

Calif. OKs new price tag, route for high-speed rail project

Debra Kahn, Environment & Energy Publishing, 4-12-12

SAN FRANCISCO -- California's agency overseeing the construction of a high-speed rail line between San Francisco and Los Angeles approved a revised business plan that slashed the projected cost by a third.

The California High-Speed Rail Authority voted unanimously to approve its business plan, which has to be updated every two years, according to the terms of the \$9.95 billion bond authority that voters approved in 2008. Since then, the price of the line has fluctuated from \$30 billion to \$98 billion and back down to \$68.4 billion in its latest iteration unveiled last week.

The line will ultimately shorten the trip between downtown San Francisco and Los Angeles to two hours and 40 minutes, down from today's nine hours on public transportation or six hours on highways, agency staff said.

"The benefits will far outstrip the costs," said board Chairman Dan Richard. The new plan cuts costs by using existing rails in San Francisco, Los Angeles and other urban areas.

Dozens of union representatives, local government officials, landowners and other affected parties testified before the vote. Some said the plan was too hastily prepared and not given enough public airing.

"When you do something half-assed to save money ... it always costs more in the end," said Ted Crocker of the Bay Area group High-Speed Boondoggle.

Most, however, were in favor of the plan and the new "blended" approach that uses existing rail lines. "We endorse anything that's going to bring us jobs," said Patrick Collins, speaking on behalf of construction equipment operators.

The plan was amended at the last minute to leave open the option of extending the line to Anaheim, south of Los Angeles, without requiring a transfer in Los Angeles, as was previously envisioned as a cost-cutting measure. Richard said he had recently received a cavalcade of comments from Orange County lawmakers and businesses, including Rep. Loretta Sanchez (D-Calif.), the Walt Disney Co. and the Los Angeles Angels baseball team, which is based in Anaheim.

The plan is not binding. The law simply requires the board to produce a plan every two years. The state Legislature will now decide whether to appropriate \$2.7 billion in state bond funding alongside \$3.3 billion in federal funds. The report should serve as a justification for that decision, board member Jim Hartnett said.

"I'm very confident what we are providing to them is a document they can rely on to make that decision," Hartnett said.

The agency today also approved two memorandums of understanding with Bay Area and Southern California transit agencies to spend some of the money on regional improvements like rail electrification.