

# CALIFORNIA HIGH-SPEED RAIL: CEO REPORT

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Chief Financial Officer  
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# CEO REPORT

## ENTERPRISE RISK MANAGEMENT CONTRACT

- At the December 2020 meeting, the Board received a briefing from the Director of Risk Management and Project Controls Jamey Matalka on the establishment of the Enterprise Risk Management Office and procurement of risk services
- The contract was awarded to Ernst & Young in June and is expected to start this month
- These resources will staff our Enterprise Risk Management Office in evaluating the current and emerging risks to the Authority
- The three-year contract includes services for:
  - policy and procedures development
  - facilitating risk workshops
  - developing a knowledge transfer and change management plan for creating a risk-aware culture, and
  - creating a risk management-training program for Authority personnel



# CEO REPORT

## FEDERAL GRANT APPLICATIONS

- The Authority submitted three applications for the federal grant program called Rebuilding American Infrastructure with Sustainability and Equity (RAISE):
  - **Updated Wasco SR 46 Improvement Project**, including funds to clean up the former farmworker housing site
    - \$25 million requested for \$84 million total project cost
  - **Fresno High-Speed Rail Station: Southern Pacific Depot Historic Renovation**
    - \$4.5 million requested for \$8.9 million total project cost
  - **Palmdale High-Speed Rail Station: Implementation Master Plan Planning Grant**
    - \$1.4 million requested for \$1.8 million total project cost



# CEO REPORT

## SMALL BUSINESS PROGRAM

- Current target is a 30% overall Small Business goal, which presents the following challenges:
  - There are state and federal programs with varying eligibility and administrative requirements:
    - The State has a 25% Small Business requirement
    - The State has a 3% Disabled Veteran Business Enterprise requirement
    - The Federal Program has a 10% Disadvantaged Business Enterprise requirement
  - The Authority's combined target has created confusion for some stakeholders and is not standard
- Authority is working with external partners including the Peer Review Group and the Business Advisory Council to gain feedback to refine the program for future procurements



# CEO REPORT

## CHANGE ORDERS

- At the May 2021 Board meeting, CEO Kelly provided an update on significant upcoming change orders needed to implement final design and scope, as required due to third party issues. Two of these were executed earlier this month:
  - **CP 1 Golden State Boulevard** - water, sewer and storm drain utility work
    - Change Order cost of \$19,251,944
  - **CP 1 Access roads for BNSF and UPRR**
    - Change Order cost of \$24,265,970
- All completed change orders are on [www.hsr.ca.gov](http://www.hsr.ca.gov)



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## RDP REPROCUREMENT

- The current contract with WSP concludes next year and preliminary procurement activities are underway
- An industry outreach event will be held in the coming weeks to gather feedback as we develop the scope of the new contract
- We will be coming back to the board later this fall for a full presentation on the procurement



- **San Francisco to San Jose section** - Revised Draft Environmental Impact Report/Supplemental Draft Environmental Impact Statement
  - Planned release date: July 23, 2021
  - Includes an alternative design for the Millbrae Station and additional analysis and information related to the Monarch butterfly.
  - Comment period open from July 23 - September 8.
  - Community meeting will be held on August 11.



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## EIR DOCUMENTS - LOOK AHEAD

### Bakersfield to Palmdale Section

- Two-day Board Meeting in August to review and approve the Bakersfield to Palmdale Final Environmental Impact Report/Environmental Impact Statement (EIR/EIS)
- The Bakersfield to Palmdale Project Section provides a north-south high-speed rail connection linking the 80-mile stretch between the Central Valley with the Antelope Valley in Northern Los Angeles County, closing the passenger rail gap that currently exists between the two regions.



DRAFT - DECEMBER 2020





### **Bakersfield to Palmdale Section continued...**

- The Bakersfield to Palmdale Final EIR/EIS evaluates four distinct, end-to-end alignment alternatives and two design options near the César E. Chávez National Monument, one station in the City of Palmdale, and a maintenance site and Maintenance of Way Facility located in the City of Lancaster
- The Draft EIR/EIS was circulated from February 28, 2020, through April 28, 2020
- The Revised Draft EIR/Supplemental Draft EIS circulated from February 26, 2021, through April 12, 2021



### **Bakersfield to Palmdale Section continued...**

- Board Meeting Day 1, Wednesday, August 18, 2021:
  - The Board will receive a detailed staff presentation on the document
  - Hear public comment on the FEIR/FEIS
  - Ask staff to follow up on any questions they have or that arise during the public comment session.
- Board Meeting Day 2, Thursday, August 19, 2021:
  - Staff will respond to all questions and concerns raised by the Board
  - Legal staff will walk through the requirement of CEQA and NEPA
  - The Board will be given the opportunity to take action on the documents.



# Questions



# CEO REPORT

## CALIFORNIA HIGH-SPEED RAIL



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