\$ 261,810,618	\$ 215,677,380	\$ 204,333,152	\$ 246,102,578	\$ 197,163,024	\$ 186,226,493	\$ 226,588,807	\$ 187,201,147	\$ 190,575,419	\$ 204,457,483
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 4,007,447	\$ 2,527,974	\$ 2,730,530	\$ 2,527,974	\$ 2,527,974	\$ 2,687,942	\$ 2,348,874	\$ 2,348,874	\$ 2,508,042	\$ 2,356,746	\$ 4,600,330	\$ 2,421,272
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 3,104,815	\$ 1,619,277	\$ 1,619,277	\$ 1,619,277	\$ 1,619,277	\$ 1,614,277	\$ 1,440,178	\$ 1,440,178	\$ 1,434,378	\$ 1,423,978	\$ 3,667,562	\$ 1,415,008
	Program Wide Support	\$ 902,632	\$ 908,696	\$ 1,111,252	\$ 908,696	\$ 908,696	\$ 1,073,664	\$ 908,696	\$ 908,696	\$ 1,073,664	\$ 932,769	\$ 932,769	\$ 1,006,264
Task 2	Preliminary Engineering (PE)	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583	\$ 140,583
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month	FY2025-26											
	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026
Task 5	Program, Project and FCS Construction Management											
Task 5.1	Program Management (RDP/PDS)	\$ 2,824,167	\$ 2,824,167	\$ 2,824,167	\$ 2,824,167	\$ 2,824,167	\$ 2,824,167	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770	\$ 2,318,770
Task 5.2	Project Construction Management (PCM)	\$ 9,936,896	\$ 9,936,896	\$ 9,936,896	\$ 11,256,839	\$ 11,256,839	\$ 9,745,491	\$ 9,877,536	\$ 9,877,536	\$ 9,877,536	\$ 9,877,536	\$ 9,877,536
Task 5.2.1	Project Construction Management 1	\$ 2,456,661	\$ 2,456,661	\$ 2,456,661	\$ 3,776,603	\$ 3,776,603	\$ 3,776,603	\$ 3,908,648	\$ 3,908,648	\$ 3,908,648	\$ 3,908,648	\$ 3,908,648
Task 5.2.2	Project Construction Management 2-3	\$ 3,022,695	\$ 3,022,695	\$ 3,022,695	\$ 3,022,695	\$ 3,022,695	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348
Task 5.2.3	Project Construction Management 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.2.4	Project Construction Management 5	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541	\$ 4,457,541
Task 5.3	Legal Services - Construction	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127	\$ 1,015,127
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 15,973,921	\$ 15,973,921	\$ 15,973,921	\$ 15,973,921	\$ 15,973,921	\$ 15,973,921	\$ 9,446,763	\$ 9,446,763	\$ 9,446,763	\$ 9,446,763	\$ 9,446,763
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894	\$ 8,595,894
Task 6.2.1	CP1 ROW Services & Relocation	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563	\$ 4,462,563
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387	\$ 3,257,387
Task 6.2.3	CP4 ROW Services & Relocation	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944	\$ 875,944
Task 6.3	Real Property - Environmental Mitigation	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869	\$ 850,869
Task 6.4	Real Property - ROW Acquisition	\$ 6,527,158	\$ 6,527,158	\$ 6,527,158	\$ 6,527,158	\$ 6,527,158	\$ 6,527,158	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.1	CP1 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.2	CP2-3 ROW Acquisition	\$ 3,466,522	\$ 3,466,522	\$ 3,466,522	\$ 3,466,522	\$ 3,466,522	\$ 3,466,522	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.3	CP4 ROW Acquisition	\$ 3,060,636	\$ 3,060,636	\$ 3,060,636	\$ 3,060,636	\$ 3,060,636	\$ 3,060,636	\$ -	\$ -	\$ -	\$ -	\$ -
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 148,048,116	\$ 147,942,827	\$ 189,450,022	\$ 181,435,761	\$ 170,091,534	\$ 173,975,975	\$ 171,512,362	\$ 160,575,832	\$ 161,542,614	\$ 161,542,614	\$ 162,673,301
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 53,201,043	\$ 53,095,754	\$ 58,195,478	\$ 56,519,777	\$ 45,175,549	\$ 49,059,991	\$ 63,170,283	\$ 62,921,112	\$ 63,887,894	\$ 63,887,894	\$ 63,887,894
Task 8.2.1	CP1	\$ 42,567,652	\$ 42,371,418	\$ 47,281,521	\$ 46,105,819	\$ 34,761,592	\$ 38,146,033	\$ 42,342,368	\$ 42,093,197	\$ 43,059,979	\$ 43,059,979	\$ 43,059,979
Task 8.2.2	CP1 Contingency	\$ 10,633,391	\$ 10,724,336	\$ 10,913,957	\$ 10,413,957	\$ 10,413,957	\$ 10,913,957	\$ 20,827,915	\$ 20,827,915	\$ 20,827,915	\$ 20,827,915	\$ 20,827,915
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ 55,150,113	\$ 55,150,113	\$ 55,150,113	\$ 48,811,553	\$ 48,811,553	\$ 48,811,553	\$ 32,237,648	\$ 21,550,289	\$ 21,550,289	\$ 21,550,289	\$ 22,680,976
Task 8.3.1	CP2-3	\$ 37,338,219	\$ 37,338,219	\$ 37,338,219	\$ 30,999,659	\$ 30,999,659	\$ 30,999,659	\$ 14,425,754	\$ 3,738,395	\$ 3,738,395	\$ 3,738,395	\$ 4,869,082
Task 8.3.2	CP2-3 Contingency	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894	\$ 17,811,894
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.1	CP4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ 3,192,127	\$ 3,192,127	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598
Task 8.5.1	CP5 - Trackwork	\$ 3,192,127	\$ 3,192,127	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598	\$ 39,599,598
Task 8.5.2	CP5 Trackwork Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833
Task 8.6.1	CP5 - Systems and Electrification	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833	\$ 36,504,833
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ -	\$ 39,236,364	\$ -	\$ -	\$ 39,236,364	\$ -	\$ -	\$ 39,236,364	\$ -	\$ 40,174,105
TOTAL		\$ 182,449,266	\$ 180,864,503	\$ 261,810,618	\$ 215,677,380	\$ 204,333,152	\$ 246,102,578	\$ 197,163,024	\$ 186,226,493	\$ 226,588,807	\$ 187,201,147	\$ 190,575,419

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2026-27											
		Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
ARRA - Federal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
ARRA - State Match		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Additional State		\$ 109,882,110	\$ 109,882,110	\$ 109,882,109	\$ 114,126,304	\$ 114,126,304	\$ 188,025,191	\$ 85,869,648	\$ 84,461,551	\$ 86,803,155	\$ 160,284,152	\$ 83,436,009	\$ 83,557,987
FY10 - State		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
FY10 - Federal		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 109,882,110	\$ 109,882,110	\$ 109,882,109	\$ 114,126,304	\$ 114,126,304	\$ 188,025,191	\$ 85,869,648	\$ 84,461,551	\$ 86,803,155	\$ 160,284,152	\$ 83,436,009	\$ 83,557,987
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 1,994,498	\$ 1,994,498	\$ 1,994,498	\$ 1,994,498	\$ 1,994,498	\$ 579,490	\$ 417,192	\$ 367,253	\$ 208,858	\$ 208,858	\$ 208,858	\$ 208,858
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ 1,415,008	\$ 1,415,008	\$ 1,415,008	\$ 1,415,008	\$ 1,415,008	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 579,490	\$ 579,490	\$ 579,490	\$ 579,490	\$ 579,490	\$ 579,490	\$ 417,192	\$ 367,253	\$ 208,858	\$ 208,858	\$ 208,858	\$ 208,858
Task 2	Preliminary Engineering (PE)	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ 324,690	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008	\$ 503,008
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2026-27												
		Jul 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027	Feb 2027	Mar 2027	Apr 2027	May 2027	Jun 2027	
Task 5	Program, Project and FCS Construction Management	\$ 12,151,634	\$ 12,151,634	\$ 12,151,634	\$ 12,151,634	\$ 12,151,634	\$ 10,640,287	\$ 16,686,562	\$ 15,328,404	\$ 17,828,404	\$ 18,728,352	\$ 18,705,451	\$ 18,705,451	
Task 5.1	Program Management (RDP/PDS)	\$ 1,358,158	\$ 1,358,158	\$ 1,358,158	\$ 1,358,158	\$ 1,358,158	\$ 1,358,158	\$ 1,358,158	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 5.2	Project Construction Management (PCM)	\$ 10,510,434	\$ 10,510,434	\$ 10,510,434	\$ 10,510,434	\$ 10,510,434	\$ 8,999,087	\$ 15,045,362	\$ 15,045,362	\$ 17,545,362	\$ 18,445,310	\$ 18,445,310	\$ 18,445,310	
Task 5.2.1	Project Construction Management 1	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	\$ 968,409	
Task 5.2.2	Project Construction Management 2-3	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ 1,511,348	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 5.2.3	Project Construction Management 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 5.2.4	Project Construction Management 5	\$ 8,030,678	\$ 8,030,678	\$ 8,030,678	\$ 8,030,678	\$ 8,030,678	\$ 8,030,678	\$ 14,076,953	\$ 14,076,953	\$ 16,576,953	\$ 17,476,901	\$ 17,476,901	\$ 17,476,901	
Task 5.3	Legal Services - Construction	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 283,042	\$ 260,141	\$ 260,141	
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,425,344	\$ 2,547,322	
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 6.2	Real Property - ROW Services & Relocation	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	\$ 2,232,329	
Task 6.2.1	CP1 ROW Services & Relocation	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	\$ 1,143,265	
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	\$ 856,776	
Task 6.2.3	CP4 ROW Services & Relocation	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	\$ 232,287	
Task 6.3	Real Property - Environmental Mitigation	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 193,015	\$ 314,993	
Task 6.4	Real Property - ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 6.4.1	CP1 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 6.4.2	CP2-3 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 6.4.3	CP4 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 7	Early Works (Not Used)													
Task 8	Final Design and Construction Contract Work for the FCS	\$ 92,482,935	\$ 92,482,935	\$ 92,482,935	\$ 96,727,130	\$ 96,727,130	\$ 96,727,130	\$ 65,837,543	\$ 65,837,543	\$ 65,837,541	\$ 61,593,348	\$ 61,593,348	\$ 61,593,348	
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ 30,889,587	\$ 30,889,587	\$ 30,889,587	\$ 30,889,587	\$ 30,889,587	\$ 30,889,587	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.2.1	CP1	\$ 403,668	\$ 403,668	\$ 403,668	\$ 403,668	\$ 403,668	\$ 403,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.2.2	CP1 Contingency	\$ 30,485,919	\$ 30,485,919	\$ 30,485,919	\$ 30,485,919	\$ 30,485,919	\$ 30,485,919	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.3.1	CP2-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.4.1	CP4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ 30,486,351	\$ 30,486,351	\$ 30,486,350	\$ 34,730,545	\$ 34,730,545	\$ 34,730,545	\$ 34,730,545	\$ 34,730,545	\$ 34,730,544	\$ 30,486,351	\$ 30,486,351	\$ 30,486,351	
Task 8.5.1	CP5 - Trackwork	\$ 27,065,199	\$ 27,065,199	\$ 27,065,199	\$ 31,309,394	\$ 31,309,394	\$ 31,309,394	\$ 31,309,394	\$ 31,309,394	\$ 31,309,393	\$ 27,065,199	\$ 27,065,199	\$ 27,065,199	
Task 8.5.2	CP5 Trackwork Contingency	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	\$ 3,421,151	
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	
Task 8.6.1	CP5 - Systems and Electrification	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	\$ 31,106,998	
Task 8.6.2	CP5 Systems and Electrification contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 76,825,242	\$ -	\$ -	\$ -	\$ 76,825,242	\$ -	\$ -	
TOTAL		\$ 109,882,110	\$ 109,882,110	\$ 109,882,109	\$ 114,126,304	\$ 114,126,304	\$ 188,025,191	\$ 85,869,648	\$ 84,461,551	\$ 86,803,155	\$ 160,284,152	\$ 83,436,009	\$ 83,557,987	

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2027-28											
		Jul 2027	Aug 2027	Sep 2027	Oct 2027	Nov 2027	Dec 2027	Jan 2028	Feb 2028	Mar 2028	Apr 2028	May 2028	Jun 2028
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE													
	ARRA - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	ARRA - State Match	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Additional State	\$ 70,768,557	\$ 93,909,522	\$ 289,057	\$ 286,048	\$ 286,048	\$ 289,057	\$ 286,048	\$ 286,048	\$ 289,057	\$ 286,048	\$ 286,048	\$ 244,036
	FY10 - State	\$ -	\$ 37,230,863	\$ 20,308,414	\$ 20,249,282	\$ 20,160,585	\$ 20,219,717	\$ 20,160,585	\$ 20,751,899	\$ 20,219,717	\$ 20,160,585	\$ 20,160,585	\$ 23,277,030
	FY10 - Federal	\$ -	\$ 159,982,643	\$ 48,391,538	\$ 48,250,670	\$ 48,039,367	\$ 48,180,235	\$ 48,039,367	\$ 49,448,053	\$ 48,180,235	\$ 48,039,367	\$ 48,039,367	\$ 55,465,453
TOTAL		\$ 70,768,557	\$ 291,123,029	\$ 68,989,009	\$ 68,786,000	\$ 68,486,000	\$ 68,689,009	\$ 68,486,000	\$ 70,486,000	\$ 68,689,009	\$ 68,486,000	\$ 68,486,000	\$ 78,986,519
ACTUAL AND FORECASTED EXPENDITURE BY TASK													
Task 1	Environmental Review	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 25,833
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 70,854	\$ 67,845	\$ 67,845	\$ 25,833
Task 2	Preliminary Engineering (PE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Program Wide Support	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203	\$ 218,203
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year	Month	FY2027-28											
		Jul 2027	Aug 2027	Sep 2027	Oct 2027	Nov 2027	Dec 2027	Jan 2028	Feb 2028	Mar 2028	Apr 2028	May 2028	Jun 2028
Task 5	Program, Project and FCS Construction Management	\$ 5,852,099	\$ 6,552,099	\$ 4,752,099	\$ 4,552,099	\$ 4,252,099	\$ 4,452,099	\$ 4,252,099	\$ 6,252,099	\$ 4,452,099	\$ 4,252,099	\$ 4,252,099	\$ 4,252,099
Task 5.1	Program Management (RDP/PDS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.2	Project Construction Management (PCM)	\$ 5,591,959	\$ 6,291,959	\$ 4,491,959	\$ 4,291,959	\$ 3,991,959	\$ 4,191,959	\$ 3,991,959	\$ 5,991,959	\$ 4,191,959	\$ 3,991,959	\$ 3,991,959	\$ 3,991,959
Task 5.2.1	Project Construction Management 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.2.2	Project Construction Management 2-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.2.3	Project Construction Management 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 5.2.4	Project Construction Management 5	\$ 5,591,959	\$ 6,291,959	\$ 4,491,959	\$ 4,291,959	\$ 3,991,959	\$ 4,191,959	\$ 3,991,959	\$ 5,991,959	\$ 4,191,959	\$ 3,991,959	\$ 3,991,959	\$ 3,991,959
Task 5.3	Legal Services - Construction	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141
Task 6	Real Property Acquisition and Environmental Mitigation	\$ 682,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2	Real Property - ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2.1	CP1 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.2.3	CP4 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.3	Real Property - Environmental Mitigation	\$ 682,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4	Real Property - ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.1	CP1 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.2	CP2-3 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 6.4.3	CP4 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 63,947,853	\$ 74,490,384
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2.1	CP1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3.1	CP2-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.1	CP4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 29,942,417	\$ 32,093,780
Task 8.5.1	CP5 - Trackwork	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 27,078,467	\$ 29,229,829
Task 8.5.2	CP5 Trackwork Contingency	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950	\$ 2,863,950
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 34,005,436	\$ 42,396,604
Task 8.6.1	CP5 - Systems and Electrification	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115	\$ 30,509,115
Task 8.6.2	CP5 Systems and Electrification contingency	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 3,496,320	\$ 11,887,489
Task 9	Interim Use Project Reserve	\$ -	\$ 154,290,361	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 10	Unallocated Contingency	\$ -	\$ 66,046,668	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
TOTAL		\$ 70,768,557	\$ 291,123,029	\$ 68,989,009	\$ 68,786,000	\$ 68,486,000	\$ 68,689,009	\$ 68,486,000	\$ 70,486,000	\$ 68,689,009	\$ 68,486,000	\$ 68,486,000	\$ 78,986,519

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year Month		FY2028-29						TOTAL
		Jul 2028	Aug 2028	Sep 2028	Oct 2028	Nov 2028	Dec 2028	
ACTUAL AND FORECASTED EXPENDITURE BY FUNDING SOURCE								
	ARRA - Federal	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,545,166,612
	ARRA - State Match	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 2,498,327,676
	Additional State	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 11,716,869,304
	FY10 - State	\$ 19,555,865	\$ 19,441,048	\$ 19,555,865	\$ 19,555,865	\$ 19,441,048	\$ 19,356,046	\$ 359,805,000
	FY10 - Federal	\$ 46,597,807	\$ 46,324,277	\$ 46,597,807	\$ 46,597,807	\$ 46,324,277	\$ 46,121,728	\$ 928,620,000
TOTAL		\$ 66,303,861	\$ 65,915,513	\$ 66,303,861	\$ 66,303,861	\$ 65,915,513	\$ 65,627,962	\$ 18,048,788,592

ACTUAL AND FORECASTED EXPENDITURE BY TASK							
Task 1	Environmental Review	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 842,253,499
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 69,416,509
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 133,664,657
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 218,683,238
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 80,840,404
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 149,791,014
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 144,068,287
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 45,789,390
Task 2	Preliminary Engineering (PE)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 357,739,740
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 24,924,254
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 54,821,582
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 101,328,465
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 38,714,540
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 99,327,912
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 31,193,990
	Program Wide Support	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 7,428,995
Task 3	Other Related Work Needed Prior to Start of Construction	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 127,893,348
	San Francisco - San Jose	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 11,623,279
	San Jose - Merced	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 16,287,164
	Merced - Fresno - Bakersfield	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 33,261,770
	Bakersfield - Palmdale	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 6,791,933
	Palmdale - Los Angeles	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 15,241,985
	Los Angeles - Anaheim	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 20,955,447
	Program Wide Support	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 150,188	\$ 23,731,770
Task 4	Project Administration and SWCAP	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 677,872

EXHIBIT C - FUNDING CONTRIBUTION PLAN



Monthly Expenditure and Forecast Plan

QUARTERLY FUNDING CONTRIBUTION PLAN UPDATE

Fiscal Year		FY2028-29						TOTAL
Month		Jul 2028	Aug 2028	Sep 2028	Oct 2028	Nov 2028	Dec 2028	
Task 5	Program, Project and FCS Construction Management	\$ 7,750,217	\$ 7,361,869	\$ 7,750,217	\$ 7,750,217	\$ 7,361,869	\$ 7,361,869	\$ 1,957,485,075
Task 5.1	Program Management (RDP/PDS)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 738,940,601
Task 5.2	Project Construction Management (PCM)	\$ 7,490,076	\$ 7,101,729	\$ 7,490,076	\$ 7,490,076	\$ 7,101,729	\$ 7,101,729	\$ 1,157,087,704
Task 5.2.1	Project Construction Management 1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 339,973,270
Task 5.2.2	Project Construction Management 2-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 333,226,123
Task 5.2.3	Project Construction Management 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 140,738,497
Task 5.2.4	Project Construction Management 5	\$ 7,490,076	\$ 7,101,729	\$ 7,490,076	\$ 7,490,076	\$ 7,101,729	\$ 7,101,729	\$ 343,149,813
Task 5.3	Legal Services - Construction	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 260,141	\$ 61,456,770
Task 6	Real Property Acquisition and Environmental Mitigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,951,943,720
Task 6.1	Real Property - Preliminary ROW	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19,187,698
Task 6.2	Real Property - ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 503,244,300
Task 6.2.1	CP1 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 272,013,887
Task 6.2.2	CP2-3 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 181,586,551
Task 6.2.3	CP4 ROW Services & Relocation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 49,643,862
Task 6.3	Real Property - Environmental Mitigation	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 147,014,042
Task 6.4	Real Property - ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,282,497,680
Task 6.4.1	CP1 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 683,013,798
Task 6.4.2	CP2-3 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 415,407,494
Task 6.4.3	CP4 ROW Acquisition	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 184,076,389
Task 7	Early Works (Not Used)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Task 8	Final Design and Construction Contract Work for the FCS	\$ 58,403,455	\$ 58,403,455	\$ 58,403,455	\$ 58,403,455	\$ 58,403,455	\$ 58,115,904	\$ 12,192,419,364
Task 8.1	SR-99	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 283,589,858
Task 8.2	Civil Infrastructure Construction Package 1 (CP1)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,314,729,156
Task 8.2.1	CP1	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,883,005,504
Task 8.2.2	CP1 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 431,723,652
Task 8.3	Civil Infrastructure Construction Package 2-3 (CP2-3)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,891,166,611
Task 8.3.1	CP2-3	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,600,356,020
Task 8.3.2	CP2-3 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 290,810,591
Task 8.4	Civil Infrastructure Construction Package 4 (CP4)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 878,195,704
Task 8.4.1	CP4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 874,318,027
Task 8.4.2	CP4 Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,877,678
Task 8.5	FCS Track Work Construction - Trackwork (CP5)	\$ 37,564,612	\$ 37,564,612	\$ 37,564,612	\$ 37,564,612	\$ 37,564,612	\$ 37,564,612	\$ 1,463,057,930
Task 8.5.1	CP5 - Trackwork	\$ 31,836,711	\$ 31,836,711	\$ 31,836,711	\$ 31,836,711	\$ 31,836,711	\$ 31,836,712	\$ 1,353,269,307
Task 8.5.2	CP5 Trackwork Contingency	\$ 5,727,901	\$ 5,727,901	\$ 5,727,901	\$ 5,727,901	\$ 5,727,901	\$ 5,727,901	\$ 109,788,623
Task 8.6	FCS Systems Work Construction - Systems (CP5)	\$ 20,838,843	\$ 20,838,843	\$ 20,838,843	\$ 20,838,843	\$ 20,838,843	\$ 20,551,292	\$ 1,361,680,106
Task 8.6.1	CP5 - Systems and Electrification	\$ 12,447,675	\$ 12,447,675	\$ 12,447,675	\$ 12,447,675	\$ 12,447,675	\$ 12,160,124	\$ 1,260,986,080
Task 8.6.2	CP5 Systems and Electrification contingency	\$ 8,391,169	\$ 8,391,169	\$ 8,391,169	\$ 8,391,169	\$ 8,391,169	\$ 8,391,169	\$ 100,694,025
Task 9	Interim Use Project Reserve	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 208,146,753
Task 10	Unallocated Contingency	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 410,229,222
TOTAL		\$ 66,303,861	\$ 65,915,513	\$ 66,303,861	\$ 66,303,861	\$ 65,915,513	\$ 65,627,962	\$ 18,048,788,592



U.S Department of Transportation

Federal Railroad Administration

Cooperative Agreement

1. RECIPIENT NAME AND ADDRESS
CALIFORNIA HIGH-SPEED RAIL AUTHORITY

770 L St Ste 620
Sacramento, CA 95814-3385

2. AGREEMENT NUMBER:

3. AMENDMENT NO.

4. PROJECT PERFORMANCE PERIOD: FROM TO

5. FEDERAL FUNDING PERIOD: FROM TO

1A. IRS/VENDOR NO.

6. PRE-AWARD AUTHORITY? Yes 6A. PRE-AWARD DATE (MM/DD/YYYY) 04/01/2024

1B. UEI. FJW5LSYDQLF3 1C. DUNS.

7. ACTION New

8. CFDA#:

TITLE	FEDERAL	NON-FEDERAL	TOTAL
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9. PROJECT TITLE
California Inaugural High-Speed Rail Service Project

10. PREVIOUS AGREEMENTS	0.00	0.00	0.00
11. THIS AGREEMENT	1,711,980,267.00	768,400,000.00	2,480,380,267.00
12. TOTAL AGREEMENT	1,711,980,267.00	768,400,000.00	2,480,380,267.00

12A. OTHER FEDERAL FUNDING	0.00
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13. INCORPORATED ATTACHMENTS
THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS, INCORPORATED HEREIN AND MADE A PART HEREOF:
General Terms and Conditions, Attachment 1; Project Specific Terms and Conditions, Attachment 2; Exhibits, Attachment 3

14. STATUTORY AUTHORITY FOR GRANT/ COOPERATIVE AGREEMENT
Infrastructure Investment and Jobs Act (IIJA), Sec. 22101 and Tit. VIII of Div. J (Pub. L. 117-58) (Nov. 15, 2021)

15. REMARKS

GRANTEE ACCEPTANCE

AGENCY APPROVAL

16. NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL
Shannon Shields
Grants Manager

18. NAME AND TITLE OF AUTHORIZED FRA OFFICIAL
Ms. Karla Maffett
Regional Manager

17. SIGNATURE OF AUTHORIZED GRANTEE OFFICIAL
Electronically Signed

17A. DATE
09/23/2024

19. SIGNATURE OF AUTHORIZED FRA OFFICIAL Electronically Signed	19A. DATE 09/23/2024
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AGENCY USE ONLY

20. OBJECT CLASS CODE: 41010

21. ORGANIZATION CODE: 9022000000

22. ACCOUNTING CLASSIFICATION CODES

DOCUMENT NUMBER	FUND	BY	BPAC	AMOUNT
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AWARD ATTACHMENTS

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

69A36524521070FSPCA

1. General Terms and Conditions, Attachment 1
2. Project Specific Terms and Conditions, Attachment 2
3. Exhibits, Attachment 3

Attachment 1

GENERAL TERMS AND CONDITIONS

Revision Date: August 22, 2024

General Terms and Conditions

Table of Contents

Attachment 1.....	1
ARTICLE 1: TERMS AND CONDITIONS.....	7
1.1 General Terms and Conditions	7
1.2 Project-Specific Terms and Conditions	7
1.3 Program-Specific Clauses.....	7
1.4 Exhibits	8
ARTICLE 2: FRA ROLE AND RESPONSIBILITIES	8
2.1 FRA Role.....	8
2.2 FRA Professional Staff.....	8
ARTICLE 3: RECIPIENT ROLE	9
3.1 Representations and Acknowledgments on the Project.....	9
3.2 Representations on Authority and Capacity	9
3.3 FRA Reliance	10
3.4 Project Delivery	10
3.5 Rights and Powers Affecting the Project	10
3.6 Notification of Changes to Key Personnel	11
ARTICLE 4: AWARD AMOUNT, OBLIGATION, AND TIME PERIODS.....	11
4.1 Federal Award Amount	11
4.2 Federal Obligations.....	11
4.3 Maximum Funding Amount.....	11
4.4 Budget Period	11
4.5 Period of Performance	11
ARTICLE 5: STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES	11
5.1 Notification Requirement.....	11
5.2 Scope and Statement of Work Changes	12
5.3 Schedule Changes.....	12
5.4 Budget Changes.....	12
5.5 Project Cost Savings.....	13
5.6 FRA Acceptance of Changes	13
ARTICLE 6: GENERAL REPORTING TERMS.....	14

6.1	Alternative Reporting Methods	14
6.2	Paperwork Reduction Act Notice.....	14
ARTICLE 7: PROGRESS AND FINANCIAL REPORTING		14
7.1	Quarterly Project Progress Reports and Recertifications.....	14
7.2	Final Progress Reports and Financial Information	15
7.3	Real Property Reporting	15
ARTICLE 8: PERFORMANCE MEASUREMENT AND REPORTING		15
8.1	Baseline Performance Measurement	15
8.2	Post-Project Performance Measurement	15
8.3	Project Outcomes Report	16
8.4	General Performance Measurement Requirements.....	16
8.5	Outcome Measurement and Reporting Survival	16
ARTICLE 9: BREACHS, DEFAULTS, AND REMEDIES		16
9.1	Noncompliance Events and Events of Default	16
9.2	Remedies.....	17
(3)	any of the remedies described in Section 9.2(a) or Article 10 of this Attachment 1.....	17
9.3	Remedial Process for Noncompliance Events and Events of Default	18
9.4	Suspension of Award.....	19
9.5	Non-Terminating Events	19
9.6	Effect of Termination or Project Closeout; Survival.....	20
9.7	Other Oversight Entities.....	20
ARTICLE 10: REPAYMENT OF FEDERAL FUNDS.....		20
10.1	Repayment under Phased Funding Agreement.....	20
10.2	Limitations on Repayment	20
ARTICLE 11: MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS.....		20
11.1	Recipient Monitoring and Record Retention	21
11.2	Financial Records and Audits	21
11.3	Internal Controls.....	21
11.4	FRA Record Access.....	21
11.5	Site Visits	22
ARTICLE 12: CONTRACTING AND SUBAWARDING		22
12.1	Buy America.....	22
12.2	Small and Disadvantaged Business Requirements.....	23

12.3	Engineering and Design Services [Reserved]	23
12.4	Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment	23
12.5	Pass-Through Entity Responsibilities	23
12.6	Local Hiring Preference for Construction Jobs	23
12.7	Procurement.....	24
ARTICLE 13: COSTS, PAYMENTS, AND UNEXPENDED FUNDS.....		24
13.1	Limitation of Federal Award Amount	24
13.2	Project Costs	24
13.3	Timing of Project Costs	24
13.4	Recipient Recovery of Federal Funds.....	24
13.5	Unexpended Agreement Federal Funds	25
13.6	Interest Earned	25
13.7	Timing of Payments to the Recipient.....	25
13.8	Payment Method.....	25
13.9	Information Supporting Expenditures	25
13.10	Reimbursement Request Timing Frequency.....	25
13.11	Program Income	26
ARTICLE 14: PROPERTY AND EQUIPMENT		26
14.1	General Requirements.....	26
14.2	Relocation and Real Property Acquisition.....	26
14.3	Use for Originally Authorized Purpose	26
14.4	Maintenance.....	26
14.5	Real Property Disposition	27
14.6	Equipment Disposition	27
14.7	Recordkeeping.....	27
14.8	Encumbrance.....	27
ARTICLE 15: AMENDMENTS		27
15.1	Bilateral Amendments	27
15.2	FRA Unilateral Amendments	27
15.3	Other Amendments.....	28
ARTICLE 16: CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE.....		28
16.1	Climate Change and Environmental Justice.....	28
ARTICLE 17: RACIAL EQUITY AND BARRIERS TO OPPORTUNITY		28

17.1	Racial Equity and Barriers to Opportunity	28
ARTICLE 18: LABOR AND WORK.....		28
18.1	Labor and Work	28
18.2	OFCCP Mega Construction Project Program.....	29
ARTICLE 19: CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE		29
19.1	Critical Infrastructure Security and Resilience	29
ARTICLE 20: FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS		29
20.1	Uniform Administrative Requirements for Federal Awards	29
20.2	Federal Law and Public Policy Requirements	30
20.3	Federal Freedom of Information Act	30
20.4	History of Performance	30
20.5	Whistleblower Protection.....	30
20.6	External Award Terms and Obligations.....	30
20.7	Incorporated Certifications.....	31
ARTICLE 21: ASSIGNMENT		31
21.1	Assignment Prohibited	31
ARTICLE 22: WAIVER		31
22.1	Waivers.....	31
ARTICLE 23: ADDITIONAL TERMS AND CONDITIONS		32
23.1	Disclaimer of Federal Liability	32
23.2	Environmental Review.....	32
23.3	Project Maintenance Requirement.....	33
23.4	Appropriations Act Requirements	33
23.5	Standards of Conduct	33
23.6	Changed Conditions of Performance.....	34
23.7	Litigation.....	34
23.8	Bipartisan Infrastructure Law Signage Guidelines	34
23.9	Equipment and Supplies	34
23.10	Safety and Technology Data	35
23.11	Intellectual Property.....	35
23.12	Liquidation of Recipient Obligations.....	35
ARTICLE 24: CONSTRUCTION AND DEFINITIONS		35

24.1	Agreement.....	35
24.2	Construction	35
24.3	Integration.....	36
24.4	Definitions	36
24.5	Calendar Dates	38
24.6	Communication in Writing.....	38
ARTICLE 25: AGREEMENT EXECUTION AND EFFECTIVE DATE.....		39
25.1	Counterparts.....	39
25.2	Effective Date	39
ARTICLE 26: PROGRAM-SPECIFIC CLAUSES.....		39
26.1	Interstate Rail Compacts Grant Program.....	39
26.2	Railroad Crossing Elimination Program Clauses	41
26.3	Consolidated Rail Infrastructure and Safety Improvements Grants Clauses	44
26.4	Restoration and Enhancement Grants Clauses.....	46
26.5	Federal-State Partnership for Intercity Passenger Rail and Federal-State Partnership for State of Good Repair Clauses	48
ARTICLE 27: EFFECT OF FORCE MAJEURE EVENTS.....		50
27.1	Excuse of Noncompliance or Repayment	50
27.2	Termination for Extended Force Majeure Events.....	51

ATTACHMENT 1

This Grant Agreement (Agreement) is between the Federal Railroad Administration (FRA) and the Recipient identified in Attachment 2: Project-Specific Terms and Conditions. This Agreement, including the Agreement cover sheet, this Attachment 1, Attachment 2, and Exhibits A–C, constitutes the entire Agreement between FRA and the Recipient regarding the Project as defined in Attachment 2. All prior discussions and understandings concerning the scope and subject matter of this agreement are superseded by this Agreement.

This Agreement is governed by and subject to 2 C.F.R. part 200, Uniform Administrative Requirements, Cost Principles and Audit Requirements for Federal Awards, and the U.S. Department of Transportation (USDOT) implementing regulations at 2 C.F.R. part 1201.

ARTICLE 1: TERMS AND CONDITIONS

1.1 General Terms and Conditions

This Attachment 1: General Terms and Conditions, is part of the Agreement between FRA and the Recipient. This Attachment 1 contains the standard terms and conditions governing the administration of this Agreement and the execution of the Project. The General Terms and Conditions incorporate by reference the information contained in Attachment 2 and the Exhibits to this Agreement.

1.2 Project-Specific Terms and Conditions

Attachment 2: Project-Specific Terms and Conditions, is part of the Agreement between FRA and the Recipient. Attachment 2 contains Project-Specific Terms and Conditions, which may include special terms and conditions.

1.3 Program-Specific Clauses

Article 26 of this Attachment 1 contains the applicable program-specific clauses. The Recipient will comply with the program-specific clauses below that are associated with the grant program identified in Attachment 2 of this Agreement. In the event that the Recipient's grant is not authorized under a program listed below, Article 26 does not apply.

(a) For Projects funded under the Interstate Rail Compacts program (49 U.S.C. § 22910), the Recipient will comply with the program-specific clauses in Article 26.1.

(b) For Projects funded under the Railroad Crossing Elimination program (49 U.S.C. § 22909), the Recipient will comply with the program-specific clauses in Article 26.2.

(c) For Projects funded under the Consolidated Rail Infrastructure and Safety Improvements program (49 U.S.C. § 22907), the Recipient will comply with the program-specific clauses in Article 26.3.

(d) For Projects funded under the Restoration and Enhancement program (49 U.S.C. § 22908), the Recipient will comply with the program-specific clauses in Article 26.4.

(e) For Projects funded under the Federal-State Partnership for Intercity Passenger Rail program (49 U.S.C. § 24911) and Federal-State Partnership for State of Good Repair (as authorized in Sections 11103 and 11302 of the Passenger Rail Reform and Investment Act of 2015 (Title XI of the Fixing America's Surface Transportation (FAST) Act, Pub. L. No. 114-94 (2015))), the Recipient will comply with the program-specific clauses in Article 26.5.

1.4 Exhibits

Exhibits A–C are part of the Agreement between FRA and the Recipient. The Recipient will comply with Exhibits A–C.

ARTICLE 2: FRA ROLE AND RESPONSIBILITIES

2.1 FRA Role

(a) FRA is responsible for funding disbursements to the Recipient under this Agreement. FRA will also conduct oversight and monitoring activities to assess Recipient progress against established performance goals and to assess compliance with terms and conditions, including the Statement of Work and other requirements of this Agreement.

(b) If this award is made as a Cooperative Agreement, FRA will have substantial programmatic involvement. Substantial involvement means that, after award, technical, administrative, or programmatic staff will assist, guide, coordinate, or otherwise participate with the Recipient in Project activities.

(c) If this award is made as a Grant, FRA will not have substantial programmatic involvement.

2.2 FRA Professional Staff

FRA may provide professional staff to review work in progress, completed products, and to provide or facilitate access to technical assistance when it is available, feasible, and appropriate. FRA professional staff may include the following:

(a) Financial Analyst. The Financial Analyst will serve as the Recipient's point of contact for systems (e.g., GrantSolutions and the Delphi eInvoicing System) access and troubleshooting as well as for financial monitoring.

(b) Grant Manager. The Grant Manager will serve as the Recipient's point of contact for grant administration and will oversee compliance with the terms and conditions in this Agreement. The Grant Manager reviews financial reports, performance reports, and works with the Project Manager to facilitate effective Project delivery.

(c) Project Manager. The Project Manager will serve as the Recipient's point of contact for the technical aspects of Project delivery. The Project Manager coordinates Project deliverable review, provides technical assistance to the Recipient, and generally assesses Project progress and performance.

ARTICLE 3: RECIPIENT ROLE

3.1 Representations and Acknowledgments on the Project

(a) The Recipient represents that:

- (1) all material statements of fact in the Application were accurate when the Application was submitted and now; and
- (2) the Recipient read and understands the terms and conditions in Attachment 1 and Attachment 2 of this Agreement, the applicable program-specific clauses in Article 26 of this Attachment 1, and the information and conditions in the Exhibits.

(b) The Recipient acknowledges that:

- (1) the terms and conditions impose obligations on the Recipient and that the Recipient's non-compliance with the terms and conditions may result in remedial action, including terminating the Agreement, disallowing costs incurred for the Project, requiring the Recipient to refund Federal contributions to FRA, and reporting the non-compliance in the Federal-government-wide integrity and performance system. Recipient acknowledges that the terms and conditions impose such obligations on the Recipient whether the award is made as a Cooperative Agreement, Grant Agreement, or Phased Funding Agreement.

- (2) The Recipient acknowledges that the requirements of this Agreement apply to the entire Project, including Project costs satisfied from sources other than Agreement Federal Funds.

(c) By entering into this Agreement with FRA, the Recipient agrees to comply with the terms and conditions in Attachment 1 and Attachment 2, including applicable program-specific clauses in Article 26 of this Attachment 1, Exhibits A–C, and all applicable Federal laws and regulations, including those identified in this Agreement. The Recipient will ensure compliance with all terms of this Agreement and all of its parts for all tiers of subawards and contracts under this Agreement, as appropriate. The Recipient understands that the terms and conditions of this Agreement apply regardless of whether the award is made as a Cooperative Agreement, Grant Agreement, or Phased Funding Agreement.

3.2 Representations on Authority and Capacity

The Recipient represents that:

- (a) it has the legal authority to receive Federal financial assistance under this Agreement;
- (b) it has the legal authority to complete the Project;
- (c) all representations and warranties made in the Federal System for Awards Management (SAM.gov) and in the Application are true and correct;

- (d) it has the capacity, including legal, technical, institutional, managerial, and financial capacity, to comply with its obligations under this Agreement and complete the Project;
- (e) the Non-Federal Funds listed in Article 6 of Attachment 2 of this Agreement are committed to fund the Project;
- (f) it has sufficient funds available to ensure that equipment and infrastructure funded under this Agreement will be operated and maintained in compliance with this Agreement and applicable Federal law;
- (g) it has sufficient funds available to ensure that operations funded under this agreement are conducted in compliance with this Agreement and applicable Federal law; and
- (h) the individual executing this agreement on behalf of the Recipient has the legal authority to enter this Agreement and make the statements and certifications in this Agreement on behalf of the Recipient.

3.3 FRA Reliance

The Recipient acknowledges that:

- (a) FRA relied on statements of fact in the Application and SAM.gov to select the Project to receive this award;
- (b) FRA relied on statements of fact in the Application, SAM.gov, and this Agreement to determine that the Recipient and the Project are eligible to receive financial assistance under this Agreement;
- (c) FRA relied on statements of fact in the Application, SAM.gov, and this Agreement to determine that the Recipient has the legal authority to implement the Project; and
- (d) FRA relied on statements of fact in both the Application and this Agreement to establish the terms of this Agreement; and
- (e) FRA's selection of the Project to receive this award may have prevented awards to other eligible applicants.

3.4 Project Delivery

- (a) The Recipient will implement and complete the Project to FRA's satisfaction under the terms of this Agreement.
- (b) The Recipient will ensure that the Project is financed, constructed, operated, and maintained in accordance with all applicable Federal laws, regulations, and policies.

3.5 Rights and Powers Affecting the Project

- (a) The Recipient will not take or permit any action that deprives it of any rights or powers necessary to the Recipient's performance under this Agreement without written approval of FRA.

(b) The Recipient will act promptly, in a manner acceptable to FRA, to acquire, extinguish, or modify any outstanding rights or claims of right of others that would interfere with the Recipient's performance under this Agreement.

3.6 Notification of Changes to Key Personnel

The Recipient will notify the FRA Grant Manager in writing within 30 days of any change in key personnel who are identified in the Application, which may require an amendment to this Agreement.

ARTICLE 4: AWARD AMOUNT, OBLIGATION, AND TIME PERIODS

4.1 Federal Award Amount

Under this Agreement, FRA awards a Grant to the Recipient in the amount that is the Agreement Federal Funds in Article 6.1 of Attachment 2 of this Agreement.

4.2 Federal Obligations

This Agreement obligates for the budget period the amount that is the Agreement Federal Funds in Article 6.1 of Attachment 2 of this Agreement.

4.3 Maximum Funding Amount

This Agreement funds the Project at the lesser amount of the Agreement Federal Funds in Article 6.1 of Attachment 2 of this Agreement, or the FRA maximum contribution percentage of the total Project cost identified in Article 6.5 of Attachment 2 of this Agreement.

4.4 Budget Period

The budget period for this award begins on the date of this Agreement and ends on the end date that is listed in Section 5 on the Agreement cover sheet. In this Agreement, "budget period" is used as defined at 2 C.F.R. § 200.1.

4.5 Period of Performance

The Period of Performance for this award is listed in Section 4 on the Agreement cover sheet. In this Agreement, "Period of Performance" is used as defined at 2 C.F.R. § 200.1.

ARTICLE 5: STATEMENT OF WORK, SCHEDULE, AND BUDGET CHANGES

5.1 Notification Requirement

The Recipient will notify the FRA Grant Manager and Project Manager by electronic correspondence within 30 days of any change in circumstances or commitments that adversely affect the Recipient's plan to complete the Project, including change in authority. In that notification, the Recipient will describe the change and what actions the Recipient has taken or plans to take to ensure completion of the Project. This notification requirement under this Section 5.1 is separate from any requirements under this Article 5 that the Recipient request an amendment to this Agreement.

5.2 Scope and Statement of Work Changes

If the Project's activities differ from the activities described in Article 4 of Attachment 2 of this Agreement, then the Recipient will notify FRA in writing of the change, which may require an amendment to this Agreement.

5.3 Schedule Changes

If one or more of the following conditions are satisfied, then the Recipient will request an amendment to this Agreement to update the Estimated Project Schedule in Section 5.2 of Attachment 2 of this Agreement:

- (a) a completion date for the Project or a component of the Project is listed in the Estimated Project Schedule in Section 5.2 of Attachment 2 of this Agreement and the Recipient's estimate for that milestone changes to a date that is more than six months after the date listed;
- (b) a schedule change would require the budget period to continue after the end of the budget period defined in Section 4.4; or
- (c) a schedule change would require the Period of Performance to continue after the end of the Period of Performance defined in Section 4.5. The Recipient must submit requests to extend the Period of Performance not later than 90 days before the end of the Period of Performance.

For other schedule changes, the Recipient will notify the Grant Manager in writing.

5.4 Budget Changes

- (a) The Recipient acknowledges that if the cost of completing the Project increases:
 - (1) that increase does not affect the Recipient's obligation under this Agreement to complete the Project;
 - (2) any additional funds the Recipient contributes to complete the Project are subject to the requirements of this Agreement in the same manner as the Non-Federal Funds identified in Article 6.5 of Attachment 2 of this Agreement; and
 - (3) FRA will not increase the amount of this award to address any funding shortfall.
- (b) The Recipient will notify FRA in writing if the total Project cost, as described in Table 6-A of Attachment 2 of this Agreement, amount increases, which may result in an amendment to this Agreement.
- (c) The Recipient will notify FRA in writing if the Non-Federal Funds amount decreases, which may result in an amendment to this Agreement.
- (d) For all other budget changes, the Recipient will follow the applicable procedures and document the changes in writing.

5.5 Project Cost Savings

(a) If there are Project Cost Savings, then the Recipient may notify FRA in writing of its intent to include in the Project and complete with the Project Cost Savings the additional activities within the scope of this award that are specified in the Additional Task(s) in Article 4 of Attachment 2 of this Agreement. The Recipient will complete the Additional Task(s) after FRA provides a written approval. An amendment to this Agreement is not required to proceed with the Additional Task(s).

(b) If there are Project Cost Savings, and there are not Additional Task(s) identified in Article 4 of Attachment 2 of this Agreement, then the Recipient may propose a new task that is within the scope of this award and request an amendment to add the new task to this Agreement and complete it with Project Cost Savings.

(c) In this Agreement, “**Project Cost Savings**” means the difference between the actual costs to complete the Project and the estimated total Project cost listed in Section 6.5 of Attachment 2 of this Agreement, if after the Recipient completes the tasks identified in Article 4 of Attachment 2 of this Agreement to FRA’s satisfaction, the actual Project costs are less than the estimated total Project costs. There are no Project Cost Savings prior to completion of the Project or if the actual costs to complete the Project are equal to or greater than the total Project cost listed in Section 6.5 of Attachment 2 of this Agreement.

(d) If there are Project Cost Savings and either the Recipient does not make a proposal or FRA does not accept the Recipient’s proposal under (a) of this Section 5.5, then:

(1) The Recipient will provide written notice to FRA and reduce the Federal Share by the Project Cost Savings, which may result in an amendment to this Agreement; and

(2) If the reduced Federal Share reduces this award and the Recipient received reimbursed costs exceeding the appropriate amount under the reduced award, the Recipient will refund the difference between the reimbursed costs and the reduced award.

(e) In this Agreement, “Federal Share” means the sum of the Agreement Federal Funds and Other Federal Funds amounts that are identified in the Approved Project Budget in Section 6.5 of Attachment 2 of this Agreement.

(f) The Recipient acknowledges that amounts that are required to be refunded under this Section constitute a debt to the Federal Government that FRA may collect under 2 C.F.R. § 200.346 and the Federal Claims Collection Standards (31 C.F.R. parts 900–999).

5.6 FRA Acceptance of Changes

FRA may accept or reject changes requested under this Article 5, and in doing so may elect to consider only the interests of the grant program and FRA. The Recipient acknowledges that any request under this Article 5 does not amend, modify, or supplement this Agreement unless FRA

accepts the request and the parties amend this Agreement under Section 15.1 of this Attachment 1.

ARTICLE 6: GENERAL REPORTING TERMS

6.1 Alternative Reporting Methods

FRA may establish processes for the Recipient to submit reports required by this Agreement, including electronic submission processes. If the Recipient is notified of those processes in writing, the Recipient will use the processes required by FRA.

6.2 Paperwork Reduction Act Notice

Under 5 C.F.R. § 1320.6, the Recipient is not required to respond to a collection of information that does not display a currently valid control number issued by the Office of Management and Budget (OMB). Notwithstanding any other term of this Agreement, the due date for any information collections required under this Agreement, including the reporting requirements in Articles 7 and 8, is the later of (1) the due date stated with the requirement and (2) the 30th day after OMB approves that information collection.

ARTICLE 7: PROGRESS AND FINANCIAL REPORTING

7.1 Quarterly Project Progress Reports and Recertifications

(a) On or before the 30th day of the first month of each quarter and until the end of the Period of Performance, the Recipient will submit to FRA through GrantSolutions a complete FRA Form 34¹ Quarterly Project Progress Report and Recertification that contains, for the previous quarter:

- (1) a certification that the Recipient is in compliance with 2 C.F.R. § 200.303 (Internal Controls) and 2 C.F.R. part 200, Subpart F (Audit Requirements);
- (2) the certification required under 2 C.F.R. § 200.415(a); and
- (3) a certification that the Recipient is complying with any environmental mitigation commitments and Section 106 compliance obligations.

If the date of this Agreement is in the final month of a quarter, then the Recipient will submit the first Quarterly Project Progress Report and Recertification in the quarter that begins after the date of this Agreement.

(b) On or before the 30th day of the first month of each quarter and until the end of the Period of Performance, the Recipient will submit to FRA through GrantSolutions a Federal Financial Report (SF-425) covering the previous quarter.

¹ FRA Form 34 is available at <https://railroads.dot.gov/grant-administration/reporting-requirements/fra-reports>

7.2 Final Progress Reports and Financial Information

No later than 120 days after the end of the Period of Performance, the Recipient will submit:

- (a) a final Quarterly Project Progress Report and Recertification in the format and with the content described in Section 7.1(a) of this Attachment 1 for each Quarterly Project Progress Report and Recertification;
- (b) a final SF-425 through GrantSolutions;
- (c) a Final Performance Report FRA Form 33 as provided by FRA²; and
- (d) any other information required under FRA's award closeout procedures.

7.3 Real Property Reporting

The Recipient will comply with the reporting obligations in 2 C.F.R. § 200.300, as directed by FRA.

ARTICLE 8: PERFORMANCE MEASUREMENT AND REPORTING

8.1 Baseline Performance Measurement

Within one year before the start of work on the Project, the Recipient will collect baseline data for each performance measure that is identified in Article 7 of Attachment 2 of this Agreement. Within six months of the start of the Period of Performance, the Recipient will submit to FRA a Baseline Performance Measurement Report that describes the data collected, the dates when the data were collected, the data sources, assumptions, variability, and estimated levels of precision for each performance measure. The Recipient will also provide FRA access to the data collected in machine-readable format.

8.2 Post-Project Performance Measurement

For each performance measure that is listed in Article 7 of Attachment 2 of this Agreement, the Recipient will collect data and submit to FRA a Post-Project Performance Measurement Report that describes the data collected, the dates when the data were collected, the data sources, assumptions, variability, and estimated levels of precision for each performance measure, at the frequency and for the duration identified in Article 7 of Attachment 2 of this Agreement. The Recipient will also provide FRA access to the data collected in machine-readable format. If an external factor affects a performance measure, the Recipient will identify that external factor in the Post-Project Performance Measurement Report and discuss the external factor's influence on the performance measure. In the Post-Project Performance Report, the Recipient will compare the actual project performance against the pre-project (baseline) performance and expected post-project performance as described in Table 7-A of Attachment 2 of this Agreement.

²FRA Form 33 is available at <https://railroads.dot.gov/grant-administration/reporting-requirements/fra-reports>

8.3 Project Outcomes Report

Where indicated in Article 7 of Attachment 2 of this Agreement, the Recipient will submit to FRA, not later than January 31st of the year that follows the final year during which data were collected, a Project Outcomes Report that contains:

- (a) an analysis of the impacts of the Project, including a comparison of the baseline performance measurement data collected under Section 8.1 of this Attachment 1 with the post-project performance measurement data that the Recipient reported in the final Post-Project Performance Measurement Report required under Section 8.2 of this Attachment 1;
- (b) for each performance measure that is identified in Article 7 of Attachment 2 of this Agreement, an analysis of the accuracy of the projected outcome; and
- (c) all data collected under Sections 8.1 and 8.2 of this Attachment 1;
- (d) additional information as directed.

8.4 General Performance Measurement Requirements

The Recipient will ensure that all data collection for each performance measure identified in Article 7 of Attachment 2 of this Agreement is completed in a manner consistent with the description, location, and other attributes associated with that performance measure.

8.5 Outcome Measurement and Reporting Survival

The data collection and reporting requirements in Article 8 of this Attachment 1 survive the termination of this Agreement. FRA may consider the Recipient's compliance with this requirement after closeout of the grant in its evaluation of future applications for Federal financial assistance.

ARTICLE 9: BREACHS, DEFAULTS, AND REMEDIES

9.1 Noncompliance Events and Events of Default

- (a) Noncompliance Event. Each of the following will constitute a "Noncompliance Event" hereunder:
 - (1) failure of any Project Participant to comply with the United States Constitution or Federal Applicable Law; or
 - (2) failure of the Recipient to ensure compliance with the terms and conditions of this Agreement.

For the avoidance of doubt, any fraud, waste or abuse with respect to the use of the funds under this Agreement, including Agreement Federal Funds and Non-Federal Funds, or a violation of the Use Requirement will constitute a Noncompliance Event.

- (b) Events of Default. The occurrence of any of the following will constitute an "Event of Default" hereunder:

- (1) the Recipient fails to achieve, Project Substantial Completion by the Long Stop Date;
- (2) the occurrence of any Persistent Noncompliance or (ii) the failure of the Recipient to comply with Section 14.7 or Section 14.9 of this Attachment 1;
- (3) the occurrence of any Project Material Change;
- (4) the occurrence of the event set forth in Section 23.2 of this Attachment 1;
- (5) any violation of Federal Applicable Law by any Project Participant that could materially and adversely affect the Project; or
- (6) the Recipient fails to obtain or contribute the required Non-Federal Funds as provided in this Agreement and consistent with Article 6 of Attachment 2 of this Agreement.

9.2 Remedies

- (a) Remedies for Noncompliance Events. If FRA issues a Notice of Final Determination under Section 9.3(e) of this Attachment 1 with respect to a Noncompliance Event, FRA may impose the following remedies:
 - (1) additional conditions on the award, including those set forth in 2 C.F.R. § 200.208(c); and
 - (2) if FRA determines that the noncompliance cannot be remedied through the imposition of additional conditions on the award, then FRA may impose one or more of the following remedies:
 - (3) withholding of cash payments;
 - (4) disallowing (including denying both use of funds and any applicable matching credit for) all or part of the cost of the activity or action that is the subject of the Notice of Final Determination;
 - (5) initiating suspension or debarment proceedings under 2 C.F.R. part 180;
 - (6) withholding further Federal awards for the Project; and
 - (7) other legally available remedies, including under FRA's remedial authority under 2 C.F.R. part 200 (including recovery of funds, but excluding (x) suspension of award or (y) termination of award, which are addressed in Section 9.2(b) of this Attachment 1);
- (b) Remedies for Events of Default. If FRA issues a Notice of Final Determination under Section 9.3(e) of this Attachment 1 with respect to an Event of Default, FRA may impose one or more of the following remedies:
 - (1) suspending the award and all award activities;
 - (2) terminating the award; and
 - (3) any of the remedies described in Section 9.2(a) or Article 10 of this Attachment 1; provided that the remedies described in Article 10 will not apply to an Event of Default on account of the occurrence of the event set forth in Section 23.2 of this Attachment 1.
- (c) Remedies Cumulative. No remedy herein conferred upon or reserved herein (including the remedies set forth in Article 10 of this Attachment 1) is intended to be exclusive of any other available remedy, but each remedy will be cumulative and will be in addition to other

remedies to which FRA is entitled under this Agreement. No delay or failure to exercise any right or power accruing hereunder upon the occurrence and during the continuance of any Noncompliance Event or Event of Default or otherwise will impair any such right or power or will be construed to be a waiver thereof, but any such right and power may be exercised from time to time by FRA and as often as may be deemed expedient.

9.3 Remedial Process for Noncompliance Events and Events of Default

- (a) Notice of Proposed Determination. If FRA determines that a Noncompliance Event or an Event of Default has occurred, FRA will notify the Recipient of such proposed determination through a written notice that (i) identifies the relevant Noncompliance Event or an Event of Default and (ii) requires the Recipient to respond in accordance with Section 9.3(b) of this Attachment 1 (each, a “Notice of Proposed Determination”).
- (b) Response to Notice of Proposed Determination. The Recipient will, not later than 7 days after receiving any Notice of Proposed Determination, submit the Initial Response Notice to FRA. In its Initial Response Notice, the Recipient will take one of the following actions:
 - (1) acknowledge the noncompliance and indicate it will propose a Corrective Action Plan in accordance with Section 9.3(d) of this Attachment 1; or
 - (2) dispute the noncompliance, and deliver sufficient documentation or other information supporting the Recipient’s compliance (provided that such documentation and information will be provided within 30 days (which can be extended to up to 45 days in FRA’s discretion) after the Recipient’s receipt of the Notice of Proposed Determination).
- (c) Stop Work Order.
 - (1) If, in connection with the delivery of a Notice of Proposed Determination, FRA determines the relevant Noncompliance Event or Event of Default is one that cannot be addressed while all or a portion of the work on the Project is ongoing, FRA may, in the Notice of Proposed Determination, direct the Recipient to stop all or a portion of the work on the Project for a designated period, together with the rationale for such stop work order. Such stop work period will end on the earlier of the date that (i) FRA approves a Corrective Action Plan and the Recipient completes any necessary Corrective Actions specified in such plan for work to resume, or (ii) FRA delivers of Notice of Final Determination imposing remedies for the relevant Noncompliance Event or Event of Default.
 - (2) Promptly following receipt of a notice to stop work from FRA, the Recipient will (x) stop the relevant work and (y) as applicable, direct any contractors to stop such work.
- (d) Corrective Action Plan.
 - (1) Delivery. In the case that the Recipient has indicated pursuant to Section 9.3(b)(1) that it will propose a Corrective Action Plan, it will deliver to FRA a proposed Corrective Action Plan in accordance with this Section 9.3(d).
 - (2) Timing of Delivery. Each Corrective Action Plan will be delivered within 30 days (which can be extended to up to 45 days in FRA’s sole discretion) after the date the Recipient’s Initial Response Notice is delivered pursuant to Section 9.3(b)(1) of this Attachment 1.
 - (3) FRA Review. FRA will approve or reject the proposed Corrective Action Plan. If FRA rejects the proposed Corrective Action Plan, it will provide its rationale for such rejection and any

suggested modifications to the cure regime and/or cure period under such Corrective Action Plan in order to meet FRA's expectations. In the case of any such rejection, FRA will indicate whether the Recipient may submit another proposed Corrective Action Plan for consideration by FRA in accordance with this Section 9.3(d)(3).

- (4) Compliance. Following the approval of any Corrective Action Plan by FRA, the Recipient will take any and all Corrective Actions within the cure period specified in the Corrective Action Plan.

(e) Notice of Final Determination.

- (1) FRA may issue a Notice of Final Determination under the following circumstances:

- i. upon the Recipient's failure to timely respond to a Notice of Proposed Determination under Section 9.3(b) of this Attachment 1.
- ii. upon a failure of the Recipient to take, or continue to take, the Corrective Actions under any Corrective Action Plan approved by FRA;
- iii. after considering the Recipient's response to a Notice of Proposed Determination, where the Recipient has disputed the occurrence of a Noncompliance Event or an Event of Default.

- (2) Each Notice of Final Determination will:

- i. state the final determination (e.g., noncompliance or compliance);
- ii. state the basis for the final determination; and
- iii. (x) describe the remedy that FRA is imposing, if applicable, pursuant to Section 9.2 of this Attachment 1, or (y) if FRA is not imposing a remedy, describe the resolution to the proposed determination of a Noncompliance Event or an Event of Default, including whether the Recipient has cured or corrected the noncompliance.

- (3) FRA may consider the public interest in making a proposed or final determination of noncompliance and imposing a remedy.

9.4 Suspension of Award

If FRA suspends the award and award activities under this Agreement pursuant to Section 9.2(b)(1) of this Attachment 1, FRA will notify the Recipient in writing of the following, which may be included in the relevant Notice of Final Determination:

- (a) what costs, if any, are allowable during the suspension, if the suspension is lifted and the award resumed;
- (b) what corrective or other actions must be taken during the suspension; and
- (c) if applicable, FRA's intent to terminate the award pursuant to this Agreement.

9.5 Non-Terminating Events

- (a) The end of the budget period described under Section 4.4 of this Attachment 1 does not terminate this Agreement or the Recipient's obligations under this Agreement.

- (b) The end of the Period of Performance described under Section 4.5 of this Attachment 1 does not terminate this Agreement or the Recipient's obligations under this Agreement.

9.6 Effect of Termination or Project Closeout; Survival

- (a) Upon the termination or Project Closeout of this Agreement, FRA's obligations to the Recipient with respect to the disbursement of any Agreement Federal Funds will terminate in full.
- (b) The Recipient acknowledges that under 2 C.F.R. §§ 200.345–200.346, termination of this Agreement, upon Project Closeout or otherwise, does not extinguish FRA's authority to disallow costs, including costs that FRA reimbursed before termination, and recover funds from the Recipient for the purposes described in 2 C.F.R. § 200.345.
- (c) The Recipient acknowledges that certain obligations of this Agreement survive the termination and Project Closeout of this Agreement, including the obligations described in Sections 8.5, 12.1(d), Articles 9, 14, 19, 20, 21, 22, 23, 24 and 25, in each case of this Attachment 1, and 2 C.F.R. §§ 200.344–200.346.

9.7 Other Oversight Entities

Nothing in Article 9 of this Attachment 1 limits any party's authority to report activity under this Agreement to the United States Department of Transportation Inspector General or other appropriate oversight entities.

ARTICLE 10: REPAYMENT OF FEDERAL FUNDS

10.1 Repayment under Phased Funding Agreement

- (a) Pursuant to 49 U.S.C. § 24911(g)(2)(C), which is applicable to the award under this Agreement, if the Recipient does not carry out the Project for reasons within the control of the Recipient, the Recipient will repay all Federal grant funds awarded for the Project from all Federal funding sources, for all Project activities, facilities, and equipment, plus reasonable interest and penalty charges allowable by law or established in this Agreement. For the avoidance of doubt, this clause does not restrict or otherwise limit FRA's ability to act under Article 9 of this Attachment 1.
- (b) For purposes of this Agreement:
 - (1) "the Recipient does not carry out the Project" means Project Substantial Completion does not, occur by the Long Stop Date; and
 - (2) "for reasons within control of the Recipient" means any reason other than the occurrence of a Force Majeure Event.

10.2 Limitations on Repayment

The Recipient's obligation to repay all Federal grant funds awarded for the Project in accordance with 49 U.S.C. § 24911(g)(2)(C) will not apply:

- (a) following Project Substantial Completion; and
- (b) in the case of the occurrence of a Force Majeure Event, so long as the Recipient complies with Article 27 of this Attachment 1 in respect thereto.

ARTICLE 11: MONITORING, FINANCIAL MANAGEMENT, CONTROLS, AND RECORDS

11.1 Recipient Monitoring and Record Retention

- (a) The Recipient will monitor activities under this award, including activities under subawards and contracts, to ensure:
 - (1) that those activities comply with this agreement; and
 - (2) that funds provided under this award are not expended on costs that are not allowable under this award or not allocable to this award.
- (b) If the Recipient makes a subaward under this award, the Recipient will monitor the activities of the Subrecipient in compliance with 2 C.F.R. §200.332(d).
- (c) The Recipient will retain and provide access to records relevant to the award during the course of the Project and for three years after closeout or longer, as required under 2 C.F.R. § 200.334
- (d) The Recipient will adhere to the recording and recordkeeping requirements set forth in 2 C.F.R. §§ 200.334–200.338. Project Closeout does not alter these requirements.

11.2 Financial Records and Audits

- (a) The Recipient will keep all Project accounts and records that fully disclose the amount and disposition by the Recipient of the award funds, the total cost of the Project, and the amount or nature of that portion of the cost of the Project supplied by other sources, and any other financial records related to the Project.
- (b) The Recipient will keep accounts and records described under Section 11.2(a) of this Attachment 1 in accordance with a financial management system that meets the requirements of 2 C.F.R. §§ 200.301–200.303 and 2 C.F.R. part 200, subpart F and will facilitate an effective audit in accordance with 31 U.S.C. §§ 7501–7506.
- (c) The Recipient will separately identify expenditures under the award in financial records required for audits under 31 U.S.C. §§ 7501–7506. Specifically, the Recipient will:
 - (1) list expenditures separately on the schedule of expenditures of Federal awards required under 2 C.F.R. part 200, subpart F, including the fiscal year in the format “FY 202X” in the program name; and
 - (2) list expenditures on a separate row under Part II, Item 1 (Federal Awards Expended During Fiscal Period) of Form SF-SAC, including “FY 202X” in Column C (Additional Award Identification).
- (d) If the Recipient expends \$750,000 or more in Federal awards during the Recipient’s fiscal year, a single or program audit will be conducted for that year, consistent with 2 C.F.R. §§ 200.501(a) and 200.512(c).

11.3 Internal Controls

The Recipient will establish and maintain internal controls as required under 2 C.F.R. § 200.303.

11.4 FRA Record Access

FRA may access Recipient records related to this award under 2 C.F.R. § 200.337.

11.5 Site Visits

FRA may conduct site visits to review Project activities, accomplishments, and management control systems and to provide technical assistance to the Recipient. The Recipient will provide or ensure reasonable, safe, and convenient access to FRA for any such site visit. FRA will conduct all site visits in such a manner as will not unduly delay work conducted by the Recipient, Subrecipient, or contractor.

ARTICLE 12: CONTRACTING AND SUBAWARDING

12.1 Buy America

(a) For infrastructure projects, steel, iron, manufactured goods, and construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act (Buy American Act), Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT, and FRA. The Recipient acknowledges that this Agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(b) For all other projects, the Recipient's acquisition of steel, iron, and manufactured goods with funding provided through this Agreement is subject to the requirements set forth in the Buy American Act, 41 U.S.C. §§ 8301-8305. The Recipient also represents that it has never been convicted of violating the Buy American Act nor will it make funding received under this Agreement available to any person or entity who has been convicted of violating the Buy American Act.

(c) Under this Section, "infrastructure project" has the definition provided in 2 C.F.R. § 184.3.

(d) Under 2 C.F.R. § 200.322, as appropriate and to the extent consistent with law, the Recipient should, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

12.2 Small and Disadvantaged Business Requirements

The Recipient will expend all funds under this award in compliance with the requirements at 2 C.F.R. § 200.321 (Contracting with small and minority businesses, women's business enterprises, and labor surplus area firms), and to the extent applicable, 49 C.F.R. part 26 (Participation by disadvantaged business enterprises in Department of Transportation financial assistance programs).

12.3 Engineering and Design Services [Reserved]

12.4 Prohibition on Certain Telecommunications and Video Surveillance Services or Equipment

The Recipient acknowledges that Section 889 of Pub. L. No. 115-232 and 2 C.F.R. § 200.216 prohibit the Recipient and all Subrecipients from procuring or obtaining certain telecommunications and video surveillance services or equipment under this award.

12.5 Pass-Through Entity Responsibilities

(a) If the Recipient makes a subaward under this award, the Recipient will comply with the requirements for pass-through entities under 2 C.F.R. parts 200 and 1201, including 2 C.F.R. §§ 200.331–200.333, regardless of whether the Recipient is also a Pass-Through Entity as defined in 2 C.F.R. § 200.1.

(b) The Recipient will report any subaward obligation of \$25,000 or more in Federal funds in USASpending.gov consistent with the Federal Funding Accountability and Transparency Act, Pub. L. 109-282.

(c) The Recipient is accountable for performance under this award, the appropriate expenditure of funds, and other requirements under this Agreement. The Recipient is responsible for any non-compliance under the award and for compliance with any remedies imposed.

12.6 Local Hiring Preference for Construction Jobs

Under Section 25019 of the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58, div. B, tit. V (2021), a Recipient or Subrecipient may implement a local or other geographical or economic hiring preference relating to the use of labor for construction of a project funded by this grant if funded under title 49 or 23 United States Code, including prehire agreements, subject to any applicable State and local laws, policies, and procedures. The use of such a local or other geographical or economic hiring preference in any bid for a contract for the construction of a project funded by this grant shall not be considered to unduly limit competition. Project labor agreements should be consistent with the definition and standards outlined in Executive Order 13502. The Recipient will document its consideration of Local Hiring Preference for Construction Jobs related to the Project in Article 11 of Attachment 2 of this Agreement. For additional information, see

<https://www.transportation.gov/sites/dot.gov/files/2023-05/Creating-Local-Construction-Workforce.pdf>.

12.7 Procurement

The Recipient may acquire property, goods, or services in connection with the Project. If the Recipient is a State, then it will use its own procurement procedures that reflect applicable State laws and regulations in compliance with 2 C.F.R. § 200.317. A Subrecipient of a State will follow the policies and procedures allowed by that State when procuring property and services under this award consistent with 2 C.F.R. § 1201.317, notwithstanding 2 C.F.R. § 200.317. An entity that is not a State or Subrecipient of a State will comply with 2 C.F.R. §§ 200.318–200.327, and applicable supplementary USDOT or FRA directives and regulations. The Recipient will provide technical specifications and requirements to FRA for review upon request.

ARTICLE 13: COSTS, PAYMENTS, AND UNEXPENDED FUNDS

13.1 Limitation of Federal Award Amount

Under this award, FRA will not provide funding in an amount greater than the Agreement Federal Funds. The Recipient acknowledges that FRA is not liable for payments exceeding that amount, and the Recipient will not request reimbursement of costs exceeding that amount.

13.2 Project Costs

This award is subject to the cost principles at 2 C.F.R. part 200, subpart E, including provisions on determining allocable costs and determining allowable costs.

13.3 Timing of Project Costs

- (a) The Recipient will not charge to this award costs that are incurred after the budget period.
- (b) The Recipient will not charge to this award costs that were incurred before the date of this Agreement unless those costs are identified as approved pre-award costs in Section 6.6 of Attachment 2 of this Agreement and would have been allowable if incurred during the budget period. This limitation applies to pre-award costs under 2 C.F.R. § 200.458. This agreement hereby terminates and supersedes any previous FRA approval for the Recipient to incur costs under this award for the Project. Section 6.6 of Attachment 2 of this Agreement is the exclusive FRA approval of costs incurred before the date of this Agreement.
- (c) The Recipient may request approval of pre-award costs in a written request that demonstrates the purpose and amount of the costs, compliance with 2 C.F.R. § 200.458, and whether such costs would otherwise serve as Non-Federal Funds.

13.4 Recipient Recovery of Federal Funds

The Recipient will make all reasonable efforts, including initiating litigation, if necessary, to recover Federal funds if FRA determines, after consultation with the Recipient, that those funds have been spent fraudulently, wastefully, or in violation of Federal laws, or misused in any manner. The Recipient will not enter a settlement or other final position, in court or otherwise, involving the recovery of funds under the award unless approved in advance in writing by FRA.

13.5 Unexpended Agreement Federal Funds

Any Agreement Federal Funds that are obligated but not expended on allocable, allowable costs remain the property of the United States.

13.6 Interest Earned

Interest earned on advances of Agreement Federal Funds is not program income.

13.7 Timing of Payments to the Recipient

- (a) Reimbursement is the payment method, unless otherwise approved by FRA.
- (b) The Recipient will not request reimbursement of a cost before the Recipient has entered into an obligation for that cost.

13.8 Payment Method

- (a) The Recipient will use the DELPHI e-Invoicing System (<https://www.dot.gov/cfo/delphi-einvoicing-system.html>) to request reimbursement under this award. FRA will provide access to that system upon request by the Recipient.
- (b) FRA may deny a payment request that is not submitted using the method identified in this Section.

13.9 Information Supporting Expenditures

- (a) When requesting reimbursement of costs incurred or credit for cost share incurred, the Recipient will electronically submit the SF 270 (Request for Advance or Reimbursement) and will submit supporting cost detail to document clearly all costs incurred. As supporting cost detail, the Recipient will include a detailed breakout of all costs incurred and classify all costs by task and by Agreement Federal Funds and Agreement Non-Federal Funds.
- (b) Unless FRA and the Recipient agree otherwise in writing, the Recipient will ensure that the proportion of expenditure of Agreement Federal Funds to Agreement Non-Federal Funds is not more than the maximum percent of total Project cost FRA will contribute identified in Section 6.5 of Attachment 2 of this Agreement. The Recipient will ensure the proportional expenditure of funds is reflected in the detailed breakout of costs supporting the SF 270.
- (c) If the Recipient submits a request for reimbursement that FRA determines does not include or is not supported by sufficient detail, FRA may deny the request or withhold processing the request until the Recipient provides sufficient detail.

13.10 Reimbursement Request Timing Frequency

The Recipient will request reimbursement as needed to maintain cash flow sufficient to timely complete the Project. The Recipient will not submit any single payment request exceeding \$99,999,999.99. The Recipient will not submit a payment request exceeding \$50,000,000.00 unless the Recipient notifies FRA six days before submitting the request.

13.11 Program Income

The Recipient is encouraged to earn income to defray Project costs, where appropriate, and will work with FRA to determine how income may be applied to the grant, in accordance with 2 C.F.R. § 200.307 and 2 C.F.R. § 1201.80. Program income not deducted from total allowable costs may be used only for the purposes and under the terms and conditions established in this Agreement. The Recipient will maintain records of all program income.

ARTICLE 14: PROPERTY AND EQUIPMENT

14.1 General Requirements

The Recipient will comply with the property standards of 2 C.F.R. §§ 200.310–200.316 and will ensure compliance with these standards for all tiers of subawards and contracts under this award.

14.2 Relocation and Real Property Acquisition

The Recipient will comply with the land acquisition policies and relocation requirements in 42 U.S.C. § 4601 et seq. and 49 C.F.R. part 24, subparts A–F, as applicable. At a minimum, under this section, the Recipient will:

- (a) comply with the land acquisition policies in 49 C.F.R. part 24, subpart B and will pay or reimburse property owners for necessary expenses as specified in that subpart;
- (b) provide a relocation assistance program offering the services described in 49 C.F.R. part 24, subpart C and provide reasonable relocation payments and assistance to displaced persons as required in 49 C.F.R. part 24, subparts D–E; and
- (c) make available to displaced persons comparable replacement dwellings in accordance with 49 C.F.R. part 24, subpart E.
- (d) provide to FRA a real estate acquisition and management plan prior to beginning real property acquisition if the Project is designated a Major Project in Article 1 of Attachment 2 of this Agreement, or if the total Project cost in Section 6.5 of Attachment 2 of this Agreement is greater than \$300 million and the Project is also receiving financial assistance from the Federal Transit Administration (FTA).

14.3 Use for Originally Authorized Purpose

The Recipient will ensure that property and equipment funded under this Agreement is used for the originally authorized purpose. If necessary to satisfy this obligation, the Recipient will enter into appropriate arrangements with the entity or entities using, or with the owner of right-of-way used by, the property and/or equipment funded under this Agreement.

14.4 Maintenance

The Recipient will ensure that any property, improvements to property, and any equipment funded under this Agreement are maintained in good working order and in accordance with FRA regulations, guidelines, and directives.

14.5 Real Property Disposition

In accordance with 2 C.F.R. § 200.311, when real property acquired or improved under this award is no longer used for its originally intended purpose, the Recipient will request disposition instructions from FRA.

14.6 Equipment Disposition

(a) In accordance with 2 C.F.R. §§ 200.313 and 1201.313, when equipment acquired under this award is no longer needed for the Project:

(1) if the entity that acquired the equipment is a State or a Subrecipient of a State, that entity will dispose of that equipment in accordance with State laws and procedures; and

(2) if the entity that acquired the equipment is neither a State nor a Subrecipient of a State, that entity will request disposition instructions from FRA.

(b) In accordance with 2 C.F.R. §200.443(d), the distribution of the proceeds from the disposition of equipment must be made in accordance with 2 C.F.R. §§ 200.313–200.316 and 2 C.F.R. § 1201.313.

14.7 Recordkeeping

The Recipient will keep records regarding the operation and maintenance of property, improvements to property, equipment, and supplies funded under this Agreement and will provide them to FRA upon request.

14.8 Encumbrance

The Recipient will not create an obligation, such as a transfer of title, lease, lien, mortgage, or encumbrance, that would dispose of or encumber the Recipient's title or other interest in property, improvements to property, equipment or supplies funded under this Agreement without prior written approval from FRA.

The Recipient will not take any action that would adversely affect FRA's interest or impair the Recipient's continuing control over the use of the property, improvements to property, equipment, or supplies funded under the Agreement without prior written approval from FRA.

ARTICLE 15: AMENDMENTS

15.1 Bilateral Amendments

The parties may amend, modify, or supplement this Agreement by mutual agreement in writing signed by FRA and the Recipient. Either party may request to amend, modify, or supplement this Agreement by written notice to the other party.

15.2 FRA Unilateral Amendments

(a) FRA may unilaterally amend this Agreement for the following reasons:

- (1) to comply with Federal law;
- (2) at closeout or in anticipation of closeout; and
- (3) other non-substantive changes, such as to correct typographical errors, as deemed appropriate by FRA.

(b) To unilaterally amend this Agreement under Section 15.3 of this Attachment 1, FRA will provide a written notice to the Recipient that includes the amendment and the date that the amendment is effective.

(c) Except at closeout or in anticipation of closeout, FRA may not unilaterally amend the Statement of Work, this Agreement's monetary amount, the delivery schedule, the Period of Performance, or other terms or conditions of this Agreement.

15.3 Other Amendments

The parties will not amend, modify, or supplement this Agreement except as permitted under Sections 15.1, 15.2, or 15.3 of this Attachment 1. If an amendment, modification, or supplement is not permitted under Section 15.1, 15.2, or 15.3 of this Attachment 1, it is void.

ARTICLE 16: CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE

16.1 Climate Change and Environmental Justice

Consistent with Executive Order 14008, "Tackling the Climate Crisis at Home and Abroad" (Jan. 27, 2021), the Recipient will document its consideration of climate change and environmental justice impacts of the Project in Article 9 of Attachment 2 of this Agreement.

ARTICLE 17: RACIAL EQUITY AND BARRIERS TO OPPORTUNITY

17.1 Racial Equity and Barriers to Opportunity

Consistent with Executive Order 13985, "Advancing Racial Equity and Support for Underserved Communities Through the Federal Government" (Jan. 20, 2021), the Recipient will document its activities related to the Project to improve racial equity and reduce barriers to opportunity in Article 10 of Attachment 2 of this Agreement.

ARTICLE 18: LABOR AND WORK

18.1 Labor and Work

Consistent with Executive Order 14025, "Worker Organizing and Empowerment" (Apr. 26, 2021), and Executive Order 14052, "Implementation of the Infrastructure Investment and Jobs Act" (Nov. 15, 2021) (IIJA), the Recipient will document its consideration of job quality and labor rights, standards, and protections related to the Project in Article 11 of Attachment 2 of this Agreement.

18.2 OFCCP Mega Construction Project Program

If the total eligible Project costs listed in Attachment 2 of this Agreement are greater than \$35,000,000 and the Department of Labor's Office of Federal Contract Compliance Programs (OFCCP) selects this award for participation in the Mega Construction Project Program, then the Recipient shall partner with OFCCP, as requested by OFCCP.

ARTICLE 19: CRITICAL INFRASTRUCTURE SECURITY AND RESILIENCE

19.1 Critical Infrastructure Security and Resilience

(a) Consistent with Presidential Policy Directive 21, "Critical Infrastructure Security and Resilience" (Feb. 12, 2013), and the National Security Presidential Memorandum on Improving Cybersecurity for Critical Infrastructure Control Systems (July 28, 2021), the Recipient will consider physical and cyber security and resilience in planning, design, and oversight of the Project.

(b) If the Security Risk Designation in Section 1.3 of Attachment 2 of this Agreement is "Elevated," then not later than two years after the date of this Agreement the Recipient will submit to FRA a report that:

- (1) identifies a cybersecurity point of contact for the transportation infrastructure being improved in the Project;
- (2) summarizes or contains a cybersecurity incident reporting plan for the transportation infrastructure being improved in the Project;
- (3) summarizes or contains a cybersecurity incident response plan for the transportation infrastructure being improved in the Project;
- (4) documents the results of a self-assessment of the Recipient's cybersecurity posture and capabilities; and
- (5) describes any additional actions that the Recipient has taken to consider or address cybersecurity risk of the transportation infrastructure being improved in the Project.

ARTICLE 20: FEDERAL FINANCIAL ASSISTANCE, ADMINISTRATIVE, AND NATIONAL POLICY REQUIREMENTS

20.1 Uniform Administrative Requirements for Federal Awards

The Recipient will comply, and will ensure that other entities receiving funding under this agreement will comply, with the obligations on non-Federal entities under 2 C.F.R. parts 200 and 1201, regardless of whether the Recipient or other entity receiving funding under this agreement is a Non-Federal entity as defined in 2 C.F.R. § 200.1, except that subpart F of part 200 does not apply if the Recipient or Subrecipient is a for-profit entity.

20.2 Federal Law and Public Policy Requirements

- (a) The Recipient will ensure that Federal funding is expended in full accordance with the United States Constitution, Federal law, and statutory and public policy requirements: including but not limited to, those protecting free speech, religious liberty, public welfare, the environment, and prohibiting discrimination.
- (b) The failure of this Agreement to expressly identify Federal law applicable to the Recipient or activities under this Agreement does not make that law inapplicable.

20.3 Federal Freedom of Information Act

- (a) FRA is subject to the Freedom of Information Act (FOIA), 5 U.S.C. § 552.
- (b) The Recipient acknowledges that the Application and materials submitted to FRA by the Recipient related to this Agreement will become FRA records that may be subject to public release under 5 U.S.C. § 552. If the Recipient submits any materials to FRA related to this Agreement that the Recipient considers to include trade secret or confidential commercial or financial information, the Recipient should note that the submission contains confidential business information, mark each affected page, and highlight or otherwise denote the portions of the submission that contain confidential business information.

20.4 History of Performance

Under 2 C.F.R. § 200.206, any Federal awarding agency may consider the Recipient's performance under this Agreement, when evaluating the risks of making a future Federal financial assistance award to the Recipient.

20.5 Whistleblower Protection

- (a) The Recipient acknowledges that it is a "Recipient" within the scope of 41 U.S.C. § 4712, which prohibits the Recipient from taking certain actions against an employee for certain disclosures of information that the employee reasonably believes are evidence of gross mismanagement of this award, gross waste of Federal funds, or a violation of Federal law related to this award.
- (b) The Recipient will inform its employees in writing of the rights and remedies provided under 41 U.S.C. § 4712, in the predominant native language of the workforce.

20.6 External Award Terms and Obligations

- (a) In addition to this document and the contents described in Article 25 of this Attachment 1, this Agreement includes the following additional terms as integral parts:
 - (1) Appendix A to 2 C.F.R. part 25: System for Award Management and Universal Identifier Requirements;
 - (2) Appendix A to 2 C.F.R. part 170: Reporting Subawards and Executive Compensation;

(3) 2 C.F.R. § 175.15(b): Trafficking in Persons; and

(4) Appendix XII to 2 C.F.R. part 200: Award Term and Condition for Recipient Integrity and Performance Matters.

(b) The Recipient will comply with:

(1) 49 C.F.R. part 20: New Restrictions on Lobbying;

(2) 49 C.F.R. part 21: Nondiscrimination in Federally Assisted Programs of the Department of Transportation—Effectuation of Title VI of the Civil Rights Act of 1964;

(3) 49 C.F.R. part 27: Nondiscrimination on the Basis of Disability in Programs or Activities Receiving Federal Financial Assistance; and

(4) Subpart B of 49 C.F.R. part 32: Governmentwide Requirements for Drug-free Workplace (Financial Assistance).

20.7 Incorporated Certifications

The Recipient makes the representations in the following certifications, which are incorporated by reference:

(a) Appendix A to 49 C.F.R. part 20 (Certification Regarding Lobbying).

ARTICLE 21: ASSIGNMENT

21.1 Assignment Prohibited

The Recipient will not transfer to any other entity any discretion granted under this Agreement, any right to satisfy a condition under this Agreement, any remedy under this Agreement, or any obligation imposed under this Agreement.

ARTICLE 22: WAIVER

22.1 Waivers

(a) A waiver of a term of this Agreement authorized by law and granted by FRA will not be effective unless it is in writing and signed by an authorized representative of FRA.

(b) A waiver of a term of this Agreement granted by FRA on one occasion will not operate as a waiver on other occasions.

(c) If FRA fails to require strict performance of a term of this Agreement, fails to exercise a remedy for a breach of this Agreement, or fails to reject a payment during a breach of this Agreement, that failure does not constitute a waiver of that term or breach.

ARTICLE 23: ADDITIONAL TERMS AND CONDITIONS

23.1 Disclaimer of Federal Liability

FRA will not be responsible or liable for any damage to property or any injury to persons that may arise from, or be incident to, performance or compliance with this Agreement.

23.2 Environmental Review

(a) Except as authorized by law or under 23 C.F.R. § 771.113(d)(4), the Recipient will not begin final design activities; acquire real property, construction materials, or equipment, including rolling stock; begin construction; or take other actions that would have an adverse environmental impact or limit the choice of reasonable alternatives for the Project unless and until FRA complies with the National Environmental Policy Act, 42 U.S.C. § 4321 et seq. (NEPA), and any other applicable environmental laws and regulations. In addition, the Recipient will not begin project development that involves ground disturbing activity prior to FRA compliance with NEPA and any other applicable environmental laws and regulations.

(b) The Recipient acknowledges that:

- (1) FRA's actions under Section 23.2(a) of this Attachment 1 may depend on the Recipient conducting necessary environmental analyses and submitting necessary documents to FRA; and
- (2) applicable environmental statutes and regulations may require the Recipient to prepare and submit documents to other Federal, State, and local agencies.

(c) Consistent with 23 C.F.R. § 771.105(a), to the maximum extent practicable and consistent with Federal law, the Recipient will coordinate all environmental investigations, reviews, and consultations as a single process.

(f) The activities described in Article 4 of Attachment 2 of this Agreement and other information described in this Agreement may inform environmental decision-making processes, but the parties do not intend this Agreement to document the alternatives under consideration under those processes. If a build alternative is selected that does not align with Article 4 of Attachment 2 of this Agreement or other information in this Agreement, then FRA will either:

- (1) amend this Agreement under Section 15.1 of this Attachment 1 for consistency with the selected build alternative; or
- (2) if FRA determines that the condition at Section 10.1(a)(5) of this Attachment 1 is satisfied, terminate this Agreement under Section 10.1(a)(5) of this Attachment 1; or
- (3) take other action as deemed appropriate by FRA.

(g) The Recipient will complete any mitigation activities described in the environmental document or documents for the Project, including the terms and conditions contained in the required permits and authorizations for the Project. Article 4 of Attachment 2 of this Agreement identifies documents describing mitigation activities, but the absence of a document from that section does not relieve the Recipient of any compliance obligations.

23.3 Project Maintenance Requirement

The Recipient will ensure that any property and equipment funded within this Agreement is operated and maintained in good operating order and in accordance with 2 C.F.R. §§ 200.310–200.316, 1201.313 and any guidelines, directives, or regulations that FRA may issue.

23.4 Appropriations Act Requirements

The Recipient will comply with applicable requirements of the appropriations act identified in Section 6.3 of Attachment 2 of this Agreement.

23.5 Standards of Conduct

The Recipient will comply with the following standards of conduct:

(a) Standards of Conduct. The Recipient will maintain a written code or standards of conduct governing the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts or agreements supported by the Federal contribution provided through this Agreement. The code or standards will provide that the Recipient's officers, employees, board members, or agents may neither solicit nor accept gratuities, favors, or anything of monetary value from present or potential Subrecipients or contractors. The Recipient may set minimum rules where the financial interest is not substantial, or the gift is an unsolicited item of nominal intrinsic value. As permitted by state or local law or regulations, such code or standards will provide for penalties, sanctions, or other disciplinary actions for violations by the Recipient's officers, employees, board members, or agents, or by Subrecipients or their agents.

(b) Personal Conflict of Interest. The Recipient's code or standards must provide that no employee, officer, board member, or agent of the Recipient may participate in the selection, award, or administration of a contract supported by the Federal contribution if a real or apparent conflict of interest would be involved. Such a conflict of interest would arise when the employee, officer, or agent, any member of his or her immediate family, his or her partner, or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangible personal benefit from a firm considered for a contract.

(c) Organizational Conflicts of Interest. The Recipient's code or standards of conduct must include procedures for identifying and preventing real and apparent organizational conflicts of interests. An organizational conflict of interest exists when the nature of the work to be performed under a proposed contract, may, without some restrictions on future activities, result in an unfair competitive advantage to the contractor or impair the contractor's objectivity in performing the contract work.

(d) Existing Codes or Standards. This Section does not require the Recipient to implement a new code or standards of conduct where a state statute, or written code or standards of conduct, already effectively covers all of the required elements.

(e) Disclosure of Conflicts. The Recipient will disclose in writing any potential conflict of interest to FRA or pass-through entity.

23.6 Changed Conditions of Performance

The Recipient will notify FRA of any event that may affect its ability to perform the Project in accordance with the terms of this Agreement.

23.7 Litigation

The Recipient will notify FRA in writing of any decision pertaining to the Recipient's conduct of litigation that may affect FRA's interests in the Project or FRA's administration or enforcement of applicable Federal laws or regulations. The Recipient will inform FRA in writing before naming FRA as a party to any type of litigation for any reason in any forum.

23.8 Bipartisan Infrastructure Law Signage Guidelines

For projects funded by the Bipartisan Infrastructure Law, also known as the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (2021), the Recipient will ensure:

(a) signage is designed consistent with the guidelines and design specifications available at <https://www.whitehouse.gov/wp-content/uploads/2022/08/Building-A-Better-America-Brand-Guide.pdf>. Signs should include the official Building A Better America emblem and corresponding logomark and identify the project as "funded by President Biden's Bipartisan Infrastructure Law."

(b) signage displays the FRA logo and the Recipient logo, if any, along with the official Building A Better America emblem. The FRA logo should not be displayed in a manner that implies FRA itself is conducting the project.

(c) where applicable, the signage includes the project name (e.g., [Name of] Project funded by President Biden's Bipartisan Infrastructure Law.)

(d) the sign is placed at construction sites where it is clearly visible near the location of work and that the sign is maintained in good condition throughout the construction period.

(e) signs on equipment are placed in an easily visible location and maintained in good condition

23.9 Equipment and Supplies

The Recipient will maintain written policies and procedures that address acquisition, classification, and management of all equipment and supplies acquired or used under this award.

23.10 Safety and Technology Data

The Recipient will ensure that FRA has access to safety and technology relevant data generated by the Recipient under the award, in a machine-readable format, where specified in Article 4 of Attachment 2 of this Agreement.

23.11 Intellectual Property

The Recipient agrees to the standard patent rights clauses issued by the Department of Commerce at 37 C.F.R. § 404.14, as applicable.

23.12 Liquidation of Recipient Obligations

- (a) The Recipient will liquidate all obligations of award funds under this Agreement not later than 120 days after the end of the Period of Performance.
- (b) Liquidation of obligations and adjustment of costs under this Agreement follow the requirements of 2 C.F.R. §§ 200.344–200.346.

ARTICLE 24: CONSTRUCTION AND DEFINITIONS

24.1 Agreement

This Agreement consists of the following:

- (a) Agreement Cover Sheet
- (b) Attachment 1: General Terms and Conditions
- (c) Attachment 2: Project-Specific Terms and Conditions
- (d) Exhibit A: Applicable Federal Laws and Regulations
- (e) Exhibit B: Additional Standard Terms
- (f) Exhibit C: Quarterly Project Progress Reports and Recertifications

24.2 Construction

- (a) In these General Terms and Conditions, there are no references to articles or sections in project-specific portions of this Agreement that are not contained in Attachments or Exhibits listed in Section 24.1.
- (b) If a provision in these General Terms and Conditions or the Exhibits conflicts with a provision in the Project-Specific Terms and Conditions in Attachment 2 of this Agreement, then the relevant portion in Attachment 2 prevails. If a provision in the Exhibits conflicts with a provision in these General Terms and Conditions, then the provision in these General Terms and Conditions prevails.

24.3 Integration

This Agreement constitutes the entire agreement of the parties relating to the Project and supersedes any previous agreements, oral or written, relating to the Project.

24.4 Definitions

This Section defines terms used in this Agreement. Additional definitions found in 2 C.F.R. § 200.1 are incorporated by referenced into this Agreement.

“Abnormally Severe Weather Conditions” means, with respect to any work (other than engineering or design work, or any other work that does not involve trade work or the fabrication, installation, or transportation of materials), any storm in the geographical area where such work is being, or is scheduled to be, performed that:

- (a) exceeds the 20-year event for the effects of such storm, as determined by data maintained by the National Oceanic and Atmospheric Administration, or a similar weather data set maintained by a governmental authority and reasonably acceptable to FRA if such data from the National Oceanic and Atmospheric Administration is unavailable; and
- (b) actually prevents or delays the performance of such work.

“Agreement Federal Funds” means the total amount of Federal funds obligated under this Agreement. This is the amount shown in Section 6.1 of Attachment 2 of this Agreement.

“Applicable Law” means, with respect to any Person, any constitution, statute, law, rule, regulation, code, ordinance, treaty, judgment, order or any published policy, directive, guideline, requirement or other governmental rule or restriction which has the force of law, by or from a court, arbitrator or other governmental authority having jurisdiction over such Person or any of its properties, whether in effect as of the date of this Agreement or as of any date hereafter.

“Application” means the application identified in Article 3 of Attachment 2 of this Agreement, including Standard Form 424 and all information and attachments submitted with that form through Grants.gov.

“Construction Substantial Completion” means the stage of the Project when all construction tasks are complete such that the Recipient can use the Project for its intended use and only closeout activities remain. Activity to address or complete closeout activities will not prevent or disrupt use of the Project.

“Contingent Commitment” means the unobligated amounts of future available budget authority specified in law that FRA commits to obligate under the terms of this Agreement.

“Corrective Actions” means, with respect to a Noncompliance Event or an Event of Default, as applicable, any and all actions that the Recipient takes with all due diligence to cure or cause to be cured such Noncompliance Event or Event of Default in accordance with the relevant Corrective Action Plan, as applicable.

“Corrective Action Plan” means the plan to cure a Noncompliance Event or Event of Default



developed in accordance with Section 9.3(d) of this Attachment 1.

“Event of Default” has the meaning given to such term in Section 9.1(b) of this Attachment 1.

“Federal Share” means the sum of Agreement Federal Funds and Other Federal Funds. If there are no Other Federal Funds, the Federal Share is the same as the Agreement Federal Funds.

“Force Majeure Event” means the occurrence after the date of this Agreement of any of the following events (a) that is not within the control of the Recipient (and its Subrecipient and contractors) and (b) that directly causes the Recipient to be unable to comply with any of its obligations hereunder (and, in the case of failure to carry out the Project or meet a Project Milestone, meet the critical path of the then-current Project schedule): (i) war, civil war, insurgency, sabotage, piracy, invasion or armed conflict; (ii) act of Terrorism; (iii) nuclear, chemical or biological contamination; (iv) epidemic or pandemic (other than COVID-19); (v) any blockade or embargo; (vi) any labor dispute, including (1) official or unofficial strike; (2) lockout; or (3) go-slow, in each case, generally affecting the construction or railroad industries or a significant sector of it; (vii) riot or civil commotion; or (viii) earthquake or Abnormally Severe Weather Conditions.

“General Terms and Conditions” means this Attachment 1.

“Initial Response Notice” means, with respect to a Noncompliance Event or an Event of Default, as applicable, a notice submitted by the Recipient to FRA responding to the Notice of Proposed Determination, in the form and through the process described in the Notice of Proposed Determination.

“Long Stop Date” means December 31, 2038.

“Noncompliance Event” has the meaning given to such term in Section 9.1(a) of this Attachment 1.

“Notice of Final Determination” means, with respect to a Noncompliance Event or an Event of Default, as applicable, a notice issued FRA setting forth FRA’s final determination with respect to such Noncompliance Event or Event of Default, as applicable.

“Notice of Proposed Determination” has the meaning given to such term in Section 9.3(a) of this Attachment 1.

“Other Federal Funds” means Federal funds that are part of the Approved Project Budget in Section 6.5 of Attachment 2 of this Agreement for the Project but are not obligated under this Agreement.

“Person” means any individual, corporation, partnership, joint venture, association, joint-stock company, trust, trust company, unincorporated organization or governmental authority.

“Persistent Noncompliance” means any Noncompliance Event under the terms of this Agreement that (a) continues for more than 180 consecutive days from the date the related Notice of Proposed Determination is issued (excluding any days the Recipient is taking the Corrective Actions), or (b) occurs 3 or more times in any 12 consecutive month period.

“Project” means the project proposed in the Application, as modified by the negotiated



provisions of this Agreement, including Attachment 2 of this Agreement.

“Project Closeout” means the date that FRA notifies the Recipient that the award is closed out. Under 2 C.F.R. § 200.344, Project Closeout should occur no later than one year after the end of the Period of Performance.

“Project Cost Savings” means the difference between the actual costs to complete the Project and the estimated total Project cost listed in Section 6.5 of Attachment 2 of this Agreement, if after the Recipient completes the tasks identified in Article 4 of Attachment 2 of this Agreement to FRA’s satisfaction, the actual Project costs are less than the estimated total Project costs.

“Project Material Change” means (a) any change to the Project that FRA determines is materially inconsistent with (i) FRA’s basis for selecting the Project to receive the award or (b) Abandonment.

“Project Milestone” means the Project or a component of the Project is listed in the Estimated Project Schedule in Section 5.2 of Attachment 2 of this Agreement.

“Project Participant” means any Person that is responsible for carrying out all or a portion of the Project.

“Project Substantial Completion” means completion of construction activities on the First Construction Segment (FCS) and the Bakersfield Interim Extension, including any required testing and commissioning activities necessary for electrified high-speed passenger operations on this combined segment, and following testing and commissioning of the FCS and the Bakersfield Interim Extension, implementation of the early high-speed passenger service option in a manner and timeline consistent with the FRA-approved FCS Contingency Plan, should that plan be necessary (i.e., the Early Operating Segment (EOS) is significantly delayed). In addition, completion of the construction of the fully electrified, dedicated high-speed infrastructure for the Early Operating Segment (EOS) and commencement of electrified high-speed passenger service on the EOS.

“Rural Area” means any area that is not within an area designated as an urbanized area by the Bureau of the Census.

“Terrorism” means the unlawful use or threatened use of force or violence, instilling fear and terror, against individuals or property in an attempt to coerce or intimidate governments or societies, or to gain control over a population, to achieve political, religious, or ideological objectives.

24.5 Calendar Dates

Unless otherwise specified, all dates and durations are in calendar days, calendar quarters, or calendar years, as appropriate.

24.6 Communication in Writing

Unless otherwise specified, all written communication may be provided by electronic mail.

ARTICLE 25: AGREEMENT EXECUTION AND EFFECTIVE DATE

25.1 Counterparts

This agreement may be executed in counterparts, which constitute one document. The parties intend each countersigned original to have identical legal effect.

25.2 Effective Date

The agreement will become effective when all parties have signed it. The date of this Agreement will be the date this Agreement is signed by the last party to sign it.

ARTICLE 26: PROGRAM-SPECIFIC CLAUSES

26.1 Interstate Rail Compacts Grant Program

The Recipient agrees to comply with the clauses in Section 26.1 of this Attachment 1.

Consistent with 49 U.S.C. § 22905(e), clauses (b) through (g) of Section 26.1 of this Attachment 1 do not apply to: 1) commuter rail passenger transportation (as defined in 49 U.S.C. § 24102(3)) operations of a State or local government authority (as those terms are defined in 49 U.S.C. § 5302) or its contractor performing services in connection with commuter rail passenger operations; 2) the Alaska Railroad or its contractors; or 3) Amtrak's access rights to railroad right of way and facilities under current law.

(a) Non-Federal Match. The Recipient will provide a Non-Federal match of not less than 50 percent of the eligible expenses under the grant.

(b) Buy America. In lieu of Section 12.1 of this Attachment 1, the Recipient will comply with the following clauses, as applicable:

(1) for infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2). For infrastructure projects, construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT and FRA. The Recipient acknowledges that this agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(2) for non-infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2).

(3) under Section 26.1 of this Attachment 1, “infrastructure project” has the definition provided in 2 C.F.R. § 184.3.

(4) for all projects, as appropriate and to the extent consistent with law, the Recipient should under 2 C.F.R. § 200.322, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

(c) Operators Deemed Rail Carriers. The Recipient recognizes and agrees that 49 U.S.C. § 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided under chapter 229 of Title 49, United States Code, will be considered a “rail carrier” as defined by 49 U.S.C. § 10102(5), for purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including: the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.); the Railway Labor Act (45 U.S.C. § 151 et seq.); and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.). The Recipient agrees to reflect this provision in its agreements (if any) with any entity operating rail services over such rail infrastructure.

(d) Railroad Agreements. In accordance with 49 U.S.C. § 22905(c)(1), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then Recipient represents that it has entered into a written agreement with that railroad owner, which includes: compensation for such use; assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; an assurance by the railroad that collective bargaining agreements with railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and an assurance that Recipient complies with liability requirements consistent with 49 U.S.C. § 28103.

By signing this Agreement, Recipient certifies that the written agreement referenced in this Section 26.1(d) has been executed or is not required.

Additional guidance on compliance with the Railroad Agreements provisions is available on FRA’s website at: <https://railroads.dot.gov/elibrary/frequently-asked-questions-about-rail-improvement-grant-conditions-under-49-usc-ss-22905c1>.

(e) Labor Protective Arrangements. In accordance with 49 U.S.C. § 22905(c)(2)(B), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then the Recipient will ensure compliance with the protective arrangements that are equivalent to

those established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976, 49 U.S.C. § 22404. Such protective arrangements are included herein as Exhibit B.5.

(f) Davis-Bacon and Related Acts Provisions. In accordance with 49 U.S.C. § 22905(c)(2)(A), if the Project funded by this Agreement uses rights-of-way owned by a railroad, the Recipient will ensure compliance with the standards of 49 U.S.C. § 24312 with respect to the Project in the same manner that Amtrak is required to comply with those standards for construction work financed under an agreement made under 49 U.S.C. § 24308(a). For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

(g) Replacement of Existing Intercity Passenger Rail Service. If an intercity passenger rail transportation provider replaces Amtrak intercity passenger rail service through a Project funded by this Agreement, then such provider must comply with the provisions of 49 U.S.C. § 22905(d).

(h) Operator Limitation. Recipient's eligible expenses must be related to intercity passenger rail service to be operated by Amtrak.

(i) Reporting. As requested by FRA, the Recipient will report on:

- (1) the status of the planning efforts and coordination funded by the grant award;
- (2) plans for continued implementation of the interstate rail compact;
- (3) the status of, and data regarding, any new, restored, or enhanced rail services initiated under the interstate rail compact; and
- (4) other data and information as requested by FRA.

26.2 Railroad Crossing Elimination Program Clauses

The Recipient agrees to comply with the clauses in Section 26.2 of this Attachment 1.

Consistent with 49 U.S.C. §§ 22905(e) & 22909(j), clauses (b), (c), (d), and (g) of Section 26.2 of this Agreement 1 do not apply to: 1) commuter rail passenger transportation (as defined in 49 U.S.C. § 24102(3)) operations of a State or local government authority (as those terms are defined in 49 U.S.C. § 5302) or its contractor performing services in connection with commuter rail passenger operations; 2) the Alaska Railroad or its contractors; or 3) Amtrak's access rights to railroad right of way and facilities under current law. In addition, clause (f) does not apply to: 1) the Alaska Railroad or its contractors; or 2) Amtrak's access rights to railroad right of way and facilities under current law.

(a) Federal Share. The Federal Share of total Project costs shall not exceed 80 percent.

(b) Buy America. In lieu of Section 12.1 of this Agreement 1:

(1) for infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2). For infrastructure projects, construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT and FRA. The Recipient acknowledges that this Agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(2) for non-infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2).

(3) under this Section, “infrastructure project” has the definition provided in 2 C.F.R. § 184.3.

(4) for all projects, as appropriate and to the extent consistent with law, the Recipient should under 2 C.F.R. § 200.322, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

(c) Operators Deemed Rail Carriers. The Recipient recognizes and agrees that 49 U.S.C. § 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided under chapter 229 of Title 49, United States Code, will be considered a “rail carrier” as defined by 49 U.S.C. § 10102(5), for purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including: the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.); the Railway Labor Act (45 U.S.C. § 151 et seq.); and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.). The Recipient agrees to reflect this provision in its agreements (if any) with any entity operating rail services over such rail infrastructure.

(d) Railroad Agreements. In accordance with 49 U.S.C. § 22905(c)(1), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then Recipient represents that it has entered into a written agreement with that railroad owner, which includes: compensation for such use; assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; an assurance by the railroad that collective bargaining agreements with railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and an assurance that Recipient complies with liability requirements consistent with 49 U.S.C. § 28103.

By signing this Agreement, Recipient certifies that the written agreement referenced in this Section 26.2(d) has been executed or is not required.

Additional guidance on compliance with the Railroad Agreements provisions is available on FRA's website at: <https://railroads.dot.gov/elibrary/frequently-asked-questions-about-rail-improvement-grant-conditions-under-49-usc-ss-22905c1>.

(e) Impacted Rail Carrier or Real Property Owner Approvals. In accordance with 49 U.S.C. § 22909(e)(2)(A), prior to proceeding with the construction of the Project funded by this Agreement, if applicable, Recipient will obtain necessary approvals to commence construction from any impacted rail carriers or real property owners. If the Project is a planning project, as described in 49 U.S.C. § 22909(d)(6), the Recipient agrees to work collaboratively with rail carriers and right-of-way owners.

(f) Labor Protective Arrangements

(1) Notwithstanding 49 U.S.C. § 22905(e)(1), and in accordance with 49 U.S.C. § 22909(j)(3), any employee covered by the Railway Labor Act (45 U.S.C. § 151 et seq.) and the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.) who is adversely affected by actions taken in connection with the project financed in whole or in part by such grant shall be covered by employee protective arrangements required to be established under 49 U.S.C. § 22905(c)(2)(B). In accordance with 49 U.S.C. § 22905(c)(2)(B), the Recipient will ensure compliance with the protective arrangements that are equivalent to those established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976, 49 U.S.C. § 22404, as such protective arrangements are described in the final FRA guidance titled Equivalent Protections for Railroad Employees and effective December 28, 2022, included herein in Exhibit B.

(2) In accordance with 49 U.S.C. § 22909(j)(3), Recipient, and any successors, assigns, and contractors of Recipient:

- i. shall be bound by the employee protective arrangements required under subparagraph (1); and
- ii. shall be responsible for the implementation of such arrangements and for the obligations under such arrangements, but may arrange for another entity to take initial responsibility for compliance with the conditions of such arrangement.

(3) Labor protections required pursuant to Subsection (f) of Section 26.2 of this Attachment 1 shall be documented consistent with Article 18 of this Attachment 1.

(g) Davis-Bacon and Related Acts Provisions. In accordance with 49 U.S.C. § 22905(c)(2)(A), if the Project funded by this Agreement uses rights-of-way owned by a railroad, the Recipient will ensure compliance with the standards of 49 U.S.C. § 24312 with respect to the Project in the same manner that Amtrak is required to comply with

those standards for construction work financed under an agreement made under 49 U.S.C. § 24308(a). For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

(h) Replacement of Existing Intercity Passenger Rail Service. If an intercity passenger rail transportation provider replaces Amtrak intercity passenger rail service through a Project funded by this Agreement, then such provider must comply with the provisions of 49 U.S.C. § 22905(d).

26.3 Consolidated Rail Infrastructure and Safety Improvements Grants Clauses

The Recipient agrees to comply with the clauses in Section 26.3 of this Attachment 1.

Consistent with 49 U.S.C. § 22905(e), clauses (b) and (c) through (g) of Section 26.3 of this Attachment 1 do not apply to: 1) commuter rail passenger transportation (as defined in 49 U.S.C. § 24102(3)) operations of a State or local government authority (as those terms are defined in 49 U.S.C. § 5302) or its contractor performing services in connection with commuter rail passenger operations; 2) the Alaska Railroad or its contractors; or 3) Amtrak's access rights to railroad right of way and facilities under current law.

(a) Federal Share. The Federal Share of total Project costs shall not exceed 80 percent.

(b) Buy America. In lieu of Section 12.1 of this Attachment 1:

(1) for infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2). For infrastructure projects, construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT and FRA. The Recipient acknowledges that this Agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(2) for non-infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2).

(3) under this Section, "infrastructure project" has the definition provided in 2 C.F.R. § 184.3.

(4) for all projects, as appropriate and to the extent consistent with law, the Recipient should under 2 C.F.R. § 200.322, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall

include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

(c) Operators Deemed Rail Carriers. The Recipient recognizes and agrees that 49 U.S.C. § 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided under chapter 229 of Title 49, United States Code, will be considered a “rail carrier” as defined by 49 U.S.C. § 10102(5), for purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including: the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.); the Railway Labor Act (45 U.S.C. § 151 et seq.); and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.). The Recipient agrees to reflect this provision in its agreements (if any) with any entity operating rail services over such rail infrastructure.

(d) Railroad Agreements. In accordance with 49 U.S.C. § 22905(c)(1), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then Recipient represents that it has entered into a written agreement with that railroad owner, which includes: compensation for such use; assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; an assurance by the railroad that collective bargaining agreements with railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and an assurance that Recipient complies with liability requirements consistent with 49 U.S.C. § 28103.

By signing this Agreement, Recipient certifies that the written agreement referenced in this Section 26.3(d) has been executed or is not required.

Additional guidance on compliance with the Railroad Agreements provisions is available on FRA’s website at: <https://railroads.dot.gov/elibrary/frequently-asked-questions-about-rail-improvement-grant-conditions-under-49-usc-ss-22905c1>.

(e) Labor Protective Arrangements. In accordance with 49 U.S.C. § 22905(c)(2)(B), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then the Recipient will ensure compliance with the protective arrangements that are equivalent to those established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976, 49 U.S.C. § 22404. Such protective arrangements are included herein as Exhibit B.5.

(f) Davis-Bacon and Related Acts Provisions. In accordance with 49 U.S.C. § 22905(c)(2)(A), if the Project funded by this Agreement uses rights-of-way owned by a railroad, the Recipient will ensure compliance with the standards of 49 U.S.C. § 24312 with respect to the Project in the same manner that Amtrak is required to comply with those standards for construction work financed under an agreement made under 49 U.S.C. § 24308(a). For these purposes, wages in collective bargaining agreements

negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

(g) Replacement of Existing Intercity Passenger Rail Service. If an intercity passenger rail transportation provider replaces Amtrak intercity passenger rail service through a Project funded by this Agreement, then such provider must comply with the provisions of 49 U.S.C. § 22905(d).

26.4 Restoration and Enhancement Grants Clauses

The Recipient agrees to comply with the clauses in Section 26.4 of this Attachment 1.

Consistent with 49 U.S.C. § 22905(e), clauses (b) and (c) through (g) of Section 26.4 do not apply to: 1) commuter rail passenger transportation (as defined in 49 U.S.C. § 24102(3)) operations of a State or local government authority (as those terms are defined in 49 U.S.C. § 5302) or its contractor performing services in connection with commuter rail passenger operations; 2) the Alaska Railroad or its contractors; or 3) Amtrak's access rights to railroad right-of-way and facilities under current law.

(a) Maximum Funding Limitation. A grant authorized by 49 U.S.C. § 22908 may not exceed:

- (1) 90 percent of the projected net operating costs for the first year of service;
- (2) 80 percent of the projected net operating costs for the second year of service;
- (3) 70 percent of the projected net operating costs for the third year of service;
- (4) 60 percent of the projected net operating costs for the fourth year of service;
- (5) 50 percent of the projected net operating costs for the fifth year of service;
- and
- (6) 30 percent of the projected net operating costs for the sixth year of service.

(b) Buy America. In lieu of Section 12.1 of this Agreement 1:

- (1) for infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2). For infrastructure projects, construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT, and FRA. The Recipient acknowledges that this Agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).
- (2) for non-infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The

Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2).

(3) under Section 26.4 of this Attachment 1, “infrastructure project” has the definition provided in 2 C.F.R. § 184.3.

(4) for all projects, as appropriate and to the extent consistent with law, the Recipient should under 2 C.F.R. § 200.322, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

(c) Operators Deemed Rail Carriers. The Recipient recognizes and agrees that 49 U.S.C. § 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided under chapter 229 of Title 49, United States Code, will be considered a “rail carrier” as defined by 49 U.S.C. § 10102(5), for purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including: the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.); the Railway Labor Act (45 U.S.C. § 151 et seq.); and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.). The Recipient agrees to reflect this provision in its agreements (if any) with any entity operating rail services over such rail infrastructure.

(d) Railroad Agreements. In accordance with 49 U.S.C. § 22905(c)(1), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then Recipient represents that it has entered into a written agreement with that railroad owner, which includes: compensation for such use; assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; an assurance by the railroad that collective bargaining agreements with railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and an assurance that Recipient complies with liability requirements consistent with 49 U.S.C. § 28103.

By signing this Agreement, Recipient certifies that the written agreement referenced in this Section 26.4(d) has been executed or is not required.

Additional guidance on compliance with the Railroad Agreements provisions is available on FRA’s website at: <https://railroads.dot.gov/elibrary/frequently-asked-questions-about-rail-improvement-grant-conditions-under-49-usc-ss-22905c1>.

(e) Labor Protective Arrangements. In accordance with 49 U.S.C. § 22905(c)(2)(B), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then the Recipient will ensure compliance with the protective arrangements that are equivalent to those established under Section 504 of the Railroad Revitalization and Regulatory Reform

Act of 1976, 49 U.S.C. § 22404. Such protective arrangements are included herein as Exhibit B.5.

(f) Davis-Bacon and Related Acts Provisions. In accordance with 49 U.S.C. § 22905(c)(2)(A), if the Project funded by this Agreement uses rights-of-way owned by a railroad, the Recipient will ensure compliance with the standards of 49 U.S.C. § 24312 with respect to the Project in the same manner that Amtrak is required to comply with those standards for construction work financed under an agreement made under 49 U.S.C. § 24308(a). For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

(g) Replacement of Existing Intercity Passenger Rail Service. If an intercity passenger rail transportation provider replaces Amtrak intercity passenger rail service through a Project funded by this Agreement, then such provider must comply with the provisions of 49 U.S.C. § 22905(d).

(h) Route Reporting. The Recipient will provide similar information regarding the route performance, financial, and ridership projections, and capital and business plans that Amtrak is required to provide, and such other data and information as is required by Article 4 of Attachment 2 of this Agreement.

(i) Termination. In addition to the terms of this Attachment 1, FRA may terminate this Agreement upon the cessation of service, or the violation of any other term of this Agreement.

26.5 Federal-State Partnership for Intercity Passenger Rail and Federal-State Partnership for State of Good Repair Clauses

The Recipient agrees to comply with the clauses in Section 26.5 of this Attachment 1.

Consistent with 49 U.S.C. § 22905(e), clauses (b) through (g) of Section 26.5 of this Attachment 1 do not apply to: 1) commuter rail passenger transportation (as defined in 49 U.S.C. § 24102(3)) operations of a State or local government authority (as those terms are defined in 49 U.S.C. § 5302) or its contractor performing services in connection with commuter rail passenger operations; 2) the Alaska Railroad or its contractors; or 3) Amtrak's access rights to railroad right of way and facilities under current law.

(a) Federal Share. The Federal Share of total Project costs shall not exceed 80 percent.

(b) Buy America. In lieu of Section 12.1 of this Attachment 1:

(1) for infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2). For infrastructure projects, construction materials used in the Project are subject to the domestic preference requirement at § 70914 of the Build America, Buy America Act, Pub. L. No. 117-58,

div. G, tit. IX, subtit. A, 135 Stat. 429, 1298 (2021) and 2 C.F.R. part 184, as implemented by OMB, USDOT and FRA. The Recipient acknowledges that this Agreement is neither a waiver of § 70914(a) nor a finding under § 70914(b).

(2) for non-infrastructure projects, steel, iron, and manufactured products used in the Project are subject to 49 U.S.C. § 22905(a), as implemented by FRA. The Recipient acknowledges that this Agreement is neither a waiver of 49 U.S.C. § 22905(a)(1) nor a finding under 49 U.S.C. § 22905(a)(2).

(3) under this Section, “infrastructure project” has the definition provided in 2 C.F.R. § 184.3.

(4) for all projects, as appropriate and to the extent consistent with law, the Recipient should under 2 C.F.R. § 200.322, to the greatest extent practicable under this award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States. The Recipient shall include the requirements of 2 C.F.R. § 200.322 in all subawards including all contracts and purchase orders for work or products under this award.

(c) Operators Deemed Rail Carriers. The Recipient recognizes and agrees that 49 U.S.C. § 22905(b) provides that persons conducting rail operations over rail infrastructure constructed or improved in whole or in part with funds provided under chapter 229 of Title 49, United States Code, will be considered a “rail carrier” as defined by 49 U.S.C. § 10102(5), for purposes of Title 49, United States Code, and any other statute that adopts that definition or in which that definition applies, including: the Railroad Retirement Act of 1974 (45 U.S.C. § 231 et seq.); the Railway Labor Act (45 U.S.C. § 151 et seq.); and the Railroad Unemployment Insurance Act (45 U.S.C. § 351 et seq.). The Recipient agrees to reflect this provision in its agreements (if any) with any entity operating rail services over such rail infrastructure.

(d) Railroad Agreements. In accordance with 49 U.S.C. § 22905(c)(1), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then Recipient represents that it has entered into a written agreement with that railroad owner, which includes: compensation for such use; assurances regarding the adequacy of infrastructure capacity to accommodate both existing and future freight and passenger operations; an assurance by the railroad that collective bargaining agreements with railroad’s employees (including terms regulating the contracting of work) will remain in full force and effect according to their terms for work performed by the railroad on the railroad transportation corridor; and an assurance that Recipient complies with liability requirements consistent with 49 U.S.C. § 28103.

By signing this Agreement, Recipient certifies that the written agreement referenced in this Section 26.5(d) has been executed or is not required.

Additional guidance on compliance with the Railroad Agreements provisions is available on FRA’s website at: <https://railroads.dot.gov/elibrary/frequently-asked-questions-about-rail-improvement-grant-conditions-under-49-usc-ss-22905c1>.

(e) Labor Protective Arrangements. In accordance with 49 U.S.C. § 22905(c)(2)(B), if the Project funded by this Agreement uses rights-of-way owned by a railroad, then the Recipient will ensure compliance with the protective arrangements that are equivalent to those established under Section 504 of the Railroad Revitalization and Regulatory Reform Act of 1976, 49 U.S.C. § 22404. Such protective arrangements are included herein as Exhibit B.5.

(f) Davis-Bacon and Related Acts Provisions. In accordance with 49 U.S.C. § 22905(c)(2)(A), if the Project funded by this Agreement uses rights-of-way owned by a railroad, the Recipient will ensure compliance with the standards of 49 U.S.C. § 24312 with respect to the Project in the same manner that Amtrak is required to comply with those standards for construction work financed under an agreement made under 49 U.S.C. § 24308(a). For these purposes, wages in collective bargaining agreements negotiated under the Railway Labor Act are deemed to comply with Davis-Bacon Act requirements.

(g) Replacement of Existing Intercity Passenger Rail Service. If an intercity passenger rail transportation provider replaces Amtrak intercity passenger rail service through a Project funded by this Agreement, then such provider must comply with the provisions of 49 U.S.C. § 22905(d).

(h) Northeast Corridor Cost Allocation. For projects located on the Northeast Corridor, as that term is defined in 49 U.S.C. § 24911(a)(4), Amtrak and the public authorities providing commuter rail passenger transportation at the Project location on the Northeast Corridor must remain in compliance with 49 U.S.C. § 24905(c)(2).

(i) Interest and Financing Costs. Pursuant to 49 U.S.C. § 24911(g)(2), interest and other financing costs of efficiently carrying out a part of the Project within a reasonable time are a cost of carrying out the Project under a Phased Funding Agreement, except that eligible costs may not be more than the cost of the most favorable financing terms reasonably available for the Project at the time of borrowing. The Recipient will certify to FRA's satisfaction that the Recipient has shown reasonable diligence in seeking the most favorable financing terms.

ARTICLE 27: EFFECT OF FORCE MAJEURE EVENTS

27.1 Excuse of Noncompliance or Repayment

FRA will not (i) issue a Notice of Final Determination pursuant to Article 9 of this Attachment 1 or (ii) require any repayment pursuant to Section 10.1 of this Attachment 1, in each case, to the extent that a Force Majeure Event occurs and the Recipient is prevented from carrying out its obligations under this Agreement by such Force Majeure Event; provided that:

- (a) any obligation or liability of the Recipient which arose before the occurrence of such Force Majeure Event causing the noncompliance will not be excused as a result of the occurrence of such Force Majeure Event;
- (b) the Recipient will take the following actions in claiming an excuse from performance or liability as a result of such Force Majeure Event:

- (1) the Recipient will give FRA immediate notice describing the particulars of the Force Majeure Event as soon as the Recipient knows of the occurrence of such Force Majeure Event;
 - (2) the Recipient will use all commercially reasonable efforts to mitigate the cause and effect of such Force Majeure Event and will suspend its performance only to the extent and for the duration that is reasonably required by such Force Majeure Event;
 - (3) the Recipient will develop and deliver to FRA a detailed plan describing how the Recipient will recover from such Force Majeure Event and any proposed adjustments to the Estimated Project Schedule in Section 5.2 of Attachment 2 of this Agreement in connection with such Force Majeure Event and such recovery plan;
 - (4) the Recipient will use all commercially reasonable efforts to continue to perform its obligations under this Agreement during the continuance of such Force Majeure Event; and
 - (5) when the Recipient is able to resume performance of the affected obligations under this Agreement, the Recipient will provide written notice to FRA, and promptly resume such performance; and
- (c) the obligation to make payments due under this Agreement is not excused as a result of the occurrence of a Force Majeure Event.

27.2 Termination for Extended Force Majeure Events

If the Recipient fails to achieve a Project Milestone by 180 days after the completion date listed in Article 5 of Attachment 2 of this Agreement (as may be amended from time to time), and such noncompliance continues for another 180 days as a result of the occurrence of a Force Majeure Event, such noncompliance shall constitute an Event of Default hereunder.

###

Attachment 2

PROJECT-SPECIFIC TERMS AND CONDITIONS

Project-Specific Terms and Conditions

Table of Contents

ARTICLE 1: PROJECT-SPECIFIC DESIGNATIONS.....	4
1.1 Recipient	4
1.2 Project and Purpose.....	4
1.3 Program Designations.....	4
ARTICLE 2: SPECIAL TERMS AND CONDITIONS	4
ARTICLE 3: ADMINISTRATIVE INFORMATION	5
3.1 Application	5
3.2 FRA Awarding Official	5
3.3 Federal Award Date	5
3.4 Program Name and Assistance Listings Number	5
3.5 Recipient’s Unique Entity Identifier	5
3.6 Federal Award Identification Number	5
ARTICLE 4: STATEMENT OF WORK.....	6
4.1 General Project Description.....	6
4.2 Project Location	6
4.3 Project Scope	8
4.4 Implement Required Environmental Commitments	22
ARTICLE 5: AWARD DATES AND ESTIMATED PROJECT SCHEDULE	24
5.1 Award Dates.....	24
5.2 Estimated Project Schedule	24
ARTICLE 6: AWARD AND PROJECT FINANCIAL INFORMATION	26
6.1 Award Amount.....	26
6.2 Federal Obligation Information	26
6.3 Federal Authorization and Funding Source.	26
6.4 Funding Availability.....	26
6.5 Approved Project Budget.....	26
6.6 Pre-Award Costs.....	28
6.7 Phased Funding Agreement.....	28
ARTICLE 7: PERFORMANCE MEASUREMENT INFORMATION	30
ARTICLE 8: ENVIRONMENTAL COMPLIANCE.....	32

ARTICLE 9: CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE IMPACTS.....	33
9.1 Consideration of Climate Change and Environmental Justice Impacts	33
9.2 Supporting Narrative	34
ARTICLE 10: RACIAL EQUITY AND BARRIERS TO OPPORTUNITY	36
10.1 Efforts to Improve Racial Equity and Reduce Barriers to Opportunity.....	36
10.2 Supporting Narrative	36
ARTICLE 11: LABOR AND WORK.....	38
11.1 Efforts to Support Good-Paying Jobs and Strong Labor Standards	38
11.2 Supporting Narrative	39

ARTICLE 1: PROJECT-SPECIFIC DESIGNATIONS

1.1 Recipient

This Agreement (Agreement) is between the Federal Railroad Administration (FRA) and the California High-Speed Rail Authority (the Recipient).

1.2 Project and Purpose

The purpose of this award is to fund a Federal-State Partnership for Intercity Passenger Rail (FSP-N) grant for the California Inaugural High-Speed Service Project (the Project), as described in Article 4 of this Attachment 2, to help achieve the goals identified in the Notice of Funding Opportunity for Federal-State Partnership for Intercity Passenger Rail Program for Fiscal Year 2022, Volume 87 No. 234 (December 7, 2022) and Amendment Volume 88 No. 23 (February 3, 2023) that solicited applications for Federal financial assistance. FRA and the Recipient will accomplish that purpose by timely completing the Project and ensuring that this award does not substitute for non-Federal investment in the Project, except as proposed in the Application.

1.3 Program Designations

- (a) Research and Development. This award is not for research and development.
- (b) Project Size. This award is for a Major Project as that term is defined in FRA Guidance on Development and Implementation of Railroad Capital Projects, January 11, 2023 (Railroad Capital Projects Guidance).
- (c) Phased Funding. This award is a phased funding agreement as further discussed in Section 6.7 of this Attachment 2.
- (d) Grant or Cooperative Agreement. This award is made as a Cooperative Agreement.
- (e) Security Risk. This award is for a Project that has an elevated security risk.

ARTICLE 2: SPECIAL TERMS AND CONDITIONS

There are no special terms for this award.

ARTICLE 3: ADMINISTRATIVE INFORMATION

3.1 Application

Application Title: California Inaugural High-Speed Service

Application Date: April 21, 2023

3.2 FRA Awarding Official

FRA Office of Railroad Development

Federal Railroad Administration

1200 New Jersey Ave, SE

Washington, DC 20590

FRA-Grants@dot.gov

3.3 Federal Award Date

The “Federal Award Date” is the effective date of this Agreement, as defined under Section 24.4 of Attachment 1 of this Agreement.

3.4 Program Name and Assistance Listings Number

For the Federal-State Partnership for Intercity Passenger Rail Program for Fiscal Year 2022, the Assistance Listings Number is 20.326 and the Assistance Listings Title is Federal-State Partnership for Intercity Passenger Rail.

3.5 Recipient’s Unique Entity Identifier

The Recipient’s Unique Entity Identifier, as defined at 2 C.F.R. § 25.415, is listed in Section 1B on the Agreement cover sheet.

3.6 Federal Award Identification Number

The Federal Award Identification Number is listed in Section 2 on the Agreement cover sheet as the “Agreement Number.”

ARTICLE 4: STATEMENT OF WORK

4.1 General Project Description

This Agreement funds specific elements of the California Inaugural High-Speed Service (the Project), a two-track high-speed rail line connecting Merced, Fresno, and Bakersfield. The Project includes the following elements:

- Final design of the Bakersfield Extension and the Merced Extension;
- Right-of-way (ROW) acquisition for the Merced Extension and the Bakersfield Extension (including station parcels);
- Construction of the Bakersfield Interim Extension (to a location near Bakersfield Airport), delivery of Track and Overhead Contact Systems (OCS) elements on the Bakersfield Interim Extension (including traction power utility connection, solar and battery storage, as well as overhead catenary systems);
- Construction of the Fresno Station;
- Design and construction of trainset facilities (including a light maintenance facility, a Trainset Certification Facility (TCF), an Operations Control Center (OCC), and Training Center); and
- Design and procurement of six Trainsets and driving simulator equipment (to be installed in the OCC Training Center).

These activities will advance completion of high-speed rail passenger service along an alignment between Merced and Bakersfield in the Central Valley of California.

4.2 Project Location

All the project elements are on the 171-mile high-speed rail alignment between Merced and Bakersfield as indicated on the map in Figure 1.

Geospatial Data:

- Starting Point: 37.302772, -120.493773 (Merced, California)
- Ending Point: 35.386575, -119.016194 (Bakersfield, California)

Figure 1. Map Showing California High-Speed Rail Routes



4.3 Project Scope

The Recipient will notify FRA in writing of any requested changes in Project Scope and will not proceed with the changed scope unless approved by FRA in writing. If approved, changes to Project Scope may require additional environmental review or an amendment to this Agreement. The Project includes the following tasks, which are detailed in the subsequent sections:

Task	Task Name
1	Project Administration and Management
2	Final Design
3	Right-of-Way (ROW) Acquisition
4	Civil Infrastructure Construction – Bakersfield Interim Extension
5	Track and Systems – Bakersfield Interim Extension
6	Fresno Station
7	Trainsets & Trainset Facilities

Task 1: Project Administration and Management

Subtask 1.1: Project Administration

The Recipient will perform all tasks required for the Project through a coordinated process, which will involve affected freight railroad owners and operators, regional rail operating partners and funding partners, including:

- Federal Railroad Administration (funding, oversight)
- State of California (funding)
- California State Transportation Agency (oversight)
- California Department of Transportation (oversight)
- San Joaquin Joint Powers Authority (regional rail operator/partner)
- San Joaquin Regional Rail Commission (regional rail operator/partner)
- Union Pacific Railroad (freight rail owner/partner)
- BNSF (freight rail owner/partner)
- Federal Surface Transportation Board (oversight)

The Recipient will facilitate the coordination of all activities necessary for implementation of the Project. The Recipient will:

- Complete necessary steps to hire a qualified consultant/contractor to perform required Project work, as necessary;
- Hold regularly scheduled Project meetings with FRA;
- Inspect and approve work as it is completed; and
- Participate in other coordination, as needed.

Subtask 1.2: Project Management Plan

The Recipient will prepare a Project Management Plan (PMP), that describes how the Project will be implemented and monitored to ensure effective, efficient, and safe delivery of the Project on time and within budget. The PMP will describe, in detail, the activities and steps necessary to complete the tasks outlined in this Statement of Work.

The PMP will include a Project Schedule and Project Budget for the work to be performed under this Agreement. The Project Schedule will be consistent with the Estimated Project Schedule in Section 5.2 of this Attachment 2, but provide a greater level of detail. Similarly, the Project Budget should be consistent with the Approved Project Budget in Section 6.5 of this Attachment 2, but provide a greater level of detail.

The Recipient will submit the PMP to FRA for review and approval. The Recipient will implement the Project as described in the approved PMP. The Recipient will not begin work on subsequent tasks until FRA has provided written approval of the PMP, unless FRA has provided pre-award authority for such work under Section 6.6 of this Attachment 2. FRA will not reimburse the Recipient for costs incurred in contravention of this requirement.

FRA may require the Recipient to update the PMP. The Recipient will submit any such updates to FRA for review and approval, and FRA will determine if updates to the PMP require an amendment to this Agreement. The Project Budget and Project Schedule may be revised consistent with Article 5 of Attachment 1 of this Agreement without amending this Agreement.

The Recipient will identify agreements governing the construction, operation, and maintenance of the Project in the PMP. If requested by FRA, the Recipient will provide FRA the final, executed copies of any agreements within ten business days of the request.

The PMP will be consistent with the FRA Guidance on Development and Implementation of Railroad Capital Projects (Railroad Capital Projects Guidance) and 49 U.S.C. § 22903, as applicable.

Subtask 1.3: Project Closeout

The Recipient will submit a Final Performance Report as required by Section 7.2 of Attachment 1 of this Agreement, which should describe the cumulative activities of the Project, including a complete description of the Recipient's achievements with respect to the Project objectives and milestones.

Task 1 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
1.1	1.2	Project Management Plan	Approve
1.2	1.3	Final Performance Report	Approve

Task 2: Final Design

The Recipient will complete final design (FD) for the Project, prepared in accordance with the approved environmental documents and applicable requirements, and submit the 100% FD plans to FRA for review and acceptance. Prior to submitting the 100% FD plans, the Recipient will submit the 60% and 90% FD plans to FRA. The Recipient may submit the FD plans in smaller design packages. The Recipient will provide copies of all applicable local, state, and federal permits to FRA.

Final Design Plans:

- The Recipient will provide design plan drawings to adequately define the work elements for the project installations. Common design elements may include, but are not limited to:
 - Basis of Design or Design Criteria
 - Existing right-of-way limits and railroad ownership
 - Proposed track changes (removals and installations)
 - Track centers, track speeds, turnout sizes, curve and spiral data
 - Vertical profiles and grades of existing and proposed construction
 - Highway reconfiguration and drainage plans and sections to create rail corridor where required
 - Typical track cross sections to scale throughout the alignment and relevant infrastructure (e.g., crossings, stations, access points)
 - Typical bridge cross-section and type, size, and location (bridge plan and elevation)
 - Drainage plans throughout the corridor
 - Bridge superstructure and substructure details
 - Foundation sizes based on recent geotechnical report
 - Boring locations
 - Location of all existing utilities and utility relocation plans, if applicable
 - Construction phasing detail including impacts on rail and vehicular traffic
 - Contractor staging area and access roads needed for construction
 - Any temporary or permanent easement required for construction
 - ADA compliance for station buildings and platform
 - Emergency evacuation plan and emergency egress details
- The scale of the drawings typically ranges from one inch = 20 to 500 feet depending on the complexity of the location.
- Design submittals will include a title sheet identified with a drawing revision number or date; an index identifying various plan sheets comprising the drawing set; a legend of symbols or abbreviations.
- The Recipient will obtain signature approval from applicable impacted stakeholders listed in Subtask 1.1.

Detailed Cost Estimate:

- The Recipient will provide a detailed and itemized construction cost estimate that will include all proposed construction elements with their respective unit cost, quantity, and total cost, and with appropriate level of contingencies to account for unknown conditions. The Recipient

should use FRA's Cost Estimating Guidance and FRA's Standard Cost Categories as applicable, available at <https://railroads.dot.gov/rail-network-development/training-guidance/capital-cost-estimating-guidance>.

Ready for Construction (RFC) Plans:

- Prior to the start of construction, the Recipient will provide Ready for Construction Design Plans drawings that reflect any revisions made to the FRA-accepted FD plans.

Task 2 is separated into the following subtasks:

- Subtask 2.1: Final Design – Merced Extension
- Subtask 2.2: Final Design – Bakersfield Extension

Subtask 2.1: Final Design – Merced Extension

The Recipient will complete final design for the following segments:

- Merced Segment:
 - This segment is approximately 3 miles from South of V Street to South of E Gerard Avenue.
 - This segment will include one new approximately 2.9-mile-long viaduct from south of Childs Avenue to the future Merced Station.
- North Segment:
 - This segment is approximately 11 miles long, from South of E Gerard Avenue to South of Sandy Mush Road.
 - This segment will include twelve new Type 1 structures (structures that carry trains) and two new Type 2 structures (structures that carry vehicular traffic).
- Wye Mid Segment:
 - This segment is approximately 8 miles long, from South of Sandy Mush Road to Robertson Boulevard.
 - This segment will include two new aerial structures (structures that carry high speed trains), thirteen new Type 1 structures, one new Type 2 structure, and one new secondary structure (crossing over realigned State Route 152).
- South Segment:
 - This segment is approximately 13 miles long, from Robertson Boulevard to Avenue 19.
 - This segment will include one new aerial structure, four new Type 1 structures, four new Type 2 structures, and one new secondary structure.

The Recipient will complete final design for each of the above-listed design segments for the Merced Extension including:

- Developing three-dimensional topographic maps.
- Reviewing the current environmental documents to determine if any documents need to be reevaluated and conducting additional studies and/or environmental review as necessary.
- Developing design documents sufficiently to be used as the basis of right-of-way identification and acquisitions, including negotiating and designing third-party relocations to obtain owners

approvals on right-of-way requirements for designed facilities and any required easements (temporary or permanent).

- Advancing the design to final design and ready for construction documents including but not limited to: survey, right-of-way, track geometry, infrastructure design in support of the Track and System contract, roadway alignment, including over and underpasses, drainage, hydraulics and hydrology, including floodplain assessment, structural design, including foundations, retaining walls and sound walls, lighting, pavement features, traffic studies, signals, signing, striping, stage construction, landscaping, preparation of permit applications, obtaining permits, coordination with the station design consultant and with the Track and System contractor, preparation of all required reports, cost estimating, specifications and all such other incidental features required to complete the PS&E.
- Coordinating viaduct structure design at the station site with third-party station design.
- Incorporating all required station element interfaces into structural design of viaduct required to support station elements (including but not limited to escalators, elevators, stairs, canopy structure, and mezzanine).
- Providing base site grading and utility access coordinated with third party design.

Subtask 2.2: Final Design – Bakersfield Extension

The Recipient will complete final design for the following segments:

- FSP/Shafter HSR Segment:
 - This segment is approximately 4 miles long, between Poplar Avenue and Cherry Avenue.
 - This segment will include new elevated embankment and five new Type 1 structures.
- Mid Segment:
 - This segment is approximately 9 miles long, from South of Cherry Avenue to the Coffee Road Viaduct North of 7th Standard Road.
 - This segment will include new elevated embankment and eight new Type 1 structures.
- South Segment:
 - This segment is approximately 6 miles long, from the Coffee Road Viaduct North of 7th Standard Road to the future Bakersfield Station.
 - This segment will include a new approximately 2.4-mile long viaduct, a new approximately 2.8-mile long viaduct, and one section of elevated embankment between the new viaducts.

The Recipient will complete final design for each of the three above-listed design segments of the Bakersfield Extension including:

- Developing three-dimensional topographic maps.
- Reviewing the current environmental documents to determine if any documents need to be reevaluated and conducting additional studies and/or environmental review as necessary.
- Developing design documents sufficiently to be used as the basis of right-of-way Identification and acquisitions, including: negotiating and designing third-party relocations to obtain owners approvals on right-of-way requirements for designed facilities and any required easements (temporary or permanent).

- Advancing the design to final design and ready for construction documents including but not limited to: survey, right-of-way, track geometry, infrastructure design in support of the Track and System contract, roadway alignment, including over and underpasses, drainage, hydraulics and hydrology, including floodplain assessment, structural design, including foundations, retaining walls and sound walls, lighting, pavement features, traffic studies, signals, signing, striping, stage construction, landscaping, preparation of permit applications, obtaining permits, coordination with the station design consultant and with the Track and System contractor, preparation of all required reports, cost estimating, specifications and all such other incidental features required to complete the PS&E.
- Coordinating viaduct structure design at the station site with third-party station design.
- Incorporating all required station element interfaces into structural design of viaduct required to support station elements (including but not limited to escalators, elevators, stairs, canopy structure, and mezzanine).
- Providing base site grading and utility access coordinated with third-party design.

Task 2 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
2.1	2.1, 2.2	All Applicable Local, State, and Federal Permits	Acknowledge Receipt
2.2	2.1, 2.2	60% Design Engineering Plans and Cost Estimates	Acknowledge Receipt
2.3	2.1, 2.2	90% Design Engineering Plans and Cost Estimates	Acknowledge Receipt
2.4	2.1, 2.2	100% Final Design Engineering Plans and Cost Estimates	Accept
2.5	2.1, 2.2	Ready for Construction (RFC) Plans	Acknowledge Receipt

Task 3: Right-of-Way (ROW) Acquisition

Task 3 is separated into the following subtasks:

- Subtask 3.1: ROW Acquisition – Merced Extension
- Subtask 3.2: ROW Acquisition – Bakersfield Extension

Subtask 3.1: ROW Acquisition – Merced Extension

In accordance with the Recipient’s Right-of-Way Manual, the Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), and applicable law, the Recipient will complete the work necessary to acquire property rights and interests necessary for the Merced Extension construction, maintenance, and use. The costs associated with the right-of-way (ROW) acquisition process include transactions for land, railroad license fees, improvements, damages, relocation assistance, utility relocation, demolition, and clearance and condemnation activities. This is to include Permits to Enter (PTE) for temporary construction access during construction.

Subtask 3.2: ROW Acquisition – Bakersfield Extension

In accordance with the Recipient’s Right-of-Way Manual, the Relocation Assistance and Real Property Acquisition Policies Act of 1970 (Uniform Act), and applicable law, the Recipient will complete the work necessary to acquire property rights and interests necessary for the Bakersfield Extension construction, maintenance, and use. The costs associated with the right-of-way (ROW) acquisition process include transactions for land, railroad license fees, improvements, damages, relocation assistance, utility relocation, demolition, and clearance and condemnation activities. This is to include Permits to Enter (PTE) for temporary construction access during construction.

The FSP/Shafter HSR Segment between Poplar Avenue and Riverside Street includes acquisition of ROW for the high-speed rail alignment east of the BNSF shoofly.

Task 3 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
3.1	3.1, 3.2	Final Right-of-Way Mapping and Legal Description Documents	Acknowledge Receipt
3.2	3.1, 3.2	ROW Acquisition and Management Plan (RAMP)	Acknowledge Receipt
3.3	3.1, 3.2	ROW Cost Estimate Report	Acknowledge Receipt
3.4	3.1, 3.2	ROW Procedures Manual	Acknowledge Receipt
3.5	3.1, 3.2	List of Properties Acquired and Relocated, including Dates	Acknowledge Receipt

Task 4: Civil Infrastructure Construction – Bakersfield Interim Extension

The Recipient may not commence construction activities until FRA has accepted the associated FD plans, in accordance with Task 2, the Recipient has obtained all required permits and approvals, and FRA has given the Recipient written approval to proceed with construction.

Task 4 is separated into the following subtasks:

- Subtask 4.1: Third Parties, Utility Relocation, Construction Management
- Subtask 4.2: Civil Construction Contracts

Subtask 4.1: Third Parties, Utility Relocation, Construction Management

The Recipient will perform construction management work and other activities related to third-party agreements and utility relocations in support of the Bakersfield Interim Extension. Construction management work includes work required to oversee the contractor, review contractor invoices for payment, perform inspections, review and approve submittals, monitor and control change orders, issue field work directives, and other contractor negotiation work.

Subtask 4.2: Civil Construction Contracts

The Recipient will construct the Bakersfield Interim Extension, as per the design produced as part of Subtask 2.2. Construction includes mobilization and demobilization from the site, all machinery and materials to construct the civil infrastructure, traffic control required during construction, material imports, Storm Water Pollution Prevention Plan (SWPPP) requirements, demolition work, environmental mitigation efforts, utility relocation work, new pavement, and any other work required for complete and functional extensions of the high-speed rail system to the Bakersfield Interim Extension endpoint. Pre-construction work of surveying, hazardous material removal, and other preparation activities are also included as part of the scope of work as defined under Subtask 2.2.

Task 4 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
4.1	4.2	Construction Cost Estimate	Acknowledge Receipt
4.2	4.2	Detailed Construction Schedule	Acknowledge Receipt
4.3	4.2	Executed Construction Contracts	Acknowledge Receipt
4.4	4.2	Notices to Proceed	Acknowledge Receipt
4.5	4.2	Final Completion Notification	Acknowledge Receipt

Task 5: Track and Systems – Bakersfield Interim Extension

Task 5 is separated into the following subtasks:

- 5.1 Construction Management and Environmental Mitigation
- 5.2 Traction Power: Solar Energy Facility
- 5.3 Track, Overhead Contact System (OCS) and Rail Systems Delivery Contracts

Subtask 5.1: Construction Management and Environmental Mitigation

The Recipient will perform construction management work and environmental mitigation in support of Track, OCS, Rail System, and Traction Power Facilities delivery for the Bakersfield Interim Extension. Construction management work includes work required to oversee the contractors, review contractor invoices for payment, perform inspections, review and approve submittals, monitor and control change orders, issue field work directives, and other contractor negotiation work. The Recipient will use standard practices that include, but are not limited to, monthly monitoring of the design consultant and construction contractor's performance, as per agreements and other criteria set by the Recipient.

Subtask 5.2: Traction Power: Solar Energy Facility

The Recipient will develop a solar energy generation facility with integrated battery storage on Recipient-owned property along the Merced to Bakersfield segment (near TPSS 12) that provides electricity for traction power.

Subtask 5.3: Track, Overhead Contact System (OCS) and Rail Systems Delivery Contracts

The Recipient will perform the following:

- Provide a track system that safely supports and guides all trainsets and railway equipment.
- Supply electric traction power to all trainsets.
- Supply power to all rail infrastructure system assets requiring power.
- Enable communications between all trainsets, operational control facilities, wayside infrastructure, operation and maintenance personnel and emergency services.
- Provide data on the status of the network to inform the Service Operator.
- Provide full security to the right-of-way to prevent unauthorized access.
- Provide platforms, canopies and vertical circulation and pedestrian bridges between platforms at each station location.
- Provide station tracks serving platforms at each station location.
- Provide refuge tracks.
- Include any infrastructure as required to mitigate the impact of any disruption events on the contract requirements.
- Include any work needed in addition to the base design as required to achieve the contract requirements.
- Comply with the scope and technical specification for each component system, sub system or element of the rail infrastructure system as defined within this specification.
- Enable bi-directional operation on any line at any time including all operational crossovers.

Task 5 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
5.1	5.2, 5.3	Construction Cost Estimate	Acknowledge Receipt
5.2	5.2, 5.3	Detailed Construction Schedule	Acknowledge Receipt
5.3	5.2, 5.3	Executed Construction Contracts	Acknowledge Receipt
5.4	5.2, 5.3	Notices to Proceed	Acknowledge Receipt
5.5	5.2, 5.3	Final Completion Notification	Acknowledge Receipt

Task 6: Fresno Station

Task 6 is separated into the following subtasks:

- Subtask 6.1: Design
- Subtask 6.2: Construction

Subtask 6.1: Design

The Recipient will design the Fresno Station. Design work includes:

- **Contract Administration:** Develop a management plan to document how the Recipient's consultant will ensure they meet the requirements, goals, and objectives of the Recipient.
- **Pre-Design Services:** Collect and analyze information about the site and the Program to develop initial concepts for the Recipient to review and approve. Conduct a planning study to understand the facility needs over time in relation to the phased operational segments.
- **Final Design:** Prepare the design documents required to define, obtain regulatory approvals, bid, and construct the facility.
- **Bid Preparation:** Prepare construction package for the bidding and negotiation process to procure a construction contractor to build the station.
- **Commissioning:** Perform commissioning activities at the completion of construction of the repair of the shell of the building (exterior envelope including walls, foundations, roof), the core of the interior (walls, interior vertical circulation such as stairs, elevators, floors and ceiling), and at the end of the operators fit-out.

Subtask 6.2: Construction

The Recipient may not commence construction activities until FRA has accepted the associated FD plans, the Recipient has obtained all required permits and approvals, and FRA has given the Recipient written approval to proceed with construction.

The Recipient will complete site demolition, utility relocations as required; ground improvement; excavation and support of excavation; waterproofing; placement of structural concrete; heating, ventilation and air-conditioning; mechanical, electrical, and plumbing; conveyance systems; ventilation and egress shafts, utility connections, civil site restoration; architecture and landscaping.

The Recipient will perform construction management work and activities related to third-party agreements and utility relocations in support of the Fresno Station. Construction management work includes work required to oversee the contractor, review contractor invoices for payment, perform inspections, review and approve submittals, monitor and control change orders, issue field work directives, and other contractor negotiation work. The Recipient will use standard practices that include, but are not limited to, monthly monitoring of the design consultant and construction contractor's performance, as per agreements and other criteria set by the Recipient.

Task 6 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
6.1	6.1	60% Design Plans and Cost Estimate	Acknowledge Receipt
6.2	6.1	90% Design Plans and Cost Estimate	Acknowledge Receipt
6.3	6.1	100% Final Design Plans and Cost Estimate	Accept
6.4	6.1	Ready for Construction (RFC) Plans	Acknowledge Receipt
6.5	6.2	Detailed Construction Schedule	Acknowledge Receipt
6.6	6.2	Executed Construction Contract	Acknowledge Receipt
6.7	6.2	Notice to Proceed	Acknowledge Receipt
6.8	6.2	Final Completion Notification	Acknowledge Receipt

Task 7: Trainsets & Trainset Facilities

The Recipient will procure six fully electric trainsets for initial testing and future passenger service at speeds up to 220 mph for inaugural high-speed operations on the 171-mile Merced, Fresno, and Bakersfield line.

Task 7 is separated into the following subtasks:

- Subtask 7.1 - Design and Testing – Trainsets
- Subtask 7.2 - Trainset Facilities: Light Maintenance Facility, Trainset Certification Facility, Operations Control Center, and Training Center
- Subtask 7.3 - Procure Six High-Speed Rail Trainsets

Subtask 7.1: Design and Testing – Trainsets

The Recipient will develop technical specifications for new trainsets, manage and administer the trainset procurement contracts, including enforcement, design review, production inspection and testing, and ensure new trainsets conform to federal regulations, the requirements of this Agreement, contract provisions and service needs. This subtask also includes post-delivery contract management functions including vehicle acceptance, deployment, warranty administration, fleet assessments, field modifications and training.

Subtask 7.2: Trainset Facilities: Light Maintenance Facility, Trainset Certification Facility, Operations Control Center, and Training Center

The Recipient will construct trainset facilities including a Light Maintenance Facility (to be built on the site of the future heavy maintenance facility, as part of a phased development of the site), Trainset Certification Facility, and Operations Control Center - Training Center (including Driving Simulator). Construction includes site demolition, utility relocations as required; ground improvement; excavation and support of excavation; waterproofing; placement of structural concrete; heating, ventilation and air-conditioning; mechanical, electrical, and plumbing; maintenance equipment and systems; utility connections; architecture and landscaping.

Subtask 7.3: Procure Six High-Speed Rail Trainsets

The Recipient will procure six high-speed rail trainsets and driving simulator equipment per specifications and requirements outlined in Subtask 7.1. The high-speed trainsets will be capable of operating at 220 miles-per-hour (mph) consistent with FRA's Tier III rule, and single-level, electric multiple unit (EMU). Two prototypes will support static/dynamic testing and trial running on the First Construction Segment; four additional trainsets will support revenue operations on the Merced to Bakersfield early operating segment (Inaugural High-Speed Service).

The Recipient will submit to FRA a copy of the title transfer documentation for each unit of rolling stock procured, including a copy of any lien documentation filed with the Surface Transportation Board. Each unit of rolling stock will have its own set of title documents.

Task 7 Deliverables:

Deliverable ID	Subtask	Deliverable Name	FRA Review Action
7.1	7.1, 7.3	Trainset Delivery, Testing, Certification, and Acceptance Schedule	Acknowledge Receipt
7.2	7.2	Construction Cost Estimate	Acknowledge Receipt
7.3	7.2	Detailed Construction Schedule	Acknowledge Receipt
7.4	7.2	Executed Construction Contracts	Acknowledge Receipt
7.5	7.2	Notices to Proceed	Acknowledge Receipt
7.6	7.2, 7.3	Final Completion Notification	Acknowledge Receipt
7.7	7.3	Title Transfer Documentation	Acknowledge Receipt

4.4 Implement Required Environmental Commitments

The Recipient will implement the Project consistent with the documents and environmental commitments identified below.

Table 4-A: Environmental Commitments

Document Type	Commitment Reference	Document Date
<p>Merced to Fresno Record of Decision</p> <p>https://railroads.dot.gov/rail-network-development/environment/environmental-reviews/california-hsr-merced-fresno/california</p>	<p>Appendix A: Memorandum of Agreement for the Treatment of Adverse Effects on Historic Properties under Section 106 of the National Historic Preservation Act</p> <p>Appendix C: Mitigation Monitoring and Enforcement Plan</p> <p>https://railroads.dot.gov/elibrary/california-hst-merced-fresno-rod-appendices-0</p>	September 18, 2012
<p>Merced to Fresno: Central Valley Wye Supplemental Record of Decision</p> <p>https://hsr.ca.gov/programs/environmental-planning/project-section-environmental-documents-tier-2/merced-to-fresno-central-valley-wye/</p>	<p>Appendix D: Mitigation Monitoring and Enforcement Plan</p> <p>https://hsr.ca.gov/wp-content/uploads/docs/programs/merced-fresno-eir/A-10_CVY_ROD_APP_D_MMEP.pdf</p> <p>Appendix 2-B: Impact Avoidance and Minimization Features</p> <p>https://hsr.ca.gov/wp-content/uploads/docs/programs/merced-fresno-eir/V2-04_CVY_APP_2_B_Env_Commitments_IAMFs.pdf</p>	September 16, 2020
<p>Fresno to Bakersfield Record of Decision</p> <p>https://railroads.dot.gov/environmental-reviews/california-hsr-fresno-bakersfield/california-hsr-fresno-bakersfield</p>	<p>Appendix A: Memorandum of Agreement for the Treatment of Adverse Effects on Historic Properties under Section 106 of the National Historic Preservation Act</p> <p>Appendix C: Mitigation Monitoring and Enforcement Plan</p> <p>https://railroads.dot.gov/elibrary/california-hst-fresno-bakersfield-record-decision-rod-appendices</p>	June 27, 2014

Document Type	Commitment Reference	Document Date
Fresno to Bakersfield: Locally Generated Alternative Supplemental Record of Decision https://hsr.ca.gov/programs/environmental-planning/project-section-environmental-documents-tier-2/fresno-to-bakersfield-locally-generated-alternative/	Appendix C: Mitigation Monitoring and Enforcement Plan (and Amendments) https://hsr.ca.gov/wp-content/uploads/docs/programs/fresno-baker-eir/FBLGA ROD Attachment C MMEP.pdf	October 31, 2019
California High-Speed Train Project Programmatic Agreement	Section 106 Programmatic Agreement https://railroads.dot.gov/elibrary/california-hst-fresno-bakersfield-vol-2-317-programmatic-agreement	June 15, 2011, executed July 22, 2011

ARTICLE 5: AWARD DATES AND ESTIMATED PROJECT SCHEDULE

5.1 Award Dates

Budget Period End Date: July 31, 2034

Period of Performance End Date: July 31, 2034

5.2 Estimated Project Schedule

Milestones associated with this Agreement are identified in Table 5-A: Estimated Project Schedule. The Recipient will complete these milestones to FRA's satisfaction by the Schedule Date, subject to Article 5 of Attachment 1 of this Agreement. The Recipient will notify FRA in writing when it believes it has achieved the milestone.

Following the completion of construction activities on the First Construction Segment (FCS) and the Bakersfield Interim Extension, the Recipient will complete any required testing and commissioning activities necessary for electrified high-speed passenger operations on this combined segment by December 31, 2033. Following testing and commissioning of the FCS and the Bakersfield Interim Extension, the Recipient will implement the early high-speed passenger service option in a manner and timeline consistent with the FRA approved FCS Contingency Plan, should that plan be necessary (i.e., the Early Operating Segment (EOS) is significantly delayed). The Recipient also commits to complete the construction of the fully electrified, dedicated high-speed infrastructure for the EOS and provide electrified high-speed passenger service on the EOS by December 31, 2033.

Table 5-A: Estimated Project Schedule

Task	Milestone	Schedule Date
Task 1 – Project Administration and Management	Project Management Plan	12/31/2024
Task 2 – Final Design	Merced Final Design Completion	6/30/2026
Task 2 – Final Design	Bakersfield Extension Final Design Completion	6/30/2026
Task 3 – Right-of-Way (ROW) Acquisition	Merced ROW Acquisition Completion	9/30/2029
Task 3 – Right-of-Way (ROW) Acquisition	Bakersfield Extension ROW Acquisition Completion	6/30/2027
Task 4 – Civil Infrastructure Construction – Bakersfield Interim Extension	Bakersfield Extension Construction Start (NTP)	6/30/2027
Task 4 – Civil Infrastructure Construction – Bakersfield Interim Extension	Bakersfield Extension Construction Completion	9/30/2030
Task 5 - Track & Systems – Bakersfield Interim Extension	Bakersfield Interim Extension Construction Start	9/30/2030
Task 5 - Track & Systems - Bakersfield Interim Extension	Bakersfield Interim Extension Construction Completion	6/30/2032
Task 6 – Fresno Station	Fresno Station Final Design Completion	6/30/2026
Task 6 – Fresno Station	Fresno Construction Start (NTP)	12/31/2028
Task 6 – Fresno Station	Fresno Station Construction Completion	12/31/2029
Task 7 – Trainsets & Trainset Facilities	Executed Six Trainset Contract	12/31/2024
Task 7 – Trainsets & Trainset Facilities	Six Trainset Acceptance	9/30/2030
Task 7 – Trainsets & Trainset Facilities	Light Maintenance Facility Construction Start	6/30/2027
Task 7 – Trainsets & Trainset Facilities	Light Maintenance Facility Construction Completion	3/31/2030
Task 7 – Trainsets & Trainset Facilities	OCC Training Center and Trainset Certification Facility Construction Start	6/30/2027
Task 7 – Trainsets & Trainset Facilities	OCC Training Center and Trainset Certification Facility Construction Completion	3/31/2030
Task 1 – Project Administration and Management	Revenue Service Initiation	12/31/2033
Task 1 – Project Administration and Management	Final Performance Report	3/31/2034

ARTICLE 6: AWARD AND PROJECT FINANCIAL INFORMATION

6.1 Award Amount

Agreement Federal Funds: \$1,711,980,267

Contingent Commitment: \$1,361,619,733

6.2 Federal Obligation Information

Federal Obligation Type: Phased

6.3 Federal Authorization and Funding Source.

Authorizing Statute: Sections 22106 and 22307 of the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58, November 15, 2020 (IIJA)); 49 U.S.C. § 24911)

Appropriation: Infrastructure Investment and Jobs Act, Division J, Title VIII (Public Law 117-58 (November 15, 2021))

6.4 Funding Availability

Program funding that is obligated under this Agreement remains available until expended.

6.5 Approved Project Budget

The estimated total Project cost under this Agreement is \$3,842,000,000.

FRA will contribute a maximum of 80 percent of the total Project cost, not to exceed the Agreement Federal Funds in Section 6.1 of this Attachment 2. FRA will fund the Project at the lesser amount of the Agreement Federal Funds or the FRA maximum contribution percentage of total Project costs.

The Recipient will contribute \$768,400,000 in Agreement Non-Federal Funds. Recipient's Agreement Non-Federal Funds are comprised of cash contributions.

The Recipient will complete the Project to FRA's satisfaction within the Approved Project Budget, subject to Article 5 of Attachment 1 of this Agreement.

Table 6-A: Approved Project Budget by Task

Task #	Task Title	Agreement Federal Funds	Agreement Non-Federal Funds	Total
1	Project Administration and Management	\$0	\$0	\$0
2	Final Design	\$167,200,000	\$41,800,000	\$209,000,000
3	Right-of-Way Acquisition	\$845,600,000	\$211,400,000	\$1,057,000,000
4	Civil Infrastructure Construction – Bakersfield Interim Extension	\$754,400,000	\$188,600,000	\$943,000,000
5	Track & Systems – Bakersfield Interim Extension	\$386,400,000	\$96,600,000	\$483,000,000
6	Fresno Station	\$136,800,000	\$34,200,000	\$171,000,000
7	Trainsets and Trainset Facilities	\$783,200,000	\$195,800,000	\$979,000,000
Total		\$3,073,600,000	\$768,400,000	Total Project Cost: \$3,842,000,000

Table 6-B: Approved Project Budget by Source

Funding Source	Total Amount	Percentage of Total Project Cost
Federal Share	\$3,073,600,000	80%
Agreement Federal Funds (FSP-N)	\$3,073,600,000	80%
Agreement Non-Federal Funds	\$768,400,000	20%
State Cap-and-Trade Revenues	\$768,400,000	20%
Total Agreement	\$3,842,000,000	100%

6.6 Pre-Award Costs

On April 12, 2024, FRA provided pre-award authority, effective April 1, 2024, for incurrence of the following Project costs in response to Recipient's request:

Task #	Task Name	Agreement Federal Funds	Agreement Non-Federal Funds	Total Cost
2.1	Final Design – Merced Extension	\$52,800,000	\$13,200,000	\$66,000,000
2.2	Final Design – Bakersfield Extension	\$36,800,000	\$9,200,000	\$46,000,000
4.1	ROW Acquisition – Merced Extension	\$64,800,000	\$16,200,000	\$81,000,000
4.2	ROW Acquisition – Bakersfield Extension	\$18,400,000	\$4,600,000	\$23,000,000
Total		\$172,800,000	\$43,200,000	\$216,000,000

The above pre-award costs were necessary for efficient and timely performance of the scope of work and were incurred directly pursuant to the negotiation and in anticipation of this Agreement.

6.7 Phased Funding Agreement

This Agreement is a phased funding agreement under 49 U.S.C. § 24911(g)(2). The maximum amount of Federal financial assistance ((49 U.S.C. § 24911(g)(2)(B)(ii)) for the Project will not exceed the maximum Federal share (80 percent) of the total costs of the Project (49 U.S.C. § 24911(f)(2)).

The total amount of funds that may be obligated under this Agreement is \$3,073,600,000 which is the sum of the Agreement Federal Funds and the Contingent Commitment identified in Section 6.1 of this Attachment 2.

This Agreement obligates the Agreement Federal Funds, which is the same as the total amount of funds described in Table 6-C: Obligation by Fiscal Year. Through this Agreement, FRA agrees to obligate the Contingent Commitment pursuant to the terms in Section 6.7. FRA scheduled and allocated the Contingent Commitment as described in Table 6-D: Contingent Commitment by Fiscal Year.

This Agreement does not obligate Federal funds, other than the Agreement Federal Funds identified in Section 6.1 of this Attachment 2. The Contingent Commitment is not an obligation of the Government.

Under this phased funding agreement, the Recipient may incur costs for eligible activities as is reasonably necessary to advance the Project prior to obligation of the Contingent Commitment, without prejudice to future reimbursement of the costs, to the extent that such costs are incurred in accordance with all applicable Federal requirements and this Agreement.

To request that FRA obligate the scheduled portion of the Contingent Commitment as described in Table 6-D, the Recipient will request an amendment to this Agreement as provided in Article 15 of Attachment

1 of this Agreement. The Recipient will not request such an amendment more than once every 12 months. Such amounts are subject to the terms and conditions of this Agreement upon obligation.

Unless otherwise determined by the Administrator, FRA's obligation of all or portions of the Contingent Commitment is subject to the availability of Federal funds, program authority, and FRA's determination of satisfactory performance by the Recipient under this Agreement. In assessing performance, FRA will consider whether:

- (a) the Recipient is in compliance with the terms and conditions of this Agreement;
- (b) the Recipient confirms that all statements and representations made in the Federal System for Awards Management, in the Application, and in this Agreement are true and correct as of the request to obligate contingently committed funds; and
- (c) FRA has not terminated this Agreement under Article 10 of Attachment 1 of this Agreement nor provided notice of intent to terminate under Article 9 of Attachment 1 of this Agreement.

Table 6-C: Obligation by Fiscal Year

Fiscal Year of Funding Source	Amount
2022/2023	\$1,031,170,400
2024	\$680,809,867
Total	\$1,711,980,267

Table 6-D: Contingent Commitment by Fiscal Year

Fiscal Year of Appropriation	Amount
2025	\$680,809,867
2026	\$680,809,866
Total	\$1,361,619,733

Pursuant to 49 U.S.C. § 24911(g)(2)(C), if the Recipient does not carry out the Project for reasons within control of the Recipient, the Recipient will repay all Federal grant funds awarded for the Project from all Federal funding sources, for all Project activities, facilities, and equipment, plus reasonable interest and penalty charges allowable by law or established in this Agreement. For the avoidance of doubt, this clause does not restrict or otherwise limit FRA's ability to act under Article 9 or 10 of Attachment 1 of this Agreement.

ARTICLE 7: PERFORMANCE MEASUREMENT INFORMATION

Table 7-A: Performance Measurement Table identifies the performance measures that this Project is expected to achieve. These performance measures will enable FRA to assess the Recipient's progress in achieving grant program goals and objectives. The Recipient will report on these performance measures in accordance with the frequency and duration specified in Table 7-A.

Upon Project completion, the Recipient will submit reports comparing the actual Project performance of the new and or improved asset(s) against the pre-Project (baseline) performance and expected post-Project performance as described in Table 7-A. The Recipient will submit the performance measures report to the Project Manager in accordance with Table 7-A.

Table 7-A: Performance Measurement Table

Goal	Objective	Performance Measure	Description of Measure	Measurement	Reporting
Transformation of our nation's transportation infrastructure	Intercity passenger rail system development	Number of track miles	Total number of track miles constructed	Pre-Project (Baseline) Performance as of 6/30/2024: Zero miles of track constructed.	Frequency: One time
				Expected Post-Project Performance: Approximately 13 miles of track constructed.	Duration: Through POP end date.
Transformation of our nation's transportation infrastructure	High-speed train fleet creation	Number of trainsets	Total number of high-speed trainsets delivered and certified for operations	Pre-Project (Baseline) Performance as of 6/30/2024: Zero high-speed trainsets ready for service.	Frequency: One time
				Expected Post-Project Performance: 6 high-speed trainsets ready for service.	Duration: Through POP end date.

Goal	Objective	Performance Measure	Description of Measure	Measurement	Reporting
Transformation of our nation's transportation infrastructure	High-speed train fleet utilization	Number of vehicle miles traveled	Miles traveled per vehicle	Pre-Project (Baseline) Performance as of 6/30/2024: Zero miles traveled.	Frequency: Annual
				Expected Post-Project Performance: Miles traveled per vehicle for each trainset.	Duration: For three years after the calendar year of implementation of service.
Transformation of our nation's transportation infrastructure	High-speed train ridership	Number of passengers	Total number of passengers who have travelled on the high-speed train service each year.	Pre-Project (Baseline) Performance as of 6/30/2024: Zero high-speed train passengers.	Frequency: Annual
				Expected Post-Project Performance: Annual total high-speed train passengers.	Duration: For three years after the calendar year of implementation of service.

The Recipient will prepare a Project Outcomes Report pursuant to Section 8.3 of Attachment 1 of this Agreement.

ARTICLE 8: ENVIRONMENTAL COMPLIANCE

FRA signed two Record of Decision documents that include this Project on September 18, 2012 and June 27, 2014, and executed a National Historic Preservation Act Section 106 Programmatic Agreement on July 22, 2011. On July 23, 2019, FRA and the State of California executed a Memorandum of Understanding (MOU) assigning FRA's responsibilities under the National Environmental Policy Act (NEPA) to the State, acting through the California High-Speed Rail Authority, for the California High-Speed Rail project. On July 22, 2024, FRA and the State executed a Renewal MOU renewing the terms of the MOU through July 22, 2034. Consistent with the MOU, the California High-Speed Rail Authority issued two Supplemental Record of Decision documents that include this Project on October 31, 2019 and September 16, 2020. The Recipient is responsible for conducting NEPA re-evaluations, conducting additional studies and/or environmental review as necessary, and complying with environmental commitments, including implementation of required mitigation measures and/or design features, as described in the Record of Decision documents and identified in Section 4.4 of this Attachment 2.

Should conditions or the scope of the action change, the Recipient must notify FRA and if the Authority determines additional environmental review is required, the Authority shall complete the required review consistent with the Authority's responsibilities under the MOU.

ARTICLE 9: CLIMATE CHANGE AND ENVIRONMENTAL JUSTICE IMPACTS

9.1 Consideration of Climate Change and Environmental Justice Impacts

This Section identifies how the Project addresses climate change and environmental justice priorities. The Recipient certifies that rows marked with “X” in the following table are accurate:

x	The Project directly supports a Local/Regional/State Climate Action Plan that results in lower greenhouse gas emissions.
	The Project directly supports a Local/Regional/State Equitable Development Plan that results in lower greenhouse gas emissions.
	The Project directly supports a Local/Regional/State Energy Baseline Study that results in lower greenhouse gas emissions.
x	The Recipient or a Project partner used environmental justice tools, such as the EJSCREEN, to minimize adverse impacts of the Project on environmental justice communities.
	The Project supports a modal shift in freight or passenger movement to reduce emissions or reduce induced travel demand.
	The Project utilizes demand management strategies to reduce congestion, induced travel demand, and greenhouse gas emissions.
x	The Project incorporates electrification infrastructure, zero-emission vehicle infrastructure, or both.
	The Project supports the installation of electric vehicle charging stations.
	The Project promotes energy efficiency.
	The Project serves the renewable energy supply chain.
	The Project improves disaster preparedness and resiliency.
	The Project avoids adverse environmental impacts to air or water quality, wetlands, and endangered species, such as through reduction in Clean Air Act criteria pollutants and greenhouse gases, improved stormwater management, or improved habitat connectivity.
	The Project repairs existing dilapidated or idle infrastructure that is currently causing environmental harm.
	The Project supports or incorporates the construction of energy- and location-efficient buildings.

x	The Project includes recycling of materials, use of materials known to reduce or reverse carbon emissions, or both.
x	The Project includes other actions or attributes that address climate change and environmental justice.
	The Project does not include actions or attributes that address climate change and environmental justice but, before beginning construction of the Project, the Recipient will take relevant actions described below to address climate change and environmental justice impacts of the Project.

9.2 Supporting Narrative

The Project elements are consistent with the State’s Climate Action Plan for Transportation Infrastructure (CAPTI) (<https://calsta.ca.gov/subject-areas/climate-action-plan>). When the California Phase 1 Corridor is fully operating, it is projected to save 2 million metric tons of carbon each year, which is equivalent to taking over 400,000 gas-powered passenger vehicles off the roads annually, as noted in the Recipient's 2023 Project Update Report (<https://hsr.ca.gov/about/project-update-reports/2023-project-update-report>, see Ch. 4, pg. 77) or the annual carbon emissions associated with the energy use of over 250,000 homes, as noted in the 2023 Sustainability Report (<https://hsr.ca.gov/wp-content/uploads/2023/10/HSR-Sustainability-Report-FINAL-2023-A11Y.pdf>, see Ch. 3, pg. 33). By transferring trips from modes with higher emissions (commercial air flights and gas and diesel automobile trips) to zero-emission high-speed rail, the Corridor will result in a permanent net decrease in the emissions of mobile source air toxics (such as GHGs, VOCs, NOX, sulfur dioxide, carbon monoxide, and particulate matter smaller than or equal to 10 microns and 2.5 microns in diameter (PM10 and PM2.5)).

Environmental Justice: The Recipient adheres to an Environmental Justice policy to ensure that disadvantaged communities are able to provide input and feedback regarding the Project and other development along the California Phase 1 Corridor. The Project also will deliver substantial benefits to historically disadvantaged communities and areas of persistent poverty, including reducing reliance on automobile travel and creating workforce development and career opportunities for disadvantaged communities through existing and planned community benefits agreements, training programs, and disadvantaged worker hiring goals. The Recipient also has entered into community improvement agreements with towns, cities, and counties including Fairmead, Chowchilla, and Madera, to address environmental justice impacts.

Employing responsible construction: The Recipient committed the system to net zero construction greenhouse gas emissions and criteria air pollution. It is employing industry-leading construction methods to make the country’s largest infrastructure program a model for sustainable delivery. All future construction contracts will be required to solely use zero emissions vehicles (ZEV) for their on-road project fleets. The Recipient is recycling 95 percent (196,906 tons) of all construction waste to date and sending only 5 percent (9,651 tons) to landfills. In 2021, the Recipient began developing its Sustainability Procurement Policy, to ensure the alignment of procurement practices with the Recipient’s environmental, social and governance priorities, including materials procured for construction, planning, design, construction, operations, maintenance, administration and management.

Other Attributes Addressing Climate Change - Renewable Energy: The Recipient is committed to operating the Project on renewable energy and will rely primarily on solar energy generation to be developed on Recipient-owned land with integrated battery storage to operate electrified high-speed trains and stations. The system also will comply with SB 1020, the Clean Energy, Jobs and Affordability Act of 2022, which commits the State to running its operations on clean, renewable energy resources by 2035, as well as SB 1203, which requires the State to achieve net-zero operations for all agencies.

ARTICLE 10: RACIAL EQUITY AND BARRIERS TO OPPORTUNITY

10.1 Efforts to Improve Racial Equity and Reduce Barriers to Opportunity

This Section identifies how the Project addresses efforts to improve racial equity and reduce barriers to opportunity. The Recipient certifies that rows marked with “X” in the following table are accurate:

	A racial equity impact analysis has been completed for the Project.
x	The Recipient or a Project partner has adopted an equity and inclusion program/plan or has otherwise instituted equity-focused policies related to project procurement, material sourcing, construction, inspection, hiring, or other activities designed to ensure racial equity in the overall delivery and implementation of the Project.
	The Project includes physical-barrier-mitigating land bridges, caps, lids, linear parks, and multimodal mobility investments that either redress past barriers to opportunity or that proactively create new connections and opportunities for underserved communities that are underserved by transportation.
	The Project includes new or improved walking, biking, and rolling access for individuals with disabilities, especially access that reverses the disproportional impacts of crashes on people of color and mitigates neighborhood bifurcation.
	The Project includes new or improved freight access to underserved communities to increase access to goods and job opportunities for those underserved communities.
x	The Recipient has taken other actions related to the Project to improve racial equity and reduce barriers to opportunity.
	The Recipient has not yet taken actions related to the Project to improve racial equity and reduce barriers to opportunity but, before beginning construction of the Project, the Recipient will take relevant actions described below to improve racial equity and reduce barriers to opportunity.

10.2 Supporting Narrative

The Recipient has entered into a Community Benefits Agreement (CBA) (<https://hsr.ca.gov/business-opportunities/general-info/community-benefits-agreement/>) designed to provide residents in economically-disadvantaged areas with training opportunities and construction jobs, and small businesses with opportunities to obtain construction contracts. The CBA supports employment of individuals who reside in disadvantaged areas and those designated as ‘disadvantaged workers,’ including veterans, and also helps remove potential barriers for small businesses participation.

From 2006 through June 2023, the Recipient has invested approximately \$11.2 billion statewide in the planning, program management and construction of the nation’s first clean, electrified high-speed rail system. Overall, this investment supported 92,000 job-years of employment and generated roughly \$18.0 billion in total economic activity. Over half (57%) of the \$11.2 billion program investment in the system through June 2023 occurred in designated disadvantaged communities throughout California,

spurring economic activity in these areas. This includes over two thirds of all FY 2022-23 investment occurring in Disadvantaged Communities. Through June 2023, the Recipient has paid more than \$1.47 billion to certified Small Businesses, Disadvantaged Business Enterprises and Disabled Veteran Business Enterprises in California for work on the high-speed rail program. The Recipient's projected expenditures through completion of the Phase 1 system from San Francisco to Los Angeles/Anaheim are expected to support 945,000 job years, nearly \$79.0 billion in labor income, and \$203.6 billion in total economic output.

The Corridor will connect the largest cities across the State, from San Francisco and San José in the North to Fresno and Bakersfield in the Central Valley, to Los Angeles and Anaheim in the South. The Phase 1 Corridor will greatly improve intercity passenger rail service to areas of California that have limited access to intercity rail, and often have to utilize bus bridges as part of their intercity rail trips. The Corridor will connect the rural areas of the Central Valley such as Madera and Kings counties, to the economic centers in both Northern and Southern California.

ARTICLE 11: LABOR AND WORK

11.1 Efforts to Support Good-Paying Jobs and Strong Labor Standards

This Section identifies the Recipient's efforts to support good-paying jobs and strong labor standards related to the Project. The Recipient certifies that rows marked with "X" in the following table are accurate:

x	The Recipient or a Project partner has adopted the use of project labor agreements in the overall delivery and implementation of the Project.
x	The Recipient or a Project partner has adopted the use of local and economic hiring preferences in the overall delivery and implementation of the Project, subject to all applicable State and local laws, policies, and procedures.
x	The Recipient or a Project partner has adopted the use of registered apprenticeships in the overall delivery and implementation of the Project.
x	The Recipient or a Project partner will provide training and placement programs for underrepresented workers in the overall delivery and implementation of the Project.
	The Recipient or a Project partner will support free and fair choice to join a union in the overall delivery and implementation of the Project by investing in workforce development services offered by labor-management training partnerships or setting expectations for contractors to develop labor-management training programs.
	The Recipient or a Project partner will provide supportive services and cash assistance to address systemic barriers to employment to be able to participate and thrive in training and employment, including childcare, emergency cash assistance for items such as tools, work clothing, application fees and other costs of apprenticeship or required pre-employment training, transportation and travel to training and work sites, and services aimed at helping to retain underrepresented groups like mentoring, support groups, and peer networking.
x	The Recipient or a Project partner has documented agreements or ordinances in place to hire from certain workforce programs that serve underrepresented groups.

	<p>The Recipient or a Project partner participates in a State/Regional/Local comprehensive plan to promote equal opportunity, including removing barriers to hiring and preventing harassment on work sites, and that plan demonstrates action to create an inclusive environment with a commitment to equal opportunity, including:</p> <ul style="list-style-type: none"> a. affirmative efforts to remove barriers to equal employment opportunity above and beyond complying with Federal law; b. proactive partnerships with the U.S. Department of Labor’s Office of Federal Contract Compliance Programs to promote compliance with EO 11246 Equal Employment Opportunity requirements; c. no discriminatory use of criminal background screens and affirmative steps to recruit and include those with former justice involvement, in accordance with the Fair Chance Act and equal opportunity requirements; d. efforts to prevent harassment based on race, color, religion, sex, sexual orientation, gender identity, and national origin; e. training on anti-harassment and third-party reporting procedures covering employees and contractors; and f. maintaining robust anti-retaliation measures covering employees and contractors.
	<p>The Recipient has taken other actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards.</p>
	<p>The Recipient has not yet taken actions related to the Project to create good-paying jobs with the free and fair choice to join a union and incorporate strong labor standards but, before beginning construction of the Project, will take the relevant actions described below.</p>

11.2 Supporting Narrative

The Recipient has entered into a Community Benefits Agreement (CBA) (<https://hsr.ca.gov/business-opportunities/general-info/community-benefits-agreement/>) designed to provide residents in economically-disadvantaged areas with training opportunities and construction jobs, and small businesses with opportunities to obtain construction contracts.

The CBA includes a National Targeted Hiring Initiative Plan (https://hsr.ca.gov/wp-content/uploads/docs/programs/construction/National_Targeted_Hiring_Initiative_Plan.pdf), which identifies the minimum efforts contractors must make to comply with the Recipient’s Community Benefits Policy and Community Benefits Agreement. Among the terms are among the following targeted hiring requirements: A minimum of 30% of all hours of Project Work shall be performed by National Targeted Workers.

In fall of 2023, the Recipient also entered into a major agreement with 13 rail labor unions for maintenance and operation of the system (<https://hsr.ca.gov/2023/11/17/news-release-california-high-speed-rail-partners-with-labor-on-operating-nations-first-high-speed-rail-project/>).

The Recipient has partnered with the City of Selma, Fresno Economic Development Corporation, the Fresno, Madera, Kings, Tulare Building Trades Council, and the Fresno Economic Development Commission in the creation of the Central Valley Training Center (<https://cvtcprogram.com/>), a

workforce development center to provide pre-apprenticeship classes and hands-on construction training for residents in the Central Valley who are looking for work on the nation's first high-speed rail project. The pre-apprenticeship training program is aimed at serving veterans, at-risk young adults, minority, and low-income populations in the Central Valley. The no-cost program provides hands-on construction industry training for those looking to work on the nation's first high-speed rail project.

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Exhibits

Revision Date: December 11, 2023

Exhibits Table of Contents

EXHIBIT A: APPLICABLE FEDERAL LAWS AND REGULATIONS	3
GENERAL FEDERAL LEGISLATION	3
EXECUTIVE ORDERS	4
GENERAL FEDERAL REGULATIONS	4
EXHIBIT B: ADDITIONAL STANDARD TERMS	6
EXHIBIT B.1: TITLE VI ASSURANCES	7
EXHIBIT B.2: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS	16
EXHIBIT B.3: REQUIREMENTS REGARDING DELINQUENT TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW	20
EXHIBIT B.4: RECIPIENT POLICY TO BAN TEXT MESSAGING WHILE DRIVING	22
EXHIBIT B.5: EQUIVALENT LABOR PROTECTIONS UNDER 49 U.S.C. 22905(c)(2)(B)	24
EXHIBIT C: QUARTERLY PROJECT PROGRESS REPORTS AND RECERTIFICATIONS	33

EXHIBIT A: APPLICABLE FEDERAL LAWS AND REGULATIONS

By entering into this Agreement, the Recipient assures and certifies, with respect to this award, that it will comply with all applicable Federal laws, regulations, executive orders, policies, guidelines, and requirements as they relate to the application, acceptance, and use of Federal funds for this Project. Performance under this Agreement shall be governed by and in compliance with the following requirements, as applicable, to the type of organization of the Recipient and any applicable sub-recipients. The applicable provisions to this Agreement include, but are not limited to, the following:

GENERAL FEDERAL LEGISLATION

- a. Davis-Bacon Act - 40 U.S.C. § 3141 et seq.
- b. Federal Fair Labor Standards Act - 29 U.S.C. § 201 et seq.
- c. Hatch Act - 5 U.S.C. § 1501 et seq.
- d. Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 - 42 U.S.C. § 4601 et seq.
- e. National Historic Preservation Act of 1966 – Section 106 - 54 U.S.C. § 306108
- f. Archeological and Historic Preservation Act of 1974 - 54 U.S.C. §§ 312501–312508
- g. Native American Graves Protection and Repatriation Act - 25 U.S.C. § 3001 et seq.
- h. Clean Air Act, P.L. 90-148, as amended – 42 U.S.C. § 7401 et seq.
- i. Section 404 of the Clean Water Act, as amended - 33 U.S.C. § 1344
- j. Section 7 of the Endangered Species Act, P.L. 93-205, as amended – 16 U.S.C. § 1536
- k. Coastal Zone Management Act, P.L. 92-583, as amended – 16 U.S.C. § 1451 et seq.
- l. Flood Disaster Protection Act of 1973, Section 102(a) – 42 U.S.C. § 4012a
- m. Age Discrimination Act of 1975 - 42 U.S.C. § 6101 et seq.
- n. American Indian Religious Freedom Act, P.L. 95-341, as amended
- o. Sections 523 and 527 of the Public Health Service Act of 1912, as amended, 42 U.S.C. §§ 290dd through 290dd-2
- p. Architectural Barriers Act of 1968 - 42 U.S.C. § 4151 et seq.
- q. Power Plant and Industrial Fuel Use Act of 1978, P.L. 100-42 - Section 403 - 42 U.S.C. § 8373
- r. Contract Work Hours and Safety Standards Act - 40 U.S.C. § 3701 et seq.
- s. Copeland Anti-kickback Act, as amended - 18 U.S.C. § 874 and 40 U.S.C. § 3145
- t. National Environmental Policy Act of 1969 - 42 U.S.C. § 4321 et seq.
- u. Wild and Scenic Rivers Act, P.L. 90-542, as amended – 16 U.S.C. § 1271 et seq.
- v. Federal Water Pollution Control Act, as amended - 33 U.S.C. §§1251–1376
- w. Single Audit Act of 1984 - 31 U.S.C. § 7501 et seq.
- x. Americans with Disabilities Act of 1990 - 42 U.S.C. § 12101 et seq.
- y. Title IX of the Education Amendments of 1972, as amended - 20 U.S.C. §§ 1681–1683 and §§ 1685–1687
- z. Section 504 of the Rehabilitation Act of 1973, as amended - 29 U.S.C. § 794
- aa. Title VI of the Civil Rights Act of 1964 - 42 U.S.C. § 2000d et seq.
- bb. Limitation on Use of Appropriated Funds to Influence Certain Federal Contracting and Financial Transactions – 31 U.S.C. § 1352
- cc. Freedom of Information Act - 5 U.S.C. § 552, as amended
- dd. Magnuson-Stevens Fishery Conservation and Management Act – 16 U.S.C. § 1801 et seq.
- ee. Farmland Protection Policy Act of 1981 – 7 U.S.C. § 4201 et seq.
- ff. Noise Control Act of 1972 – 42 U.S.C. § 4901 et seq.
- gg. Fish and Wildlife Coordination Act of 1956 – 16 U.S.C. § 661 et seq.

- hh. Section 9 of the Rivers and Harbors Act and the General Bridge Act of 1946 - 33 U.S.C. §§ 401 and 525
- ii. Section 4(f) of the Department of Transportation Act of 1966, 49 U.S.C. 303
- jj. Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA), as amended – 42 U.S.C. §§ 9601–9657
- kk. Safe Drinking Water Act – 42 U.S.C. §§ 300f to 300j-26
- ll. The Wilderness Act – 16 U.S.C. §§ 1131–1136
- mm. Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 – 42 U.S.C. § 6901 et seq.
- nn. Migratory Bird Treaty Act 16 U.S.C. § 703 et seq.
- oo. The Federal Funding Transparency and Accountability Act of 2006, as amended (Pub. L. 109–282, as amended by section 6202 of Public Law 110–252)
- pp. Cargo Preference Act of 1954 – 46 U.S.C. § 55305
- qq. Section 889 of the John D. McCain National Defense Authorization Act for Fiscal Year 2019, Pub. L. 115-232
- rr. Efficient Environmental Reviews - 23 U.S.C. § 139
- ss. Grant Conditions – 49 U.S.C. § 22905
- tt. Build America, Buy America Act – Pub. L. No. 117-58, div. G, tit. IX, subtit. A, 135 Stat. 429, 1298

EXECUTIVE ORDERS

- a. Executive Order 11246 – Equal Employment Opportunity
- b. Executive Order 11990 – Protection of Wetlands
- c. Executive Order 11988 – Floodplain Management
- d. Executive Order 12372 – Intergovernmental Review of Federal Programs
- e. Executive Order 12549 – Debarment and Suspension
- f. Executive Order 12898 – Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations
- g. Executive Order 13166 – Improving Access to Services for Persons With Limited English Proficiency
- h. Executive Order 13985 – Advancing Racial Equity and Support for Underserved Communities Through the Federal Government
- i. Executive Order 14005 – Ensuring the Future is Made in All of America by All of America’s Workers
- j. Executive Order 14008 – Tackling the Climate Crisis at Home and Abroad

GENERAL FEDERAL REGULATIONS

- a. Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards – 2 C.F.R. Parts 200, 1201
- b. Non-procurement Suspension and Debarment – 2 C.F.R. Parts 180, 1200
- c. Investigative and Enforcement Procedures – 14 C.F.R. Part 13
- d. Procedures for predetermination of wage rates – 29 C.F.R. Part 1
- e. Contractors and subcontractors on public building or public work financed in whole or part by loans or grants from the United States – 29 C.F.R. Part 3
- f. Labor standards provisions applicable to contracts governing federally financed and assisted construction (also labor standards provisions applicable to non-construction contracts subject to the Contract Work Hours and Safety Standards Act) – 29 C.F.R. Part 5
- g. Office of Federal Contract Compliance Programs, Equal Employment Opportunity, Department



- of Labor (Federal and federally assisted contracting requirements) – 41 C.F.R. Parts 60 et seq.
- h. New Restrictions on Lobbying – 49 C.F.R. Part 20
 - i. Nondiscrimination in Federally Assisted Programs of the Department of Transportation – Effectuation of Title VI of the Civil Rights Act of 1964 – 49 C.F.R. Part 21
 - j. Uniform relocation assistance and real property acquisition for Federal and Federally assisted programs – 49 C.F.R. Part 24
 - k. Nondiscrimination on the Basis of Sex in Education Programs or Activities Receiving Federal Financial Assistance – 49 C.F.R. Part 25
 - l. Nondiscrimination on the Basis of Handicap in Programs and Activities Receiving or Benefiting from Federal Financial Assistance – 49 C.F.R. Part 27
 - m. DOT's implementation of DOJ's ADA Title II regulations compliance procedures for all programs, services, and regulatory activities relating to transportation under 28 C.F.R. Part 35
 - n. Enforcement of Nondiscrimination on the Basis of Handicap in Programs or Activities Conducted by the Department of Transportation – 49 C.F.R. Part 28
 - o. Denial of public works contracts to suppliers of goods and services of countries that deny procurement market access to U.S. contractors – 49 C.F.R. Part 30
 - p. Governmentwide Requirements for Drug-Free Workplace (Financial Assistance) – 49 C.F.R. Part 32
 - q. DOT's implementing ADA regulations for transit services and transit vehicles, including the DOT's standards for accessible transportation facilities in Part 37, Appendix A – 49 C.F.R. Parts 37 and 38
 - r. Environmental Impact and Related Procedures – 23 C.F.R. Part 771
 - s. Procedures Implementing Section 4(f) of the Department of Transportation Act – 23 C.F.R. Part 774

Specific assurances required to be included in the Agreement by any of the above laws, regulations, or circulars are hereby incorporated by reference into this Agreement.

EXHIBIT B: ADDITIONAL STANDARD TERMS

EXHIBIT B.1: TITLE VI ASSURANCES**TITLE VI ASSURANCE**
Implementing Title VI of the Civil Rights Act of 1964, as amended**ASSURANCE CONCERNING NONDISCRIMINATION IN FEDERALLY-ASSISTED PROGRAMS AND
ACTIVITIES RECEIVING OR BENEFITING FROM FEDERAL FINANCIAL ASSISTANCE**

(Implementing the Rehabilitation Act of 1973, as amended, and the Americans With Disabilities Act, as amended)

49 C.F.R. Parts 21, 25, 27, 37 and 38

The United States Department of Transportation (USDOT)**Standard Title VI/Non-Discrimination Assurances****DOT Order No. 1050.2A**

By signing and submitting the Application and by entering into this Agreement, the Recipient **HEREBY AGREES THAT**, as a condition to receiving Federal financial assistance from the Federal Railroad Administration (FRA), it is subject to and will comply with the following:

Statutory/Regulatory Authorities

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin);
- 49 C.F.R. Part 21 (entitled *Non-discrimination In Federally-Assisted Programs Of The Department Of Transportation—Effectuation Of Title VI Of The Civil Rights Act Of 1964*);
- 28 C.F.R. section 50.3 (U.S. Department of Justice Guidelines for Enforcement of Title VI of the Civil Rights Act of 1964);

The preceding statutory and regulatory cites hereinafter are referred to as the “Acts” and “Regulations,” respectively.

General Assurances

In accordance with the Acts, the Regulations, and other pertinent directives, circulars, policy, memoranda, and/or guidance, the Recipient hereby gives assurance that it will promptly take any measures necessary to ensure that:

“No person in the United States shall, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination under any program or activity,” for which the Recipient receives Federal financial assistance from DOT, including FRA.

The Civil Rights Restoration Act of 1987 clarified the original intent of Congress, with respect to Title VI and other Non-discrimination requirements (The Age Discrimination Act of 1975, and Section 504 of the Rehabilitation Act of 1973), by restoring the broad, institutional-wide scope and coverage of these non-discrimination statutes and requirements to include all programs and activities of the Recipient, so long as any portion of the program is Federally assisted.

Specific Assurances

More specifically, and without limiting the above general Assurance, the Recipient agrees with and gives the following Assurances with respect to its Federally assisted program:

1. The Recipient agrees that each “activity,” “facility,” or “program,” as defined in §§ 21.23 (b) and 21.23 (e) of 49 C.F.R. § 21 will be (with regard to an “activity”) facilitated, or will be (with regard to a “facility”) operated, or will be (with regard to a “program”) conducted in compliance with all requirements imposed by, or pursuant to the Acts and the Regulations.
2. The Recipient will insert the following notification in all solicitations for bids, Requests For Proposals for work, or material subject to the Acts and the Regulations made in connection with the Grant and, in adapted form, in all proposals for negotiated agreements regardless of funding source:

“The Recipient, in accordance with the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252, 42 U.S.C. §§ 2000d to 2000d-4) and the Regulations, hereby notifies all bidders that it will affirmatively ensure that for any contract entered into pursuant to this advertisement, disadvantaged business enterprises will be afforded full and fair opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, or national origin in consideration for an award.”

3. The Recipient will insert the clauses of Appendix A and E of this Assurance in every contract or agreement subject to the Acts and the Regulations.
4. The Recipient will insert the clauses of Appendix B of this Assurance, as a covenant running with the land, in any deed from the United States effecting or recording a transfer of real property, structures, use, or improvements thereon or interest therein to a Recipient.
5. That where the Recipient receives Federal financial assistance to construct a facility, or part of a facility, the Assurance will extend to the entire facility and facilities operated in connection therewith.
6. That where the Recipient receives Federal financial assistance in the form, or for the acquisition of real property or an interest in real property, the Assurance will extend to rights to space on, over, or under such property.
7. That the Recipient will include the clauses set forth in Appendix C and Appendix D of this Assurance, as a covenant running with the land, in any future deeds, leases, licenses, permits, or similar instruments entered into by the Recipient with other parties:

- a. for the subsequent transfer of real property acquired or improved under the applicable activity, project, or program; and
 - b. for the construction or use of, or access to, space on, over, or under real property acquired or improved under the applicable activity, project, or program.
8. That this Assurance obligates the Recipient for the period during which Federal financial assistance is extended to the program, except where the Federal financial assistance is to provide, or is in the form of, personal property, or real property, or interest therein, or structures or improvements thereon, in which case the Assurance obligates the Recipient, or any transferee for the longer of the following periods:
 - a. the period during which the property is used for a purpose for which the Federal financial assistance is extended, or for another purpose involving the provision of similar services or benefits; or
 - b. the period during which the Recipient retains ownership or possession of the property.
9. The Recipient will provide for such methods of administration for the program as are found by the Secretary of Transportation or the official to whom he/she delegates specific authority to give reasonable guarantee that it, other recipients, sub-recipients, contractors, subcontractors, consultants, transferees, successors in interest, and other participants of Federal financial assistance under such program will comply with all requirements imposed or pursuant to the Acts, the Regulations, and this Assurance.
10. The Recipient agrees that the United States has a right to seek judicial enforcement with regard to any matter arising under the Acts, the Regulations, and this Assurance.

By signing this ASSURANCE, the Recipient also agrees to comply (and require any sub-recipients, contractors, successors, transferees, and/or assignees to comply) with all applicable provisions governing FRA's access to records, accounts, documents, information, facilities, and staff. You also recognize that you must comply with any program or compliance reviews, and/or complaint investigations conducted by FRA. You must keep records, reports, and submit the material for review upon request to FRA, or its designee in a timely, complete, and accurate way. Additionally, you must comply with all other reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance.

The Recipient gives this ASSURANCE in consideration of and for obtaining any Federal grants, loans, contracts, agreements, property, and/or discounts, or other Federal-aid and Federal financial assistance extended after the date hereof to the recipients by the FRA under this Agreement. This ASSURANCE is binding on the Recipient, other recipients, sub-recipients, contractors, subcontractors and their subcontractors', transferees, successors in interest, and any other participants in the program or project funded under this Agreement.

APPENDIX A

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees as follows:

1. **Compliance with Regulations:** The contractor (hereinafter includes consultants) will comply with the Acts and the Regulations relative to Non-discrimination in Federally assisted programs of the U.S. Department of Transportation, Federal Railroad Administration (FRA), as they may be amended from time to time, which are herein incorporated by reference and made a part of this contract.
2. **Non-discrimination:** The contractor, with regard to the work performed by it during the contract, will not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurements of materials and leases of equipment. The contractor will not participate directly or indirectly in the discrimination prohibited by the Acts and the Regulations, including employment practices when the contract covers any activity, project, or program set forth in Appendix B of 49 C.F.R. Part 21.
3. **Solicitations for Subcontracts, Including Procurements of Materials and Equipment:** In all solicitations, either by competitive bidding, or negotiation made by the contractor for work to be performed under a subcontract, including procurements of materials, or leases of equipment, each potential subcontractor or supplier will be notified by the contractor of the contractor’s obligations under this contract and the Acts and the Regulations relative to Non-discrimination on the grounds of race, color, or national origin.
4. **Information and Reports:** The contractor will provide all information and reports required by the Acts, the Regulations, and directives issued pursuant thereto and will permit access to its books, records, accounts, other sources of information, and its facilities as may be determined by the Recipient or FRA to be pertinent to ascertain compliance with such Acts, Regulations, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish the information, the contractor will so certify to the Recipient or FRA, as appropriate, and will set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance:** In the event of a contractor’s noncompliance with the Non-discrimination provisions of this contract, the Recipient will impose such contract sanctions as it or FRA may determine to be appropriate, including, but not limited to:
 - a. withholding payments to the contractor under the contract until the contractor complies; and/or
 - b. cancelling, terminating, or suspending a contract, in whole or in part.
6. **Incorporation of Provisions:** The contractor will include the provisions of paragraphs one through six in every subcontract, including procurements of materials and leases of equipment, unless exempt by the Acts, the Regulations and directives issued pursuant thereto. The contractor will take action with respect to any subcontract or procurement as the Recipient or FRA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, that if the



contractor becomes involved in, or is threatened with litigation by a subcontractor, or supplier because of such direction, the contractor may request the Recipient to enter into any litigation to protect the interests of the Recipient. In addition, the contractor may request the United States to enter into the litigation to protect the interests of the United States.

APPENDIX B

CLAUSES FOR DEEDS TRANSFERRING UNITED STATES PROPERTY

The following clauses will be included in deeds effecting or recording the transfer of real property, structures, or improvements thereon, or granting interest therein from the United States pursuant to the provisions of Specific Assurance 4:

NOW, THEREFORE, the U.S. Department of Transportation as authorized by law and upon the condition that the Recipient will accept title to the lands and maintain the project constructed thereon in accordance with the Infrastructure Investment and Jobs Act, Pub. L. No. 117-58 (Nov. 15, 2021), 23 U.S.C. § 117 and the policies and procedures prescribed by the Federal Railroad Administration (FRA) of the U.S. Department of Transportation in accordance and in compliance with all requirements imposed by Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation pertaining to and effectuating the provisions of Title VI of the Civil Rights Act of 1964 (78 Stat. 252; 42 U.S.C. § 2000d to 2000d-4), does hereby remise, release, quitclaim and convey unto the Recipient all the right, title and interest of the U.S. Department of Transportation in and to said lands described in Exhibit A attached hereto and made a part hereof.

(HABENDUM CLAUSE)

TO HAVE AND TO HOLD said lands and interests therein unto Recipient and its successors forever, subject, however, to the covenants, conditions, restrictions and reservations herein contained as follows, which will remain in effect for the period during which the real property or structures are used for a purpose for which Federal financial assistance is extended or for another purpose involving the provision of similar services or benefits and will be binding on the Recipient, its successors and assigns.

The Recipient, in consideration of the conveyance of said lands and interests in lands, does hereby covenant and agree as a covenant running with the land for itself, its successors and assigns, that (1) no person will on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be otherwise subjected to discrimination with regard to any facility located wholly or in part on, over, or under such lands hereby conveyed [,] [and]* (2) that the Recipient will use the lands and interests in lands and interests in lands so conveyed, in compliance with all requirements imposed by or pursuant to Title 49, Code of Federal Regulations, U.S. Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination in Federally-assisted programs of the U.S. Department of Transportation, Effectuation of Title VI of the Civil Rights Act of 1964, and as said Regulations and Acts may be amended[, and (3) that in the event of breach of any of the above-mentioned non-discrimination conditions, the Department will have a right to enter or re-enter said lands and facilities on said land, and that above described land and facilities will thereon revert to and vest in and become the absolute property of the U.S. Department of Transportation and its assigns as such interest existed prior to this instruction].*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary in order to make clear the purpose of Title VI.)

APPENDIX C

CLAUSES FOR TRANSFER OF REAL PROPERTY ACQUIRED OR IMPROVED UNDER THE ACTIVITY, FACILITY, OR PROGRAM

The following clauses will be included in deeds, licenses, leases, permits, or similar instruments entered into by the Recipient pursuant to the provisions of Specific Assurance 7(a):

- A. The (Recipient, lessee, permittee, etc. as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree [in the case of deeds and leases add “as a covenant running with the land”] that:
 - 1. In the event facilities are constructed, maintained, or otherwise operated on the property described in this (deed, license, lease, permit, etc.) for a purpose for which a U.S. Department of Transportation activity, facility, or program is extended or for another purpose involving the provision of similar services or benefits, the (Recipient, licensee, lessee, permittee, etc.) will maintain and operate such facilities and services in compliance with all requirements imposed by the Acts and Regulations (as may be amended) such that no person on the grounds of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities.
- B. With respect to licenses, leases, permits, etc., in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (lease, license, permit, etc.) and to enter, re-enter, and repossess said lands and facilities thereon, and hold the same as if the (lease, license, permit, etc.) had never been made or issued.*
- C. With respect to a deed, in the event of breach of any of the above Non-discrimination covenants, the Recipient will have the right to enter or re-enter the lands and facilities thereon, and the above described lands and facilities will there upon revert to and vest in and become the absolute property of the Recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX D

CLAUSES FOR CONSTRUCTION/USE/ACCESS TO REAL PROPERTY ACQUIRED UNDER THE ACTIVITY, FACILITY OR PROGRAM

The following clauses will be included in deeds, licenses, permits, or similar instruments/agreements entered into by Recipient pursuant to the provisions of Specific Assurance 7(b):

- A. The (Recipient, licensee, permittee, etc., as appropriate) for himself/herself, his/her heirs, personal representatives, successors in interest, and assigns, as a part of the consideration hereof, does hereby covenant and agree (in the case of deeds and leases add, “as a covenant running with the land”) that (1) no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities, (2) that in the construction of any improvements on, over, or under such land, and the furnishing of services thereon, no person on the ground of race, color, or national origin, will be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the (Recipient, licensee, lessee, permittee, etc.) will use the premises in compliance with all other requirements imposed by or pursuant to the Acts and Regulations, as amended, set forth in this Assurance.
- B. With respect to (licenses, leases, permits, etc.), in the event of breach of any of the above Non-discrimination covenants, Recipient will have the right to terminate the (license, permit, etc., as appropriate) and to enter or re-enter and repossess said land and the facilities thereon, and hold the same as if said (license, permit, etc., as appropriate) had never been made or issued.*
- C. With respect to deeds, in the event of breach of any of the above Non-discrimination covenants, Recipient will there upon revert to and vest in and become the absolute property of Recipient and its assigns.*

(*Reverter clause and related language to be used only when it is determined that such a clause is necessary to make clear the purpose of Title VI.)

APPENDIX E

During the performance of this contract, the contractor, for itself, its assignees, and successors in interest (hereinafter referred to as the “contractor”) agrees to comply with the following non-discrimination statutes and authorities; including but not limited to:

Pertinent Non-Discrimination Authorities:

- Title VI of the Civil Rights Act of 1964 (42 U.S.C. § 2000d *et seq.*, 78 stat. 252), (prohibits discrimination on the basis of race, color, national origin); and 49 C.F.R. Part 21.
- The Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, (42 U.S.C. § 4601), (prohibits unfair treatment of persons displaced or whose property has been acquired because of Federal or Federal-aid programs and projects);
- Federal-Aid Highway Act of 1973, (23 U.S.C. § 324 *et seq.*), (prohibits discrimination on the basis of sex);
- Section 504 of the Rehabilitation Act of 1973, (29 U.S.C. § 794 *et seq.*), as amended, (prohibits discrimination on the basis of disability); and 49 C.F.R. Part 27;
- The Age Discrimination Act of 1975, as amended, (42 U.S.C. § 6101 *et seq.*), (prohibits discrimination on the basis of age);
- Airport and Airway Improvement Act of 1982, (49 U.S.C. § 471, Section 47123), as amended, (prohibits discrimination based on race, creed, color, national origin, or sex);
- The Civil Rights Restoration Act of 1987, (PL 100-209), (Broadened the scope, coverage and applicability of Title VI of the Civil Rights Act of 1964, The Age Discrimination Act of 1975 and Section 504 of the Rehabilitation Act of 1973, by expanding the definition of the terms “programs or activities” to include all of the programs or activities of the Federal-aid recipients, sub-recipients and contractors, whether such programs or activities are Federally funded or not);
- Titles II and III of the Americans with Disabilities Act, which prohibit discrimination on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities (42 U.S.C. §§ 12131 – 12189) as implemented by Department of Transportation regulations at 49 C.F.R. Parts 37 and 38;
- The Federal Aviation Administration’s Non-discrimination statute (49 U.S.C. § 47123) (prohibits discrimination on the basis of race, color, national origin, and sex);
- Executive Order 12898, Federal Actions to Address Environmental Justice in Minority Populations and Low-Income Populations, which ensures nondiscrimination against minority populations by discouraging programs, policies, and activities with disproportionately high and adverse human health or environmental effects on minority and low-income populations;
- Executive Order 13166, Improving Access to Services for Persons with Limited English Proficiency, and resulting agency guidance, national origin discrimination includes discrimination because of limited English proficiency (LEP). To ensure compliance with Title VI, you must take reasonable steps to ensure that LEP persons have meaningful access to your programs (70 Fed. Reg. at 74087 to 74100);
- Title IX of the Education Amendments of 1972, as amended, which prohibits you from discriminating because of sex in education programs or activities (20 U.S.C. § 1681 *et seq.*).

EXHIBIT B.2: CERTIFICATION REGARDING DEBARMENT, SUSPENSION, AND OTHER RESPONSIBILITY MATTERS -- PRIMARY COVERED TRANSACTIONS**2 C.F.R. Parts 180 and 1200**

These assurances and certifications are applicable to all Federal-aid construction contracts, design-build contracts, subcontracts, lower-tier subcontracts, purchase orders, lease agreements, consultant contracts or any other covered transaction requiring FRA approval or that is estimated to cost \$25,000 or more—as defined in 2 C.F.R. Parts 180 and 1200.

By signing and submitting the Application and by entering into this Agreement, the Recipient is providing the assurances and certifications for First Tier Participants and Lower Tier Participants, as set out below.

1. Instructions for Certification – First Tier Participants:

a. The prospective first tier participant is providing the certification set out below.

b. The inability of a person to provide the certification set out below will not necessarily result in denial of participation in this covered transaction. The prospective first tier participant shall submit an explanation of why it cannot provide the certification set out below. The certification or explanation will be considered in connection with the department or agency's determination whether to enter into this transaction. However, failure of the prospective first tier participant to furnish a certification or an explanation shall disqualify such a person from participation in this transaction.

c. The certification in this clause is a material representation of fact upon which reliance was placed when the contracting agency determined to enter into this transaction. If it is later determined that the prospective participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the contracting agency may terminate this transaction for cause of default.

d. The prospective first tier participant shall provide immediate written notice to the contracting agency to whom this proposal is submitted if any time the prospective first tier participant learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

e. The terms "covered transaction," "civil judgment," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 C.F.R. Parts 180 and 1200. "First Tier Covered Transactions" refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers to any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

f. The prospective first tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency entering into this transaction.

g. The prospective first tier participant further agrees by submitting this proposal that it will include the clause titled "Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transactions," provided by the department or contracting agency, entering into this covered transaction, without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

h. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (<https://www.sam.gov/>), which is compiled by the General Services Administration.

i. Nothing contained in the foregoing shall be construed to require the establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of the prospective participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

j. Except for transactions authorized under paragraph (f) of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency may terminate this transaction for cause or default.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion – First Tier Participants:

a. The prospective first tier participant certifies to the best of its knowledge and belief, that it and its principals:

(1) Are not presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency;

(2) Have not within a three-year period preceding this proposal been convicted of or had a civil judgment, including a civil settlement, rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust

statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, or receiving stolen property;

(3) Are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State or local) with commission of any of the offenses enumerated in paragraph (a)(2) of this certification; and

(4) Have not within a three-year period preceding this application/proposal had one or more public transactions (Federal, State or local) terminated for cause or default.

b. Where the prospective participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

2. Instructions for Certification - Lower Tier Participants:

(Applicable to all subcontracts, purchase orders and other lower tier transactions requiring prior FRA approval or estimated to cost \$25,000 or more - 2 C.F.R. Parts 180 and 1200)

a. The prospective lower tier participant is providing the certification set out below.

b. The certification in this clause is a material representation of fact upon which reliance was placed when this transaction was entered into. If it is later determined that the prospective lower tier participant knowingly rendered an erroneous certification, in addition to other remedies available to the Federal Government, the department, or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

c. The prospective lower tier participant shall provide immediate written notice to the person to which this proposal is submitted if at any time the prospective lower tier participant learns that its certification was erroneous by reason of changed circumstances.

d. The terms "covered transaction," "civil settlement," "debarred," "suspended," "ineligible," "participant," "person," "principal," and "voluntarily excluded," as used in this clause, are defined in 2 C.F.R. Parts 180 and 1200. You may contact the person to which this proposal is submitted for assistance in obtaining a copy of those regulations. "First Tier Covered Transactions" refers to any covered transaction between a Recipient or subrecipient of Federal funds and a participant (such as the prime or general contract). "Lower Tier Covered Transactions" refers to any covered transaction under a First Tier Covered Transaction (such as subcontracts). "First Tier Participant" refers to the participant who has entered into a covered transaction with a Recipient or subrecipient of Federal funds (such as the prime or general contractor). "Lower Tier Participant" refers any participant who has entered into a covered transaction with a First Tier Participant or other Lower Tier Participants (such as subcontractors and suppliers).

e. The prospective lower tier participant agrees by submitting this proposal that, should the proposed covered transaction be entered into, it shall not knowingly enter into any lower tier covered transaction with a person who is debarred, suspended, declared ineligible, or voluntarily excluded from participation in this covered transaction, unless authorized by the department or agency with which this transaction originated.

f. The prospective lower tier participant further agrees by submitting this proposal that it will include this clause titled “Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion-Lower Tier Covered Transaction,” without modification, in all lower tier covered transactions and in all solicitations for lower tier covered transactions exceeding the \$25,000 threshold.

g. A participant in a covered transaction may rely upon a certification of a prospective participant in a lower tier covered transaction that is not debarred, suspended, ineligible, or voluntarily excluded from the covered transaction, unless it knows that the certification is erroneous. A participant is responsible for ensuring that its principals are not suspended, debarred, or otherwise ineligible to participate in covered transactions. To verify the eligibility of its principals, as well as the eligibility of any lower tier prospective participants, each participant may, but is not required to, check the System for Award Management website (<https://www.sam.gov/>), which is compiled by the General Services Administration.

h. Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render in good faith the certification required by this clause. The knowledge and information of participant is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

i. Except for transactions authorized under paragraph e of these instructions, if a participant in a covered transaction knowingly enters into a lower tier covered transaction with a person who is suspended, debarred, ineligible, or voluntarily excluded from participation in this transaction, in addition to other remedies available to the Federal Government, the department or agency with which this transaction originated may pursue available remedies, including suspension and/or debarment.

Certification Regarding Debarment, Suspension, Ineligibility and Voluntary Exclusion -- Lower Tier Participants:

1. The prospective lower tier participant certifies, by submission of this proposal, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participating in covered transactions by any Federal department or agency.

2. Where the prospective lower tier participant is unable to certify to any of the statements in this certification, such prospective participant shall attach an explanation to this proposal.

EXHIBIT B.3: REQUIREMENTS REGARDING DELINQUENT TAX LIABILITY OR A FELONY CONVICTION UNDER ANY FEDERAL LAW

As required by sections 744 and 745 of Title VII, Division E of the Consolidated Appropriations Act, 2022, Pub. L. No. 117-103 (Mar. 15, 2022), and implemented through USDOT Order 4200.6, the funds provided under this award shall not be used to enter into a contract, memorandum of understanding, or cooperative agreement with, make a grant to, or provide a loan or loan guarantee to, any corporation that:

- (1) Has any unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability, where the awarding agency is aware of the unpaid tax liability, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government; or
- (2) Was convicted of a felony criminal violation under any Federal law within the preceding 24 months, where the awarding agency is aware of the conviction, unless a Federal agency has considered suspension or debarment of the corporation and made a determination that suspension or debarment is not necessary to protect the interests of the Government.

The Recipient therefore agrees:

1. **Definitions.** For the purposes of this exhibit, the following definitions apply:

“Covered Transaction” means a transaction that uses any funds under this award and that is a contract, memorandum of understanding, cooperative agreement, grant, loan, or loan guarantee.

“Felony Conviction” means a conviction within the preceding 24 months of a felony criminal violation under any Federal law and includes conviction of an offense defined in a section of the United States Code that specifically classifies the offense as a felony and conviction of an offense that is classified as a felony under 18 U.S.C. 3559.

“Participant” means the Recipient, an entity who submits a proposal for a Covered Transaction, or an entity who enters into a Covered Transaction.

“Tax Delinquency” means an unpaid Federal tax liability that has been assessed, for which all judicial and administrative remedies have been exhausted, or have lapsed, and that is not being paid in a timely manner pursuant to an agreement with the authority responsible for collecting the tax liability.

2. **Mandatory Check in the System for Award Management.** Before entering a Covered Transaction with another entity, a Participant shall check the System for Award Management (the **“SAM”**) at <http://www.sam.gov/> for an entry describing that entity.
3. **Mandatory Certifications.** Before entering a Covered Transaction with another entity, a Participant shall require that entity to:

- (1) Certify whether the entity has a Tax Delinquency; and
- (2) Certify whether the entity has a Felony Conviction.

4 Prohibition. If

- (1) the SAM entry for an entity indicates that the entity has a Tax Delinquency or a Federal Conviction;
- (2) an entity provides an affirmative response to either certification in section 3; or
- (3) an entity's certification under section 3 was inaccurate when made or became inaccurate after being made

then a Participant shall not enter or continue a Covered Transaction with that entity unless the USDOT has determined in writing that suspension or debarment of that entity are not necessary to protect the interests of the Government.

5. Mandatory Notice to the USDOT.

- (a) If the SAM entry for a Participant indicates that the Participant has a Tax Delinquency or a Felony Conviction, the Recipient shall notify the USDOT in writing of that entry.
- (b) If a Participant provides an affirmative response to either certification in section 1, the Recipient shall notify the USDOT in writing of that affirmative response.
- (c) If the Recipient knows that a Participant's certification under section 1 was inaccurate when made or became inaccurate after being made, the Recipient shall notify the USDOT in writing of that inaccuracy.

6. Flow Down. For all Covered Transactions, including all tiers of subcontracts and subawards, the Recipient shall:

- (1) require the SAM check in section 2;
- (2) require the certifications in section 3;
- (3) include the prohibition in section 4; and
- (4) require all Participants to notify the Recipient in writing of any information that would require the Recipient to notify the USDOT under section 5.

EXHIBIT B.4: RECIPIENT POLICY TO BAN TEXT MESSAGING WHILE DRIVING

(a) *Definitions.* The following definitions are intended to be consistent with the definitions in DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009) and Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009). For clarification purposes, they may expand upon the definitions in the executive order.

For the purpose of this Term B.4, “**Motor Vehicles**” means any vehicle, self-propelled or drawn by mechanical power, designed and operated principally for use on a local, State or Federal roadway, but does not include a military design motor vehicle or any other vehicle excluded under Federal Management Regulation 102-34-15.

For the purpose of this Term B.4, “**Driving**” means operating a motor vehicle on a roadway, including while temporarily stationary because of traffic congestion, a traffic signal, a stop sign, another traffic control device, or otherwise. It does not include being in your vehicle (with or without the motor running) in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, “**Text messaging**” means reading from or entering data into any handheld or other electronic device (including, but not limited to, cell phones, navigational tools, laptop computers, or other electronic devices), including for the purpose of Short Message Service (SMS) texting, e-mailing, instant messaging, obtaining navigational information, or engaging in any other form of electronic data retrieval or electronic data communication. The term does not include the use of a cell phone or other electronic device for the limited purpose of entering a telephone number to make an outgoing call or answer an incoming call, unless this practice is prohibited by State or local law. The term also does not include glancing at or listening to a navigational device that is secured in a commercially designed holder affixed to the vehicle, provided that the destination and route are programmed into the device either before driving or while stopped in a location off the roadway where it is safe and legal to remain stationary.

For the purpose of this Term B.4, the “**Government**” includes the United States Government and State, local, and tribal governments at all levels.

(b) *Workplace Safety.* In accordance with Executive Order 13513, Federal Leadership on Reducing Text Messaging While Driving (Oct. 1, 2009) and DOT Order 3902.10, Text Messaging While Driving (Dec. 30, 2009), the Recipient, subrecipients, contractors, and subcontractors are encouraged to:

(1) adopt and enforce workplace safety policies to decrease crashes caused by distracted drivers including policies to ban text messaging while driving—

(i) Company-owned or -rented vehicles or Government-owned, leased or rented vehicles; or

(ii) Privately-owned vehicles when on official Government business or when performing any work for or on behalf of the Government.

(2) Conduct workplace safety initiatives in a manner commensurate with the size of the business, such as—

(i) Establishment of new rules and programs or re-evaluation of existing programs to prohibit text messaging while driving; and

(ii) Education, awareness, and other outreach to employees about the safety risks associated with texting while driving.

(c) *Subawards and Contracts.* To the extent permitted by law, the Recipient shall insert the substance of this exhibit, including this paragraph (c), in all subawards, contracts, and subcontracts under this award that exceed the micro-purchase threshold, other than contracts and subcontracts for the acquisition of commercially available off-the-shelf items.

EXHIBIT B.5: EQUIVALENT LABOR PROTECTIONS UNDER 49 U.S.C. 22905(c)(2)(B)

This Exhibit provides guidance on the protective arrangements equivalent to the protective arrangements established under Section 504 of the Railroad Revitalization Reform Act of 1976, with respect to employees affected by actions taken in connection with a Project financed in whole or in part with financial assistance subject to 49 U.S.C. § 22905(c)(2)(B). Fluctuations and changes in volume or character of employment brought about solely by other causes are not within the scope of this Exhibit.

1. Definitions. Whenever used in this Exhibit, capitalized terms shall have the meanings below:

(a) “Average Monthly Compensation” means the total compensation received by a Displaced Employee or a Dismissed Employee during the last twelve (12) months in which they were employed immediately preceding the date of their displacement or dismissal, divided by twelve (12). The Average Monthly Compensation shall be adjusted to reflect subsequent general wage increases.

(b) “Average Monthly Time” means the total number of hours worked by a Displaced Employee during the last twelve (12) months in which they were employed immediately preceding the date of their displacement, divided by twelve (12).

(c) “Day” means one 24-hour calendar day (including holidays and weekends) for purposes of calculating deadlines and other timeframes in this Exhibit.

(d) “Displaced Employee” means a Protected Employee who remains employed by a Railroad but, as a result of a Project, is placed in a worse position with respect to compensation and rules governing working conditions. A Protected Employee’s status as a Displaced Employee begins on the date said employee is harmed.

(e) “Dismissed Employee” means a Protected Employee who: (1) as a result of a Project, is deprived of employment with the Railroad because (i) the Railroad eliminates the Protected Employee’s position, or (ii) the Railroad eliminates another employee’s position (and that employee’s exercise of seniority rights results in the Protected Employee’s inability to secure another position by the exercise of the Protected Employee’s seniority rights); and (2) is unable to secure another position by exercise of their seniority rights. A Protected Employee’s status as a Dismissed Employee begins on the date said employee is deprived of employment.

(f) “Project” means any action financed in whole or in part with financial assistance subject to 49 U.S.C. § 22905(c)(2)(B).

(g) “Protected Employee” means an employee of a Railroad who is affected by actions taken pursuant to a Project, whether the Project is initiated by a Railroad or a Recipient. If a Railroad rearranges or adjusts its forces in anticipation of a Project with the purpose or effect of depriving an employee of benefits to which they otherwise would have become entitled under this Exhibit, then that employee is a Protected Employee under this Exhibit. An employee’s status as a Protected Employee shall continue for the duration of the applicable Protective Period. An employee who solely benefitted as a result of a Project shall not be a Protected Employee under this Exhibit.

(h) “Protective Period” means that period during which a Displaced Employee or a Dismissed Employee is provided the protections described in this Exhibit. The Protective Period begins

on the date an employee of a Railroad is displaced or dismissed and ends after six (6) years. However, the Protective Period for any particular employee shall not continue longer than the period of time the Railroad employed the employee prior to the date of their displacement or dismissal. For purposes of this Exhibit, an employee's length of service shall be determined in accordance with the provisions of Section 7(b) of the Washington Job Protection Agreement of May 1936, as amended.

(i) "Recipient" means any person or entity receiving financial assistance subject to the requirements of 49 U.S.C. § 22905(c), including grantees, subrecipients, contractors, and subcontractors.

(j) "Railroad" means (1) a railroad carrier as defined in 49 U.S.C. § 20102(3), or (2) any person deemed a rail carrier pursuant to 49 U.S.C. § 22905(b).

2. Flow Down.

(a) In accepting financial assistance for a Project, the Recipient is responsible for ensuring the compliance with the protections provided in this Exhibit. The Recipient shall make the acceptance of this Exhibit a condition of any new contract (or incorporate its terms into any existing contract by amendment) that uses funds subject to the requirements of 49 U.S.C. § 22905(c). These conditions shall apply to a Recipient, any Railroad and any contractor of any tier with which the Recipient contracts using funds subject to the requirements of 49 U.S.C. § 22905(c).

(b) The Recipient shall require in an agreement (either in a new agreement or as an amendment to an existing agreement) with a Railroad owning the right-of-way to be improved by a Project that the Railroad notify its employees (or their representatives) of the Project being funded with financial assistance subject to 49 U.S.C. § 22905(c) and the applicability of these protections.

(c) Any Railroad employee (or their representatives) may notify a Recipient of a dispute or controversy relating to the requirements of this Exhibit to ensure compliance with 49 U.S.C. § 22905(c)(2)(B).

3. Collective Bargaining Agreements.

(a) **Existing Agreements.** The rates of pay, rules, working conditions, and all collective bargaining and other rights, privileges, and benefits (including continuation of pension rights and benefits) of a Railroad's employees under applicable laws, regulations, and/or existing collective bargaining agreements shall be preserved and remain applicable unless changed by future collective bargaining agreements or applicable statutes or regulations. As applied to the regulation of subcontracting by the Railroads of a Project, the provisions of this section shall mean that a determination of whether or not such work validly may be subcontracted by a Railroad shall not be affected by the fact that the work is being financed by funds subject to the requirements of 49 U.S.C. § 22905(c)(2)(B). Nothing in this Exhibit shall be construed as depriving any Railroad employee of any rights or benefits or eliminating any obligations that such employee may have under any existing contractual or statutory arrangement, including job security agreements, protective conditions, or arrangements.

(b) **Election by Protected Employee.** Where a Protected Employee is eligible for protections under both this Exhibit and another contractual or statutory arrangement, the Protected Employee shall elect between the protection under this Exhibit and protection under such other arrangement. After

such an election, the Protected Employee shall be protected only by the arrangement that they elect. The Protected Employee shall not be entitled to any protection or benefit (regardless of whether such benefit is duplicative) under the arrangement that they do not elect. However, if the elected protection expires pursuant to the terms of the arrangement that governs the elected protection, the Protected Employee is entitled to protection under the arrangement not originally elected for the remainder, if any, of the Protective Period.

4. Change in Operations, Services, Facilities, or Equipment.

(a) **Notice.** When a Railroad contemplates a change or changes in its operations, services, facilities, or equipment as a result of a Project, which may cause the dismissal or displacement of Protected Employees or rearrangement of forces involving such employees, it shall give at least sixty (60) days' written notice of such intended changes to both Protected Employees and their duly authorized representatives (if applicable). Such notice shall contain a full and adequate description of the proposed changes, including an estimate of the number of Protected Employees of each class affected by the intended changes.

(b) **Negotiations.**

(i) **Initiation of Negotiation.** Within sixty (60) days after the Railroad issues a notice under Section 4(a) of this Exhibit, the Railroad or the Protected Employees (or their representatives) may, by written notice to the other party, request a meeting and opportunity to negotiate an agreement with respect to the application of the terms and conditions of this Exhibit. These negotiations shall commence within fourteen (14) days from the receipt of such request.

(ii) **Subject of Negotiations.** Each change to rail operations, services, facilities, infrastructure, or equipment (including rights-of-way, track, and signal and crossing systems) that may result in dismissal or displacement of Protected Employees or rearrangement of forces involving such employees shall be subject to review and negotiation by the parties, but only to the extent necessary to ensure compliance with this Exhibit. For any contemplated rearrangement of rail forces, the Railroad and the representative(s) of the Protected Employees shall agree on the method of selection of employees to be moved, and the assignment of those employees to new roles.

(c) **Arbitration.** If the Railroad and the representative(s) of the Protected Employees fail to agree within forty-five (45) days from the initial meeting and opportunity to negotiate, either party may submit the dispute for arbitration in accordance with the following procedures:

(i) **Notice & Selection of Arbitrator.** Within ten (10) days after either party has notified the other in writing of their desire to submit the dispute for arbitration, the parties shall select a neutral arbitrator. If the parties cannot agree upon the selection of said arbitrator, then the parties shall submit a request to the National Mediation Board to appoint an arbitrator. In either case, a hearing shall be scheduled no later than thirty (30) days after an arbitrator has been appointed.



(ii) **Binding Decision.** The decision of the arbitrator shall be final, binding, and conclusive and shall be rendered within thirty (30) days from the date of the commencement of the hearing of the dispute.

(iii) **Expenses.** The salary and expenses of the arbitrator shall be borne equally by the parties to the proceeding; all other expenses shall be paid by the party incurring them.

(d) **Implementation.** If a notice is issued under Section 4(a), the Railroad shall not implement such a change or changes until: (i) sixty (60) days after the notice in accordance with Section 4(a), if no party requests a meeting and opportunity to negotiate; (ii) the parties reach agreement pursuant to Section 4(b), if a party requests a meeting and opportunity to negotiate; or (iii) a referee has rendered a decision pursuant to Section 4(c).

5. Protections for Displaced Employees

(a) Displacement Allowances.

(i) **In General.** If a Displaced Employee is unable, in the normal exercise of such employee's seniority rights under existing agreements, rules and practices, to obtain a position that is compensated equal to or exceeding the compensation the Displaced Employee received in the position from which such employee was displaced, then the Displaced Employee shall, during the Protective Period, be paid a monthly displacement allowance equal to the difference between the monthly compensation received by the Displaced Employee in the position in which such employee is retained and the Average Monthly Compensation received by the Displaced Employee in the position from which such employee was displaced (the "Displacement Allowance").

(ii) **Application of Displacement Allowance.** If a Displaced Employee's compensation in that employee's retained position is less in any month in which such employee performs work than the Average Monthly Compensation, then the Displaced Employee shall be paid the difference between the current compensation and the Average Monthly Compensation. However, the Displacement Allowance shall be reduced by the Displaced Employee's time lost as a result of voluntary absences, to the extent that the Displaced Employee is not available for service equivalent to the Displaced Employee's Average Monthly Time. If, on the other hand, the Displaced Employee, in such employee's retained position, works in excess of the Average Monthly Time in any given month, then the Displaced Employee shall be additionally compensated for such excess time at the rate of pay of the employee's retained position. If a Displaced Employee fails to exercise their seniority rights to secure another position available to the employee which does not require a change in such employee's place of residence, to which the employee is entitled under the working agreement, and which carries a rate of pay and compensation exceeding those of the position that the employee elects to retain, then the Displaced Employee shall thereafter be treated for the purposes of this section as occupying the position such employee elects to decline.

(iii) **Early Expiration.** The Displacement Allowance shall cease prior to the expiration of the Protective Period in the event of the Displaced Employee's resignation, death, retirement, or dismissal for justifiable cause.

(b) **Moving Expenses.** Any Protected Employee retained in the service of a Railroad, or who is later restored to service after being entitled to receive a Dismissal Allowance, and is required to change the point of such employee's employment as a result of the Project, and within the employee's Protective Period is required to move the employee's place of residence, shall be reimbursed for all expenses of moving the employee's household and other personal effects, including travel expenses, temporary living expenses, and any actual wage loss during the time necessary to make the move, and for a reasonable time thereafter, not to exceed five (5) days.

(i) **Prior Agreement.** The exact extent of the responsibility of a Railroad under this Section and the ways and means of transportation shall be agreed upon in advance by the Railroad and the Protected Employee or their representatives.

(ii) **Exception.** Changes in residence that are not a result of a Project, which are made after the initial change and that grow out of the normal exercise of seniority rights, are not within the purview of this Section.

(iii) **Furloughed Employees.** The Railroad shall, to the same extent provided above, assume the moving expenses outlined in Section 5(b) for an employee furloughed within three (3) years after changing such employee's point of employment as a result of a Project, who elects to move their place of residence back to their original point of employment.

(iv) **Reimbursement.** A claim for reimbursement shall be paid under the provisions of this Section within sixty (60) days after it is submitted, unless disputed by the Railroad, but no claim shall be paid if presented to the Railroad more than ninety (90) days after the date on which the expenses were incurred.

(c) **Losses from Home Sale or Contract Termination.** Any Displaced Employee who is retained in the service of a Railroad (or who is later restored to service after being entitled to receive a dismissal allowance), and who is required to change the point of such employee's employment during the Protective Period as a result of a Project, is entitled to the following:

(i) **Home Sale for Less Than Fair Market Value.** If the Displaced Employee owns their place of residence in the locality from which such employee is required to move, then at the Displaced Employee's option, the Railroad shall reimburse the Displaced Employee for the difference between the actual sale price and the fair market value of the employee's place of residence. The Railroad shall pay such difference within sixty (60) days after the Displaced Employee has filed a claim for such loss in accordance with Section 5(c)(vi), unless a controversy arises as to which Section 5(c)(vii) applies. In each case, the fair market value of the home in question shall be determined without consideration of the Project. The Railroad shall in each instance be afforded an opportunity to purchase the home at such fair market value before it is sold by the Displaced Employee to any other person.

(ii) **Election to Receive Closing Costs.** The Displaced Employee may elect to waive the provisions of Section 5(c)(i) and to receive, in lieu thereof, an amount equal to the closing costs that are customarily paid for and assumed by a seller of real estate in the jurisdiction in which the employee's residence is located. Such costs shall include customary fees paid to a licensed realtor (not to exceed six percent (6%) of the final sale price) and any prepayment penalty required by any mortgagor or beneficiary of a deed of trust. Such costs shall not include

the payment of any mortgage discount points or similar interest discount fees by the Displaced Employee.

(iii) Pending Contract to Purchase. If a Displaced Employee has entered into a contract to purchase a place of residence, but due to a Project must cancel that contract, the Railroad shall indemnify the Displaced Employee against any losses due to such cancellation, and shall relieve the Displaced Employee from any further obligation under the contract.

(iv) Unexpired Lease. If the Displaced Employee holds an unexpired lease of a dwelling as the employee's primary place of residence, and the Displaced Employee must cancel the lease due to a Project, the Railroad shall indemnify the Displaced Employee from all costs and liability arising from said cancellation.

(v) Exclusions. Any change in residence that is not due to or caused by a Project, or that resulted from the normal exercise of a Protected Employee's seniority rights, shall not be within the purview of this Section.

(vi) Notification of Claims. A Displaced Employee shall notify, in writing, the Railroad of such employee's claim arising from this Section 5(c) within one (1) year of the date the Displaced Employee's claim accrues.

(vii) Home Value Disagreements. In the event of disagreement between a Railroad and a Displaced Employee as to the value of a Displaced Employee's claim, either party (or their representatives) may request, in writing, a joint conference to resolve the disagreement.

A. Real Estate Appraisers. If the parties are unable to resolve the disagreement, either party may refer the disagreement to two licensed real estate appraisers, one of whom shall be selected by the Displaced Employee (or such employee's representatives), and one of whom shall be selected by the Railroad. If the two selected real estate appraisers are unable to agree on a valuation within thirty (30) days, the selected real estate appraisers shall designate (or agree to a method by which to select) a third licensed real estate appraiser within ten (10) days. If unable to agree on a selection, either party may request the National Mediation Board to designate within twenty (20) days a third licensed real estate appraiser. A decision by two of the three licensed real estate appraisers shall be required to determine the value in dispute. Said decision shall be final and conclusive.

B. Payment of Expenses. The salary and expenses of the third or neutral appraiser shall be borne equally by the parties to the proceedings. All other expenses shall be paid by the party incurring them, including the compensation of the appraiser selected by such party.

(d) Failure to Exercise Seniority Rights. If a Displaced Employee is able but does not exercise such employee's seniority rights to secure another position that does not require a change in the employee's primary place of residence, the Displaced Employee shall not be entitled to moving expenses or protections due to the sale of a home outlined in Sections 5(b)&(c).



6. Protections for Dismissed Employees.

(a) **Dismissal Allowance.** A Dismissed Employee shall be paid a monthly dismissal allowance from the date they are deprived of employment through the Protective Period.

(i) **Monthly Dismissal Allowance Calculation.** The monthly dismissal allowance shall be equivalent to the Average Monthly Compensation received by the Dismissed Employee in the last twelve (12) months of employment prior to the employee's dismissal.

(ii) **Submission of Claim.** A claim for the initial month of a dismissal allowance shall be paid within ninety (90) days and a claim for a subsequent month shall be paid within sixty (60) days after the claim is filed by the Dismissed Employee, unless the claim is disputed by the Railroad pursuant to Section 8 of this Exhibit.

(iii) **Reduction or Suspension of Dismissal Allowance.** If a Dismissed Employee accepts new employment (or reemployment by the dismissing Railroad) during the Protective Period, the dismissal allowance shall be reduced such that the accepted monthly compensation at the then-current position (including any unemployment insurance compensation received) plus the dismissal allowance is equivalent to the Dismissed Employee's Average Monthly Compensation. If the compensation of the Dismissed Employee's then-current employment is greater than the dismissal allowance, the dismissal allowance shall be suspended. Such reduction or suspension shall continue for the duration of the Protective Period, unless and until the Dismissed Employee's then-current compensation is reduced or eliminated. Prior to dismissal, such Dismissed Employee (or their representative) and the dismissing Railroad shall agree upon a procedure by which such Railroad shall be informed of the earnings and benefits of such Dismissed Employee in their new position of employment.

(iv) **Early Termination.** The dismissal allowance shall cease prior to the expiration of the Protective Period in the event of the Dismissed Employee's resignation, death, retirement, dismissal for justifiable cause under existing agreements, failure without good cause to return to service after being notified in accordance with an applicable working agreement, or failure without good cause to accept a comparable position that does not require a change of residence, for which the Dismissed Employee is qualified and eligible with the Railroad from which such employee was dismissed after being notified, if the employee's return does not infringe upon employment rights of other employees under a working agreement.

(b) **Separation Allowance.** A Dismissed Employee may, at such employee's option, within seven (7) days of dismissal or an arbitration award establishing the employee's status as a Dismissed Employee, resign and (in lieu of all other benefits and protections provided in this Exhibit) accept a lump sum payment computed in accordance with Section 9 of the Washington Job Protection Agreement of May 1936, as amended.

(c) **Priority of Employment or Re-Employment.** Any Protected Employee whose employment is terminated or who is furloughed as a result of a Project shall, if they so request, be granted priority of employment or re-employment to fill a position comparable to that which they held on the Railroad (even if in a different craft or class), so long as they are qualified, or by training or retraining can become physically and mentally qualified, for the position. However, such priority of

employment or re-employment must not be in contravention of any relevant collective bargaining agreements.

(i) **Training or Re-Training.** In the event such training or retraining is requested by a Protected Employee pursuant to Section 6(c), the Railroad shall provide such training or retraining at no cost to the Protected Employee.

(ii) **Waiver of Protections.** If a Protected Employee who has made a request under Section 6(c) fails without good cause within ten (10) days to accept an offer of a comparable position for which such employee has satisfactorily completed such training, the Protected Employee shall, upon the expiration of such ten (10) day period, forfeit all rights and benefits under this Exhibit.

7. Fringe Benefits. No Protected Employee shall be deprived during the Protective Period of any (non-salary) rights, privileges, or benefits attached to such employee's previous employment under the terms and conditions of an existing employment agreement (including, but not limited to, free transportation, hospitalization, pensions, insurance, or vacation benefits), so long as such rights, privileges, or benefits continue to be accorded to other employees of the Railroad, in active service or on furlough as the case may be, to the extent that such rights, privileges, or benefits can be so maintained under present authority of law, corporate action, or through future authorization.

8. Arbitration of Disputes.

(a) **Scope.** Any dispute under these conditions not settled by the relevant parties will be resolved in arbitration as provided herein. In the event a Railroad and the Protected Employee(s) (or their representatives) cannot settle a dispute or controversy with respect to the interpretation, application, or enforcement of any provision of this Exhibit (other than those Sections of this Exhibit that provide for another means of dispute resolution) within thirty (30) days after the dispute arises, either party may refer the dispute to an arbitration committee. The affected Protected Employee(s) (or their representatives) may notify a Recipient of a dispute or controversy under this Section 8 to ensure compliance with 49 U.S.C. § 22905(c)(2)(B).

(b) **Notice.** The party referring the dispute to an arbitration committee shall notify the other party in writing of its intent to refer a dispute or controversy to an arbitration committee.

(c) **Selection of Members.** Within ten (10) days of receipt of the written notice, each party to the arbitration shall select one (1) member of the committee, and the members thus chosen shall select an additional, neutral member to serve as chairman. If any party fails to select its member of the arbitration committee within the prescribed time limit, the general chairman of the involved labor organization or a senior officer designated by the Railroad or the Recipient, as the case may be, shall be deemed the selected member. Should the members be unable to agree upon the appointment of the neutral member within ten (10) days, the parties shall then within an additional ten (10) days agree to a method by which a neutral member shall be appointed; failing such agreement, either party may request the National Mediation Board to designate within twenty (20) days the neutral member whose designation will be binding upon the parties.

(d) **Multiple Representatives.** In the event a dispute involves more than one labor organization, each will be entitled to a representative on the arbitration committee, in which event the Railroad or Recipient may appoint additional representatives equivalent to the number of labor

organization representatives; provided, however, that the decision in such case shall be made by the neutral member.

(e) **Decisions Binding.** The decision, by majority vote except as provided otherwise in paragraph (d) of this Section, of the arbitration committee shall be final, binding, conclusive, and rendered within forty-five (45) days after the hearing of the dispute or controversy has been concluded and the record closed.

(f) **Expenses.** The salaries and expenses of the neutral member shall be borne equally by the parties to the proceeding, and all other expenses shall be paid by the party incurring them.

9. Classification of a Protected Employee. In the event an employee (or their representatives) cannot settle a dispute or controversy with the Railroad or the Recipient as to whether or not a particular employee would be affected by a Project, either party may refer the dispute to an arbitration committee within thirty (30) days after the dispute arises pursuant to the arbitration procedures in Section 8. For any such dispute, the employee of a Railroad shall have the burden to identify, with reasonable specificity, the Project that allegedly affected them, and to specify the pertinent facts of that Project, including the change or changes resulting from the Project that allegedly affected them. The burden shall then shift to the Railroad or Recipient to show that factors other than a change resulting from the Project affected the employee. The employee shall prevail on this issue if it is established that the Project had an effect upon the employee, even if other factors also may have affected the employee.

10. Resolution of Disputes for Non-Bargaining Unit Protected Employees. Any Protected Employee who is not represented by a labor organization shall be afforded substantially the same levels of protection as are afforded to members of labor organizations under this Exhibit. In the event any dispute arises between a Railroad and an employee not represented by a labor organization with respect to the interpretation, application, or enforcement of any provision of this Exhibit that cannot be settled by the parties within thirty (30) days after the dispute arises, either party may, as an alternative to the dispute resolution procedures outlined in this Exhibit, refer the dispute within ninety (90) days after the dispute arises to the Secretary of Labor for determination. The determination of the Secretary of Labor, or their designated representative, shall be final and binding on the parties.

11. Severability. In the event any provision of this Exhibit is held to be invalid or otherwise unenforceable under applicable law, the remaining provisions of this Exhibit shall not be affected.

EXHIBIT C: QUARTERLY PROJECT PROGRESS REPORTS AND RECERTIFICATIONS

FRA GRANT/COOPERATIVE AGREEMENT Quarterly Progress Report

A. Submission Information

1. Report Submission Date (mm/dd/yy): 2. Report Quarter: 3. FFY:

4. Agreement Number	5. Project Title		6. Project Type
7. Completed By (Name)	8. Title	9. Email	10. Phone

☒ 11. *Certification:* By checking this box, I certify that I have reviewed this report and that, to the best of my knowledge, the report is complete, accurate, and meets the terms and conditions of the award.

B. Overall Project Status

	a. Status	b. Explanation
12. Scope	Off-Track	
13. Schedule	Off-Track	
14. Budget	Off-Track	

15. Significant Activities this Quarter	16. Significant Activities Planned for Next Quarter

17. Amendment Request?	17 a. Status	17 b. Explanation
Yes	N/A	

C. Financial Status

Budget Status

18. Budget Changes?	18 a. Status	18 b. Explanation
Yes	N/A	

Expenditures and Reimbursement Status

Funding Source	Actual Expenditures this Quarter
19. FRA Grant:	
20. Grantee Match:	
21. Other Federal Funds:	
22. Total:	\$ 0.00

23. Accomplishments Related to Expenditures in this Quarter	24. Accomplishments Related to Expenditures in other Quarters (if applicable)

Reimbursement Forecast

25. Planned Reimbursement Requests to FRA		26. Unliquidated Obligations	
25 a. Next Quarter	25 b. Next Four Quarters (Cumulative)	26 a. Any reported on this quarter's SF-425?	26 b. Explanation
		No	

D. Major Milestones

If your project contains one or more of the following components, please report on all that apply:

		Completion Date mm/dd/yy			
27. Milestone Name	28. Status	29. Planned	30. Actual	31. Change to Status?	32. Status Notes
All Projects					
27 a. Award of Sub-Contract(s)	Off-Track			N/A	
27 b. Project Work Begun	Off-Track			N/A	
27 c. Project Substantially Complete	Off-Track			N/A	
Projects with a Construction Component					
27 d. Construction Notice to Proceed Issued	Off-Track			N/A	
27 e. ROW Acquisition Complete	Off-Track			N/A	
27 f. Construction Ground-Breaking	Off-Track			N/A	
27 g. Construction Substantially Complete	Off-Track			N/A	
27 h. Environmental Mitigation Substantially Complete	Off-Track			N/A	
27 i. Ribbon-Cutting Ceremony	Off-Track			N/A	
27 j. Commencement of Service	Off-Track			N/A	
Projects with a Rolling Stock Component					
27 k. Test Vehicle Complete	Off-Track			N/A	
27 l. First Rolling Stock Delivery	Off-Track			N/A	

E. Statement of Work Task Status

				Completion Date (mm/dd/yy)			
33. Task #	34. Task Name	35. Status	36. Task Started?	37. Planned	38. Actual	39. Percent Complete (%)	40. Change to Status?
1	Pre-populated	Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
		Off-Track	N/A				N/A
Contingency (optional)							

41. Status Notes



U.S Department of Transportation

Federal Railroad Administration

Cooperative Agreement

1. RECIPIENT NAME AND ADDRESS
CALIFORNIA HIGH-SPEED RAIL AUTHORITY

770 L St Ste 620
Sacramento, CA 95814-3385

2. AGREEMENT NUMBER:

3. AMENDMENT NO.

4. PROJECT PERFORMANCE PERIOD: FROM TO

5. FEDERAL FUNDING PERIOD: FROM TO

1A. IRS/VENDOR NO.

6. PRE-AWARD AUTHORITY: Yes 6A. PRE-AWARD DATE: 04/01/2024

1B. UEI. FJW5LSYDQLF3 1C. DUNS.

7. ACTION Budget Revision

8. ASSISTANCE LISTING#:

TITLE	FEDERAL	NON-FEDERAL	TOTAL
-------	---------	-------------	-------

9. PROJECT TITLE
California Inaugural High-Speed Rail Service Project

10. PREVIOUS AGREEMENTS	1,711,980,267.00	768,400,000.00	2,480,380,267.00
11. THIS AGREEMENT	680,809,867.00	0.00	680,809,867.00
12. TOTAL AGREEMENT	2,392,790,134.00	768,400,000.00	3,161,190,134.00

12A. OTHER FEDERAL FUNDING

0.00

13. INCORPORATED ATTACHMENTS

THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS, INCORPORATED HEREIN AND MADE A PART HEREOF:

Amended Terms and Conditions, Attachment 1

14. STATUTORY AUTHORITY FOR GRANT/ COOPERATIVE AGREEMENT

Infrastructure Investment and Jobs Act (IIJA), Sec. 22101 and Tit. VIII of Div. J (Pub. L. 117-58) (Nov. 15, 2021)

15. REMARKS

GRANTEE ACCEPTANCE

AGENCY APPROVAL

16. NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL

Shannon Shields
Grants Manager

18. NAME AND TITLE OF AUTHORIZED FRA OFFICIAL

Jamie Rennert
Director, Regional Outreach & Project Delivery

17. SIGNATURE OF AUTHORIZED GRANTEE OFFICIAL

Electronically Signed

17A. DATE

11/01/2024

19. SIGNATURE OF AUTHORIZED FRA OFFICIAL

Electronically Signed

19A. DATE

11/01/2024

AGENCY USE ONLY

20. OBJECT CLASS CODE: 41010

21. ORGANIZATION CODE: 9022000000

22. ACCOUNTING CLASSIFICATION CODES

DOCUMENT NUMBER	FUND	BY	BPAC	AMOUNT
69A36524521070FSPCA				
69A36524521070FSPCA				
69A36524521070FSPCA				
69A36524521070FSPCA				

AWARD ATTACHMENTS

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

69A36524521070FSPCA

1. Amended Terms and Conditions, Attachment 1

Attachment 1 to Amendment No. 1

In this Amendment No. 1 to Agreement No. 69A36524521070FSPCA, the parties, intending to be legally bound, agree to amend their Agreement of September 23, 2024, as follows:

1. In sections 9, 10, and 11 of the Notice of Grant Award Coversheet, the funding amounts are deleted and replaced with the following:

TITLE	FEDERAL	NON-FEDERAL	TOTAL
10. PREVIOUS AGREEMENTS	1,711,980,267.00	768,400,000.00	2,480,380,267.00
11. THIS AGREEMENT	680,809,867.00	0.00	680,809,867.00
12. TOTAL AGREEMENT	2,392,790,134.00	768,400,000.00	3,161,190,134.00

2. Article 6, Award and Project Financial Information, of Attachment 2 is deleted in its entirety and the following is substituted therefor:

ARTICLE 6: AWARD AND PROJECT FINANCIAL INFORMATION

6.1 Award Amount

Agreement Federal Funds: \$2,392,790,134

Contingent Commitment: \$680,809,866

6.2 Federal Obligation Information

Federal Obligation Type: Phased

6.3 Federal Authorization and Funding Source.

Authorizing Statute: Sections 22106 and 22307 of the Infrastructure Investment and Jobs Act (Pub. L. No. 117-58, November 15, 2020 (IIJA)); 49 U.S.C. § 24911)

Appropriation: Infrastructure Investment and Jobs Act, Division J, Title VIII (Public Law 117-58, November 15, 2021)

6.4 Funding Availability

Program funding that is obligated under this Agreement remains available until expended.

6.5 Approved Project Budget

The estimated total Project cost under this Agreement is \$3,842,000,000.

FRA will contribute a maximum of 80 percent of the total Project cost, not to exceed the Agreement Federal Funds in Section 6.1 of this Attachment 2. FRA will fund the Project at the lesser amount of the Agreement Federal Funds or the FRA maximum contribution percentage of total Project costs.

The Recipient will contribute \$768,400,000 in Agreement Non-Federal Funds. Recipient's Agreement Non-Federal Funds are comprised of cash contributions.

The Recipient will complete the Project to FRA's satisfaction within the Approved Project Budget, subject to Article 5 of Attachment 1 of this Agreement.

Table 6-A: Approved Project Budget by Task

Task #	Task Title	Agreement Federal Funds	Agreement Non-Federal Funds	Total
1	Project Administration and Management	\$0	\$0	\$0
2	Final Design	\$167,200,000	\$41,800,000	\$209,000,000
3	Right-of-Way Acquisition	\$845,600,000	\$211,400,000	\$1,057,000,000
4	Civil Infrastructure Construction – Bakersfield Interim Extension	\$754,400,000	\$188,600,000	\$943,000,000
5	Track & Systems – Bakersfield Interim Extension	\$386,400,000	\$96,600,000	\$483,000,000
6	Fresno Station	\$136,800,000	\$34,200,000	\$171,000,000
7	Trainsets and Trainset Facilities	\$783,200,000	\$195,800,000	\$979,000,000
Total		\$3,073,600,000	\$768,400,000	Total Project Cost: \$3,842,000,000

Table 6-B: Approved Project Budget by Source

Funding Source	Total Amount	Percentage of Total Project Cost
Federal Share	\$3,073,600,000	80%
Agreement Federal Funds (FSP-N)	\$3,073,600,000	80%
Agreement Non-Federal Funds	\$768,400,000	20%
State Cap-and-Trade Revenues	\$768,400,000	20%
Total Agreement	\$3,842,000,000	100%

6.6 Pre-Award Costs

On April 12, 2024, FRA provided pre-award authority, effective April 1, 2024, for incurrence of the following Project costs in response to Recipient's request:

Task #	Task Name	Agreement Federal Funds	Agreement Non-Federal Funds	Total Cost
2.1	Final Design – Merced Extension	\$52,800,000	\$13,200,000	\$66,000,000
2.2	Final Design – Bakersfield Extension	\$36,800,000	\$9,200,000	\$46,000,000
4.1	ROW Acquisition – Merced Extension	\$64,800,000	\$16,200,000	\$81,000,000
4.2	ROW Acquisition – Bakersfield Extension	\$18,400,000	\$4,600,000	\$23,000,000
Total		\$172,800,000	\$43,200,000	\$216,000,000

The above pre-award costs were necessary for efficient and timely performance of the scope of work and were incurred directly pursuant to the negotiation and in anticipation of this Agreement.

6.7 Phased Funding Agreement

This Agreement is a phased funding agreement under 49 U.S.C. § 24911(g)(2). The maximum amount of Federal financial assistance ((49 U.S.C. § 24911(g)(2)(B)(ii)) for the Project will not exceed the maximum Federal share (80 percent) of the total costs of the Project (49 U.S.C. § 24911(f)(2)).

The total amount of funds that may be obligated under this Agreement is \$3,073,600,000 which is the sum of the Agreement Federal Funds and the Contingent Commitment identified in Section 6.1 of this Attachment 2.

This Agreement obligates the Agreement Federal Funds, which is the same as the total amount of funds described in Table 6-C: Obligation by Fiscal Year. Through this Agreement, FRA agrees to obligate the Contingent Commitment pursuant to the terms in Section 6.7. FRA scheduled and allocated the Contingent Commitment as described in Table 6-D: Contingent Commitment by Fiscal Year.

This Agreement does not obligate Federal funds, other than the Agreement Federal Funds identified in Section 6.1 of this Attachment 2. The Contingent Commitment is not an obligation of the Government.

Under this phased funding agreement, the Recipient may incur costs for eligible activities as is reasonably necessary to advance the Project prior to obligation of the Contingent Commitment, without prejudice to future reimbursement of the costs, to the extent that such costs are incurred in accordance with all applicable Federal requirements and this Agreement.

To request that FRA obligate the scheduled portion of the Contingent Commitment as described in Table 6-D, the Recipient will request an amendment to this Agreement as provided in Article 15 of Attachment 1 of this Agreement. The Recipient will not request such an amendment more than once every 12 months. Such amounts are subject to the terms and conditions of this Agreement upon obligation.

Unless otherwise determined by the Administrator, FRA's obligation of all or portions of the Contingent Commitment is subject to the availability of Federal funds, program authority, and FRA's determination of satisfactory performance by the Recipient under this Agreement. In assessing performance, FRA will consider whether:

- (a) the Recipient is in compliance with the terms and conditions of this Agreement;
- (b) the Recipient confirms that all statements and representations made in the Federal System for Awards Management, in the Application, and in this Agreement are true and correct as of the request to obligate contingently committed funds; and
- (c) FRA has not terminated this Agreement under Article 10 of Attachment 1 of this Agreement nor provided notice of intent to terminate under Article 9 of Attachment 1 of this Agreement.

Table 6-C: Obligation by Fiscal Year

Fiscal Year of Funding Source	Amount
2022/2023	\$1,031,170,400
2024	\$680,809,867
2025	\$680,809,867
Total	\$2,392,790,134

Table 6-D: Contingent Commitment by Fiscal Year

Fiscal Year of Appropriation	Amount
2026	\$680,809,866
Total	\$680,809,866

Pursuant to 49 U.S.C. § 24911(g)(2)(C), if the Recipient does not carry out the Project for reasons within control of the Recipient, the Recipient will repay all Federal grant funds awarded for the Project from all Federal funding sources, for all Project activities, facilities, and equipment, plus reasonable interest and penalty charges allowable by law or established in this Agreement. For the avoidance of doubt, this clause does not restrict or otherwise limit FRA's ability to act under Article 9 or 10 of Attachment 1 of this Agreement.

3. Except as specifically amended hereby, all terms, conditions, and attachments of the original Agreement, as amended, remain in full force and effect and the parties hereto agree thereto.

ATTACHMENT 7 – RELEVANT CORRESPONDENCE BETWEEN FRA AND CHSRA



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

February 20, 2025

Mr. Ian Choudri
Chief Executive Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Subject: Compliance Review of California High-Speed Rail Authority

Dear Mr. Choudri:

The Federal Railroad Administration (FRA) is notifying you of its intention to initiate a review of the California High-Speed Rail Authority's (CHSRA) compliance under FRA-administrated grants for the California High-Speed Rail Project, including but not limited to the following agreements: **FR-HSR-0118-12** and **69A36524521070FSPCA**.

FRA is initiating this compliance review consistent with the terms and conditions of **FR-HSR-0118-12** and **69A36524521070FSPCA**. As you are aware, FRA recently completed an annual monitoring review on October 23, 2024. The monitoring review identified six areas of interest. In addition, the CHSRA Inspector General published a report on February 3, 2025, that reviewed the Merced-Bakersfield segment of the project and found CHSRA's schedule may not accurately account for current conditions and risks.¹ FRA intends to seek additional information to evaluate CHSRA's performance and ability to perform under the FRA-administered funding agreements, including whether it is complying with the requirements set forth therein. FRA may conduct site visits and review project activities, systems, and documents, including financial records, as appropriate. As required under the terms of the various agreements, FRA expects CHSRA will fully and promptly cooperate with the compliance review.

FRA is further advising CHSRA that the compliance review and resulting findings may result in remedial action up to and including withholding of reimbursement and termination of cooperative agreements. Please be advised that any work completed from the date of this notice forward is at the risk of CHSRA. This notice is effective immediately.

¹ CHSRA Inspector General, *Merced to Bakersfield Segment: The Authority Is Unlikely to Complete the Segment as Currently Envisioned within Its Planned Schedule* (Feb. 3, 2025).

Please confirm receipt of this notice and acknowledge your intent to comply. FRA appreciates your prompt attention and cooperation as it implements this compliance review.

Sincerely,

A handwritten signature in blue ink that reads "Kyle Fields". The signature is written in a cursive, flowing style.

Kyle Fields
Chief Counsel



Gavin Newsom
GOVERNOR

Ian Choudri
CHIEF EXECUTIVE OFFICER



February 25, 2025

Kyle Fields, Chief Counsel
Federal Railroad Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

Dear Mr. Fields:

I acknowledge receipt of your letter dated February 20, 2025, regarding the Federal Railroad Administration's (FRA) intent to initiate a compliance review of the California High-Speed Rail Authority's (Authority) obligations under FRA-administered grants. As always, the Authority will fully cooperate with this review, just as we have with past FRA compliance reviews, monitoring reports, and ongoing oversight engagements.

As you are aware, FRA's recent reports—including the Fall 2024 monitoring review and the February 19, 2025, Quarterly Project Meeting—acknowledge the Authority's progress without citing deficiencies.

California's High-Speed Rail project remains under active construction, with over 50 major structures completed, 1,500 daily private sector site workers, and \$22 billion in economic impact. The program has created 14,700 private sector jobs and engaged more than 880 small businesses. Last year 71% of project expenditures occurred in disadvantaged communities, primarily in California's Central Valley, which bolsters local economic development.

The Authority stands by its progress and the strategic national importance of high-speed rail investment. Estimates show the complete build-out of the 494-mile Phase 1 System between San Francisco and Los Angeles/Anaheim, via the underway Central Valley section, would cumulatively create a total of 1,034,000 job-years of employment, and total economic activity of \$221.8 billion.

We will continue to meet our obligations under our FRA grant agreements while ensuring this project moves forward efficiently.

Please feel free to reach out with any further requests.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Choudri", with a long horizontal flourish extending to the right.

Ian Choudri
Chief Executive Officer



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

February 27, 2025

Mr. Ian Choudri
Chief Executive Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Subject: Initial Required Document Production for FRA Compliance Review

Dear Mr. Choudri:

The Federal Railroad Administration (FRA) requires that the California High-Speed Rail Authority (CHSRA) produce documentation as part of FRA's review of CHSRA's compliance with its obligations under FRA-administrated grants for the California High-Speed Rail Project, including but not limited to the following agreements: **FR-HSR-0118-12** and **69A36524521070FSPCA**. This request is made pursuant to Agreement No. FR-HSR-0118-12 Attachment 1, Part III, Articles 31-32; Agreement No. 69A36524521070FSPCA Attachment 1, Article 11; and 2 CFR 200.337.

Specifically, CHSRA must provide to FRA the documents described in Attachment 1 of this letter that were implicated, developed, or used in connection with the grant agreements listed in the above paragraph between June 15, 2021, and January 31, 2025, **no later than 30 calendar days following the date of this letter**. All requested documents should be submitted as PDF, Microsoft Word, or Microsoft Excel files, as appropriate. While the compliance review is ongoing, FRA may require additional documents, conduct site visits, hold in-person or virtual meetings, and require interviews or written responses to questions.

FRA's compliance review team will schedule a kick-off call with CHSRA. By the end of this week, please identify a point of contact for CHSRA and provide your availability for the week of March 3, 2025, to Juliana Barnes, Chief, Southwest Region, FRA at (916) 215-9115 or juliana.barnes@dot.gov.

Sincerely,

Kyle Fields
Chief Counsel

ATTACHMENT 1 – COMPLIANCE REVIEW DOCUMENT REQUEST

	REVIEW AREA	RECIPIENT INFORMATION REQUEST
1	LEGAL	List of major disputes, breaches, defaults or litigation.
2	LEGAL	List of false claims received, or criminal violation committed related to FRA-funds and list of law enforcement investigations related to the FRA-funded project.
3	LEGAL	Documentation of lobbying activities conducted by recipient, subrecipient, contractors and subcontractors.
4	CONTINUING CONTROL	Property management procedures; real property inventory, including any appraisals; list of FRA-funded facilities planned to be constructed or renovated; procedures for determining sufficient levels of insurance; equipment management procedures.
5	CONTINUING CONTROL	Policy and procedures for uniform act compliance and property acquisition; appraisals; uniform act appeals.
6	CONTINUING CONTROL	Inventory of excess property; excess property utilization plan.
7	CONTINUING CONTROL	Procedures for determining whether FRA-funded buildings are located in a special flood hazard area; documentation of flood insurance.
8	CONTINUING CONTROL	Disposition request and approval correspondence.
9	CONTINUING CONTROL	Documentation of any incidental use of real property or equipment; lease agreements; or other use agreements.
10	PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	List of all subrecipients; oversight procedures including sample reports, checklists/monitoring materials and training materials for subrecipients; executed subrecipient agreements.

11	PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	Subrecipient agreements template; executed subrecipient agreements; lobbying certificates.
12	PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	Procedures for reviewing subrecipient status.
13	PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	FSRS reports; list of all subrecipients.
14	PROGRAM MANAGEMENT/SUBRECIPIENT OVERSIGHT	Procedures for reviewing subrecipients; subrecipient monitoring plans; monitoring materials; performance and progress reports; site visit checklists; documentation of technical assistance or training.
15	AMERICANS WITH DISABILITIES ACT	ADA complaint procedures; ADA complaint record.
16	CYBERSECURITY	Cybersecurity plan and procedures.
17	FINANCIAL MANAGEMENT AND CAPACITY	(1) Financial management policies and procedures that include determining the allowability of costs and timely distribution of funds; (2) Financial statements or comprehensive annual financial reports for the past three years; (3) Sample worksheets used to calculate operating expenses.
18	FINANCIAL MANAGEMENT AND CAPACITY	(1) Organizational chart for organization as a whole and the financial office§; (2) Position and job descriptions for award-related senior financial and accounting staff with financial duties for managing FRA funds; (3) Sample resumes of award-related senior financial and accounting staff with financial duties.
19	FINANCIAL MANAGEMENT AND CAPACITY	Financial management policies and procedures that include determining the allowability of costs and timely distribution of funds.
20	FINANCIAL MANAGEMENT AND CAPACITY	Financial plan projecting revenues and expenses for the next three years (or longer), including the assumptions and notes to the financial plan.

21	FINANCIAL MANAGEMENT AND CAPACITY	(1) Sample record from financial system identifying the following required elements: FRA awards with the Assistance Listing title and number, FAIN (Federal Award Identification Number) and year, name of the awarding Federal agency, and name of the pass-through entity, if any; (2) Sample financial record including Federal award information, amounts awarded, authorized, encumbered and expended; including income earned; (3) Most recent variance report(s) demonstrating that budget/actual comparisons are completed for FRA awards.
22	FINANCIAL MANAGEMENT AND CAPACITY	Internal audits prepared by the recipient, if applicable.
23	FINANCIAL MANAGEMENT AND CAPACITY	(1) List of funds to support relevant programs. Identify the following items for each year: i) sources of funding (i.e., farebox revenue, toll tax, local share, etc.); ii) Amounts; iii) status (elected, discretionary, by law, etc.); iv) significant changes that may affect the sources of funding; (2) List of local or state legislation, with sunset provisions, impacting funding.
24	FINANCIAL MANAGEMENT AND CAPACITY	List of subrecipients that charge indirect cost to the recipient.
25	TECHNICAL CAPACITY – PROJECT MANAGEMENT	(1) Project management plans; (2) Quality control procedures; (3) Identify FRA-funded capital projects with significant (33%) delays and/or cost increases; (4) List of subrecipient projects with significant (33%) delays and/or cost increases; (5) List of contractors and lessees; and (6) Standard contract and/or lease agreement; (7) Oversight procedures including sample oversight checklists/monitoring materials for contractors/lessees.

26	TECHNICAL CAPACITY – PROJECT MANAGEMENT	Policy and procedures for program income; documentation showing any earned program income and use of program income.
27	TECHNICAL CAPACITY – PROJECT MANAGEMENT	Procedures for administering and monitoring construction projects, and other capital projects.
28	PROCUREMENT	Current procurement policies and procedures.
29	PROCUREMENT	Procurement standards of conduct.
30	PROCUREMENT	(1) Procurement protest procedures; (2) List of protests received or decided.
31	PROCUREMENT	(1) List of FRA-funded procurements awarded. Identify the following items for each award: i) Date; ii) Dollar value; iii) Type (professional service, architectural & engineering, operations management services, rolling stock, construction, materials and supplies); iv) Method: (invitation for bid, request for proposal, pre-qualified bidders, sole source, single bid, brand name, award-to-other-than-low-bidder, piggyback, joint procurements, options); v) Change order(s), if applicable; vi) Liquidated damages claimed or recovered; vii) Status of contract (open (percent complete) or completed); (2) Procurement standards of conduct; (3) List of Claims; (4) List of capital leases awarded.
32	PROCUREMENT	List of FRA-funded procurements awarded. Identify the following items for each award: i) Date; ii) Dollar value; iii) Type (professional service, architectural & engineering, operations management services, rolling stock, construction, materials and supplies); iv) Method: (invitation for bid, request for proposal, pre-qualified bidders, sole source, single bid, brand name, award-to-other-than-low-bidder, piggyback, joint procurements, options); v) Change order(s), if applicable; vi) Liquidated damages claimed or recovered; vii) Status of contract (open (percent complete) or completed).

33	PROCUREMENT	Current procurement policies and procedures.
34	PROCUREMENT	Procurement standards of conduct.
35	PROCUREMENT	Documentation showing required certifications: bonding requirements; administrative contractual and legal remedies; termination for cause and convenience; equal employment opportunity; Davis-bacon act; contract work hours and safety standards act; rights to inventions; clean air act; clean water act; Byrd anti-lobbying amendment 6002 solid waste disposal act; prohibition on certain telecommunications and surveillance.
36	PROCUREMENT	List of change orders executed over \$250,000.
37	PROCUREMENT	Documentation of Buy America/BABA certification including RFIs, RFPs, bid solicitations, procurement contracts.
38	TECHNICAL CAPACITY - AWARD MANAGEMENT	Quarterly reports, financial reports.
39	TECHNICAL CAPACITY - AWARD MANAGEMENT	Quarterly reports.
40	TECHNICAL CAPACITY - AWARD MANAGEMENT	Financial reports.
41	TECHNICAL CAPACITY - AWARD MANAGEMENT	Project outcomes reports.
42	TECHNICAL CAPACITY - AWARD MANAGEMENT	Documentation of all reports made to the Federal Awardee Performance and Integrity Information System.
43	TECHNICAL CAPACITY - AWARD MANAGEMENT	Close-out documents, records of expenditures.
44	MAINTENANCE	Maintenance plan.
45	MAINTENANCE	Records of maintenance inspections.
46	MAINTENANCE	Maintenance programs for rolling stock and other equipment with ADA accessibility features.
47	MAINTENANCE	Records of warranty claim system; records of warranty claims pursued and not pursued.

48	MAINTENANCE	Maintenance requirements for subrecipients and contractors. Records of system used to track subcontractor compliance.
49	TITLE VI	Title VI program.
50	TITLE VI	Title VI public awareness documents.
51	TITLE VI	Complaint procedures; list of Title VI investigations, complaints, and lawsuits.
52	TITLE VI	Public participation plan, records of implementation of the plan.
53	TITLE VI	Title VI monitoring program; results of Title VI subrecipient monitoring.
54	TITLE VI	Documentation of required assurances in all applicable contracts.
55	DRUG-FREE WORKPLACE ACT	Drug use policies.
56	DRUG-FREE WORKPLACE ACT	Drug use awareness program materials.
57	DRUG-FREE WORKPLACE ACT	Records of reports to FRA regarding drug-related convictions Records of all violations or convictions related to drug use.
58	PROJECT DELIVERY	All documents used to develop the Early Operating Segment (EOS) Merced-Bakersfield project schedule, including any risk analyses, forecasts, and models.
59	PROJECT DELIVERY	All documents used to develop the develop the Early Operating Segment (EOS) Merced-Bakersfield project budget, including any risk analyses, forecasts, and models.



Gavin Newsom
GOVERNOR

Ian Choudri
CHIEF EXECUTIVE OFFICER



February 28, 2025

Kyle Fields, Chief Counsel
Federal Railroad Administration
1200 New Jersey Avenue, SE
Washington, DC 20590

Subject: Response to Document Production for FRA Compliance Review Correspondence

Dear Mr. Fields:

I am in receipt of your letter dated February 27, 2025, regarding the request from the Federal Railroad Administration (FRA) to produce documentation as part of FRA's review of the California High-Speed Rail Authority's (CHSRA) compliance with its obligations under FRA-administrated grants specific to Agreement No. FR-HSR-0118-12 and Agreement No. 69A36524521070FSPCA as outlined in your letter.

This letter confirms that CHSRA will fully and promptly comply and produce documents described in Attachment 1 of your letter dated February 27, 2025, by end of day March 28, 2025.

As requested, all documents will be submitted as a PDF, Microsoft Word, or Microsoft Excel file, as appropriate. CHSRA understands and complies with our obligations under the aforementioned FRA grant agreements.

As requested, the point of contact for Juliana Barnes, Chief, Southwest Region will be Jamey Matalka, Chief Financial Officer and Thomas Fellenz, Interim Chief Counsel. As for availability on March 3, 2025, we will be available anytime between operational hours of 8:00 AM to 5:00 PM.

Sincerely,

A handwritten signature in blue ink, appearing to read "Ian Choudri", written over a horizontal line.

Ian Choudri
Chief Executive Officer