

I'm Bill Descary

Mr. Chairman and Board

In the 2016 Business Plan, it was announced instead of going south to San Fernando, the alignment would go north to San Jose without requisite environmental work completed not to mention lack of land acquisition. The impetus for the change was to get something up and running sooner by avoiding costly and time consuming construction through the Tehachapi Mountains. Another reason was six hours of heated public comment at a Board meeting in Los Angeles in June of 2015, that made it obvious destruction from the HSR alignment was not welcome around San Fernando. Additionally, it was hoped HSR would be welcomed by Silicon Valley workers who would move to the Fresno area for cheaper housing and commute on HSR.

If the objective is to have HSR between Fresno and San Jose, plans have not been adjusted to fully implement that goal. Despite the preference to get a section from Fresno to San Jose operating, the Authority

HSR Authority Board Meeting – Sacramento 07-18-17 Bill Descary

vigorously continues use of eminent domain and expends scarce cash to acquire parcels south of Fresno. Since we learned last week there is no HSR money in the 2018 federal budget, and considering ridership between Fresno and Shafter will be negligible at best, it seems only prudent to conserve funds for the targeted area north of Fresno. If land acquisition south of Fresno were stopped, destruction of lives and businesses small and large such as SunnyGem and family farms in the Central Valley could be deferred for years if not decades. Harassing property owners south of Fresno needs to stop.

Obviously, costs would be involved in breaking construction contracts (CP 2-3 and CP 4). The tradeoff is costs being incurred by construction delays. Additional considerations are operating losses that will be incurred on the underutilized Fresno to Shafter section and the cost of a **temporary station in Shafter.**

According to the time line provided at the last Board meeting the early train operator contract will be awarded in December of this year. It's

unfortunate that here we are nearly ten years into the project and we're just now talking about using the expertise of an early train operator in planning the project. Nevertheless, one of the operator's first tasks should be an evaluation of the wisdom of allocating scarce resources to the Fresno to Shafter section when in fact, the immediate goal is to define and construct an alignment from Fresno to San Jose.

Thank you.

MEGAN EDWARDS & NICK PARSONS  
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geeitsmegan@gmail.com

July 14, 2017  
SECOND LETTER

Malcolm Dougherty, Director, Calif. Dept. of Transportation  
[Caltrans.director@dot.ca.gov](mailto:Caltrans.director@dot.ca.gov)

Tom Fellenz, Interim Chief Executive Officer  
[Info@hsr.ca.gov](mailto:Info@hsr.ca.gov)

[Northern.california@hsr.ca.gov](mailto:Northern.california@hsr.ca.gov)

[Central.valley@hsr.ca.gov](mailto:Central.valley@hsr.ca.gov)

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Krista Jensen, Board Secretary  
California High-Speed Rail Authority  
[boardmembers@hsr.ca.gov](mailto:boardmembers@hsr.ca.gov)

Dan Richard, Chair, Board of Directors, California High Speed Rail Authority

Thomas Richards, Vice Chair, Board of Directors

Ernest M. Camacho, Board Member

Daniel Curtin, Board Member

Bonnie Lowenthal, Board Member

Lorraine Paskett, Board Member

Michael Rossi, Board Member

Lynn Schenk, Board Member

Dr. Joaquin Arambula, Ex-officio Board Member

Jim Beall, Ex-officio Board Member

Dear Mr. Dougherty, Mr. Fellenz, Ms. Jensen, and Members of the Board of Directors of the California High Speed Rail Authority:

This is my second letter to all of you (I wrote you originally on June 9, 2017) and this time I am including Mr. Fellenz and a few more email addresses.

I am in contact with representatives of investors from China who are interested in investing, very soon, a sizeable amount of money into an infrastructure project in the USA. The investors work closely with large Chinese corporations that build projects such as railways, roads and tunnels all over the world. The California High Speed Rail project is exactly the type of project they would like to be involved with.

*Since my June 9, 2017 letter to you, the investors have begun in-person meetings to negotiate another infrastructure project in the US with estimated costs of over \$30 billion.*

You might wonder why you are hearing from me, a private citizen. I've watched the California high-speed rail discussion for over 20 years. Meanwhile, I work for a nonprofit organization that is connected to these very large investors and donors. I am also a California licensed, Certified General commercial real estate appraiser (as is my husband), and I am aware of acquisition of land for public and private projects.

Recently, my profession and several of my interests converged when I was asked to find a large infrastructure project that these Chinese investors could fund. The California High Speed Rail project is a well-planned project that citizens have wanted for a long time. It makes sense to get it rolling down the tracks.

The Chinese investors I am working with are particularly interested in large railway projects and they have enough money to complete, or nearly complete, all phases of the California high-speed rail line, including Phase 1, Phase 2, Xpress West, and the high-desert corridor. They have experience in completing projects all over the world--and their record indicates they complete their construction projects quite fast.

The investors are looking for something we would probably call a public-private partnership, in which a public entity, such as the Authority, which is constructing the line with public money and is owned by the public, teams up with a private organization, such as these investors, to create a project that will benefit the whole State of California as well as nearby states.

If the California High-Speed Rail system is built and successful, it will, of course, solve numerous problems that are caused by the existing inefficient transportation system in our state.

Working with these Chinese investors would, of course, open up new cooperation with our Asian neighbors and the rest of the world. I am working with an intermediary, but I am told my Chinese friends are ready to go and excited to invest in California.

The investors are willing to look at a range of different suggestions, but the agreement that they will eventually enter into will include some profit sharing for the investor and other benefits for the people who make this happen.

### **What is Needed by the Investors**

The investors are interested in looking first at a legally nonbinding Memorandum of Understanding (MOU), which could also be called a Proposal or an Agreement to Agree. The investors would like to be presented with an MOU that lays out the details of a proposed partnership including an Executive Summary, a business plan; a proposed revenue stream, including expenses and profit; profit-sharing; and any licensing that is required.

I see in various documents on the high speed rail website detailing estimates of total costs of about \$68 billion, with portions of this amount already obtained through bonds or federal funding.

Given the amount of money the investors have to invest, I encourage California High Speed Rail Authority and the State of California to envision -- and soon -- what you would like to happen.

I can help your organization move quickly to put together soon a draft of an MOU, which includes the necessary elements.

These documents would create the beginning of productive conversations. If the investor has "something to look at and get started," all parties will be able to hammer out the rest.

My information is, as I mentioned, that the investors are ready to move quickly and would be willing to come to California for meetings soon, if the information they receive about the project looks good.

Please let me know if you would like to pursue this. It really is an exciting opportunity.

Thank you for your time and I hope to hear from you.

Sincerely,  
Megan Edwards  
Petaluma, California

## **Drozd, Doug@HSR**

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**From:** Mike <mikewestcoast@yahoo.com>  
**Sent:** Wednesday, July 05, 2017 9:27 AM  
**To:** HSR Southern California@HSR; HSR boardmembers@HSR; HSR info@HSR  
**Subject:** Comment from resident of San Diego. From Mike Hampson.

**Follow Up Flag:** Follow up  
**Flag Status:** Flagged

Dear California High-Speed Rail Authority,

I'd like to make a comment from a person who lives in San Diego.

First, I am extremely happy that you are making high-speed rail in California. Anyone with common sense knows this is one of the most needed projects in California and the high-speed rail system will be extremely useful for locals and tourists. It will help alleviate some of the horrible traffic jams on the freeways - finally!

I really hope that you will put in the high-speed rail along San Diego's Pacific coast line where the Coaster rail is already in place. The route is already there. All that needs to be done is replace the old tracks with high-speed rail tracks and add stations. (I'm sure there would be a few other things needed to make this work.)

Most people would prefer to take a straight and more direct route from San Diego to Los Angeles. It makes more sense to have a more direct route for locals as well as tourists. Most tourists, I think you would agree, including locals, would prefer to have good view of the Pacific Ocean and California's coast line when starting out in San Diego and traveling to Los Angeles. The same is true in reverse. If the high-speed rail service was installed on the coaster line, this section of track would become the jewel of the California High-Speed rail system. Not to mention how wonderful it would be if the high-speed rail line traveled along the coast in Los Angeles and traveled along the coast to San Francisco.

Having the high-speed rail service going through the middle of San County traveling down the I-15 freeway is a great idea. It makes it easier for many more people in San Diego to have easier access to the high-speed rail system.

But having the high-speed rail system ALSO along the Pacific Coast would truly help San Diego become a super friendly mass transit city and would help the locals and tourists have easy access to fast high-speed transit in San Diego. Simply looking at a map, having high-speed rail along the Pacific Coast in San Diego makes more sense to any local or tourist.

Tourism is an extremely important part of any city in California to help small businesses, help our governments gain more revenue and having more tourism is better for the economy. I can imagine in the future, that if we had the high-speed rail system traveling the Pacific Coast in San Diego county, what tourists will say. "Let's go to San Diego because it's such a great city with great high-speed rail service. We can stay in San Diego and then take day trips to Los Angeles or San Francisco. It is so easy to use and THE VIEW IS GREAT!!"

In Europe and some parts of Asia, high-speed rail is common place. I know, I've taken high-speed rail in foreign countries. My hope is that the California High-Speed Rail Authority will please do everything possible to get the high-speed rail system along the Pacific Coast in San Diego. I think if you surveyed people in San Diego and Los Angeles and surveyed tourists - they would all agree that having the high-speed rail system along the coastline in San Diego, not only makes sense but would make the trip much more enjoyable for the passengers.

Regards,

Mike Hampson  
Resident  
San Diego, California.  
[mikewestcoast@yahoo.com](mailto:mikewestcoast@yahoo.com)

(If you need my phone number or address, please let me know.)

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And one last note. Las Vegas.

Right now, the road from Los Angeles to Las Vegas is shameful. If memory serves me correct, we have a 4 lane freeway to and from Las Vegas. This is not enough. What we really need is a 6 or 8 lane freeway from Los Angeles to Las Vegas. However, I think we all know that the best method for most people traveling from California to Las Vegas and back would be. We need high-speed rail transit to get to and from Las Vegas!

Will you please do everything possible to bring high-speed rail service from California to Las Vegas?

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I think your unofficial motto should be, "Keep expanding the high-speed rail system."



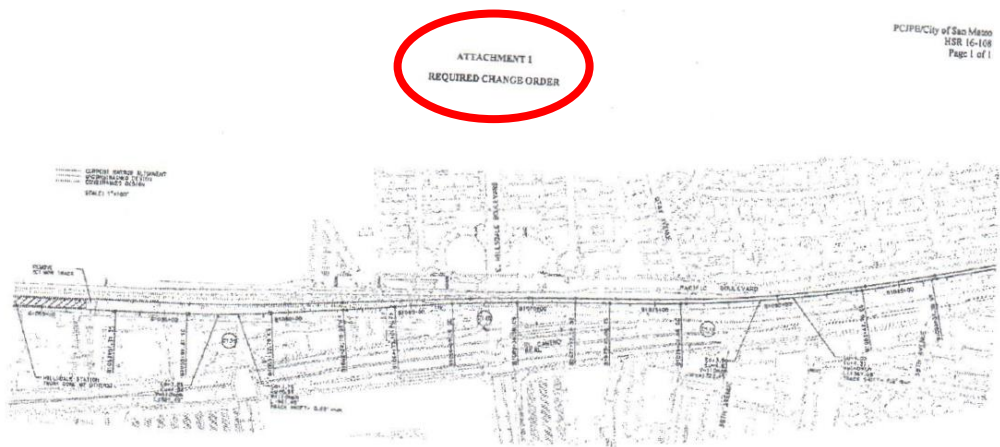


**Nothing in this Agreement shall be construed to mean any Party has agreed to the need or lack of need for passing tracks or any allocation of implementation or cost responsibility related to the implications of adding any passing track (including but not limited to replacement of displaced parking or other uses).**

The Authority proposes to address these issues as follows:

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**"The structures shall be constructed pursuant to the design and specifications described in the IFB, *except that, within two weeks of the date of execution* (or such other timing as the Authority may agree to in writing) of JPB Contract 17-J-C-048, *PCJPB shall cause JPB Contract 17-J-C-048 to be amended to include the design and specification elements required for the modified Blended Service alignment depicted in Attachment 1 hereto* (as to be modified, hereinafter the "JPB Contract 17-J-C-048 Modified")."**



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**"Within forty-five (45) days after execution of this Agreement, and upon completion of good faith negotiations, the Parties will amend this Agreement to permit some or all of the items listed under "Construction Support Costs" in page 1 of Attachment 5 to be reimbursable under this Agreement; the Parties agree to prepare such amendment so as to (a) not result in the Authority contributing more than the lesser of \$84 million or 46.67 percent of the total actual Project cost and (b) contain terms providing adequate transparency and Authority oversight regarding accrual of such "Construction Support Costs."**

Sincerely,  
Roland Lebrun

CC  
MTC commission  
VTA Board of Directors  
SFCTA Board of Directors  
SFCTA CAC  
Caltrain CAC & BAC