



U.S. Department
of Transportation
**Federal Railroad
Administration**

Grant/Cooperative Agreement

1. RECIPIENT NAME AND ADDRESS California High-Speed Rail Authority 925 L St Ste 1425 Sacramento, CA 95814-3704	2. AGREEMENT NUMBER: FR-HSR-0009-10-01-01	3. AMENDMENT NO. 1
	4. PROJECT PERFORMANCE PERIOD: FROM 08/17/2010 TO 09/30/2017	
	5. FEDERAL FUNDING PERIOD: FROM 08/17/2010 TO 09/30/2017	
1A. IRS/VENDOR NO. [REDACTED]	6. ACTION Supplement/Change for Expansion	
1B. DUNS NO. [REDACTED]		
7. CFDA#: [REDACTED]	9. TOTAL OF PREVIOUS AGREEMENT AND ALL AMENDMENTS	194,000.00
8. PROJECT TITLE California High-Speed Train Program ARRA Grant	10. AMOUNT OF THIS AGREEMENT OR AMENDMENT	2,272,176.231
	11. TOTAL AGREEMENT AMOUNT	2,466,176.231

12. INCORPORATED ATTACHMENTS
THIS AGREEMENT INCLUDES THE FOLLOWING ATTACHMENTS, INCORPORATED HEREIN AND MADE A PART HEREOF:
Attachment 1, Amended Terms and Conditions

13. STATUTORY AUTHORITY FOR GRANT/ COOPERATIVE AGREEMENT
American Recovery and Reinvestment Act of 2009, Public Law 111-5 (February 17, 2009)

14. REMARKS

GRANTEE ACCEPTANCE	AGENCY APPROVAL
15. NAME AND TITLE OF AUTHORIZED GRANTEE OFFICIAL ROELOF VAN ARK. CHIEF EXECUTIVE OFFICER.	17. NAME AND TITLE OF AUTHORIZED FRA OFFICIAL Joseph C. Szabo Administrator

16. SIGNATURE OF AUTHORIZED GRANTEE OFFICIAL [REDACTED]	16A. DATE DEC 22, 2010	18. SIGNATURE OF AUTHORIZED FRA OFFICIAL [REDACTED]	18A. DATE 12/29/10
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AGENCY USE ONLY

19. OBJECT CLASS CODE: 41010	20. ORGANIZATION CODE: 9013000000
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21. ACCOUNTING CLASSIFICATION CODES				
DOCUMENT NUMBER	FUND	BY	BPAC	AMOUNT
FR-HSR-0009-10-01-00	[REDACTED]	2010	[REDACTED]	0
FR-HSR-0009-10-01-00	[REDACTED]	2011	[REDACTED]	2,272,176.231

AWARD ATTACHMENTS

California High-Speed Rail Authority

FR-HSR-0009-10-01-01

1. Attachment 1, Amended Terms and Conditions

Attachment 1 to Amendment No. 1

The parties, intending to be legally bound, agree to amend their Agreement of September 23, 2010 as follows:

1. Section 8 of the Agreement, Project Title, is revised to read as follows: “California High-Speed Train Program ARRA Grant”
2. Section 1 of Attachment 1 is deleted in its entirety, and the following is substituted therefore:

1. Identification of Awarding Agency and Grantee/Project Definitions:

The Grantee and the Administrator of FRA, acting by delegation from the Secretary of Transportation, have entered into this Cooperative Agreement (“Agreement”) to conduct and fund this project, as more specifically set forth in the Statements of Work, Attachments 3, attached hereto and made a part hereof and any supplements thereto (the “Project”). As used in this Agreement, the term “Project” refers both to the overall effort described in Section 8 of the Grant/Cooperative Agreement (Page 1), and the individual work efforts described both in the original Statement of Work (Attachment 3) and any supplements thereto. As used herein, the term “individual work efforts” refers to each portion of the overall Project covered by individual Statements of Work (or supplements thereto) which are covered by specific attachments. Unless otherwise provided, reporting requirements in this Agreement may be aggregated with respect to the individual work efforts. However, progress reporting (Section 9 of Attachment 1), and budgeting and payment processing (Sections 1 and 7 of Attachment 2) may not be aggregated, and must be accounted for on the basis of the individual work efforts involved.

3. Section 2 of Attachment 1 is deleted in its entirety, and the following substituted therefore:

2. Scope:

The Grantee shall furnish all personnel, facilities, and equipment, and other materials and services (except as otherwise specified herein) necessary to perform the Project, as set forth in the Statement of Work (Attachment 3), and any supplements thereto, and in accordance with the representations, certifications, and assurances set forth in the Grantee’s application(s), and any amendments thereto (“Application”), incorporated herein by reference and made a part hereof.

4. Section 5 of Attachment 1 is deleted in its entirety, and the following is substituted therefore:

5. Project, Cost-Sharing Responsibility, and Funding:

- a. The total estimated cost of the Project is \$4,950,352,462.00 and is to be apportioned as set forth in subsection (e).

- b. FRA funding assistance is limited to 49.8182% of the estimated cost of the Project, or \$2,466,176,231.00 whichever is less.
- c. Grantee funding assistance shall not be less than 50.1818% of the total cost of the Project. Consequently, of the amount specified in subparagraph (a) of this section, Grantee funding is not to be less than \$2,484,176,231.00.
- d. When requesting payment, the Grantee must identify: (1) the total amount of costs; (2) Grantee funding assistance applied to the Project; and (3) the balance of federal assistance dollars requested for each payment. Payment requests must include a designation of the individual work effort involved. The Grantee may provide its funding assistance under this subsection from permissible non-Grantee sources.
- e. Funding responsibility for the Project under this Agreement is recapped as follows

	FRA Funding Assistance	+	Grantee Cash Contribution	+	Grantee In-Kind Contribution	=	Total Project Funding
\$ Original Agreement	\$194,000,000	+	\$194,000,000	+	\$0	=	\$388,000,000
\$ Amendment No. 1 (PE/NEPA/CEQA)	\$37,500,000	+	\$53,500,000	+	\$0	=	\$91,000,000
\$ Amendment No. 1 (FD/Construction)	\$2,234,676,231	+	\$2,236,676,231	+	\$0	=	\$4,471,352,462
\$ Total Amount.	\$2,466,176,231	+	\$2,484,176,231	+	\$0	=	\$4,950,352,462

- f. In accordance with Attachment 2, Sections 7(c)(5) and (d)(1) herein, FRA hereby authorizes the incurrence of pre-agreement costs by the Grantee on or after February 17, 2009, in anticipation of Agreement award, but such costs are allowable only to the extent that they are otherwise allowable under the terms of this Agreement.
- g. FRA recognizes that, except to the extent preempted by federal law, the payment obligations and Project funding assistance contribution of the Grantee under this Agreement (including those to FRA directly) are subject to the availability of appropriations by the California State Legislature, and in the case of Proposition 1A bond funds, certain other legal requirements set forth therein that must be satisfied prior to Proposition 1A bond funding for certain purposes. The Grantee applied for and has been awarded Federal funds through the FRA's competitive discretionary High-Speed Intercity Passenger Rail (HSIPR) grant program with the understanding that it will provide funding assistance for the Project as set forth herein. The Grantee has entered into this Agreement with the firm intention of completing all of the tasks described herein, including providing the Grantee contribution of

funding assistance for the Project set forth herein. The Grantee will seek and diligently pursue any needed appropriations from the California State Legislature and diligently seek to satisfy such other requirements in Proposition 1A in a timely and appropriate manner as necessary to meet the payment obligations and project funding assistance contribution it has agreed to assume under this Agreement.

5. Attachment 1A, the Passenger Rail Investment and Improvement Act of 2008 Clauses, is deleted in its entirety, and the following substituted therefore:

**Passenger Rail Investment and Improvement Act of 2008 and Corridor Development
Program Clauses, 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. 24405(c)(1) and Appendix 3.4.3 of the High Speed Intercity Passenger Rail (HSIPR) Program Interim Guidance 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. 24402(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, 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. §24403(a) and 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). The project management plan should document assumptions and decisions regarding the communication, 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 demonstrates: (1) that prior to initiation of final design, the Grantee has secured firm commitments of all funding (other than that provided through this Agreement) required to complete construction of the Project, and (2) that prior to initiation of construction, the Grantee has secured commitments for the financing necessary to support the ongoing operation of the Project, including necessary maintenance and recapitalization during the first twenty (20) years of operations. The financial plan shall also provide: (1) finalized projections

for the sources and uses of all Project funds, during both the development and construction phases of the Project and for the first twenty (20) years of operations, and (2) a detailed assessment of financial risks facing the Project during both the construction and operations phases (including risks such as capital cost overruns, revenue shortfalls, and operating 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 or operating financing shortfalls).

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. 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 section 2.2 and Appendix 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 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 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 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 attached Statement of Work 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) the 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 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 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) for the Project, to acquire any real property for the Project, including right-of-way, unless the property acquisition is specifically authorized in a Statement of Work incorporated as an attachment to this Agreement, or the Grantee has received FRA's prior written permission indicating that FRA has completed all required National Environmental Policy Act (NEPA) and related environmental reviews, and all other predicates to property acquisition have been completed.

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. The parties contemplate a series of amendments to this Agreement that will add greater definition to the individual Project components to be undertaken by the Grantee for each phase or component of Project implementation, and will authorize the Grantee to initiate the next phase of Project implementation, as reflected in the agreed-upon amendments or supplements to the Statement of Work. It is the Grantee's responsibility to propose revised or additional statements of work (including a detailed scope, schedule and budget) significantly in advance of proposed implementation, to allow for the Grantee and the FRA to agree on the components of that next phase, and adopt a revised or supplemental Statement of Work through an amendment to this Agreement.

Section 11. Buy America.

The Grantee shall comply with the Buy America provisions set forth in 49 U.S.C. 24405(a) for the Project with respect to the use of steel, iron, and manufactured goods produced in the United States, subject to the conditions therein set forth.

Section 12. Labor Provisions.

49 U.S.C. 24405(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. 24405(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. 24405(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. 24402(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. 24405(c)(2) and section 1606 of the American Recovery and Reinvestment Act of 2009. For Project components that uses or would use rights-of-way owned by a railroad, the Grantee shall comply with the provisions of 49 U.S.C. 24405(c) (2), 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. For Project components that do not use or would not use rights-of-way owned by a railroad, the Grantee will comply with the provisions of 40 U.S.C. 3141 et seq.

Section 17. Replacement of Existing Intercity Passenger Rail Service.

49 U.S.C. 24405(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. 24405(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 24405(d).

6. Attachment 1B, American Recovery and Reinvestment Act of 2009 Clauses, is deleted in its entirety, and the following is substituted therefore:

American Recovery and Reinvestment Act of 2009 Clauses, Attachment 1B

Section 1. Grantee Certifications.

The American Recovery and Reinvestment Act of 2009 (Recovery Act) requires three certifications, which the Grantee shall address as follows:

- a. **Maintenance of Effort Certification (Recovery Act Section 1201).** A Maintenance of Effort Certification was required from each State within thirty days of enactment of the Recovery Act (February 17, 2009) pursuant to section 1201 of the Recovery Act. With respect to the Recovery Act funds provided through this Agreement, the Grantee may rely on an existing certification submitted by the State to the Secretary of Transportation, so long as the Grantee certifies to the Administrator (c/o the Grant Manager identified in Attachment 2, section 13) as to the existence and continued validity of the existing certification. If a new certification is required, it should be submitted to the Secretary of Transportation, c/o Joel Szabat, Deputy Assistant Secretary of Transportation for Policy, at TigerTeam.Leads@dot.gov. Certifications may be submitted via e-mail as electronic, scanned copies, with original signed versions to be submitted via U.S. mail.
- b. **Responsible Investments Certification (Recovery Act Section 1511).** With respect to and prior to the receipt of the funds made available through this Agreement, the Governor or the

head of the State Department of Transportation shall certify to the Secretary of Transportation that the infrastructure investments to be funded herein have received the full review and vetting required by law and that the Governor or head of the State Department of Transportation accepts responsibility that the infrastructure investments are an appropriate use of taxpayer dollars. The certification shall include a description of the investments, the estimated total cost, and the amount of Recovery Act funds to be used, and shall be submitted to the Secretary of Transportation, c/o Joel Szabat, Deputy Assistant Secretary of Transportation for Policy, at TigerTeam.Leads@dot.gov. Certifications may be submitted via e-mail as electronic, scanned copies, with original signed versions to be submitted via U.S. mail. As required by the Recovery Act, Certifications under Section 1511 shall be immediately posted on an appropriate State website and linked to the website established by the Recovery Accountability and Transparency Board. No funds will be reimbursed until such posting is made.

c. **Appropriate Use of Funds Certification (Recovery Act Section 1607).** An Appropriate Use of Funds Certification was required from each State within 45 days of enactment of the Recovery Act (February 17, 2009) pursuant to section 1607 of the Recovery Act. With respect to the Recovery Act funds provided through this Agreement, the Grantee may rely on an existing certification submitted by the State to the Secretary of Transportation, so long as the Grantee certifies to the Administrator (c/o the Grant Manager identified in Attachment 2, Section 13) of the existence and continued validity of the existing certification. If a new certification is required, it should be submitted to the Secretary of Transportation, c/o Joel Szabat, Deputy Assistant Secretary of Transportation for Policy, at TigerTeam.Leads@dot.gov. Certifications may be submitted via e-mail as electronic, scanned copies, with original signed versions to be submitted via U.S. mail.

d. **Department of Transportation Guidance.** The Department has issued guidance on compliance with the certification requirements of the Recovery Act, which is found at <http://www.dot.gov/recovery/certguidance.htm>. The Grantee should refer to this guidance in evaluating the continued validity of any existing certifications and in preparing any new certifications required under this section 1.

Section 2. Whistleblower Protections.

An employee of the Grantee may not be discharged, demoted, or otherwise discriminated against as a reprisal for disclosing, including a disclosure made in the ordinary course of an employee's duties, to the Recovery Accountability and Transparency Board, an inspector general, the Comptroller General, a member of Congress, a State or Federal regulatory or law enforcement agency, a person with supervisory authority over the employee (or such other person working for the employer who has the authority to investigate, discover, or terminate misconduct), a court or grand jury, the head of a Federal agency, or their representatives, information that the employee reasonably believes is evidence of— (1) gross mismanagement of an agency contract or grant relating to Recovery Act funds; (2) a gross waste of Recovery Act funds; (3) a substantial and specific danger to public health or safety related to the implementation or use of Recovery Act funds; (4) an abuse of authority related to the implementation or use of Recovery Act funds; or

(5) a violation of law, rule, or regulation related to an agency contract (including the competition for or negotiation of a contract) or grant, awarded or issued relating to Recovery Act funds.

Section 3. False Claims Act.

The Grantee and any sub-grantee awarded funds made available under the Recovery Act and through this Agreement shall promptly refer to the Department of Transportation Inspector General any credible evidence that a principal, employee, agency, contractor, sub-grantee, subcontractor, or other person has submitted a false claim under the False Claims Act or has committed a criminal or civil violation of laws pertaining to fraud, conflict of interest, bribery, gratuity, or similar misconduct involving Recovery Act funds.

Section 4. Prohibited Activities.

None of the funds provided through this Agreement may be used for any casino or other gaming establishment, aquarium, zoo, golf course or swimming pool.

Section 5. Recovery Act Funding Announcement.

The Grantee is strongly encouraged to post a sign at all fixed project locations at the most publicly accessible location and a plaque in all purchased or rehabilitated rail cars announcing that the project or equipment was funded by the U.S. Department of Transportation, Federal Railroad Administration, with funds provided through the American Recovery and Reinvestment Act. The configuration of the signs or plaques will be consistent with guidance issued by the Office of Management and Budget and/or the Department of Transportation and approved by the FRA.

Section 6. Reporting Requirements.

a. **Periodic Reports.** The Grantee shall submit periodic reports to the FRA Administrator, as required by section 1201(c) of the Recovery Act, and as described in this section, not later than February 17, 2011, and February 17, 2012. The periodic reports shall include information describing: (1) the amount of Federal funds appropriated, allocated, obligated, and outlayed under this Agreement; (2) the number of projects that have been put out to bid under this Agreement and the amount of Federal funds associated with such projects; (3) the number of projects for which contracts have been awarded under this Agreement and the amount of Federal funds associated with such contracts; (4) the number of projects for which work has begun under such contracts and the amount of Federal funds associated with such contracts; (5) the number of projects for which work has been completed under such contracts and the amount of Federal funds associated with such contracts; (6) the number of direct, on-project jobs created or sustained by the Federal funds provided for projects under this Agreement and, to the extent possible, the estimated indirect jobs created or sustained in the associated supplying industries, including the number of jobs created and the total increase in employment since February 17, 2009; and (7) information tracking the actual aggregate expenditures by the Grantee from Grantee sources (both internal and external) for projects eligible for funding under this

Agreement during the period beginning on February 17, 2009 through September 30, 2010, as compared to the level of such expenditures that were planned to occur during such period as of February 17, 2009. The Department of Transportation or the FRA may issue additional guidance on the preparation and submission of periodic reports.

b. Jobs Accountability Reports.

i. As required by Section 1512(c) of the Recovery Act, and consistent with Office of Management and Budget (OMB) Guidance, dated June 22, 2009 and found at (http://www.whitehouse.gov/omb/assets/memoranda_fy2009/m09-21.pdf), the Grantee shall submit a jobs accountability report to <http://www.FederalReporting.gov> not later than ten days after the end of each quarter. The report shall contain: (1) the total amount of Recovery Act funds received pursuant to this Agreement; (2) the amount of Recovery Act funds received that were expended or obligated to projects or activities; and (3) a detailed list of all projects or activities for which Recovery Act funds were expended or obligated, including—(A) the name of the project or activity; (B) a description of the project or activity; (C) an evaluation of the completion status of the project or activity; (D) an estimate of the number of jobs created and the number of jobs retained by the project or activity; and (E) detailed information on any subcontracts or subgrants awarded by the Grantee to include the data elements required to comply with the Federal Funding Accountability and Transparency Act of 2006 (Public Law 109-282), allowing aggregate reporting on awards below \$25,000 or to individuals, as prescribed by the Director of the Office of Management and Budget.

ii. Information from these reports will be made available to the public. The reporting responsibility should be passed down from the Grantee to the sub-grantee/sub-recipient or vendor, in order to ensure that the necessary information is provided to the Grantee, which is ultimately responsible for reporting the required elements. The Office of Management and Budget may issue additional guidance on the preparation and submission of jobs accountability reports. The Grantee must also register with the Central Contractor Registration database (<http://www.ccr.gov>) or complete other registration requirements as determined by the Director of the Office of Management and Budget. A DUNS Number (<http://www.dnb.com>) is one of the requirements for registration in the Central Contractor Registration.

Section 7. Contract Awards.

As required by Section 1554 of the Recovery Act, the Grantee shall to the maximum extent possible award contracts funded under this Agreement as fixed-priced contracts through the use of competitive procedures. In rare circumstances where the Grantee awards a contract that is not fixed-price and not awarded using competitive procedures, the Grantee shall publicly and electronically post a summary of such contract on its website and electronically link such posting to the website created and maintained by the Recovery Accountability and Transparency Board pursuant to section 1526 of the Recovery Act.

7. Subsection 1(c) of Attachment 2 is deleted, and the following substituted therefore:

c. Approved Project Budget means the most recently dated written statement, approved in writing by FRA, of the estimated total cost for each individual work effort of the Project, the items to be deducted from such total in order to calculate the estimated net Project cost for each individual work effort of the Project, the maximum amount of Federal assistance for which the Grantee is currently eligible for each individual work effort, the specific items (including contingencies specified) for which the total may be spent, and the estimated cost of each of such items. The term "Approved Project Budget" includes "Financial Plan" as used in 49 C.F.R. Part 19.

8. Subsection 1(h) of Attachment 2 is deleted, and the following substituted therefore:

h. Project means the task or set of tasks set forth in the approved Application which the Grantee carries out pursuant to this Agreement, including all individual work efforts set forth in the original Statement of Work and any supplements thereto.

9. Section 3 of Attachment 2 is deleted in its entirety, and the following substituted therefore:

3. Ethics:

a. **Standards of Conduct.** The Grantee agrees to maintain a written code or standards of conduct that shall govern the performance of its officers, employees, board members, or agents engaged in the award and administration of contracts supported by Federal funds. The code or standards shall 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 contractors or subgrantees. 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 shall provide for penalties, sanctions, or other disciplinary actions for violations by the Grantee's officers, employees, board members, or agents, or by contractors or subgrantees 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 Federal funds if a real or apparent conflict of interest would be involved. Such a conflict would arise when any of the parties set forth below has a financial or other interest in the firm selected for award:

- a) The employee, officer, board member, or agent;
- b) Any member of his or her immediate family;
- c) His or her partner; or
- d) An organization that employs, or is about to employ, any of the above.

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 third party 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 Provisions.** 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 a.

10. Subsection 7(f) of Attachment 2 is deleted in its entirety, and the following is substituted therefore:

f. **Requirement to Remit Interest.** The Grantee agrees that:

- 1) Any interest earned by the Grantee on FRA funds must be remitted to FRA, except as provided 31 U.S.C. § 6503, or the Indian Self-Determination Act, 25 U.S.C. § 450 et seq., and any regulations thereunder that may be issued by the U.S. Secretary of the Treasury.
- 2) Irrespective of whether the Grantee has deposited funds in an interest-bearing account, the Grantee agrees to pay to FRA interest on any FRA funds that the Grantee has drawn down and failed to spend for eligible Project activities. Unless waived by FRA, interest will be calculated at rates imposed by the U.S. Secretary of the Treasury beginning on the fourth day after the funds were deposited in the Grantee's bank or other financial depository. This requirement does not apply to any Grantee that is a state, state instrumentality, or Indian Tribal Government, except as permitted under applicable state law and by regulations that may be issued by the U.S. Secretary of the Treasury.
- 3) Upon notice by FRA to the Grantee of specific amounts due, the Grantee agrees to promptly remit to FRA any excess payment of amounts or disallowed costs, including any interest due thereon.

11. Subsection 14(d) of Attachment 2 is amended by deleting the phrase "Unless prohibited by State law" and substituting the phrase "To the extent permitted by State law."

12. Attachment 3, the Original Statement of Work, Phase 1 California High Speed Train Program – PE/NEPA/CEQA is deleted in its entirety, and the following is substituted therefore:

ATTACHMENT 3
STATEMENT OF WORK
(December 2010)

Phase 1 California High Speed Train Program – PE/NEPA/CEQA

BACKGROUND

In 2008, the California State Legislature adopted AB 3034, finding “it imperative that the state proceed quickly to construct a...high-speed passenger train system to serve the major metropolitan areas....It is the intent of the Legislature that the entire high-speed train system shall be constructed as quickly as possible...and that it be completed no later than 2020....” Also in 2008, California voters passed Prop 1A, approving \$9 billion in bonds to support construction of the high-speed train. The Legislature and the voters specifically directed that the system should include California’s Central Valley, as well as other major California population centers.

The California High-Speed Rail Authority (Authority or CHSRA) through the California High-Speed Train Program (CHSTP) proposes to implement a new high-speed rail system, grade-separated from road vehicle traffic and operated almost exclusively on separate, dedicated tracks with a top design speed of up to 250 mph and an 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. The Authority has been working to plan and design this system for over a decade.

In 2005, 2008 and 2010, the Authority and the Federal Railroad Administration (FRA) completed and certified Program level environmental impact statements/reports (EIS/EIR) under the National Environmental Policy Act (NEPA) and the California Environmental Quality Act (CEQA) covering the entire CHSTP. CHSRA and FRA currently are preparing project level EIS/EIR documents for individual sections (as identified below) of the CHSTP. CHSRA and FRA will not make final decisions regarding specific facilities, construction, alignments or mitigation measures in a section until the associated project EIR/EIS is complete and certified.

Phase 1 of the program would involve construction of about 520 miles of the system between San Francisco and Anaheim. Phase 1 is divided into seven geographic sections (Section(s)) as follows:

<u>Section</u>	<u>Length (Miles)</u>
San Francisco-San Jose	50
San Jose-Merced Wye	120
Merced-Fresno	60
Fresno-Bakersfield	115

Bakersfield-Palmdale	85
Palmdale-Los Angeles	60
Los Angeles-Anaheim	30
Phase 1 Total	520

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. Before construction begins on Phase 1 of the CHSTP, it is necessary to finish the required environmental documentation and preliminary engineering (PE), which is the subject of this Cooperative Agreement (Agreement). No construction activities are funded under this Statement of Work.

GENERAL OBJECTIVE

The Grantee (Authority) shall complete PE (approximately 30% design) and environmental documentation to support final environmental decisions in the form of Notices of Determination (NODs) and Records of Decision (RODs) for each of the seven Sections listed above, and station area planning, ROW preservation, and development of necessary documents for design/build bidding and ultimately construction of Phase 1 of the CHSTP, from San Francisco to Anaheim, CA.

DESCRIPTION OF WORK

The following description of the work outlines the actions the Authority will undertake to advance the environmental documentation, PE and preparation of camera ready bid documents. The work is organized, scheduled, budgeted, and will be monitored, invoiced and reported in accordance with the Authority's existing Work Breakdown Structures (WBSs) for the Regional Consultants (RCs) preparing the environmental documents and PE, and for the Program Management Team (PMT) that provides management authority over the six RCs and other Authority contractors. To facilitate the grant administration process, three grant tasks and subtasks listed below have been established and are directly correlated with a CHSTP WBS task (or group of tasks) shown in parentheses. The Tasks and Subtasks are also directly correlated to individual line items in the detailed approved project budget to be submitted and approved by FRA. The grantee shall provide quarterly updates to the Approved Project Budget. Revisions to the Approved Project Budget must be made in accordance with Attachment 2, Section 4 of the Agreement.

A detailed description of each of the PMT WBS tasks is provided in Exhibit 1, and each of the RC WBS Tasks is described in Exhibit 2. An overall description of the PE/NEPA/CEQA grant tasks follows below. A more detailed description of each subtask can be found in the exhibits by reading the WBS task(s) associated with each of the PE/NEPA/CEQA grant subtasks as described below.

Task 1: Environmental Review

Task 1.1 Regional Consultant Project Management (RC Task 1)

- Task 1.2 Regional Consultant Public/Agency Participation (RC Task 2)
- Task 1.3 Alternatives Analysis (RC Task 3)
- Task 1.4 EIR/EIS Analysis (RC Task 5)
- Task 1.5 Draft and Final EIR/EIS (RC Task 7)
- Task 1.6 Certification of EIR/EIS and ROD (RC Task 8)
- Task 1.7 Program Management (50% of PMT Tasks 1, 2, and 5 + 100% of PMT Task 4)

Task 2: Preliminary Engineering (approximately 30% design)

- Task 2.1 Regional Consultant PE (RC Task 4)
- Task 2.2 Program Management (50% of PMT Task 1, 2, and 5)
- Task 2.3 PMT Engineering (PMT Task 3)

Task 3: Other Related Work Needed Prior to Start of Construction

- Task 3.1 Regional Consultant Station Area Planning (RC Task 6)
- Task 3.2 Regional Consultant Right-of-Way (ROW) Work (RC Task 9)
- Task 3.3 PMT ROW Work (PMT Task 6)
- Task 3.4 Ridership Forecasting (PMT Task 7)
- Task 3.5 Construction Planning/Procurement Support (PMT Task 8)

Task 1: Environmental Review

The environmental review process is being conducted in accordance with the requirements of the National Environmental Policy Act (NEPA), the California Environmental Quality Act (CEQA), Section 106 of the National Historic Preservation Act, Section 4(f) of the Department of Transportation Act (49 U.S.C. 303), and related laws and regulations (collectively NEPA/CEQA). The Federal Railroad Administration (FRA) is the Federal lead agency responsible for NEPA compliance and the Authority is the State agency responsible for CEQA compliance. To satisfy both NEPA and CEQA, a combined environmental document is prepared—EIR for CEQA and EIS for NEPA. The combined environmental document is referred to as an EIR/EIS.

The Authority has seven Project-Level EIR/EIS studies under way for Phase 1 of the CHSTP. In consultation with the FRA, the Authority will prepare the EIR/EISs in accordance with the Council on Environmental Quality NEPA implementing regulation (40 C.F.R. Part 1500), FRA's Procedures for Considering Environmental Impacts (64 F.R. 28545 (May 26, 1999) and other applicable Federal and State environmental assessment/review requirements. The Authority will carry out the steps required to complete the environmental documents as described below.

- **Notice of Intent (NOI)/Notice of Preparation (NOP):** A NOI is prepared and published by FRA in the *Federal Register*. Under CEQA a similar NOP is prepared and filed with the State Clearinghouse and advertised in local newspapers. (This step has already been completed for all seven Sections and is not a part of this Statement of Work.)
- **Scoping:** Scoping involves public meetings called “scoping meetings” at selected locations within the study area to present the Program Level alternatives and optional station sites, explain the environmental process, and receive comments from the public and agencies regarding issues and alternatives to be studied in the EIR/EIS document for

the particular HST section. (This step has already been completed for all seven Sections and is not a part of this Statement of Work.)

- Agency Coordination: The Authority, along with FRA, will develop an Agency Coordination Plan that will bring together the appropriate local, regional, State, and Federal agencies to ensure compliance with their respective environmental approval and permitting requirements. The Agency Coordination Plan outlines the roles and responsibilities of these agencies and identifies the project information that will be shared with them for comment. Similar plans are prepared to facilitate public outreach to local communities including low income and minority populations, as well as Native American tribes and other consulting parties in the Section 106 process. (Agency coordination is under way on all seven Sections and activities undertaken in support of agency coordination after the effective date of this Agreement are potentially eligible under this Statement of Work.)
- Purpose and Need: The Authority, with FRA, will develop a project Purpose and Need Statement for each Section, which is required by NEPA and documents why a project is undertaken, and includes the description of project objectives for CEQA. (Purpose and Need Statements are being prepared for all seven Sections and activities undertaken in developing purpose and need statements after the effective date of this Agreement are potentially eligible under this Statement of Work.)
- Alternatives Analysis: The Authority, with FRA, will conduct an Alternatives Analysis (AA) in each Section to help identify the alignments and station locations to carry forward in the environmental review. The AA process will define potentially reasonable and feasible project alternatives, design options, and station locations that can meet the NEPA Purpose and Need and CEQA project objectives while avoiding or minimizing environmental impacts. (The AA process is under way in all seven Sections and activities undertaken in developing the alternatives analysis after the effective date of this Agreement are potentially eligible under this Statement of Work.)
- Project Definition: The Authority will prepare a draft of the Project Definition/Description when the AA process is finished, and will update it when engineering design reaches 15% completion. The Authority, with FRA, will proceed first with the preparation of Technical Reports, and then with the development of baseline conditions, impact analysis, and mitigation measures for the Draft EIR/EIS. (Project definition will begin after AA process is complete and is a part of this Statement of Work.)
- Administrative Draft EIR/EIS: Prior to releasing the public Draft EIR/EIS documents, an Administrative Draft EIR/EIS is prepared for the Authority and FRA. These agencies will review the Administrative Draft EIR/EIS for completeness and conformity with the NEPA/CEQA requirements. Pursuant to the terms of agreements by and between the relevant agencies, the Administrative Draft EIR/EISs or relevant portions thereof would be circulated to cooperating agencies, which may include the U.S. Army Corps of Engineers for all Sections, and may include the Federal Transit Administration, the Bureau of Land Management and other federal agencies for specific Sections. (The Administrative draft is underway for all of the seven sections and activities undertaken in

support of the Administrative Draft EIR/EIS after the effective date of this Agreement are included within this Statement of Work.)

- Draft EIR/EIS: The Authority, with FRA, will prepare and circulate Draft EIR/EISs for public and agency review. A public review and comment period of 45 to 60 days will be provided for each of these publications. The Authority, with FRA, will present the results of the analysis described in the Draft EIR/EIS documents at public meetings and comments will be accepted regarding the project and the environmental documents. The Authority, with FRA will prepare responses for the comments received on the Draft EIR/EISs. Both the comments and responses will be presented as part of the Final EIR/EIS. (The Draft EIR/EISs have not been prepared and will be undertaken as a part of this Statement of Work.)
- Final EIR/EIS: The Authority, with FRA, will prepare Final EIR/EIS document(s) for the seven high-speed train Sections and make the Final EIRs/EISs available for a 30-day period. (The Final EIR/EISs have not been prepared and will be undertaken as a part of this Statement of Work.)
- NOD/ROD: The Authority will file a NOD for the decisions it makes related to each Final EIR. The Authority will support FRA in issuing RODs. (The NOD/RODs have not been prepared and will be undertaken as a part of this Statement of Work.)

The Authority has contracted with the PMT and six RCs to prepare the environmental documents, PE and other related work products needed to advance the CHSTP. In managing the EIR/EIS process through final approval of a NOD/ROD for each high-speed train Section, the PMT has prepared guidance to ensure that each RC will:

- Conduct public scoping meetings with presentation materials intended to inform the public of the CHSTP and help them understand the environmental review process.
- Have adequate public, stakeholder, and agency outreach during the environmental review process.
- Provide outreach to non-English-speaking communities or groups.
- Conduct the AA process developed for the projects with a level of detail and public/agency involvement needed to select the most reasonable and feasible options, which will avoid or minimize potential impact.
- Use the study area limits developed for the projects to identify environmental baseline conditions.
- Use the criteria and significance thresholds developed for the projects to identify potential impacts.
- Identify measures to avoid, minimize, and/or mitigate impacts.

During the preparation of the environmental deliverables and EIR/EIS documents by the RCs, the Authority and PMT staffs will provide technical and quality assurance/quality control (QA/QC) review to ensure that the guidance and standard methods adopted by the Authority and FRA are followed.

Task 1 also includes the work to be undertaken by the Authority to prepare agency agreements, obtain regulatory agency approvals, and environmental permits. The RC's staff with expertise in

environmental permitting will assist with, and will manage the documentation needed for, the permitting process on behalf of the Authority which begins during the preparation of the Final EIR/EIS. The major environmental permits that each of the HST Sections may require include:

- Section 404 permit under the Clean Water Act
- Section 401 water quality certification permit
- Section 408 and Section 214 of the Water Resources Development Act
- Section 4(f) and Section 6(f) Approvals
- National Pollution Discharge Elimination System (NPDES) Permits
- USF&WS Section 7 Consultation and Biological Opinion
- California ESA permits
- California Department of Fish and Game (DFG) Section 1602 Lake and Streambed Alteration Agreement
- California Department of Transportation (Caltrans) Encroachment Permits

In addition to the environmental work described above, Task 1 includes, as its first deliverable, summary and detailed schedules and budgets outlining milestones to be submitted to FRA for approval within 30 days of execution of Amendment 1 of this Agreement and shall be updated quarterly.

Task 1 Deliverables

The Authority, in coordination with FRA, shall prepare and deliver the following document(s) for the seven Phase 1 sections:

- Revised Summary and Detailed Budget and Schedule for Phase 1
- Agency Coordination Plan
- Purpose and Need Statement
- Preliminary Alternatives Analysis Reports and, if necessary, Supplemental Alternatives Analysis Reports
- Project Definition/Description
- Administrative Drafts of the EIR/EISs for both the draft and final documents, including any required Section 4(f) Statement(s)
- Draft and Final EIR/EISs, including any required Section 4(f) Statement(s) and Environmental Mitigation Implementation Plan and updates
- NOD for the decisions it makes related to each Final EIR
- Draft ROD for each Final EIR
- Statewide agency agreements with environmental resource agencies as required to support the environmental permitting
- Required environmental permits

Task 2: Preliminary Engineering (approximately 30% Design)

The Authority, in coordination with FRA, shall complete PE of the seven Phase 1 Sections described above.

The Authority with assistance from PMT Engineering will provide ongoing oversight of the RCs to assure design consistency and satisfaction of legal requirements across the system. The RCs are guided by design criteria set forth in technical memoranda for the system. Design consistency will be achieved by strict adherence to these design criteria by the RC teams as they develop their 15% design and up to 30% design (and additional design work for discrete areas as needed and agreed to by FRA) submittals as follows:

- 15% design – The Authority will complete preliminary engineering for acceptance by FRA that is sufficient to support a regional project draft and final EIR/EIS, provide a more detailed construction cost estimate, and conform with all requirements and commitments included in decision documents (FRA ROD; Authority resolution, CEQA findings, and Mitigation Monitoring and Report Plan) and the Final Program EIR/EISs. Generally, the level of engineering detail will be sufficient to determine the required footprint for the CHSTP facilities and identify environmental impacts.
- 30% design– The Authority will complete preliminary engineering for acceptance by FRA that conforms to the regional project Final Environmental Documents that will support procurement of final design and construction services and provide a more detailed and accurate construction cost estimate. Generally, the level of engineering detail will identify all elements of the project to be constructed but leave construction details and final placement for development during final design. However, there may be discrete areas of the CHSTP that will require additional design work beyond 30% to inform decision making. Design beyond 30% covered by this Agreement will be only as needed and agreed to by FRA prior to commencing additional design activities.

The engineering-related requirements generally fall into two categories, technical design requirements and safety requirements. Compliance with the technical design requirements is critical in ensuring that the CHSTP provides the performance mandated by the guiding legislation (AB 3034) and set forth by the Authority in policy documents. Compliance with applicable safety requirements, including requirements which may be codified in an FRA Rule of Particular Applicability (RPA) and/or waiver for the CHSTP, is critical to securing any necessary approvals from the FRA and other entities to operate the California high-speed train in revenue service.

Task 2 includes the work by the Authority to support the development of the RPA, development of design standards, rolling stock specifications, and operations & maintenance (O&M) plans as further described below.

Design Standards and O&M Plans

The Authority will develop design standards and O&M Plans to meet the Federal and State safety requirements and the performance objectives of the CHSTP. Engineering and design standards, plus O&M plans, will guide the final design and construction of the high-speed rail system. O&M plans will be developed only for the purpose of informing design and construction determinations and decision-making and shall be limited in scope to such purpose.

The engineering efforts are focused on five key areas of activity, all of which are required to ensure that the designed high-speed rail system will meet the specified performance objectives. These key areas include:

Systemwide Design Elements

- The Authority will produce, in coordination with FRA, CHSTP requirements and design for a network-wide 2 × 25-kV traction power supply system and coordinate with the CPUC for obtaining necessary approval(s).
- The Authority will produce, in coordination with FRA, standard designs for track structure, overhead contact system (OCS), and ancillary facilities to ensure a consistent application across the CHSTP network.
- The Authority will produce, in coordination with FRA, train control and communications systems specifications that provide the CHSTP's requirements for performance, capacity, and safety and for consistent application across the CHSTP network.

Design Criteria and Standards

- The Authority will prepare design criteria in consultation with FRA, that comply with FRA safety standards and requirements, and support the Petition for the RPA, including designs related to trainsets, track alignment, bridge and viaduct design, tunnel design, building (including stations and maintenance facility) design, earthworks, drainage design, safety and security, geotechnical investigations and design, seismic considerations, traction power facility equipment, traction power system analysis, OCS configuration, positive train control, system architecture and design requirements, system interfaces, and supervisory control and data acquisition.
- The Authority will develop design criteria that are documented in drawings and technical memoranda and include assessment of existing high-speed rail systems, analysis of what is appropriate for the California high-speed rail system, and design guidance for final design and construction. Design criteria and standards will ensure that all subsystems deliver a reliable and safe high-speed train system commensurate with state law and FRA requirements and provide a consistent design approach to be applied to each CHSTP section.
- The Authority will prepare, in coordination with FRA, the CHSTP Design Manual that will be the primary design reference for final design and construction. Standard specifications and special provisions will be developed for inclusion in the procurement documents.

Maintenance Plan

- The Authority will develop a plan, in consultation with FRA, for the maintenance of track infrastructure, known as maintenance-of-way (MOW), addressing inspection and maintenance activities and frequency intervals (time or mileage as appropriate) typical for high-speed rail infrastructure for purposes of determining MOW facility

requirements, including activities at each site, equipment requirements, and approximate size and locations.

- The Authority will create, in coordination with FRA, a rolling stock inspection and maintenance plan that includes activities, and frequency intervals (time or mileage as appropriate) typical for high-speed rail rolling stock for purposes of determining rolling stock facility requirements 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.

Operational Planning and Concept of Operations

- The Authority will prepare and submit to FRA an operational plan to support Project Section studies and make regional project recommendations for the purpose of determining facility requirements that optimize system performance. The plan will include operational concepts for the CHSTP, including operational objectives, mainline configuration, and control of operations, rolling stock storage, maintenance, and repair for the purpose of determining facility requirements that optimize system performance.
- The Authority will also prepare and submit to FRA operating design criteria including operating routes, operating speed and restrictions, design level of service, operating hours, operating schedule and station dwell times, normal and contingency modes of operations, recovery time, headways, and trainset length and seating requirements.

Rolling Stock Specifications

- The Authority will prepare and submit to FRA rolling stock specifications to support procurement and acceptance of trainsets that meet the Authority's performance and safety requirements including maximum operating speed, acceleration rate and braking rates (service and emergency), leading dimensions and clearances, trainset makeup, number of seats, number of trainsets, distributed power versus locomotive hauled, line voltage, radial steering trucks, heating, ventilating, and air-conditioning requirements, coupling systems (internal and external), carbody materials, energy management systems, signal and train control technologies, and communications requirements.

Task 2 Deliverables

Authority shall prepare and deliver, in coordination with FRA and as described above for Task 2, the following preliminary design documents for each of the seven Phase 1 Sections and/or systemwide:

- 15% design for each Section
- Approximately 30% design for each Section
- Systemwide design standards
- CHSTP Design Manual
- O&M plans, including maintenance plans, and design criteria
- Rolling stock specifications.

Task 3: Other Related Work Needed Prior to Start of Construction

In addition to the Environmental Review (Task 1) and Preliminary Engineering (Task 2) described above, the Authority will also complete the additional work required to be completed prior to start of construction, including ROW acquisition support, ridership forecasting, and construction planning/procurement support as more fully described in the attached RC and PMT task descriptions (See Exhibits 1 and 2). Station area planning would be initiated concurrent with Task 1 and would continue past the start of construction.

Station Area Planning

The Authority shall, in partnership with appropriate local government entities, develop a station area plan incorporating a transit-oriented development (TOD) zoning overlay to the local comprehensive plan for a one-half mile area around Phase 1 HST stations. The station area plan will address station site(s) and conceptual design; surrounding infill development; transportation connectivity; development parcel economic viability analysis; and a financing/phasing plan. Station area plans should address the following goals for each station in a manner appropriate to the local context:

- Develop and recommend for adoption transit oriented development (TOD) measures at and around the locations of HST stations.
- Work with the local jurisdictions in which potential HST stations are being considered to facilitate adoption, amendment of City and County General Plans and zoning codes and/or adoption of Specific Plans consistent with HST station area development plans.
- Work with regional and local transit providers, and all other government agencies as necessary to increase transit connectivity with HST stations.
- Treat the HSIPR station as a new city gateway – consider the station’s form and spaces, both primary and secondary (backside, underside); the station’s place-making effects and iconic and readily identifiable design; and consider co-locating transit services and intensifying transit services by realigning transit routes.
- Plan intensified development for the one-half mile area around the station site – step up the development densities closer to the station; recommend minimums for dwelling units (DU)/acre for residential and floor area ratio (FAR) for commercial/light industrial; recommend development massing and setbacks from the street; and recommend urban design and building design treatments so public spaces within the “station district” will be inviting to walk through both day and night by people of all ages.
- Plan an urban scale and streetscape that promotes walking, biking, and transit use – establish continuity of the public way; create a hierarchy of streets; design a walkable street pattern/grid; emphasize pedestrian spaces immediately around the HSIPR station; accommodate bicyclists, transit, taxis, and passenger drop-off, car-sharing services, and access to parking.

- Tailor a phased parking strategy to the station context and market, paying particular attention to the amount and price of parking in the station area – account for expected parking demand for the HSPR service; account for possible substitution of additional transit services and pedestrians from adjacent development (including at the parking sites) for parking demand; and include parking policies that manage supply and charge locally appropriate market rates to encourage station access by transit, taxis, and walking.
- Develop a financing and phasing plan as to how the station area plan’s public infrastructure will get financed and what financing and other tools will be used to attract private investment and development.

ROW Acquisition Support

For all Phase 1 sections, the Authority shall:

- Identify parcels that could protect ROWs and preserve land for future high-speed rail uses based on the Program EIR/EIS decisions and consistent with environmental review requirements and other applicable legal requirements.
- Gather and document parcel requirements to support negotiations, including survey documents and legal descriptions with respect to ownership, easements, and parcel size.
- Develop a Relocation Plan for ROW acquisitions that conforms to the State and Federal relocation assistance requirements including the Uniform Relocation Assistance Act, and other State and Federal provisions that would be required at the time of acquisition.

ROW Preservation

Through this Agreement, funds are provided for the preservation and acquisition of Los Angeles Union Station property and rights-of-way. This early acquisition will ensure that the long term use of the station is secured, a future revenue stream is secured and dedicated to use for HST system capital and operating costs as shown in CHSRA financial plans, CHSRA is not solely dependent on third parties for the development of this major hub, and CHSRA will be able to influence and benefit from future station development initiatives. CHSRA must demonstrate to FRA that this investment will immediately result in a positive revenue stream and that necessary environmental review is complete prior to committing funds.

Ridership Forecasting

- Ridership work to support Phase 1 EIR/EIS completion: July 1, 2010 through NOD/ROD: The Authority shall prepare ridership & revenue forecasts and station boardings to support the final project EIR/EIS documents and the final selection of station locations, updating operating and service patterns (e.g. Anaheim-Los Angeles Union Station 3-5 trains/hour), and evaluating maximum reasonable impacts (local traffic, regional & local air quality, parking requirements, etc.).
- Ridership & revenue forecasting work to support 30% design of Phase 1, construction planning/procurement, and staged development of facilities: The Authority shall prepare forecasts of growth and timing of ridership & revenue in conjunction with staged opening

of service, e.g. sizing of the trainset fleet, initial phases of storage yard and maintenance facility equipping, staged parking requirements and road / transit improvements around stations.

Construction Planning/Procurement

For all Phase I sections, CHSRA shall:

- Develop a staging and construction plan.
- Complete civil design, systems design, systems integration and any value engineering efforts.
- Develop an approach and bid packages for equipment and construction procurement and other services, if needed.
- Develop detailed cost estimates as PE is completed.
- Support procurement and construction inspection.

Task 3 Deliverables

The Authority, in coordination with FRA, shall prepare and deliver the following for each Phase I section:

- Station area plans
- ROW acquisition plans
- ROW acquisition documentation
- Ridership forecasts
- Construction contract documents ready for bid.

Project Limits: The Project limits of each geographic Section are established in each RCs' contract. They extend generally between major proposed station locations along the Phase I route at a logical breakpoint between Sections. There is close coordination between RCs in adjacent sections to ensure that all seven Sections will connect and function seamlessly.

PROJECT SCHEDULE

Two sections (Merced-Fresno and Fresno-Bakersfield) are targeted to complete environmental review by September 2011 and to start construction by September 2012, with construction completed by September 2017. The remaining five Phase I Sections (San Jose-Merced, San Francisco-San Jose, Bakersfield-Palmdale, Los Angeles-Anaheim and Palmdale-Los Angeles) are scheduled to complete environmental review by 2012 and, as funding becomes available, would be ready to start construction by 2013. Summary and detailed schedules outlining milestones for deliverables shall be submitted to FRA for approval within 30 days of execution of Amendment 1 of this Agreement and shall be updated quarterly.

PROGRAM ESTIMATE/BUDGET

The total cost of the Phase 1 PE/NEPA/CEQA activities as described in Tasks 1, 2, and 3 is approximately \$479.0 million, of which, this Agreement will fund up to \$231.5 million and the Authority is responsible for obtaining funds for the remainder.

The total cost, and the Federal, State, and local share of these costs are listed in Table 2 below. It is understood that any additional expense required beyond that provided in this grant to complete the activities described above shall be borne by the Grantee. A detailed project budget by task and subtask, by Fiscal Year, and by performing entity (RC and PMT) will be submitted to FRA for its approval within 30 days of the execution of Amendment 1 to this Agreement, and the approved detailed project budget will be updated by the Authority quarterly. Revisions to the Approved Project Budget must be made in accordance with Attachment 2, Section 4 of the Agreement.

Table 2: Cost of the Phase 1 PE/NEPA/CEQA Work

Section¹	Total Cost (YOE \$ in Millions)	State Share (YOE \$ in Millions)	Local Share (YOE \$ in Millions)	Federal Share (YOE \$ in Millions)
San Francisco - San Jose	\$46.76	\$23.38	\$0.00	\$23.38
San Jose – Merced	\$85.64	\$41.82	\$1.00	\$42.82
Merced - Fresno ²	\$34.58	\$16.04	\$1.25	\$17.29
Fresno – Bakersfield ²	\$63.25	\$30.37	\$1.25	\$31.62
Bakersfield – Palmdale	\$54.65	\$27.33	\$0.00	\$27.33
Palmdale - Los Angeles	\$92.47	\$45.23	\$1.00	\$46.23
Los Angeles - Anaheim ³	\$101.65	\$9.83	\$49.00	\$42.83
Total	\$479.00	\$194.00	\$53.50	\$231.50

PROJECT COORDINATION

The Grantee shall perform all tasks required to complete the necessary environmental documentation and preliminary engineering through a coordinated process with interested parties, including all railroad owners and operators within the project area, participating and cooperating State and Federal resource agencies, Caltrans, and FRA.

¹ The total amount budgeted in this Statement of Work for each of these sections includes funds for station area planning as described in Task 3. The non-Federal matching funds (50%) must be provided by local government unless (a) local government can reasonably demonstrate that it cannot provide (or secure from other government or private sources) the matching funds and (b) CHSRA determines that Prop 1A funds are legally available to cover the part of the match not provided by a local government.

² The total amount budgeted in this Statement of Work for Merced- Fresno and Fresno-Bakersfield includes \$500,000 each for Merced and Bakersfield station design. The non-Federal matching funds (50%) shall be provided by local agenc(ies) subject to the exceptions listed in footnote 1, above.

³ The total amount budgeted in this Statement of Work for Los Angeles- Anaheim includes funding for Los Angeles Union Station ROW preservation subject to the requirements listed in Task 3, ROW Preservation.

PROJECT MANAGEMENT

The Authority's staff organization currently consists of an Executive Director/Chief Executive Officer, three Deputy Directors (Finance and Administration, Environmental and Planning, and Communications/Public Policy/Outreach), a small support staff, as well as a Chief Engineer contractor, a Project Management Oversight (PMO) contractor, a Government Relations Management contractor, a Program Management Team, and seven RC Teams (plus an additional team for the "Altamont Corridor Rail Project"). Additionally, the Authority employs a financial consultant contractor and a public outreach and communications contractor. The California AG's office provides legal support to the Authority on all matters including review of the environmental deliverables (under CEQA) up to and including the Final Environmental Report (EIR) and the NOD. The Authority is working with FRA under a Memorandum of Understanding, and FRA, the Federal lead agency for NEPA, is responsible for the technical and legal review of the section EISs.

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

PMT SCOPE OF WORK AND DELIVERABLES

Phase I California High Speed Train Program – PE/NEPA/CEQA

A. PMT STATEMENT OF WORK

The work on the PMT contract will be done in phases. The Phase I of this work is estimated to take 6-years to complete. The Consultant will prepare an Annual Work Program (AWP) which will consist of a detailed scope of work (defining deliverables and due dates), a detailed staffing plan, and cost estimate.

Phase I - PE for completion of EIR/EIS, Implementation Plan. During this phase, the Consultant will be accountable for:

- Establishment of a Project Office
- Development of a project implementation strategy and master plan
- Launch and management of the project level environmental work through a series of GEC consultants
- Development of a Right of Way assessment and acquisition program
- Development of a methodology for the performance and management of subsurface structural/geotechnical investigation

The CONSULTANT will establish those systems necessary to maintain control of the schedule, budget, documentation, procurement, construction contracting strategies, etc. so that project delivery tracks the established schedule and financial targets.

Program Management Responsibilities

- A. Project Management Plan (PMP) Develop a PMP in accordance with generally accepted industry practice
- B. Prepare and maintain: 1) a master project schedule, 2) project estimate, and 3) financial and technical information system using contemporary software applications and MIS technology to facilitate controlled access by all project participants for obtaining and updating information. All project information is to be integrated through the use of a master Work Breakdown Structure (WBS). The WBS will facilitate the periodic summarization of detailed cost and schedule information.
- C. Project Management and Control System (PMCS) - Implement a PMCS that enables the integrated monitoring and control of the entire project in terms of financial management, scheduling, document control and other status reporting functions. While the focus initially is Phase I, the PMCS should be chosen to accommodate expansion for use throughout the entire program.
- D. Risk Management Plan (RMP) - Develop program and management plan which identifies the potential risks which could threaten the timely and cost effective completion of the project. Risks to be identified should include but are not

Exhibit 1 to Attachment 3

limited to technical, financial, institutional, and legal risks, and the RMP shall address those risks identified as appropriate by the Authority's Executive Director. The RMP will include risk identification, risk assessment, risk allocation, and recommended risk management strategies. The plan will be updated on a periodic basis.

- E. Project Insurance - Develop and recommend project insurance strategy through the evaluation of available alternatives and the review of successful approaches deployed elsewhere. When the need arises, prepare RFP for the solicitation of wrap-up insurance and manage the contract.
- F. Quality Management - Establish and implement a QA and QC plan for the work of the CONSULTANT and a master plan for the project
- G. Public Education, Participation and Outreach – Assist and implement a public education, participation and outreach plan for a diverse stakeholder group throughout the project area.
- H. Design Standards and Coordination – Establish master standards for the project and establish procedures and systems to assure compliance and coordination.
- I. Project-Level Preliminary Engineering/ EIR/EIS Management – provide oversight and coordination of the project-level preliminary engineering and EIR/EIS for all the regions.
- J. Procurement and Contract Administration – Provide services to procure other services, equipment and construction for the total project implementation.
- K. Special Design Work - The majority of the preliminary design work will be accomplished through the regional environmental/engineering contracts however the CONSULTANT maybe required to perform additional design work or full design on specific elements. Unit costs for systems elements (signaling, communications, and electrification) and HST vehicles will be developed by the CONSULTANT as well as engineering design criteria, operational analysis and costs.

- Task 1 Project Management & Controls**
 - 1.1 Program Management
 - 1.2 Schedule & Document Control
 - 1.3 Admin, Contracts & Special Projects
 - 1.4 Quality Assurance & Quality Control
 - 1.5 Risk Management

The Program Director and team provide over arching guidance to the Program Management Team and to the Regional Consultants in the pursuit of the environmental work and preliminary engineering toward the goal of the Notice of Determination and Record of Decision that will allow the project to move into construction. The scope of work also includes the following:

- A. Project Management Plan (PMP) Develop a PMP in accordance with generally accepted industry practice
- B. Prepare and maintain: 1) a master project schedule, 2) project estimate, and 3) financial and technical information system using contemporary software applications and MIS technology to facilitate controlled access by all project

Exhibit 1 to Attachment 3

participants for obtaining and updating information. All project information is to be integrated through the use of a master Work Breakdown Structure (WBS). The WBS will facilitate the periodic summarization of detailed cost and schedule information.

- C. Project Management and Control System (PMCS) - Implement a PMCS that enables the integrated monitoring and control of the entire project in terms of financial management, scheduling, document control and other status reporting functions. While the focus initially is Phase I, the PMCS should be chosen to accommodate expansion for use throughout the entire program.
- D. Risk Management Plan (RMP) - Develop program and management plan which identifies the potential risks which could threaten the timely and cost effective completion of the project. Risks to be identified should include but are not limited to technical, financial, institutional, and legal risks, and the RMP shall address those risks identified as appropriate by the Authority's Executive Director. The RMP will include risk identification, risk assessment, risk allocation, and recommended risk management strategies. The plan will be updated on a periodic basis.
- E. Project Insurance - Develop and recommend project insurance strategy through the evaluation of available alternatives and the review of successful approaches deployed elsewhere. When the need arises, prepare RFP for the solicitation of wrap-up insurance and manage the contract.
- F. Quality Management - Establish and implement a QA and QC plan for the work of the CONSULTANT and a master plan for the project

Task 2 Public Education & Communications

The Program Management Team will provide Public Education, Participation and Outreach efforts for a diverse stakeholder group throughout the project area.

These services were performed until officially until June 30, 2009 and unofficially through February 2009 when The Authority contracted directly with a firm for these services overseen by the Deputy Director of Communications.

The Program Management Team continues to provide legislative support on the local, state and Federal level.

- 2.1 Statewide public Education & coordination (NIC)
- 2.2 News media relations (NIC)
- 2.3 State, Federal and regional interest group
- 2.4 Communications (NIC)

Task 3 Engineering Criteria & Design Management

The Program Management Team will provide engineering support to establish master standards for the project and establish procedures and systems to assure compliance and coordination between all sections. The engineering group will provide technical

Exhibit 1 to Attachment 3

oversight and coordination of the project-level preliminary engineering and EIR/EIS for all the regions.

The majority of the preliminary engineering design work will be accomplished through the regional environmental/engineering contracts however the Program Management Team will perform additional design work or full design on specific elements. Unit costs for systems elements (signaling, communications, and electrification) and HST vehicles will be developed by the Program Management Team as well as engineering design criteria, operational analysis and costs. In addition the development of a methodology for the performance and management of subsurface structural/geotechnical investigation will be established.

- 3.1 Team Management
- 3.2 Infrastructure
- 3.3 Systems
- 3.4 Operations
- 3.5 Maintenance
- 3.6 Rolling Stock
- 3.7 Regulatory Approvals
- 3.8 Standard Plans
- 3.9 Standard Specifications
- 3.10 Cost Estimating
- 3.11 Design Manual
- 3.12 Design Submittal Review (from RC)
- 3.13 Risk Management
- 3.14 Staging and Procurement Support
- 3.15 Survey Control
- 3.16 System Integration

Task 4 Environmental Review

Provide environmental services to establish protocols, standards and a timeline for each regional consultant to follow. Oversee and review the environmental process by the regional consultants to ensure compliance with all regulatory agencies and maintain consistency throughout each environmental section.

- 4.1 Project Task Management
- 4.2 Program Management Coordination
- 4.3 Environmental Scoping
- 4.4 Alternatives Analysis
- 4.5 Environmental Methods
- 4.6 Public/Agency Involvement Coordination
- 4.7 Review of Environmental, Social, Economic and Community Issues
- 4.8 Review of Technical Reports and DEIS/R
- 4.9 Permits & Approvals
- 4.10 Statewide Technical Tasks

Exhibit 1 to Attachment 3

- 4.11 GIS Support Services
- 4.12 Agency Agreements for Coordination & Funding
- 4.13 Section 404 and 408 Coordination

Task 5 Regional Consultant Oversight

The Program Management Team provides oversight of the Regional Consultants on behalf of the Authority. The Regional Managers attend public interest meetings with the Regional Consultants working to share a common message based on Authority approved policy's. The Regional Managers ensure the Regional Consultants are performing their work in alignment with the scope identified in the Annual Work Plan, budget and schedule. To ensure that the environmental and engineering standards are being properly applied.

- 5.A LA - Palmdale
 - 5.1 A Project Management
 - 5.2 A Meetings
 - 5.3 A Engineering & Environmental Review
- 5.B LA-Orange Co.
 - 5.1 B Project Management
 - 5.2 B Meetings
 - 5.3 B Engineering & Environmental Review
- 5.C LA-San Diego
 - 5.1 C Project Management
 - 5.2 C Meetings
 - 5.3 C Engineering & Environmental Review
- 5.D Palmdale - Fresno
 - 5.D1 Palmdale - Bakersfield
 - 5.1 D Project Management
 - 5.2 D Meetings
 - 5.3 D Engineering & Environmental Review
 - 5.D2 Bakersfield - Fresno
 - 5.1 D Project Management
 - 5.2 D Meetings
 - 5.3 D Engineering & Environmental Review
- 5.E Fresno - Sacramento
 - 5.E1 Fresno - Merced
 - 5.1 E Project Management
 - 5.2 E Meetings
 - 5.2 E Engineering & Environmental Review
 - 5.E2 Merced - Sacramento
 - 5.1 E Project Management
 - 5.2 E Meetings
 - 5.2 E Engineering & Environmental Review
- 5.F Altamont Pass
 - 5.1 F Project Management
 - 5.2 F Meetings

Exhibit 1 to Attachment 3

- 5.3 F Engineering & Environmental Review
- 5.G Merced to San Jose
- 5.1 G Project Management
- 5.2 G Meetings
- 5.3 G Engineering & Environmental Review
- 5.H San Jose - San Francisco
- 5.1 H Project Management
- 5.2 H Meetings
- 5.3 H Engineering & Environmental Review

Task 6 ROW Assessment and Acquisition

Development of a Right of Way assessment and acquisition program

- 6.1 Right of Way Guidelines Manual
- 6.2 Standard Forms & Documents
- 6.3 Acquisition Strategy & Protocols
- 6.4 Identify Priority Acquisitions
- 6.5 GIS Database for Real Estate
- 6.6 Pre-Qualify Vendors
- 6.7 Relocation Plan

Task 7 Ridership and Revenue

Ridership forecasts, revenue and operational analysis of the high-speed rail system are necessary to establish the viability of the system. Once proved viable this analysis is the foundation to determine the number of trains, station size and possible station locations as well as projected operating costs and surpluses.

- 7.1 Rail Systems Operations Management
- 7.2 Operations Planning
- 7.3 Ridership and Revenue Forecasts
 - 7.3.1 Ongoing Forecasts
 - 7.3.2 EIR/S support / public explanations

Task 8 Staging / Procurement

Provide services to procure other services, equipment and construction for the total project implementation. Including possible staging options to best serve the project.

- 8.1 Staging and Construction Planning
- 8.2 Procurement and Bid Packages
- 8.3 Cost Estimating
- 8.4 Procurement / Construction Inspection Support

Once the Notice of Determination and Record of Decision is accomplished and the project moves forward to Phase II for that section, the work scope will evolve. Phase II,

Exhibit 1 to Attachment 3

III and IV are described below but are not contemplated to be funded under this agreement (with the possible exception of some Phase II work).

Phase II – Design and Pre-Construction. During Phase II the Consultant will manage civil design, systems design (including trainsets), systems integration and any value engineering effort deemed appropriate. The performance measurement is a high-quality design which is delivered on time and within budget, that is constructible, biddable in accordance with the contracting strategy, and fully compliant with the Authority's service operating plan. Throughout this phase the Consultant continues to be responsible for maintaining schedule and cost control along with the quality and risk management. All systems prepared and launched during Phase I must be maintained. All required actions to prepare for timely construction and material acquisition must be undertaken as well.

Phase III – Construction and Preparation for Operations – During Phase III the Consultant is responsible for the management of all construction contracts unless specifically excluded by the Authority and assigned to another entity or themselves. This does not relieve the Consultant of overall integration of the systems through the chosen contracting methodology. The CONSULTANT will engage the services of one or more construction managers (CM's) to carry out the management task. The Consultant will also manage the GEC (civil and system designers) construction support activities. The Consultant continues to be responsible for maintaining schedule and cost control along with the quality and risk management. All systems prepared and launched during Phase I and used during Phase II must be maintained. Claims avoidance, defense and mitigation strategy is to be developed and proactively managed. During this phase the Consultant will also be responsible for recommending a rail operations contracting strategy and in close cooperation with the Authority, will assist in the implementation of such a contract in order to allow the successful contractor to be a part of Phase IV - Testing and Commissioning Phase. The Consultant will insure that the contractors and the selected operator are working in an integrated manner to facilitate a smooth transition from construction and installation of systems to the commissioning phase. Testing and commissioning plans will be reviewed for schedule conformance and compliance with all systems integration, quality and risk management plans.

Phase IV – System Testing and Commissioning. During Phase IV the Consultant will actively manage all contractors directly or through assigned CM's to see that all systems and facilities are tested in accordance with approved plans, that any deficiencies are promptly addressed and corrected so that the operator is presented with a safe operating system that can deliver the performance established in the business plan. The Consultant must also see to it that all training documentation is delivered, as-builts are prepared and delivered, and training is accomplished according to plan.

PMT REPORTS AND/OR MEETINGS

Exhibit 1 to Attachment 3

- A. The Consultant shall submit progress reports at least once a month to the Executive Director and the Authority's Program Management Oversight contractor. The report should be sufficiently detailed for the Executive Director to determine if the Consultant is performing to expectations and is on schedule, to provide communication of interim findings and to afford occasions for airing difficulties or special problems encountered so remedies can be developed.
- B. A schedule for the submittal of reports, and report content, for the initial phase of work will be developed within the first 30-days of the contract.
- C. Progress reports shall identify the total number of hours worked by the Consultants' and Subconsultants' personnel by use of the Work Breakdown Structure (WBS) level element(s).
- D. The Consultant's Project Director shall meet with the Authority's Executive Director as needed to discuss progress on the Agreement.

REGIONAL CONSULTANT SCOPE OF WORK AND DELIVERABLES

Phase 1 California High Speed Train Program – PE/NEPA/CEQA

B. REGIONAL CONSULTANT SCOPE OF WORK (TYPICAL)

1. The Consultant will be performing “Preliminary Engineering and Project-Specific Environmental Work” under this agreement as generally described in Attachment 2 (consisting of the Statement of Qualifications/Scope of Work/Deliverables) which is made a part hereof, and as made more specific by the Annual Work Programs that are to be prepared by the Consultant, subject to refinement in consultation with California High-Speed Rail Authority (Authority) staff, and are to be effective upon acceptance by the Authority’s Contract Manager. The Consultant is responsible for developing engineering, planning, and environmental data; for preparing one or more project site-specific Environmental Impact Report/Environmental Impact Statement (EIR/EIS) document(s) for the high-speed train (HST) system in _____ corridor; and for providing the described right-of-way preservation and acquisition services in this corridor, as requested by the Authority. The project EIR/EIS(s) will include engineering and environmental impact analyses of the HST line and facilities, including station development, and connections with other modes of transportation. EIR/EIS process(es) will include the involvement of the public, interested groups, and appropriate local, state, and federal agencies, as determined in consultation with Authority staff.
2. The services shall be performed in the _____ region; with a project office located within the _____ region.
3. All inquiries during the term of this Agreement will be directed to the project representatives identified below:

STATEMENT OF WORK

The focus of this work will be on the selected corridor as part of the Authority’s and Federal Railroad Administration’s (FRA) certified statewide California High Speed Train Program EIR/EIS and the FRA’s Record of Decision (both November 2005). The Consultant is responsible for developing engineering, planning, environmental data, preparing one or more project site-specific EIR/EIS document(s) for this HST segment, and for providing right-of-way preservation and acquisition services in this corridor. The project EIR/EIS(s) will include engineering and environmental impact analyses of the HST line and facilities, station development, and connections with other modes of transportation. EIR/EIS process(es) will include the involvement of the public, interested groups, and local, state, and federal agencies with approval or permit responsibilities. The Consultant must develop a work program to prepare environmental studies and analyses that will be used to satisfy both the state and federal requirements. The Authority will be the lead state agency, and the FRA will be the lead federal agency.

Exhibit 2 to Attachment 3

The public involvement program is part of this contract and will be a part of EIR/EIS process(es) focusing on identification of issues and concerns. Key responsibilities of the Consultant include developing environmental and engineering analyses and implementing a regional public and agency involvement process to assist in identifying issues and concerns in the study area.

“Work Plan” Elements:

In the work plan, bidders should address, but are not limited to:

- Project Management Plan
- Public Participation Program
- Project Definition
- Preliminary Engineering
- Environmental Impact Analysis
- Station Area Development Planning
- Prepare Draft and Final Project-Level EIR/EIS Documents
- Certification of EIR and Preparation of ROD for EIS
- Permitting and Rights-of-Way Preservation and Acquisition Services

Task 1. Project Management Plan

The Work Plan shall identify key personnel, coordination of work activities and sub-consultants and an integrated approach to managing the work effort to control schedule, budget and project quality.

The Consultant should prepare a schedule for completion of work task, deliverables, key meetings (such as presentations to the Authority board) and project milestones. The Project Management Plan must also ensure that the work is being undertaken in a technically correct manner that is acceptable to the Authority and FRA, as well as other federal, state, regional and local agencies. The schedule should allow sufficient time for necessary reviews and approvals and circulation periods. The Consultant will be responsible for delivering a legally sufficient environmental document and ensuring that the progress of the project is properly reported and documented.

The Program Management Team (PM) will be responsible for supervising and directing the work of the Consultant. The PM provides continuity throughout the project evolution and is responsible for monitoring, directing and coordinating all aspects of the statewide HST program. The Consultant’s project manager will report to the PM.

Task 2. Public Participation Program

The Consultant is responsible for developing and implementing a public involvement program focused on identifying regional and local issues and concerns of the potential impacts of HST system and for proposing necessary mitigation measures. A key to the success of the Consultant will be their ability to effectively work with the communities within the study region, affected agencies and interested parties (including freight railroads) and organizations.

Exhibit 2 to Attachment 3

The Consultant will identify specific methods to be used to encourage participation, group facilitation, and dispute resolution, as well as encourage as much interaction with the communities as possible. The Consultant will suggest an anticipated number of meetings, presentations, and hearings and the appropriate timing for key events relating to major milestones and decision-making points in the process. The Consultant will participate in selected Authority board meetings; will organize technical advisory committee and community meetings, convening of public meetings/workshops/ hearings – including all forums required as part of the EIR/EIS process(es). The Consultant will be responsible for preparing public hearing/meeting packets, presentations and display materials. The Consultant will be responsible for the appropriate documentation of all meetings and forums and preparing a Final Report(s) summarizing the activities and results of the Public Participation Program.

The Consultant will be responsible for creating and maintaining all stakeholder and agency databases needed to support the work and the EIR/EIS process(es). The Consultant is responsible for setting up and securing meeting sites and all equipment needed for meetings and advertising for meetings. The Consultant must work with other agencies and organizations to get their assistance in helping to publicize meetings.

The Consultant will be responsible for providing appropriate information and electronic documents to put on the Authority and FRA websites, including a “Most Commonly Asked Questions” Document.

Task 3. Project Definition

The _____ HST corridor has been evaluated for more the 12 years by the California Intercity High-Speed Rail Commission (1993-1996) and the CHSRA (1997-2006). Within this corridor, _____ operates the _____ commuter rail service, and freight is operated by the _____ between _____.

Within _____, the California Department of Transportation currently operates intercity passenger rail service, the _____, the _____ operates the _____ commuter rail service, and freight is operated by the _____.

The Consultant will review existing studies, plans and other documents that have been prepared and then summarize as appropriate. It is important that the work is consistent with and builds upon the Authority’s previous work, and includes the mitigation and design practices included in the Authority approval of the HST system, and that work efforts are not duplicated. The Authority’s certified statewide Program EIR/EIS and the technical reports that support this document, as well as the Authority’s Business Plan (June 2000) and the technical studies that support this document are all available on the Authority’s website (www.cahighspeedrail.ca.gov). In partnership with the Metropolitan Transportation Commission (MTC) the Authority is in the process of developing new ridership and revenue forecasts, initial forecasts will be available to the public in the fall of 2006. The Consultant will not be responsible for developing HST ridership and revenue forecasts, but will use the work of others as appropriate to carry out the work.

Exhibit 2 to Attachment 3

Based on the review of existing studies and documents, and under the direction of the Authority staff in consultation with the FRA, the Consultant will collect any additional data needed to undertake the work. Information requirements may include:

- Demographic and land use data and plans
- Existing and future transit systems
- Roadway network
- Freight railroad track charts
- Existing and future travel patterns
- Base maps
- Aerial photos
- Other relevant information

As stated in the Authority's and FRA's certified statewide Program EIR/EIS, "_____ commented that the _____ corridor would be attractive to long-distance commuters and has requested that the Authority consider a future partnership to look at details for an intercity/commuter service in the _____ Corridor." (Page 6A-25) As part of the project-specific EIR/EIS process(es) the Consultant will include potential intercity/commute service and help develop partnerships between the Authority and other agencies.

The Project Definition will include a segment-by-segment alignment description of the HST design options to be investigated in the Project EIR/EIS process(es).

Task 4. Preliminary Engineering

The Consultant is responsible for developing HST design concepts at a sufficient level of detail to develop accurate capital cost estimates, right-of-way requirements, construction staging, traffic and environmental impacts to satisfy CEQA and NEPA requirements. The design concepts will include:

- Plan and Profile drawings of the alignment
- Typical sections
- Special structures and structural modifications
- Electric Traction Facilities and Catenary
- Right-of-way requirements
- Construction Needs and Methods
- Landscaping and amenities
- Station layouts (including parking)
- Renderings of proposed stations
- Locations and functional layouts of support facilities (maintenance, storage, substations, etc.)
- Utility relocation needs
- Bridge reconstructions
- Analysis of freight demands for the corridor
- Impacts of proposed freight operations

Exhibit 2 to Attachment 3

The Consultant will develop preliminary engineering (30%) design drawings of the HST alignments, stations and station sites, grade crossings, maintenance facilities, signal and electric power facilities, and bridges or other structures. Design drawings will be used to complete a 30% costs estimate. The Consultant will need to purchase and incorporate into the Work the appropriate aerial mapping for this task. The Consultant will develop HST cost estimates, documenting all project components. Costs should be presented in current year. Unit costs for systems elements (signaling, communications, and electrification) and HST vehicles will be provided by the PM. HST engineering design criteria, train systems (signaling, communications, and electrification) engineering, operational analysis and costs will be the responsibility of the PM. The design of _____ Station will be the responsibility of the Consultant for the _____ Regional Engineering/Environmental work.

The Consultant will develop a staged construction plan for the project. This plan will identify operable project segments or elements of the HST infrastructure (such as grade separations) that could be constructed early and bring near term project benefits to existing rail freight and conventional passenger rail services.

Task 5. Environmental Impact Analysis

This task requires the Consultant to conduct any technical studies necessary to evaluate and assess impacts of the HST Alternatives and No Project Alternative as part of the EIR/EIS process(es), addressing both alignments and proposed station locations. The Consultant will provide a scope of work for each technical study and impact topic required by CEQA and NEPA that include, but are not limited to:

- Traffic and Circulation
- Travel Conditions
- Air Quality
- Noise and Vibration
- Energy
- Electromagnetic Fields and Electromagnetic Interference
- Land Use and Planning, Communities and Neighborhoods, Property, and Environmental Justice
- Agricultural Lands
- Aesthetics and Visual Resources
- Public Utilities
- Hazardous Wastes and Materials
- Cultural and Paleontological Resources
- Geology and Soils
- Hydrology and Water Resources
- Biological Resources and Wetlands
- Section 4(f) and 6(f) Resources (Public Parks and Recreation, Waterfowl Resources, and Historic Sites)

Exhibit 2 to Attachment 3

- Cumulative and Secondary Impacts Evaluation
- Construction Impacts
- Economic Growth and Related Impacts
- Unavoidable Adverse Environmental Impacts

Technical reports should be prepared for each topic of environmental analysis and include a description of the existing environmental conditions (Affected Environment) that could be affected by the No Project and HST Alternatives. The Consultant will propose measures that will be used to define the study area. The various technical studies and corresponding impacts analyses will be incorporated into the Administrative Draft EIR/EIS document(s). As part of the Draft EIR/EIS document(s), the Consultant shall identify and describe in detail all appropriate mitigation measures required to mitigate for the HST Alternative. The Work Plan should identify anticipated fieldwork needed as part of the site-specific environmental analyses and incorporate this into the project schedule.

A preferred HST Alternative will be identified as well as any incremental stages of improvement. The HST Project EIR/EIS document(s) will evaluate in detail the potential for incremental phased implementation leading to completion of the preferred HST Alternative. Site-specific environmental impacts will be addressed to enable the Authority to reach decisions on the ultimate configuration of the _____ corridor for all involved rail services as well as any incremental phases of development after the completion of environmental documents.

Task 6. Station Area Development Planning

The Authority is committed to encouraging the adoption of TOD measures and to promote value-capture at and around the locations of HST stations. The Consultant will work closely with the local jurisdictions and public in developing HST station area plans. All station area plans should reflect the values of the community, encourage public participation, and meet the Authority's objectives for accommodating HST facilities, increasing ridership and providing alternatives to the automobile.

The Consultant will work with local jurisdictions in which potential HST stations would be located to prepare station area plans and will facilitate adoption, amendment of City and County General Plans.

Task 7. Prepare Draft and Final Project-Level EIR/EIS Document(s)

The Consultant will prepare the Draft EIR/EIS document(s) and Final EIR/EIS document(s), including necessary administrative review versions. The site-specific EIR/EIS document(s) must satisfy all the requirements of CEQA and NEPA.

The Consultant in coordination with the PM will be responsible for undertaking all activities associated with the development, publishing and circulation of the EIR/EIS document(s) including: initiating the scoping process, preparing the Notice Intent (NOI) and the Notice of Preparation (NOP), creating an NOI/NOP mailing list, noticing and circulation of the NOI/NOP, developing the project Purpose and Need Statement, developing environmental

Exhibit 2 to Attachment 3

methodologies and evaluation criteria, writing the EIR/EIS document(s), publishing the Notice of Availability, printing, distributing, and circulating the Draft EIR/EIS document(s), developing a summary of public comments, drafting responses to comments (including any additional environmental/engineering work), editing/refining/changing the EIR/EIS document(s) based on PM, Authority and FRA direction, printing, preparing and sending notices of availability, and distributing the Final EIR/EIS document(s). The Consultant shall also be responsible for identifying, maintaining (in electronic form and hard copy) and documenting all appropriate records, references, and resource documents/materials used for the preparation of the EIR/EIS document(s).

The Consultant will respond to four rounds of review on the administrative draft EIR/EIS(s): 1) a first round of review by the Authority, FRA and the PM, 2) a second round of review by cooperating and responsible agencies, 3) final review by the Authority, FRA, and the PM, and 4) certification and approval with findings by the Authority and clearance and issuance of a ROD by the FRA.

Task 8. Certification of EIR/EIS Document(s) and Permitting

The Consultant will prepare other related environmental documents that are required as part of the certification of the Project EIR/EIS document(s), including Findings and a Statement of Overriding Considerations, the Record of Decision/Notice of Determination, and the Mitigation Monitoring and Reporting Plan.

Upon request by the Authority, the Consultant shall prepare applications for and process any and all needed permits from the U.S. Army Corps of Engineers, the U.S. Fish & Wildlife Service, the California Department of Fish and Game, the California Water Quality Control Board, and other regulatory agencies. The Consultant shall identify which permits will be necessary for construction of the project, prepare applications for the permits on behalf of the Authority and pay any required fees. The Consultant, under the direction of the Authority staff and the PM, shall meet with and discuss the conditions for the issuance of environmental permits by the regulatory agencies; only the Authority staff may accept any such conditions.

Task 9. Rights-of-way Preservation and Acquisition Services

For the portions of the HST line where a defined general alignment has been selected, the Consultant will conduct assessments to identify segments at risk of imminent development or other changes in use that could significantly increase implementation costs and difficulty. The Consultant will develop recommendations for protective advance acquisition consistent with state and federal requirements and will perform any necessary coordination with other federal, state and local agencies and assist the Authority in making acquisitions to the extent such acquisitions have been approved and authorized by the Authority and consistent with available funding. All services rendered and all acquisitions will conform with the Federal Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended.

Exhibit 2 to Attachment 3

As requested by Authority the Consultant will provide assistance to the Authority in reaching agreement on terms of access to shared rights-of-way with rail line owners and operators, shared capital and operating costs, types of improvement required to maintain existing operations while allowing high-speed train operations, and other critical matters such as liability indemnification, insurance requirements, and other operational matters. This work may include participating in right-of-way negotiations with the BNSF and the UPRR with the Authority.

REGIONAL CONSULTANT REPORTS AND/OR MEETINGS

- E. The Consultant shall submit progress reports at least once a month to the Program Manager (PM). The report should be sufficiently detailed for the PM to evaluate and to advise the Authority as to whether the Consultant is performing to expectations and is on schedule, to provide communication of interim findings and to afford occasions for airing difficulties or special problems encountered so remedies can be developed.
- F. A schedule for the submittal of reports, and report content, for the initial phase of work will be developed within the first 30-days of this Agreement.
- G. Progress reports shall identify the total number of hours worked by the Consultants' and Subconsultants' personnel by use of a Work Breakdown Schedule (WBS) level element(s).
- H. The Consultant's Project Manager shall meet with the PM as needed, and with Authority staff as needed, to discuss progress on the work.

13. A new Attachment 3A, Initial Central Valley Section: Fresno to Bakersfield (Kern County) of the California High-Speed Train Program, is added to this Agreement and made a part hereof as a Supplemental Statement of Work as follows:

ATTACHMENT 3A
STATEMENT OF WORK
(December 2010)

Initial Central Valley Section: Fresno to Bakersfield (Kern County)
of the
California High-Speed Train Program

INTRODUCTION

In 2008, the California State Legislature adopted AB 3034, finding “it imperative that the state proceed quickly to construct a...high-speed passenger train system to serve the major metropolitan areas....It is the intent of the Legislature that the entire high-speed train system shall be constructed as quickly as possible...and that it be completed no later than 2020....” Also in 2008, California voters passed Prop 1A, approving \$9 billion in bonds to support construction of the high-speed train. The Legislature and the voters specifically directed that the system should include California’s Central Valley, as well as other major California population centers.

The California High-Speed Rail Authority (CHSRA) through the California High-Speed Train Program (CHSTP) is working to fulfill AB 3034’s directive. The new high-speed rail system will be grade-separated from road vehicle traffic and will operate almost exclusively on separate, dedicated tracks with a top design speed of up to 250 mph and an 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.

Phase I of the Program involves construction of about 520 miles of the system between San Francisco and Anaheim. When completed, Phase I will 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. Subsequent phases of the CHSTP include a southern extension (Los Angeles to San Diego, via the Inland Empire) and a northern extension (from Merced to Sacramento).

The American Recovery and Reinvestment Act (ARRA), enacted February 17, 2009, contained \$8 billion to fund high-speed and intercity passenger rail (HSIPR) projects. On January 28,

2010, USDOT announced the selection of the four CHSRA design/build project sections eligible to receive up to \$2.25 billion⁴ in ARRA funds.

In September 2010, the Federal Railroad Administration (FRA) and the Grantee executed the Agreement with a Federal award amount of \$194 million for preliminary engineering (PE) (up to 30% design and additional design work for discrete areas as needed and agreed to by FRA), environmental documentation to support final environmental decisions in the form of Federal Records of Decisions (RODs) and California Notices of Determination (NODs) for each of the seven sections of Phase 1 of the High-Speed Train (HST) System 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 Phase 1 of the system all as described in Attachment 3.

On October 28, 2010, Secretary LaHood announced the selection of a Central Valley project section to receive an additional \$715 million in funding from 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)). The CHSRA Board met on December 2, 2010, to agree on a location to begin construction of California's HST System in the Central Valley, and selected a scenario beginning in Madera County to Corcoran, CA. Subsequently, FRA announced redistribution of HSIPR funding to California and other States on December 9, 2010. The redistribution provides an additional \$616,176,231 to CHSRA for PE/National Environmental Policy Act (NEPA)/California Environmental Quality Act (CEQA) work under way and final design and construction of the initial Central Valley section. A large portion of the redistributed funding (up to \$578.7 million) is included in this Statement of Work.

BACKGROUND AND KEY ASSUMPTIONS

- In 2005, 2008, and 2010, CHSRA and FRA completed under the NEPA, and certified under the CEQA, program-level environmental impact statements/reports (EIS/EIR) covering the entire CHSTP and subsequently issued the corresponding RODs/NODs.
- CHSRA and FRA are currently preparing project-level EIS/EIR documents for the CHSTP. The CHSRA and FRA anticipate release of draft EIS/EIR documents for the two Central Valley CHSTP sections in early 2011. CHSRA and FRA will not make final decisions regarding specific facilities, construction, alignments, or mitigation measures in either section until the associated EIS/EIR is complete and certified.
- Subject to FRA and CHSRA environmental decisions, CHSRA intends to implement a design/build approach for the Phase 1 Program as funding becomes available in prioritized geographic sections. Pending completion of environmental review, CHSRA would start construction of an initial Central Valley Section from Madera County to Bakersfield (Kern County), CA (hereinafter the "Project").

⁴ 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/NEPA/CEQA work and final design/construction.

- To the extent permitted by applicable law, CHSRA and FRA agree to amend this Agreement, after completion and certification of the EIS/EIR document(s) for the Project, as necessary to conform to CHSRA and FRA final Project decisions.
- Because the Project is more expensive than any single funding source available, the Project scope is separated into two geographic sections that are integral and interdependent⁵. In combination with each other, they will comprise and describe the entire initial Central Valley Project. This Agreement covers final design and construction activities between Fresno and Bakersfield (Kern County), funded with \$2.23 billion⁶ in 2009 ARRA funds that are being awarded through this Agreement. Final design and construction activities between Madera County and Fresno will require up to \$715 million in Federal funding and are anticipated to be addressed in a future FRA obligation of HSIPR funding.
- The timing and sequencing of each subsequent section of the CHSTP will commence as environmental requirements are met, decisions are made, and funding becomes available.
- Prior to the completion of Phase 1 of the Program, CHSRA will complete an initial operating segment upon which to begin operating HST service. This segment will require electrification, centralized train control and communications systems, maintenance facilities, and a fleet of high-speed trainsets. The initial operating segment will be identified in a future Board action and will likely make up to a 200- to 300-mile line between the San Francisco Bay Area and the Central Valley or between the Los Angeles Basin and the Central Valley.
- The Project spans two EIRs/EISs, which have not been completed by CHSRA and FRA at the time of this Agreement: (1) Merced to Fresno and (2) Fresno to Bakersfield. Prioritization of the Project from Madera County to Bakersfield (Kern County), for initial Central Valley construction, does not presume a specific alignment as the RODs/NODs for such selected alignment have not yet been completed.
- To comply with FRA requirement for assuring operational independence, an Interim Use Reserve has been established for the Project. The Interim Use Reserve includes a connection on each end of the initial construction section in the Central Valley with the Burlington Northern and Santa Fe Railway Company (BNSF) mainline plus associated positive train control (PTC), and interim station (i.e., Amtrak) capital costs, totaling \$108 million. The funds allocated to this Interim Use Reserve are to be 100% Federal funds. This allocation does not alter or affect the overall Federal share associated with funding this Project (see Project Budget). The amount established in this Fund is intended to be sufficient to complete

⁵ The HSIPR Program has multiple funding sources. One of these sources is the ARRA of 2009, which contained up to \$8 billion for the development of individual HSIPR project and larger corridor programs. Another funding source is 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)), which appropriated a total of \$2.5 billion for HSIPR projects. These funding sources have different reporting requirements and necessarily require separate obligations.

⁶ \$2.25 billion minus \$400 million allocated for TJPA's Transbay Terminal = \$1.85 billion minus \$194 million allocated to Phase 1 PE/NEPA/CEQA 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/NEPA/CEQA = \$2.23 billion of Federal funds.

the additional capital investments necessary to allow for the provision of interim Amtrak *San Joaquin* service in this corridor.

- If at some point before construction of the Project is substantially complete, FRA determines in coordination with CHSRA that there will be a significant delay in securing the funds required to complete the investments needed to begin initial HST revenue operations, the Federal funds set aside in the Interim Reserve Fund will be utilized to cover the capital investments necessary to allow for the section to be placed in service for intercity (non-HST) passenger rail purposes (satisfying Sections 2, 4, and 13 of Attachment 1A to this Agreement). CHSRA would not fund from bond funds, or construct or operate, such connection. Prior to letting of any design/build contracts under this Agreement, CHSRA shall coordinate to secure commitments by the appropriate other government agency(ies) and/or private entities that would construct and operate such connection and related service, including any associated environmental review required by law.
- If at some point before construction of the Project is substantially complete, FRA determines in coordination with CHSRA that sufficient funds are anticipated to be available to complete the investments necessary to build the initial Central Valley Section and to complete an initial operating segment for high-speed train operations, then FRA may authorize, in writing, through an Amendment to this Agreement, reallocation of the Interim Reserve Funds for additional investment in building out the California High-Speed Train Program, prioritizing environmentally cleared sections adjacent to the Project.

GENERAL OBJECTIVE

Consistent with the terms of this Agreement, the Authority shall complete, or will cause to be completed, the activities necessary for final design and construction of the Project. As described in Tasks 1 through 6 below, the Project includes ROW acquisition and site work, final design, and construction of fully grade-separated mostly dedicated HST guideway, including aerial structures (viaducts) and track work. Implementation of final design and construction of the Project is conditioned on successful completion of project-level EIS/EIR documents and consistent with all necessary Federal, State, and other permits and approvals. Also included is program management and associated professional services involved in managing final design and construction of the overall Project. HST systems elements are not included in this Project (e.g., electrification, communications systems, train control, rolling stock, and vehicle maintenance facilities); these elements will be added by CHSRA as additional funding permits and are required to complete an initial operating segment.

DESCRIPTION OF WORK

The final design and construction of the Project between Fresno and Bakersfield (Kern County), is included in the following major tasks described below. Associated deliverables are outlined in the Performance Objectives and Deliverables section of Attachment 3.

Task 1 Design/Build Program Management

Task 1 includes management, oversight, and reporting of all tasks necessary to, and all contractors associated with, completing the Project including coordination with appropriate local, regional, State, and Federal agencies, all railroad owners and operators within the Project area, and outreach to local communities affected by the Project. In addition, CHSRA will direct the real property acquisition efforts for the Project. Specific construction management activities will include contract administration, submittal review, quality assurance inspection, materials inspection, management of claims and change orders, and review and approval of progress payment requests and final acceptance of the work. CHSRA is also responsible for public communication and outreach to citizens, communities, and stakeholders during all aspects and phases of Project design and construction.

CHSRA will provide to FRA the following documents to reflect Project progress:

- Annual Work Plan (AWP): CHSRA will prepare 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.
- 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 written approval. CHSRA will update both documents annually.
- Financial Plan Updates: CHSRA will review the Financial Plan and provide annual updates of the relevant information to FRA. The Financial Plan and updates specific to this Project shall incorporate the Interim Use Reserve discussed above and in Task 5 below. Updates of the Financial Plan will be submitted to FRA for review and written approval.
 - Prior to the release of each of the Requests for Proposals (RFPs) for the design and/or construction contracts, CHSRA will provide for FRA review and written approval a financial plan for the Project (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 Project. The financial plan shall 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 Project and a detailed assessment of financial risks facing the Central Valley Project 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).

- CHSRA will provide FRA with a financial plan that covers the entire Phase I Program (including the Central Valley Project) (the Phase I Financial Plan) that lays out in as much detail as possible (1) annual projections for the sources and uses of all funds, during the development and construction phases of the Phase I Program and for the first 20 years of operations, and (2) an assessment of financial risks facing the Phase I Program during both the construction and operations phases (including risks such as capital cost overruns, revenue shortfalls, and operating 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 or operating financing shortfalls).
- For post-RFP period review, CHSRA will provide FRA with updates to the Central Valley Project Financial Plan, on at least an annual basis, or more often if there are material changes to the previous plan, updates to the Phase I Financial Plan, on at least an annual basis, or more often if there are material changes to the previous plan and financial plans for any additional projects funded with HSIPR funds, including the initial operating segment.
- The Finance Plan(s) shall address the financial soundness of the reserve scenario in the event Amtrak's *San Joaquin* service might operate over the new infrastructure.
- Design/Build Program Plan: CHSRA will prepare 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. Submittal of a Design/Build Program Plan is necessary to complete procurements and must be submitted to FRA for review and written approval.
- RFPs for Design and/or Construction Services: CHSRA will provide a copy of the proposed terms and conditions of the RFPs related to proposed contracts for design and/or construction services to FRA for its review and written approval prior to formally soliciting such proposals. CHSRA will work closely with FRA to complete such reviews in sufficient time to avoid impacting the Project schedule.
- Final Inspection and Acceptance Reports: Upon completion of construction, CHSRA shall invite FRA to participate in the final inspection and acceptance of the work.
- Service Development Plan Updates: CHSRA will refine and update the Phase I Service Development Plan and provide two updates to FRA of 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 I Investments and Cost Estimate); and Operating and Financial Results (Methods, Assumptions, and Outputs for Travel Demand Forecasts; Expected Revenue; and all Operating Expenses). 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.

Task 2 Real Property Acquisition

This task includes only real property acquisition and associated activities detailed below that are not already covered under Task 3 ROW Acquisition Support of the PE/NEPA/CEQA Agreement, (see Task 3.2 Regional Consultant ROW Work (RC Task 9) and Task 3.3 PMT ROW Work (PMT Task 6) of Exhibits 1 and 2 of Attachment 3).

The system will use or be adjacent to existing transportation ROWs to the extent feasible and will require numerous property acquisitions. Such acquisitions include right-of-way for the track alignment and stations consistent with Project requirements.

CHSRA will obtain and manage the necessary property rights for the system in a lawful, fiscally sound, and publicly acceptable manner. Real property acquisition will comply with all Federal, State, and local laws including the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970. Real Property Acquisition will be accomplished through a headquarters element, a regional specialist oversight office, and a local team that will conduct on-the-ground real property acquisition functions. These responsibilities will be carried out through the leadership of a CHSRA HQ element consisting of a Real Property Director reporting to the CEO, and a senior State real property specialists responsible for:

- Appraisals and acquisition
- Coordination of real property aspects regarding utilities relocations and railroad and other public agency agreements and
- Relocation assistance and property management

CHSRA will have appropriate legal support which will provide real property legal services to the Director. A specialist real property consultant for program support will provide program-wide services to the Director, such as recommending acquisition standards and procedures as well as providing quality assurance and audit of the acquisition process.

On-the-ground real property activities will be carried out by onsite real property specialty consultants and may include:

- Parcel identification
- Survey and mapping
- Appraisals
- Offers of just compensation

- Negotiations
- Property acquisition and
- Relocation entitlement

CHSRA shall establish a Regional Real Property Office for the Project, which will have appropriate legal support and be staffed by senior State real property specialists who oversee the functions carried out by the onsite consultants and process those cases where State governance is appropriate.

Task 3 Early Work Program

Certain work activities associated with implementing the Project may be advanced as part of an early work program as described in the deliverables below. The Early Works Program will include soft (e.g., planning, design, coordination, negotiation, legal) and hard (e.g., construction, land acquisition, implementation) costs as described below and associated with (1) utility relocation, (2) site clearing/demolition, (3) railroad track relocation, (4) highway/roadway relocation/grade separations, (5) environmental remediation/hazardous materials disposal and (6) environmental (NEPA/CEQA) mitigation. Implementing these activities with Federal funds is contingent upon FRA written approval of the planning for these activities, which are outlined below. Activities in the early work program will occur only to the extent that they are consistent with legal requirements associated with satisfying environmental review requirements and approved by FRA.

CHSRA will provide to FRA the following documents to reflect Project progress:

- Utility Relocation Plan: CHSRA will identify all utilities that will be relocated and outline the roles and responsibilities to successfully complete all early utility relocation for the Project, contracting approach, and schedule for completing all necessary utility relocations. CHSRA will submit the Utility Relocation Plan to FRA for review and written approval. CHSRA will implement the Utility Relocation Plan and periodically update the Plan to reflect implementation progress.
- Site Clearing and Demolition Plan: CHSRA will define the area of the Project that will need to be cleared and any demolition of existing structures and outline the roles and responsibilities to successfully complete Project site clearing and demolition activities, contracting approach, and schedule for completing all necessary site clearing and demolition of existing structures. CHSRA will submit the Site Clearing/Demolition Plan to FRA for review and written approval. CHSRA will implement the Site Clearing/Demolition Plan and periodically update the Plan to reflect implementation progress.
- Railroad Track Relocation Plan: Portions of the Project are on or adjacent to BNSF ROW. Although it is anticipated that BNSF will be responsible for its own railroad track relocation design and construction, CHSRA will work with BNSF to develop a Railroad

Track Relocation Plan. CHSRA will submit the Railroad Track Relocation Plan to FRA for review and written approval. This plan will describe in detail what tracks and supporting railroad infrastructure will need to be relocated at each location along the route where such relocation is required to support the Project. CHSRA will implement any elements of the Railroad Track Relocation Plan it is responsible for under the Plan, coordinate with BNSF for completion of railroad-specific work, and periodically update the Plan to reflect implementation progress.

- Highway/Roadway Relocation/Grade Separations Plan: Highway/roadway relocations and grade separations will be completed in coordination with California Department of Transportation (Caltrans) or other owners of roadway facilities (e.g., counties, local jurisdictions) during the early stages of construction, consistent with CHSRA/Caltrans Master Agreement. CHSRA will work with Caltrans and other interested parties to develop a Highway/Roadway Relocation/Grade Separations Plan that describes in detail what Highway/Roadway relocation and grade separations are required at each location along the route where such relocation or grade separation is required to support the Project. CHSRA will submit the Highway/Roadway Relocation/Grade Separations Plan to FRA for review and written approval. CHSRA will implement any elements of the Highway/Roadway Relocation/Grade Separations Plan it is responsible for under the Plan, coordinate with Caltrans for completion of highway/roadway-specific work, and periodically update the Plan to reflect implementation progress.
- Environmental Remediation/Hazardous Materials Disposal Plan: CHSRA will develop a plan to implement remediation and hazardous material disposal activities consistent with mitigation measures CHSRA and FRA adopted and documented in the CEQA/NEPA environmental process. This plan will include compliance with existing and applicable Federal and State regulations, appropriate Authority policies, and the use of best management practices. This plan will identify procedures for testing and remediating known or suspected hazardous materials encountered during the construction of the Project. CHSRA will submit the Environmental Remediation/Hazardous Materials Disposal Plan to FRA for review and written approval. CHSRA will implement the Environmental Remediation/Hazardous Materials Disposal Plan and periodically update the Plan to reflect implementation progress.
- Environmental (NEPA/CEQA) Mitigation: The EIS/EIR final decisions by FRA and CHSRA may require mitigation measures that could include, but are not limited to purchase of wetlands mitigation sites, noise control (for example, construction of noise walls, reinforcement of structure in sensitive receptors), preservation of agricultural lands, construction of local traffic control improvements (for example, traffic calming measures, geometric roadway improvements, installation of traffic lights). Adopted mitigation measures and associated plan for implementation would be set forth in the Environmental (NEPA/CEQA) Mitigation Implementation Plan required by the PE/NEPA/CEQA Agreement. CHSRA will implement the Environmental (NEPA/CEQA) Mitigation Implementation Plan. Updates to the Plan to reflect implementation progress are covered under the PE/NEPA/CEQA Agreement.

Task 4 Final Design and Construction Contract Work

The vast majority of the work associated with this Agreement is associated with the final design and construction contracts that will be procured, awarded, and administered by CHSRA for delivery of this Project. As a deliverable in Task 1 of this Agreement for review and written approval by FRA, CHSRA will prepare and deliver to FRA 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. As currently envisioned for the ARRA work covered under this Agreement, up to three to four separate contracts will be utilized, including two to three geographically -based civil infrastructure contracts and at least one Project-wide track work contract. CHSRA’s detailed Design/Build Program Plan will be prepared in the first quarter of FY2011. CHSRA will provide the Design/Build RFPs and CHSRA’s selected Design/Build contractors to FRA for review and written approval prior to award.

Task 5 Project Reserves

CHSRA will establish two Project Reserve accounts. The first would be for funds over and above the Unallocated Contingency that have been budgeted but not yet allocated to specific tasks. The second would be the aforementioned “Interim Use Reserve.” The Interim Use Reserve includes a connection on each end of the initial construction section in the Central Valley with the BNSF mainline plus associated PTC, and interim station (i.e., Amtrak) capital costs, totaling \$108 million. The management and use of these reserve funds will be described in the updated Project-specific PMP and proceed only upon written approval from FRA and as an Amendment to this Agreement.

Task 6 Unallocated Contingency

CHSRA has allocated 5% of the Project budget as unallocated contingency. The management and use of contingency funds will be described in a Contingency Management Plan that will be prepared as part of the updated Program Management Plan.

PROJECT SCHEDULE

The initial construction section in the Central Valley funded with ARRA money defined as Fresno to Bakersfield (Kern County) will be completed, and all reimbursable expenses per this Agreement will have been submitted and approved by FRA by September 2017. A detailed schedule outlining additional milestones for the initial construction section is on file with FRA.

	Start	Finish
Task 1: Design/Build Program Management	4-1-11	9-30-17
Task 2: Real Property Acquisition	7-1-11	6-30-14

	Start	Finish
Task 3: Early Work Program	7-1-11	12-1-14
Task 4: Design/Build Contract Work	4-1-12	9-30-17
Task 5: Project Reserve	Throughout the Project	9-30-17
<input type="checkbox"/> Task 6: Unallocated Contingency	Throughout the Project	9-30-17

PERFORMANCE OBJECTIVES AND DELIVERABLES

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

Overall Postaward Prerequisites

1. Prior to commencing any activities described Tasks 2-4, CHSRA shall 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 shall complete PE and environmental documentation for the Project as defined in Attachment 3.
3. CHSRA shall execute any required stakeholder agreements with infrastructure owners and operators (principally BNSF and Union Pacific Railroad) and other stakeholders as appropriate in advance of the commencement of work on any activity described Tasks 2-5, copies of which will be submitted prior to execution to FRA for approval.

Task-Specific Deliverables

CHSRA shall achieve the following deliverables.

<i>Task Description</i>	<i>Delivery Date</i>
Task 1: Design/Build (D/B) Program Management	
Unless FRA determines otherwise in writing, the Authority may not continue to conduct any construction activities, as described in Attachment 3, unless and until the Authority submits, and FRA approves in writing, the following deliverables:	
2011 Annual Work Plan (AWP)	7-11

<i>Task Description</i>	<i>Delivery Date</i>
2012 AWP	7-12
2013 AWP	7-13
2014 AWP	7-14
2015 AWP	7-15
2016 AWP	7-16
2017 AWP	7-17
2012 Operations Modeling/Schedules/Demand Forecasts for Ridership & Revenue	4-12
Design/Build (D/B) Program Plan	7-11
2012 Financial Plan Update	7-12
2012 PMP Update	7-12
2012 Service Development Plan Update	7-12
2013 Financial Plan Update	7-13
2013 PMP Update	7-13
2014 Financial Plan Update	7-14
2014 PMP Update	7-14
2015 Financial Plan Update	7-15
2015 PMP Update	7-15
2016 Financial Plan Update	7-16
2016 PMP Update	7-16
2016 Service Development Plan Update	7-16
2016 Operations Modeling/Schedules/Demand Forecast Update for Ridership & Revenue	7-16
<i>Task 2: Real Property Acquisition</i>	
Quarterly Updates to the Real Property Acquisition Plan	Quarterly
<i>Task 3: Early Work Program⁷</i>	
Utility Relocation Plan	4-12
Site Clearing/Demolition Plan	4-12
Railroad Track Relocation Plan	4-12

⁷ The Plans associated with Early Works activities covered by this Agreement will be updated periodically to reflect implementation progress.

<i>Task Description</i>	<i>Delivery Date</i>
Highway Relocation Plan	4-12
Environmental Remediation/HazMat Disposal Plan	12-11
<i>Task 4: D/B Contract Work</i>	
D/B Contract #1 RFP	12-11
D/B Contract #2 RFP	12-11
D/B Contract #3 RFP	12-11
D/B Project-wide Track Work RFP	4-13
Interim Use Construction RFP	<i>If needed</i>
CHSRA D/B Contractor Selection	8/12
D/B Contract #1 Final Inspection and Acceptance Report	2-17
D/B Contract #2 Final Inspection and Acceptance Report	4-17
D/B Contract #3 Final Inspection and Acceptance Report	6-17
D/B Projectwide Track Work Inspection and Acceptance Report	9-17
Interim Use Construction Final Inspection and Acceptance Report	<i>If needed</i>
<i>Task 5: Project Reserves</i>	
Project Reserve Plan	7-11
Project Reserve Plan Quarterly Updates	Quarterly
<i>Task 6: Unallocated Contingency</i>	
Contingency Management Plan (CMP)	7-11
CMP Quarterly Updates	Quarterly

To the extent any of foregoing schedule tasks or associated deliverables cannot be completed until associated environmental review is completed, FRA and CHSRA agree to modify the schedule by Amendment to this Agreement.

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 BUDGET

The total estimated cost of the Project is \$4,471,352,462, for which FRA will contribute an estimated 50% of the total cost, but no more than \$2,234,676,231. Any additional expense required beyond that provided in this statement of work shall be borne by CHSRA. A cost summary by task is shown below and a detailed budget is on file with FRA. These are estimates only and cover work that will be required regardless of the specific facilities and horizontal/vertical alignments for the Central Valley portion of the CHSTP CHSRA and FRA ultimately select.

Cost Summary

Task Description		Federal	State	Local	Total
Task 1: Design/Build Program Management					
	\$667,053,661.00	\$333,526,830.00	\$333,526,831.00	\$0.00	\$667,053,661.00
Task 2: Real Property Acquisition					
	\$332,219,812.00	\$165,109,906.00	\$161,109,906.00	\$6,000,000.00	\$332,219,812.00
Task 3: Early Work Program					
	\$251,225,139.00	\$125,612,570.00	\$125,612,569.00	\$0.00	\$251,225,139.00
Task 4: Design/Build Contract Work					
	\$2,911,548,846.00	\$1,455,774,423.00	\$1,455,774,423.00	\$0.00	\$2,911,548,846.00
Task 5: Project Reserves					
5.1 Project Reserve	\$37,195,511.00	\$0.00	\$37,195,511.00	\$0.00	\$37,195,511.00
5.2 Interim Use Reserve	\$108,023,253.00	\$108,023,253.00	\$0.00	\$0.00	\$108,023,253.00
Task 6: Unallocated Contingency					
	\$164,086,241.00	\$46,629,249.00	\$117,456,991.00	\$0.00	\$164,086,240.00
TOTAL	\$4,471,352,462.00	\$2,234,676,231.00	\$2,230,676,231.00	\$6,000,000.00	\$4,471,352,462.00

PROJECT COORDINATION

CHSRA will perform all tasks required for the Project 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 project coordination process is based on ongoing practice, executed Memoranda of Understanding and other Agreements, and public involvement processes developed for the NEPA/CEQA phase of the Project.

PROJECT MANAGEMENT

CHSRA's staff organization currently consists of an Executive Director/Chief Executive Officer, three Deputy Directors (Finance and Administration, Environmental/Planning, and Communications/ Public Policy/Outreach), a small support staff as well as a Chief Engineer contractor, a Project Management Oversight contractor, a Government Relations Management contractor, a Program Management Team, and seven Regional Consultant Teams. Additionally, CHSRA employs a financial consultant contractor and a public outreach and communications contractor. CHSRA plans to hire a Construction Management consultant for this Project. The Authority's organization for this work will be supported by appropriate legal services.

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 construction oversight and will give direction to the construction engineering and contractor.

CHSRA shall satisfy the requirements of this Agreement including providing all of the deliverables in a timely manner for FRA's review, acceptance, or approval. FRA approval is specifically required for all Project deliverables, as laid out in Attachments 3 and 3A of this Agreement. 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 shall be construed to or shall 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 shall provide FRA timely written notice of all such contractual changes relevant to the work to be performed under Attachment 3 of this Agreement.

14. The Grantee will carry out the Project, to include all individual work efforts covered by the Statement of Work, Attachment 3, and all supplemental Statements of Work, in accordance with the terms of the Agreement.
15. Except as specifically amended hereby, all terms, conditions, and attachments of the original Agreement will remain in full force and effect, and the parties hereto agree thereto.