APPEARANCES

BOARD MEMBERS
Tom Richards, Chair
Nancy Miller, Vice Chair
Lynn Schenk
Martha Escutia
Anthony Williams
Ernest Camacho
James C. Ghielmetti
Henry R. Perea, Sr.
Joaquin Arambula, Assemblymember
Margaret Pena

STAFF
Brian P. Kelly, Chief Executive Officer
Alicia Fowler, Chief Counsel
Derek Boughton
Darin Kishiyama, Director of Contract Management
Moe Ramadan, Board Secretary
Christine Inouye, Chief of Strategic Delivery
Christine Inouye, Chief Engineer of Strategic Deliverance

PUBLIC COMMENT
Matthew Serratto, Mayor, City of Merced
APPEARANCES

PUBLIC COMMENT

Lee Ann Eager, Fresno County Economic Development Corporation

Marie Campbell, Sapphos Environmental, Inc.

Laura Uden, NSI Engineering, Inc.

Paul Katchadourian, Katch Environmental, Inc.

Blair Beekman

Beth Lamont

Virgal Woolfolk, Virtek Logistics

Matt Cremins, California-Nevada Conference of Operating Engineers

Tate Baugh

Joel Alonzo, G & J Heavy Haul, Inc.

Margaret Jackson

Jonathan Powell

Dillon Savory, Fresno-Madera-Tulare-Kings Central Labor Council

Jake Wood, Operating Engineers Local 12

Charles Lavery, Operating Engineers Local 3

Laura Robbins, S2 Engineering

Darrin Williams, Operating Engineers Local 3

Patrick Boileau, Operating Engineers Local 3

Chris Snyder, Operating Engineers Local 3

Wyatt Meadows, Operating Engineers Local 3
APPEARANCES

PUBLIC COMMENT

Debra Roak, CRA Consultancy Group, LLC
Jesus Vargas, VSCE, Inc.
Joe Giles, Operating Engineers Local 3
Regina Markos, Bubba’s Water Truck Service
Mitchell Bechtel, Ironworkers Local 118
Mike West, State Building and Construction Trades Council
Justin Barnard, Operating Engineers Local 3
Sandy Bergam, iWalk, Inc.
Keith Dunn, Association for California High-Speed Trains
Carlos Padilla, Operating Engineers Local 3
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PROCEEDINGS

11:00 a.m.

PROCEEDINGS BEGIN AT 11:00 A.M.
THURSDAY, FEBRUARY 17, 2022

CHAIR RICHARDS: Good morning, ladies and gentlemen, and welcome to the California High-Speed Rail Authority’s Board of Directors meeting for February this February 17th, 2022. Thank you for joining us.

Before we get started into the meeting, we’ll first call it to order and ask our Secretary to please call the roll.

MR. RAMADAN: Thank you, Mr. Chairman.
Director Schenk?

BOARD MEMBER SCHENK: Present.

MR. RAMADAN: Chair Richards?

CHAIR RICHARDS: Here.

MR. RAMADAN: Director Camacho?

BOARD MEMBER CAMACHO: Present.

MR. RAMADAN: Vice Chair Miller?

VICE CHAIR MILLER: Here.

MR. RAMADAN: Assemblymember Arambula?

BOARD MEMBER ARAMBULA: Present.

MR. RAMADAN: Director Perea?

BOARD MEMBER PEREA: Here.

MR. RAMADAN: Director Ghielmetti?
BOARD MEMBER GHIELMETTI: Present.
MR. RAMADAN: Director Escutia?
BOARD MEMBER ESCUTIA: Here.
MR. RAMADAN: Director Williams?
BOARD MEMBER WILLIAMS: Here.
MR. RAMADAN: Director Pena?
BOARD MEMBER PENA: Here.
MR. RAMADAN: Senator Gonzalez?
Mr. Chairman, we have a quorum.
CHAIR RICHARDS: Thank you, Mr. Secretary. And can we bring the flag up, please?
Please repeat with me.
(The Pledge of Allegiance is recited in unison.)
CHAIR RICHARDS: Thank you. And good morning, colleagues.
Before moving forward with our agenda, I'd like to turn the floor over to Vice Chair Miller.
VICE CHAIR MILLER: Thank you.
CHAIR RICHARDS: Good morning, Vice Chair Miller.
VICE CHAIR MILLER: Yes. Thank you, Chair Richards.
I know that you’ve all seen the letter from Laura Uden and Jesus Vargas. And I wanted to just start the meeting by letting you know that I immediately reached out to both of them after I received that letter to apologize.
It was a poor choice of words on my part, and I wanted them to know that, and I contacted them immediately, and I wanted you to know that, too. It was just an unfortunate -- you know, and I don’t really have an excuse, and I wish that I would have caught myself.

But be that as it may, I had a call with both Laura and Jesus after that yesterday, along with Pam Muzikami of the Authority, the Deputy Director, to just talk about some of the issues that they had raised and to explore it a little bit deeper, which we did. And I'm happy to say I think it was a really productive and successful meeting.

I am going to attend the BAC next week and we’re going to talk through some of the issues with them. And Staff, obviously before my prompting, has been working with them a lot, and Brian, as well, as I know our Chair has, and I think Ernie, as well.

So I just wanted to make my apology public in this meeting so that you know that I feel that way. And, hopefully, we’ll move forward in a better position, at least I've pledged to do that.

So thanks very much, Chair Richards, for giving me this opportunity.

CHAIR RICHARDS: Thank you, Vice Chair Miller. And if I may, for my colleagues and the people in the
public, ladies and gentlemen, Nancy Miller is a
distinguished member of the legal profession and an expert
in California, and an expert in environmental law and
representation of government agencies at all levels in our
state. She’s volunteered her time and resources to public
service throughout her career. Nancy is committed to this
project. And for me, it has been an honor and continues to
be, and a privilege, to work together and to learn from
Nancy Miller.

Thank you very much, Vice Chair.

VICE CHAIR MILLER: Well, thank you. I didn’t
want statements.

CHAIR RICHARDS: I know, but I said --

VICE CHAIR MILLER: Because before you were going
to do --

CHAIR RICHARDS: -- I wanted to.

VICE CHAIR MILLER: Okay.

BOARD MEMBER ESCUTIA: (indiscernible), Nancy.

VICE CHAIR MILLER: Enough of that.

CHAIR RICHARDS: That's from my heart, so --

VICE CHAIR MILLER: Okay. Thank you.

CHAIR RICHARDS: Okay.

BOARD MEMBER WILLIAMS: All right. Well, the
listen, then I'll keep myself brief --

BOARD MEMBER SCHENK: And I'd like to say
something, too, Tom.

BOARD MEMBER WILLIAMS: -- and just say --

CHAIR RICHARDS: Okay. I started. Go ahead, Director Schenk.

BOARD MEMBER SCHENK: Yeah. Well, as, I guess, the senior member of this Board and someone who’s been connected to high-speed rail since the early ‘80s, I will say this.

First of all, I believe that every member of this Board, every member, is committed to the goals of enhancing and increasing the participation of small business. I know that to be true from both our public and private conversations. And I know that to be true of Nancy Miller. We are dedicated to that cause. We know that small business is the lifeblood of California. It’s where jobs are created. And as I say, we are all more than just committed, passionately dedicated, and Nancy is, as well. I have known her for many years.

We all -- I mean, anybody who has not misspoken, anybody who has not said a word that they regret, I want you to raise your hand because I want to put a medal on you. We’ve all done it. I have done it numerous times. It happens. And her apology is clearly sincere. Again, I know her commitment and dedication to this.

And so, as a member of the public, I accept your
apology given in good faith, Nancy. And you are a
tremendous value to this Board. I can’t imagine you not
being on it. And I feel privileged to be a colleague of
yours on this Board.

BOARD MEMBER WILLIAMS: And, Mr. Chair --

VICE CHAIR MILLER: Thank you.

CHAIR RICHARDS: Yes, Director Williams?

BOARD MEMBER WILLIAMS: Yeah. I would just say,
first of all, I echo all of your remarks and of you, Lynn.
But I just wanted to add kind of, I guess I've known Nancy
for longer than we probably would want -- care to admit,
going back as colleagues in the legislature. And I also
know her personally to be a person who is, you know,
obviously welcoming of all and not in any way dismissive
of, you know, the unique backgrounds and challenges that we
all have as Californians.

So I would just add that I know her to be a
person of integrity and care and kindness, and someone who
wants all of us to succeed, so I would just add that.

CHAIR RICHARDS: Thank you, Director Williams.

VICE CHAIR MILLER: Thanks Anthony.

CHAIR RICHARDS: All right, we will now move on
to public comment.

And, Mr. Secretary, if you would please let the
people who are watching or listening to us know how they
can address the Board this morning?

MR. RAMADAN: Thank you, Mr. Chairman.

Good morning all. Welcome to the California High-Speed Rail Board or Directors public meeting. Today we are hosting this meeting remotely via Zoom. In a moment, we will begin public comment. First, we want to run through some important technical aspects of this meeting for offering public comment.

If you are logged into this meeting via the Zoom application, please use the raise-your-hand feature, typically located at the bottom of your screen, so that I may call on you to provide your comment. If you’re dialing in by phone, pressing pound two will raise your hand and put you into our queue.

Speakers will be called in the order that their hand is raised. Once you’ve been in the queue and your name is called, in the web meeting, please click the prompt on your screen to allow your microphone to be un-muted. On the phone, we will call on you by the last four digits of your phone number. At that point you’ll hear a message that you are being un-muted.

Once un-muted, it will be your turn to speak. Please slowly and clearly say and spell your first and last name and, if applicable, state the organization you represent. After your introduction, each speaker is
allotted two minutes to provide their comment. I will
interject at 1 minute and 45 seconds to provide a 15-second
warning.

Our court reporter is on the line to record these
comments. If they need you to spell or repeat something,
they may interject.

I will notify you when your time is nearly up.
At the end of your comment, we will disable your
microphone. However, you are welcome to stay on the line
to continue watching or listening to the meeting.

If you do not wish to provide comment and simply
want to watch the meeting, you can do so by logging onto to
hsr.ca.gov and looking for the link to our livestream.

Mr. Chairman, first up for public comment, we
have Matthew Serratto.

Matthew Serratto?

CHAIR RICHARDS: Good morning, Mr. Serratto, and
welcome.

MAYOR SERRATTO: Right. Good morning everybody.
City of Merced. I'm just here again to wish everybody a
good morning and remind you that the City of Merced stands
in support of this project. We're a willing partner, have
been, and we're committed to a real constructive process
and a great partnership, and a project that benefits the
entire state.

So when it come to so many goals, such as vehicle mile traveled reduction, climate change, or valley-to-valley connection, Yosemite travel, all kinds of things, I mean, this is an infrastructure project that could really benefit and provide a backbone for growth for generations for not just Merced and the Central Valley but the entire 99 Corridor, one of the fastest growing regions in the state.

So I just wanted to lend our support and reiterate our partnership. And I'm excited to help partner with you guys on this.

Thank you.

CHAIR RICHARDS: Thank you for joining us again, Mayor.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Lee Ann Eager.

Lee Ann Eager?

CHAIR RICHARDS: Good morning, Ms. Eager, who is now the Chair of the California Transportation Commission.

MS. EAGER: Yes. Thank you, Chair Richards. I'm looking forward to working closely with you in that role. Today, I'm calling in as President and CEO of the Fresno County EDC. But it’s hard to take off your hats and switch from one to the other, so this will be all-inclusive.
I'm calling in to support the draft Business Plan. I really want to thank you all for your transparency. In this day and age, being transparent is always difficult. And this Business Plan certainly does that. It tells us where we need to go. It tells us how to get there. And it tells us the ups and downs of how we got here. So I just want to let you know how much I really appreciate that.

I think most of you on this dais know that I have been a supporter of this project for over a decade and my support of the project has never waned. And that's because I have always seen what this can do for the Central Valley of California, particularly, but for the state of California. As I travel around the world and I see what transportation projects have done for the areas that they're in, I know this is something that’s really needed.

And I hope you’ll let me, at this time, give a really special thank you to Director Schenk. You have been there for the ups, the downs, the ins, the outs, and you have never fallen back and said, oh, this is too tough for me. You have continued to fight the good fight for as long as I can remember, so thank you so much. And we’ll continue to fight this fight together.

Thank you.

CHAIR RICHARDS: Thank you, Lee Ann.
MR. RAMADAN: Mr. Chairman, next up for public comment, we have Marie Campbell.

Marie Campbell?

MS. CAMPBELL: Good morning.

CHAIR RICHARDS: Good morning.

MS. CAMPBELL: Thank you.

CHAIR RICHARDS: Good morning, Ms. Campbell.

MS. CAMPBELL: Good morning. Thank you for the opportunity to speak this morning. My name is Marie, M-A-R-I-E, Campbell, C-A-M-P-B-E-L-L, and I am the Chief Executive Officer for a minority and woman-owned business, Sapphos Environmental, Inc. We have had the pleasure of being deployed on the California High-Speed Rail Project since 2017. We currently are providing 30 to 50 staff working in various offices on Construction Packages 1, 2-3, and 4.

I understand that, as a small business, having an opportunity to work on the California High-Speed Rail is an honor. And many others have struggled to find their place within the team. I wanted to share with you this morning that I believe that anyone who provides quality services should continue to go through the process. It can be a daunting process. There are a lot of businesses in California. But I will share with you some comments that I was asked to share recently in preparation for Women’s
History Month next month.

The question I was asked is: What advice would you give to other females in the construction industry? And I think this applies to other minorities in the construction industry, as well.

And my answer would be, do your job to the best of your ability. As a Hispanic woman, I have repeatedly been able to overcome the misperceptions of others based on biases and prejudices of others based on race and gender by providing quality work and services.

In the end, humans are hardwired to win to survive. And it’s the easiest to survive with quality team members.

MR. RAMADAN: Fifteen seconds remaining.

MS. CAMPBELL: Thank you.

No one wants to be on a team with poor performers. And irrespective of race, gender, religion, political affiliation, or sexual orientation, you will win if you provide quality work.

Wishing you all the best in your endeavors to inspire --

MR. RAMADAN: Over the two-minute time limit.

MS. CAMPBELL: -- to inspire others. Thank you.

CHAIR RICHARDS: Thank you, Ms. Campbell, and congratulations.
MR. RAMADAN: Mr. Chairman, next up for public comment, we have Laura Uden.

Laura Uden?

CHAIR RICHARDS: Good morning, Ms. Uden. Ms. Uden is the Chair of the Business Advisory Board for the California High-Speed Rail Authority.

So welcome.

MS. UDEN: Thank you. And I'd like to start by thanking Director Miller for her comments and her agreement to participate in our meetings going forward. We view that as a very positive step.

I'd like to talk today specifically about the Conflict of Interest Policy again. I want to say, small businesses support this project. But for us to be able to do that fully, we have to be able to participate.

I've had a history of communications with the HSR Legal Team and the Board. I sent a letter after my last communication at the February 1st Board meeting. I'd like to get that entered into the minutes if it hasn’t been already. But the response to my later was, basically, we share the same goal to permit integrity and transparency in competitiveness. And they want to ensure that we understand -- that they understand our perspective. And they're going to meet us to get some input.

While all of that is good, it’s only going to
help if it’s going to result in some changes to the implementation approach that is currently conflicting out the subcontractors under Jacobson Sinair (phonetic), as an example, where the prime has been conflicted out, and all subs, without consideration of their scope. I understand they may be working on this but we don’t have any evidence yet that any of that is going to change, so I'm concerned about that.

I'd like to talk about my concerns about the mitigation approach. As I say, small businesses under primes that have worked previously, I was expecting to hear from them, that small businesses under primes that have worked previously on contracts will either be conflicted out or they’ll work on mitigation or will take them on a case-by-case basis. I didn’t get any of that kind of a response to my letter, so there was no actually detailed response. It was a very vague and high-level response.

The policy talks about the importance of balancing goals to not unnecessarily restrict the pool of proposers. FTA guidance actually allows for conflicts to exist. It says, “When a recipient has done all that can reasonably” --

MR. RAMADAN: Fifteen seconds remaining.

MS. UDEN: -- “be done to avoid, neutralize or mitigate a real or apparent conflict of interest and it’s
still in the best interest of the recipient to proceed, they can do so if they document the decision.” This is FTA Best Practices Procurement Manual.

I would suggest that we take an approach that leans much more heavily --

MR. RAMADAN: Over the two-minute time limit.

MS. UDEN: -- on participation.

BOARD MEMBER SCHENK: Excuse me, Tom, could we allow Ms. Uden to finish her comments?

CHAIR RICHARDS: Yes, we are.

BOARD MEMBER SCHENK: Thank you.

CHAIR RICHARDS: We’re doing that.

BOARD MEMBER SCHENK: Thank you.

CHAIR RICHARDS: Thank you.

MS. UDEN: I would like to ask that we lean much more heavily on the side that allows participation, and also suggest a solution that might involve High-Speed Rail management and engineering staff in the mitigation discussions instead of making it the decision of a legal team with no right of appeal.

I'd like you to consider these issues in your votes on the RFQs today as I think this is all still in flux with no evidence that mitigations are going to work, and it’s going to impact a lot of small businesses if it goes forward as it is.
Thank you very much.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Paul Katchadourian.

Paul Katchadourian?

CHAIR RICHARDS: Good morning, Mr. Katchadourian.

MR. KATCHADOURIAN: Good morning. Thank you so much for the time. I'd like to address my support for the draft. And I would like to also speak on behalf of small business and disabled veteran-owned businesses. I'm both.

This project has allowed us to grow from -- since 2014, when we first got on it, from six employees as a small local restoration company to -- we're still a small business but we have 40 employees now.

And in our expansion, 85 percent of our employees that we have added have all come from the NEO (phonetic) program or from EDC programs, Second Chance where we've gotten people who are on public assistance, given them good jobs in the union, and it's worked out really good for us. It's worked out really good for these people with these opportunities. Some of them who were on public assistance prior are now homeowners and very successful and they're just doing a great job for me. And as this program funding expands and allows us to hire more, we're going to continue with reaching out to people who need jobs in these
capacities and give more opportunities to people who need help.

Not only that, this program has also allowed us to expand to the point where we’re increasing our bonding level to where we can -- it’s like a seed job, where we’re able to -- now we’re building police stations and fire stations, and part of schools in Fresno, health clinics. Our company would have never had those opportunities without the high-speed rail.

MR. RAMADAN: Fifteen seconds remaining.

MR. KATCHADOURIAN: I support the high-speed rail. It’s been a wonderful addition, California needs it, and it’s just the whole program has just worked out great for this small disabled veteran-owned business.

Thank you so much.

CHAIR RICHARDS: Thank you. And thanks for -- we’re happy to have you onboard.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Blair Beekman.

Blair Beekman?

CHAIR RICHARDS: Good morning, Mr. Beekman.

MR. BEEKMAN: Hi. Blair Beekman here. I spoke at the Finance Committee meeting this morning. Just kind of the same thing, what I said at that meeting. I’m new to the process. I’m trying to understand ideas of clarity for
the process.

I feel the light rail -- I mean, the light rail -- the high-speed rail from L.A. to Sacramento could still always be considered an important concept for ourselves. And I think in order to purchase land, either from Merced to Sacramento through Turlock or through Tracy, I think it presents an idea of just more open available land, especially if you're going through the Tracy area, and then into Stockton and into Sacramento.

It's from there, with easier land purchases, that you can consider the ideas of secondary BART tracks from Dublin into Tracy or, perhaps, secondary BART tracks from Antioch into Sacramento to consider light-rail help.

So I'm curious about the Tri-Valley rail system that's going around -- (ambulance siren in background) excuse me, there's an ambulance going on, very sorry.

So I'm curious about the Tri-Valley railroad system in the Dublin area right now. That system may be a redundant to what can be a feature of the high-speed rail into Tracy. It may be of some help but I thought I would just simply note it at this time openly to question.

And so I guess that's about all. I'm really going through the ideas of clarity.

MR. RAMADAN: Fifteen seconds remaining.

MR. BEEKMAN: Thank you. I'm really going
through the ideas of clarity, you know, for the future of
the system and a simplified efficient system for ourselves,
just looking how to address that.

Thank you.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, next up for public
comment, we have Beth Lamont.

Beth Lamont?

CHAIR RICHARDS: Ms. Lamont, welcome. Hello?

MR. RAMADAN: Beth, if you would like to provide
public comment, please un-mute your microphone.

MS. LAMONT: Hello?

CHAIR RICHARDS: Yes. Hi. We hear you now.

Welcome.

MS. LAMONT: Okay. Sorry about that. Thank you
for having me today. I just wanted to say, my name is
Elizabeth Lamont and I work for West Coast Drilling. We’re
a drilling contractor and we’re drilling the piers for the
supports for the high-speed rail. We’ve been on the
project through other contractors as a sub. And we’ve
recently started working directly with the High-Speed Rail.

And I just want to say, I really appreciate.

We’re a small business. We’re woman-owned. I’m Native
American. And this has been a great opportunity for us as
a small, growing company, especially in this construction
climate right now where there's so much more competition than we had 47 years ago when we started.

But I just appreciate that the High-Speed Rail has been diligent about awarding, you know, a larger percentage of their projects to minority-owned companies. We’ve been around a long time, so we also like to think that we perform very good work. And we have the equipment to kind of do something that other people can't do because of the nature of the battered piers.

But I've appreciated working with the small business advocates at the High-Speed Rail. Everybody that we’ve worked with, from Superintendents Carlos and Ali (phonetic), on the site have worked together with us and had great communication and, you know, have been a very large asset to our last few years in the industry.

And I just, basically, wanted to say thank you. And I appreciate the opportunity to be a part of this project. I think it’s a great project.

MR. RAMADAN: Fifteen seconds remaining.

MS. LAMONT: I can’t wait, personally, to be able to use it and not take that long drive.

Anyway, thank you so much.

CHAIR RICHARDS: And thank you.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Virgal Woolfolk.
Virgal Woolfolk?

CHAIR RICHARDS: Good morning, Mr. Woolfolk or Woolfolk. And I'm sure I massacred that.

MR. WOOLFOLK: Yes. Good morning. How are you?

CHAIR RICHARDS: Good, thank you, and welcome.

MR. WOOLFOLK: Thank you, sir. The reason I'm back again, I spoke last month about our inability to provide work on this project that we were awarded contract work on. And I'm listening to other comments and it seems that those companies that do construction have profited, but if you're in planning, design, engineering, those type of areas where the bigger companies get the majority of the work, we're not getting the work.

I contacted Staff, particularly Ms. Blair. She sent me back a notice that she would get back with me. She has not.

We have Sinair (phonetic) and Plans Work (phonetic). We've pretty much finished this project and we were left out of the project. We're a service, disabled veteran business, minority business. We've been highly recommended for this project but we're -- I mean, I started back working on this project in the legislature back in the '90s.

We are a good company. We work a lot with BART, L.A. Metro, Caltrans, I'm a former Caltrans employee, I
understand how this process works, but this system has failed us.

And what's really most hard about it is Staff's inability to reach out to us and explain or help us or assist. That's the biggest problem. You know, we're trying to find out why they don't keep us abreast of the project status, why we have not been called in for any meetings. How come we haven't been given a chance of finish up the project? I spent almost $700,000 starting this project up. I had to take loans. This impacted my company. I'm just now paying those loans off and I haven't gotten the work. This is really, really serious and it’s something that you guys really need to look into.

And the big thing is why isn't Sinair and Plans Work responding and making sure that we got the work that we were promised --

MR. RAMADAN: Fifteen seconds remaining.

MR. WOOLFOLK: -- signed contracts?

That's the whole issue, do what you said you were going to do. This was supposed to help small businesses. And unless you're doing construction, it does not.

That's my comment.

CHAIR RICHARDS: All right, sir. Thank you.

And I assume that we have his contact information, Mr. Secretary?
MR. RAMADAN: Correct.

CHAIR RICHARDS: Okay. Thank you.

MR. RAMADAN: Mr. Chair, next up for public comment, we have Matt Cremins.

Matt Cremins?

CHAIR RICHARDS: Good morning, Mr. Cremins.

MR. CREMINS: Thank you, Mr. Chairman and Members of the Board. Matt Cremins here on behalf of the California-Nevada Conference of Operating Engineers. We’re happy to be here today in support of agenda items four and five, which will star the process of procuring design work that we feel is crucial to the completion of this project.

Our organization has recognized the tremendous amount of progress made by the Authority over the past three years, including making major headway on a central design work, over tripling the number of structures under construction, and nearly doubling the miles of guideway that's been opened for work.

Given this progress and what it means for our members and our apprentices who are contributing to this project, we’d like to sincerely thank the Board for all their hard work. And we would sincerely appreciate your support of items four and give.

Thank you very much.

CHAIR RICHARDS: Thank you, sir.
MR. RAMADAN: Mr. Chairman, next up for public comment, we have Tate Baugh.

Tate Baugh?

CHAIR RICHARDS: Good morning, Ms. Baugh.

MR. BAUGH: Hi. It has been an honor for me to speak to this.

CHAIR RICHARDS: Tate, I'm sorry.

MR. BAUGH: Can you hear me?

CHAIR RICHARDS: Yes, I do. I stepped all over you. Welcome aboard, Mr. Baugh.

MR. BAUGH: All right. Hi. I'm making a public comment about -- regarding the high-speed rail stations, and I'm going to try to make it short, as quick as I can.

One, I heard there will be a bus route from the high-speed rail station in Bakersfield to somewhere in Southern California until the Phase 1 extension from Bakersfield to Anaheim opens. And I just trying to understand where exactly this bus route is going to end at in Southern California from the high-speed rail station in Bakersfield?

And two, I'm also trying to ask as a recommendation that there should be, also, a bus route that will provide passenger service from the high-speed rail station in Bakersfield to Mammoth Lakes because the Eastern Sierra Transit Public Authority provides service from
Mammoth Lakes from Southern California to weekdays only and it's not fair. And people who are in Mammoth Lakes may need to access to the high-speed rail station because I found out the purple route of the Eastern Sierra Transit Authority operates every day, including holidays, which includes year-round.

And then last but not least, which is number three, I'm also recommending there should also be a bus route that will provide service temporarily, which is seasonal, from the Merced high-speed rail station to Yosemite National Park from Thanksgiving Day through Easter Sunday.

And that is all I have.

CHAIR RICHARDS: Thank you, Mr. Baugh.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Joel Alonzo.

Joel Alonzo?

CHAIR RICHARDS: Good morning, Mr. Alonzo.

MR. ALONZO: Good morning. Thank you, Board, for taking the time. My name is Joel Alonzo, J-O-E-L A-L-O-N-Z-O, and I'm the Controller for G & J Heavy Haul, Inc. Our company is a company that's been providing trucking services throughout the -- throughout California over the last 16 years. We actually moved to the Central Valley because of our work with the High-Speed Rail. We
started that work clear back in 2017.

We have grown our staff as a result of the opportunity from just over 25 to just about 100 employees, so tremendous there for the employees in our area. In addition, we employ over 30 subcontractors to us during the busy portions that we have in our work.

We appreciate our growing relationship with our employment in our area. And we thank you very much for allowing us to participate. Thank you, again, for what you are doing for the state of California. And we look forward to a continued relationship in this area.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Margaret Jackson.

Margaret Jackson?

CHAIR RICHARDS: Good morning, Ms. Jackson.

MS. JACKSON: Good morning and thank you for the opportunity to share. And I'm Margaret Jackson, M-A-R-G-A-R-E-T, Jackson, J-A-C-K-S-O-N.

I'd like to first say that I'm in strong support of the high-speed rail project and the small businesses opportunities to procure and grow their businesses. I'm one of the newest members of the BAC (phonetic). I'm looking forward to collaborating more with the High-Speed Rail and really supporting our small businesses throughout
the state of California. I have a mass media background. My Chief, Katrina Blair, reached out to me in 2020 to consider the opportunity to be part of the BAC, and so I'm very excited to be able to do that this year.

And a little bit about my background. I have eight years with a small business development center, a Director of an SBDC center, and now a Regional Advisory for the NorCal (phonetic) SBDC, in addition to a radio show personality here in Silicon Valley (indiscernible). But my business goal is to support your agenda and supporting our small businesses and growing and getting them opportunities.

It has to be boots on the ground and I'm part of those boots on the ground and working with your outreach team with Chief Katrina Blair and Ashely Mitcheler (phonetic) and Damon Dorm (phonetic). I've already been able to get mass communication out. We've already been on air. I've been on air discussing and talking about the direction of the high-speed rail and the good work that's happening with small businesses procuring.

So again, I look forward to it. Thank you for the opportunity. And just keep up the good work. Small businesses really want the opportunity.

MR. RAMADAN: Fifteen seconds remaining.

MS. JACKSON: I'm done.
CHAIR RICHARDS: Thank you very much. Thanks for joining us.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Jonathan Powell.

Jonathan Powell?

MR. POWELL: Hi. I'm John --

CHAIR RICHARDS: Mr. Powell, welcome.

MR. POWELL: Hi. Yes. I'm Jonathan, J-O-N-A-T-H-A-N, Powell, P-O-W-E-L-L. I want to voice my support for high-speed rail. And I want to appreciate the work the Authority is doing by paving the way and brining high-speed trains to California as soon as possible.

With the Olympics currently going on in China, and thinking ahead to the L.A. Summer Olympics in 2028, has or could the Authority ask for state or federal funding to advance and build Burbank to Palmdale section by 2028, if that is a possible timeline for the Authority? Or has the Authority explored any other ideas to get support through Olympic preparations?

Thank you and keep up the great work.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Dillon Savory.

Dillon Savory?

CHAIR RICHARDS: Mr. Savory, good morning.
MR. SAVORY: Good morning, Mr. Chairman and Members of the Board. It’s good to be with you all. I'm the Executive Director of the Fresno-Madera-Tulare-Kings Central Labor Council. We represent approximately 50,000 workers in our four counties.

I just want to commend you all for the work that you're doing, the tough hard work in the face of criticism. I know that this project has been long overdue and it is -- it’s going to take a lot of work to get done.

I'm also here in agreement with my brother, Matt Cremins, to voice our support for the agenda items four and five. Please approve the release of the RFQs for Merced and Madera, as well as Fresno to Bakersfield. Again, keep in line, everything you're doing is great. There's obviously some concerns with some small business owners and we trust that you will get some of those things done, some of the other callers today, but ultimately, you're making great process.

I want to give a special shout out to Mr. Perea, as well as Mr. Arambula, for helping keep Fresno as the center point of the discussions and making this project happen here locally.

Thank you for your time.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, next up for public
comment, we have Jake Wood.

Jake Wood?

CHAIR RICHARDS: Good morning, Mr. Wood.

MR. WOOD: Good morning, Mr. Chairman and Members of the Board. First off, happy Thursday to you all, and thank you for letting me have the time. My name is Jake Wood, J-A-K-E W-O-O-D, and I'm on -- I'm here on behalf of the Operating Engineers Local 12.

Like my other brother said, I'm here in support for agenda items number four and five, which are crucial to the completion of this project. The progress that the Authority has made over the past three years is nothing short of amazing and encouraging for the future.

Our members and apprentices that have contributed to the project have almost completed 100 percent of the design work. And with that experience and training gained during this time, we will be moving forward more safely and efficiently with that knowledge, so we are ready to go. So with your approval of items four and five, we can keep this project moving forward and into the future.

So thank you again for your time. And, please, everybody stay safe.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Charles Lavery.
Charles Lavery?

CHAIR RICHARDS: Good morning, sir.

MR. LAVERY: Yeah. Good morning. Thank you guys all for your public service. I appreciate that. I am here on behalf of the Operating Engineers Local 3. I'm also a member of the Citizens Advisory Committee for the Transbay Terminal in San Francisco for the past six years. And I'm here to voice support for agenda items four and five, which are part of the procural [sic] processes that will be crucial to the completion of the project, this historic and climate-mitigation project.

We’re proud and encouraged by the progress you have made over the past three years, including completing almost 100 percent of the design work, and increasing the number of structures under construction from 19 to 66, doubling the number of miles of guideway open for work, and putting hundreds of operating engineers to work and thousands of Californians.

Given this progress and what it means for our members and apprentices, we’re proud to be here in strong support and would encourage your approvals of items four and five.

Thank you.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, next up for public
comment, we have Laura Robbins.

Laura Robbins?

CHAIR RICHARDS: Good morning, Ms. Robbins.

MS. ROBBINS: Good morning.

CHAIR RICHARDS: Welcome.

MS. ROBBINS: Good morning. Thank you. My name is Laura Robbins and I am part of S2 Engineering, a small business, construction management and materials testing firm based in Rancho Cucamonga, although there's five regional offices. S2 Engineering is actually a DBE and we’re working on Construction Package 4. And I wanted to say thank you because the High-Speed Rail Program has given us the opportunity to become part of this landmark project and we are humbled and honored to be contributing to the success of the program.

In my role as the Office Manager on CP 4 in Kern County, I can say I work with over 80 people, 14 different firms on this team, both large and small companies. And (indiscernible). Now there's two of us. And I've seen this being the case for several small businesses here and I want to say thank you because the way that the Authority promotes its DBE and Small Business Program has been wonderful for us and other firms.

Thank you.

CHAIR RICHARDS: Thank you, Ms. Robbins.
Mr. Ramadan: Mr. Chairman, next up for public comment, we have Darrin Williams.

Darrin Williams?

Chair Richards: Good morning, Mr. Williams.

Mr. Williams: Good morning. My name is Darrin Williams. I'm a Business Agent with the Operating Engineers Local 3. It's D-A-R-R-I-N W-I-L-L-I-A-M-S.

I come here today to voice how much I am in support of the high-speed rail. Specifically, I wish to highlight and point out agenda items four and five, the request for qualifications for the Merced to Madera Project section, as well as the Fresno to Bakersfield Project section.

In short and in closing, we should finish what we start.

Thank you.

Chair Richards: Thank you, sir.

Mr. Ramadan: Mr. Chairman, next up for public comment, we have Patrick Boileau.

Patrick Boileau?

Chair Richards: Mr. Boileau, welcome.

Mr. Boileau: Good afternoon. My name is Patrick Boileau, P-A-T-R-I-C-K B-O-I-L-E-A-U. I am the Deputy Protocol Director with the Operating Engineers Local 3. Wanted to just express general support for the project.
Thank you and all the other Board Members for all the diligent leadership you guys do with this project, and express support for agenda items four and five, the expansions into Madera and Bakersfield.

Thank you very much for your time.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Chris Snyder.

Chris Snyder?

CHAIR RICHARDS: Good morning.

MR. SNYDER: Good morning. Chris Snyder. I'm the Political Director for the Operating Engineers Local 3 out of Alameda. And we’re fully in support of agenda items four and five.

We have hundreds and hundreds of members out there, over 400 members out there, working as we speak. We’ve actually had apprentices come on, work the entire four years of their apprenticeship and journeyed out, and those folks are from the valley. They're from the areas that have desperately needed investment into an area that's traditionally not seen the types of investments that, you know, we see up here in the Bay Area or down in the L.A. Basin.

So I highly encourage you, urge you to support agenda items four and five. And I really thank you for
your service and your time this morning. And we’re here to support the project in any way we can, manpower, political action, boots on the ground and, you know, we’re given the next generation of folks in that area not only a job but a career.

So thank you.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Wyatt Meadows.

Wyatt Meadows, apologies for the mispronouncing.

CHAIR RICHARDS: Thank you, Mr. Meadows. Good morning.

MR. MEADOWS: Good morning, Mr. Chairman and Members of the Board. Not a problem. Yeah, it’s Wyatt Meadows, W-Y-A-T-T M-E-A-D-O-W-S. And I’m a District Representative out of Fresno for the Operating Engineers Local Union 3. And I’m here today to voice my support for agenda items four and five, as well.

You know, I’m a firm believer that we’re putting the right -- you know, we’re putting people to work, we’re getting people to -- you know, getting them to have a living wage, and we’re creating opportunities for people that wouldn’t have been there before. So I urge you guys to, please, complete what we started and let’s keep this thing going.
Thank you.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Debra Roak.

Debra Roak?

CHAIR RICHARDS: Good morning, Ms. Roak.

MS. ROAK: Well, good morning. You guys said my name correctly. That's an honor, very grateful to be here. Again, my name is Debra Roak. I'm a newly-appointed member of the California High-Speed Rail Business Advisory Council. And as a previous member of DGS Small Business Council, I'm very excited to work with the High-Speed Rail Authority to share my knowledge on best practices and how we advance small business initiatives on the DGS Council.

As a small business owner who has held government contracts, I understand many of the barriers in entering government contracting. My firm assists with small businesses navigating the many processes involved preparing to successfully bid government projects.

After reading the Small Business Newsletter on LinkedIn, I was inspired by many of the success stories and felt that I had something to contribute to this project. And through my relationships with the small business community, I want to bring more qualified businesses to the numerous opportunities that exist with the high-speed rail.
I am working forward -- I'm looking forward to serving on the Council and participating in the High-Speed Rail and advancing the program as I believe the program is a part of our core initiatives with my business, CRA Consultancy Group, and we lead with inclusion and diversity.

So with that, I want to tell you guys thank you. I'm very, very excited, again, to participate and help to be more inclusive and include some and help to solve some of these issues that these small businesses are having with the Council.

CHAIR RICHARDS: Thank you very much.

MS. ROAK: That's it.

CHAIR RICHARDS: Yes, thank you, and we’ll do that.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Jesus Vargas.

Jesus Vargas?

CHAIR RICHARDS: Good morning, Mr. Vargas.

MR. VARGAS: Good morning, Directors. I'm wishing you Happy Valentine’s Day. I truly appreciate Director Miller’s comments mentioned earlier and her commitment to collaborate with us and attend Business Advisory Council meetings. That's outstanding.

I'm excited to see the three RFQs that are ready
to be released, as well as (indiscernible) of the Draft Business Plan. I do want to point to keeping in mind Laura Uden’s comments, the Business Advisory Council’s comments, which I will not repeat, and some of the small business comments that we heard here today while we’re looking to refine these documents.

The Business Advisory comments are intended to promote the support for all high-speed rail programs as they get launched across the country and expand competition and offer improved participation for California businesses working on the California high-speed rail.

I love trains. I love high-speed rail. I have invested, done research of other active high-speed rail systems abroad to benefit my technical knowledge and that of the Authority’s, as well.

Please partner, look to partner, explore to partner with FTA or FHWA or FAA to develop and oversight program. They have operating facilities, not like the high-speed rail here now. They have PMO programs we could learn from that can keep us on track, all puns intended.

Keep in mind that our businesses are being seduced by many other public agencies that are flush with funds right now and have better small business practices. Use them as benchmarks.

MR. RAMADAN: Fifteen seconds remaining.
MS. VARGAS: Use them as benchmarks to make California high-speed rail better.

Thank you.

CHAIR RICHARDS: Thanks, Mr. Vargas.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Joe Giles.

Joe Giles?

CHAIR RICHARDS: Good morning, sir.

MR. GILES: Hey. Good afternoon, Members of the Board. Joe Giles, J-O-E G-I-L-E-S. I'm an Organizer for Operating Engineers Local 3 here in Fresno. And I support the agenda items four and five. And I'm fully in favor of the high-speed rail and looking forward to finishing what we started.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Regina Markos.

Regina Markos?

CHAIR RICHARDS: Welcome, Ms. Marcos.

MS. MARKOS: Hi. Thanks for letting me talk.

It’s Regina, R-E-G-I-N-A, Markos, M-A-R-K-O-S. I own Bubba’s Water Truck Service. We provide dust control (indiscernible) for DFJD and CP 1, 2 and 3. And we started, actually, our first timely -- or when we started working out there it was June 2019. We worked for a sub
for a little bit before, in 2018, and then we worked --
started working directly for DFJD. It’s been great for us.

We had one truck, one employee working part-time,
in June 2019. Now we’re up to ten trucks and 13 employees.
Not all of them are dust control. We do potable water, as
well, for the Drought Program, the state Drought Program.
And it’s just been great. Working with DFJD has been
great. It’s provided us a way to, even our employees that
aren’t Teamsters, to be able to provide them with
healthcare and starting retirements and, you know, just the
things that, you know, bigger companies can do to be able,
you know, to make their lives better.

Two of our employees, after two years working,
have bought homes. They had never owned a home before, so
that's pretty awesome.

And I mean, us, as a company, we’ve been able to
move, you know, into a shop and a yard and an office,
instead of working out of our home. And so, yeah, it’s
been wonderful and we appreciate the work.

That's it.

CHAIR RICHARDS: Thank you very much.

MR. RAMADAN: Mr. Chairman, next up for public
comment, we have Mitchell Bechtel.

Mitchell Bechtel?

CHAIR RICHARDS: Good morning, Mr. Bechtel.
MR. BECHTEL: Aloha Members. Again, my name is Mitchell Bechtel, that's B-E-C-H-T-E-L. I represent the District Council of Ironworkers. We're just calling in support of items four and five.

You know, the paradigm is shifting about rail and public transportation. And this is going to be a transformative project, not only for the residents that are working on it or the workers that are working on it, but also for the state as a whole; right? I mean, once we get this thing connected from L.A. to San Francisco, it's going to alleviate the environmental burdens, it's going to take cars off the road, you know, and it will be the first in the nation. This is a win-win for everyone and I urge you guys to support it and approve it today.

Thank you.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Mike West.

Mike West?

CHAIR RICHARDS: Good morning, Mr. West. Hello?

MR. WEST: Good morning.

CHAIR RICHARDS: Yes. Good morning.

MR. WEST: Mike West here, M-I-K-E W-E-S-T, and I'm calling on behalf for the nearly half-million members of the State Building and Construction Trades Council, here
in support of agenda items four and five.

We support the Authority moving forward with the advanced design contracts into the cities of Merced and Bakersfield. Let’s keep putting the men and women of the State Building Trades to work building our nation’s first high-speed rail.

Thank you.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Justin Barnard.

Justin Barnard?

CHAIR RICHARDS: Good morning, Mr. Barnard.

MR. BARNARD: Good morning. My name is Justin Barnard, J-U-S-T-I-N B-A-R-N-A-R-D, and I’m a Business Agent with the Operating Engineers, and I am here to support agenda items four and five. It’s a great project. It’s the right time to do it. Please, let’s finish what we started.

Thank you very much and have a great day.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Sandy Bergam.

Sandy Bergam?

CHAIR RICHARDS: Good morning, sir.

MS. BERGAM: Thank you, Chair Richards. My name is Sandy Bergam, S-A-N --
CHAIR RICHARDS: Sorry, Sandy.

MS. BERGAM: -- that’s all right, S-A-N-D-Y, B-E-R-G-A-M, and I’m the President of iWalk, Inc. I want to thank you all for your energy and commitment to California and the small businesses of Californians.

iWalk is a small, woman-owned business providing professional engineering, surveying, planning, and stormwater services to public and private sector clients. We hold Small Business and Small Business Public Work Certifications for the Department of General Services and Woman Business Enterprise Certifications for the CPUC Supplier Clearinghouse.

Working for California Rail Builders on Construction Package 4 in the southern San Joaquin Valley has provided iWalk with the ability to provide continuous employment to engineers, technical writers and office staff, and to introduce interns and entry-level engineers to large -- this large-scale construction and environmental permitting and compliance project.

As a business owner, I've had the assurance of consistent cash flow. And it’s enabled us to have modest growth in our numbers and major growth in hiring individuals who need flexible work schedules. We hire both men and women but many of whom, especially during the pandemic, needed time working remote schedules so that they
could manage their families and commitments of caring for children. And working in this environment has enabled us to grow and help those individuals.

The Business Team at CRB has both been knowledgeable and friendly --

MR. RAMADAN: Fifteen seconds remaining.

MS. BERGAM: -- and helped me to navigate the contract and insurance needs of a very complex project.

So thank you for what you're doing to enable small businesses to continue working on this project.

CHAIR RICHARDS: Thank you.

MR. RAMADAN: Mr. Chairman, I'm going to briefly go over the instructions, just to make sure everybody who wishes to provide public comment can.

If you're logged into this meeting via the Zoom application, please use the raise-your-hand feature, typically located at the bottom of your screen, so that I may call on you to provide your comment.

Mr. Chairman, we have up for public comment next, Keith Dunn.

Keith Dunn?

CHAIR RICHARDS: Good morning, sir.

MR. DUNN: Good morning, Chairman and Board Members. This is Keith Dunn with the Association for California High-Speed Trains. I'd like to thank you for
the opportunity to provide comment today in support of agenda items four and five.

   It’s very telling to hear all these small businesses that are desperately trying to maintain work with Authority to provide high-speed rail for California. There's no better way to meet that need and provide that to them than to move forward with agenda items four and five. This is a project that has supported the labor community throughout the state with generational opportunities to build upon the American dream.

   We encourage you to continue to move forward and to make sure that we’re funding this program in a timely manner to ensure that it’s built as soon as possible. Thank you for the opportunity to comment. And we look forward to continuing to work with you moving forward.

CHAIR RICHARDS: Thank you, sir.

MR. RAMADAN: Mr. Chairman, next up for public comment, we have Carlos Padilla.

Carlos Padilla?

CHAIR RICHARDS: Mr. Padilla, welcome.

MR. PADILLA: Good morning, Mr. Chairman, Members of the Board. My name is Carlos Padilla, C-A-R-L-O-S P-A-D-I-L-L-A. I'm a Business Representative for the Operating Engineers Local 3 here in Fresno. And I've been on this project since the beginning of CP 1 and I've seen
it start from ground level and just it’s excelled the last
couple years. It’s had great progress.

    I want to offer my support and ask for your
support to keep moving forward with all that you’ve done so
far and ask for your support to keep going with this
project, do not let it stop. I ask that you just help us
finish what we’ve started.

    I've seen firsthand, visiting this project once a
month, the members that have grown from apprenticeship from
journeymen, and all the businesses that have spoken, I've
seen them onsite. They’ve all grown and excelled at this
project. And I can see more coming and doing the same
thing with the future projects.

    Please, please, offer your support for items four
and five on today's agenda.

    Thank you so much.
CHAIR RICHARDS: Thank you, sir.

    MR. RAMADAN: Mr. Chairman, none of the attendees
have motioned to raise their hand and we have not had any
new attendees join since the instructions have been
provided.

    CHAIR RICHARDS: Thank you, Mr. Secretary.

    With that then, ladies and gentlemen, we will now
close the public comments and we’ll move into today's
agenda items.
Item number one, colleagues, is the consideration of the February 1st Board meeting minutes. Do we have a motion for approval?

BOARD MEMBER PEREA: Motion to approve.

CHAIR RICHARDS: Director Perea. And a second?

VICE CHAIR MILLER: Second.

CHAIR RICHARDS: Vice Chair Miller.

Please call the roll.

BOARD MEMBER ESCUTIA: Wait. Wait. Mr. Chairman, I raised my hand because I have a question.

CHAIR RICHARDS: Oh, I'm sorry. I didn’t see your hand, Martha. Go ahead.

BOARD MEMBER ESCUTIA: No. Thank you so much.

Basically, what I would just like to say is that the minutes do not really reflect the robustness of discussion that we had on conflict of interest on February the 1st. I spoke to Staff about this and, you know, I know it’s very hard for them to monitor a transcript and to, you know, I guess what they would consider the relevant parts of the discussion, you know?

But I think, you know, one thing that I learned is, to make it easier for Staff, and that is to ask questions but, at the same time, I'm going to demand answers to my questions. And if my questions don’t get answered, I'm just going to turn lawyer and say, strike the
answer as nonresponsive, we need an answer. Because I know that that would also make it easier for Staff, you know, to monitor this and to really highlight that as a discussion.

For example, you know, one of the questions that I asked was the fact that the term “unfair competitive advantage” is still really not clearly defined. And, in fact, I had a discussion with Alicia on, you know, how to define that and I really still don’t get clarity on that.

But most importantly, one thing that I find, and I did mention it in my comments, though the minutes are not reflected, so I hope, as you’re taking notes right now for the minutes for next week, that this comment that I’m going to make right now is clearly articulated in future minutes or, at least, you know, it deserves an amended minute, and that is that our conflict of interest policy is silent on the issue of timing of the decisions made by the Board staff, whether it’s the decision to decide who’s conflicted or not, whether it’s the decision to decide whether mitigation measures are adequate or not, that is silent.

And the reason why I think timing is critical and we should clarify it is because we don’t ever want to, by our inaction, we do not ever want to harm competitors in terms of having time for them to form their teams.

So I feel I’m going to abstain on this question of the minutes for the reason I just articulated.
Thank you, Mr. Chairman.

CHAIR RICHARDS: Thank you, Director Escutia.

All right, we do have a motion and a second.

Secretary, please call the roll.

MR. RAMADAN: Director Schenk?

BOARD MEMBER SCHENK: Yes.

MR. RAMADAN: Chair Richards?

CHAIR RICHARDS: Yes.

MR. RAMADAN: Director Camacho?

BOARD MEMBER CAMACHO: I will abstain for the same reason that Martha abstained.

MR. RAMADAN: Vice Chair Miller?

VICE CHAIR MILLER: Yes.

MR. RAMADAN: Director Perea?

BOARD MEMBER Perea: Yes.

MR. RAMADAN: Director Ghielmetti?

BOARD MEMBER GHIELMETTI: Abstain. I was not at the meeting.

MR. RAMADAN: Director Williams?

BOARD MEMBER WILLIAMS: Aye.

MR. RAMADAN: Director Pena? I believe you're muted, Director.

BOARD MEMBER PENA: I'm going to abstain for the same reasons.

CHAIR RICHARDS: Okay. Thank you.
MR. RAMADAN: Mr. Chairman, the motion carries.

CHAIR RICHARDS: Okay. Thank you.

Let me just ask a quick question to Director Escutia.

BOARD MEMBER ESCUTIA: Yes, sir?

CHAIR RICHARDS: Yes. I just -- I'm not sure I heard correctly, Martha. You’ve talked with Staff and did you say that they were preparing an amendment to the minutes or I wasn’t clear what you said or meant then?

BOARD MEMBER ESCUTIA: They said that they were going to go back and look into the transcript, you know? But I do understand that, you know, Staff is very busy. And now that -- when I spoke to Staff and they said that, you know, if there's a question and an answer that, obviously, that would be recorded. Well then, obviously, that makes the burden on me, you know, to frame my concerns in a question and answer format.

But, however, in these type of discussions, especially in teasing out the nuances, it goes beyond a question and answer, but many times it involved colored commentary, a commentary that puts -- the thing that puts the question into context. And I think that, obviously, the minutes do not reflect that.

I think that we should also put a link to the video or a link to the transcript so that it’s more
accessible for the public.

But I just don’t, as I told you, Mr. Chairman, I don’t want people ten years from now to go back into the record and say, oh, my god, Martha Escutia was asleep at the wheel. I’m never asleep at the wheel. You may not agree with me all the time, you know, but I do try to do my homework a bit, you know, in advance of these meetings. And I’m just trying to be helpful in terms of how do we really, you know, say, for example, having minutes that reflect the true complexity of the discussion that we had on conflict of interest. And, frankly, that meeting did not do the subject matter of conflict of interest any justice.

CHAIR RICHARDS: Okay.

BOARD MEMBER ESCUTIA: You know, I still have a lot of questions outstanding.

CHAIR RICHARDS: Okay. All right. Thank you very much.

BOARD MEMBER SCHENK: May I make a comment, Tom?

CHAIR RICHARDS: Yeah. Sure.

BOARD MEMBER SCHENK: Thank you. As the veteran of many, many corporate board meetings and minutes, I think what we need to do is have an understanding of what is the role of the minutes. I mean, we don’t have to record every detail. It’s the idea to have information that led to the
determination of a decision, you know, generally what was discussed, who suggested it, whether Martha or whatever, and then who on Staff is responsible for the follow-up.

But the idea of having a link so that people can access the whole record, I think that's fine, but minutes, generally speaking, are not a word-for-word record of what happened. That's what we have in our recording.

So I think what maybe it would help if we can all get something presented to us on what our record -- what our minutes should reflect, some things that we agree to, and that we all start from the same basis of what minutes should record. Because, you know, I just come down a little bit differently about how in depth minutes should be when there is, in fact, a record and a video and whatever, which certainly should be made available very transparently to the public.

And then, of course, minutes should always reflect what decisions, what votes, and how the votes were taken.


MS. FOWLER: Chair Richards, the Legal Team would be happy to provide what Director Schenk has asked for the whole Board and we can --

CHAIR RICHARDS: Yes. Okay.

MS. FOWLER: -- take direction from you from
there.

CHAIR RICHARDS: All right. Thank you, Alicia.

And I do think, Martha, as I said to you, also, I think that just noting the link in our minutes for people to realize that they’ve got the link and they can go to the link to get a complete detail of it.

But I'll look forward to what you're working on, Ms. Fowler.

BOARD MEMBER SCHENK: Alicia, if we could get that in draft form so that everybody can comment back? And that way we can come to some consensus of what our minutes should reflect.

CHAIR RICHARDS: Agreed.

MS. FOWLER: Okay. Great.

CHAIR RICHARDS: Thank you. All right. Thank you. Thank you, Martha.

Yes?

BOARD MEMBER CAMACHO: Tom, once quick comment.

CHAIR RICHARDS: Sure.

BOARD MEMBER CAMACHO: You know, I've read and I've heard this over and over again, you know, history books and the history of events and they’ve noted this, that if it’s not in writing, it didn’t happen. And so that's how we piece together education.

So I think that what Martha was suggesting at
least should capture the essence of the discussion and I don’t think that the minutes have done that.

   So I do agree, Lynn, with what you’re saying, but I also agree with Martha that -- and I believe that I've heard this enough, if it’s not in print, it didn’t happen or it wasn’t said.

   So I get concerned that the minutes don’t reflect that.

   MR. KELLY: Mr. Chairman?

   CHAIR RICHARDS: Yes, please, go ahead.

   MR. KELLY: I just want to be clear on a couple of points for the Board's edification.

   The first is Martha did contact us about issues with the minutes, or what she thought was -- may have been omitted from the minutes. I had a conversation with Staff on that issue. We talked about whether there needed to be an amended set of minutes before the Board. But to Martha’s credit, I think recognizing the busyness of Staff, said we did not have to in this case.

   But I also want to be clear with the Board Members that, for every one of our meetings, not only is the full video of the meeting available online on our website but, also, full written transcripts of our meetings are put together, and so whatever we have to do to link to those. But to speak to the issue of things being written,
formal written transcripts of the entirety of our meetings are done and we can make those available either publicly or to Board Members. And those are separate from the minutes which are, you know, generally high-level summary expressions of the conversation.

So I want to defer to Alicia on making sure the minutes capture the things that are important to the Board Members. But I also just want to reiterate the Board Members that full written transcripts and video links are available for the entirety of the meetings.

CHAIR RICHARDS: Okay. Thank you, Brian. Thank you, all.

Okay, Alicia, we’ll look forward to your responses then.

Moving on to agenda item number two is the Economic Impact Analysis.

MR. BOUGHTON: Thank you, Chairman Richards and Board Members. Today I'm going to go over the 2021 Economic Impact Analysis.

So this new analysis shows the continued progress of the nation’s first high-speed rail project as a strong economic driver. The Authority is proud of the work the project is doing to help disadvantaged communities, for women and men to work throughout the state, and to create vast opportunities for small businesses. So the numbers in
this economic analysis that I'll present to you will help prove this.

Next slide, please.

So since 2017, the Authority has annually produced this Economic Impact Analysis Report which measures the impacts of the planning and construction of the high-speed rail system. We've analyzed all the fiscal year data since July 2006 all the way up until June of 2021. So this report that we're going over today captures the 2021 fiscal year.

Next slide.

Now we have three main indicators that we that we capture each year? The first is job years, which are the equivalent number of one-year-long full-time jobs for that project. So for example, one employee over five years equals five job years, same as five employees working for one year would also equal five job years, or ten half-time employees working for one year equals five job years. And this is different from the jobs created number that we tout as 7,300 right now. And that job years takes into account time frames, as well.

The next indicator is labor income which includes all forms of employment income, including compensation, wages, benefits and payroll taxes that firms or the High-Speed Rail pays to its employees plus income earned by
self-employed workers or unincorporated sole proprietors.

And the final number, the large number, is the economic output, which is an estimated value of all economic activity taking place as a result of High-Speed Rail expenditures. So the dollar invested in High-Speed Rail sparked several activities, in addition to labor income, such as the purchase of goods and services (indiscernible) from those activities. So that's, essentially, kind of like the Authority’s benefit to for the TGP of the state.

Next slide.

So how the economic impacts are calculated are an accumulation of the economic effects, so there's three different effects that are taken into account. They're basically the ripple effects of the economy.

So the first effect is the direct effect which is, essentially, generated by direct spending from the Authority on the project, whether in the form of to our contractors or vendors or to our employees.

Then you have indirect effects which are the next step in the supply chain.

MR. BOUGHTON: So these impacts are disbursed among the industries that supply intermediate business services, firms with direct impacts. So for example, if we
pay our design-build contractors and they purchase concrete or steel supplies, that's an indirect effect.

Then finally you have induced effects that result from an income earned by direct and indirect employees who spend elsewhere in the economy. So for example, the High-Speed Rail employees get paid by the High-Speed Rail and they use that, their salaries, to purchase housing or groceries or retail, whatnot, and that's an example of the indirect effects.

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So for this analysis, we review the contact level, the historical invoice data, for the last three fiscal years to determine project spending by activity and geography. That's a main point of this analysis is assigning our expenditures and our impacts where the expenditures occurred, so by the geography, not just by the project statement. So we utilize an industry standard economic model, in this case IMPLAN, to apply our economic multipliers to spending in order to determine those direct, indirect, and induced benefits to local and regional and the statewide economies. And we've been doing this report very similarly since 2017. And since then, we've had our peer review, our methodologies and our outputs, and those include University of the Pacific, Kern (phonetic) Finance and Department of Labor, and our Peer Review Group. We've
all gotten positive feedback from them, so we continue to
tap their support. And the 2021 analysis follows the same
methodology.

Next slide.

So since July of 2006 up until June 2021, the
program has expended $8.5 billion, so this is our primary
input number used to calculate the economic benefits for.

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So the first impact that we’ll go over today is
job years. Again, job years is equivalent to the number of
one-year-long full-time jobs supported by a project. So
since 2006, we've calculated 70,500 job years supported by
this project. And last year alone, that's over 10,000 job
years supported by this project alone.

Next slide.

This chart here shows the job years impact over
time. Each year, they kind of -- they’ve been steadily
increasing. This last fiscal year, we’ve had a record
number of jobs supported, like I said, over 70,000 job
years for this job -- or for this project.

Next slide.

So the next indicator is labor income which,
again, includes all forms of employment income, like your
wages, your benefits, and payroll taxes. And that has an
impact of $5.2 billion with over $840 million in last
fiscal year alone.  
  
Next slide.  
  
And so this chart shows the labor income impacts over time, as well. Again, last year was a record so far of $840 million with labor income impacts to a total of $5.2 billion for this project so far.  
  
Next slide.  
  
And final indicator is the economic output. And this represents total contribution the program has made to the gross domestic product, or GDP, in California, and that's what we call the economic value add, so that's a large number, $13.7 billion. So again, we invested $8.5 billion into this project and the economy and we, basically, are impactful and get back $13.7 billion of economic activity. So last year alone was $2.2 billion of economic output.  
  
Next slide.  
  
And this discharge here shows the economic output over time. Again, last year was a record so far for us, $2.23 billion of economic output to get to us about $13.7 billion for this project to date -- or as of June 2021.  
  
Next slide.  
  
So this page here really shows one of the benefits of this analysis, which is where we captured the data. We assigned the data by where it’s expended, not
just by where the contract is located. So for example, if our design-builders (indiscernible) in Central Valley, they might have subcontractors that are based in, say, L.A. area, so we assign those expenditures and those economic benefits to the zip codes and to the regions that they are located in, so we capture where these impacts are felt throughout the state, not just, again, not just where the contracts are based out of.

So, obviously, the Central Valley is still the main driver of this project, so there's a calculated impact of $5.4 billion of economic output to date. And then we've got, next up, it's Sacramento area where the authority is headquartered at $2.1 billion of economic output. Then you have Southern California, which is $1.8 billion of economic output calculated. And then, finally, the Bay Area with $1.4 billion of economic output calculated.

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So this year we did a little bit different inclusion in this analysis. We used projections for each of the project segments. So this will include dollars already spent and then projected budgets to construction completion. So we measured or calculated each segment to come up with these totals. So for the Central Valley, for example, we calculated and estimated 230,000 (phonetic) job years through completion of construction with $21.2 billion
of economic output.

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We also have Northern California. We estimate 142,000 job years with $30.4 billion in economic output through construction completion.

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And finally, Southern California, an estimated 321,000 job years with over $70 billion of economic output that we calculated.

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And then to sum it up, we have more by regions. And so the Central Valley, an estimated $41 billion of economic output. Total for valley-to-valley, which is inclusive of the Central Valley, of almost $70 billion of economic output. And finally, for all Phase 1 of this project, we estimate 666,000 job years and a total of $142.3 billion of economic output.

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So that pretty much wraps up the analysis. The benefits of this investment on this project continue throughout the economy, particularly in the Central Valley where over half of the project’s investment is incurred in disadvantaged communities. And we further support equity through our job training programs. We generated $5.4 billion of economic activity in the Central Valley alone,
which was an area that was, obviously, really hard hit by the last Great Recession.

   And just for example, in Fresno alone, we’ve helped to decrease the unemployment rate from a high of 17 percent in 2010 to 8.3 percent in 2021. So again, the investment in this project is felt throughout the state, especially in the hard-hit areas.

   And final slide.

   Here’s a link to a couple of our supporting documents. We have the Technical Supporting Document, which is the full-on memo that describes our methodologies and outputs that we do each year for this report, and that’s located on our website. We also have a two-page fax sheet that you can view and look at that shows these numbers in kind of an easy-to-digest format. Then finally, we have a full webpage dedicated to the economic activity and that’s -- you can link to it through our hsr.ca.gov website.

   Any questions?

   VICE CHAIR MILLER: I don’t have a question but thank you for that. It was informative. Appreciate it.

   MR. BOUGHTON: Thank you.

   CHAIR RICHARDS: Thank you, Vice Chair Miller.

   Any questions at all for the presentation and for Derek?
Derek, good job. Thank you very much.

MR. BOUGHTON: Thank you.

CHAIR RICHARDS: All right, Members, we will now move on to items three, four and five, obviously, one at a time. I'd just like to make a couple of quick comments before we move forward on this, just for your consideration.

With regards to all of these three agenda items, as you know, these are all requests for qualification, the first being the program delivery support services which is, comparatively with the three, it’s obviously the most expansive in terms of scope. And the other two are certainly more limited, the Merced to Madera design, as well as the -- in the Bakersfield-Fresno EIR, but the locally generated alternative for Bakersfield, those are certainly more specific.

So what I want you to just consider, first of all, I certainly support moving forward with all three. What I'm concerned about is if we’re going to have, probably, the area in which there might be the larger number of disqualifications -- of qualifications for conflicts of interest, it would likely be in the project delivery services contract, which we would assume that there would be a large number of small businesses who are tying themselves or trying to be tied to teams proposing on
the -- on that RFQ.

So if they get conflicted, not necessarily because of them but, perhaps, because of the team they're on, by the time that they’ve determined -- they’ve been able to determine they're conflicted there may not be an opportunity for them to participate on either four or five, which probably would have a lesser likelihood in general for a conflict.

And in keeping with our strong interest in having as large a small business participation as possible on all of the work that we do, one way that we could mitigate that lack of potential opportunity because of, frankly, running out of time to more or less, as Brian would say, to pivot in a different direction onto either -- either to four or five or both of them, they would just simply be out of luck in terms of responding to a different alternative. And this obviously makes -- is based upon a determination by the Authority that their team has a conflict, let's say, in that PDS RFQ.

I think a way that we can deal with this and provide that probability of having the alternative to taking a look at four or five and, perhaps, finding a team there would be to consider the following in our action today, and that would be to approve all three, if you're so inclined, but to delay the actual release of four and five
for 30 days, which then, during that 30-day period, anybody who’s conflicted out of being -- of participating in the PDS contract would have an opportunity to find a new team on four and/or five.

If we release them all at the same time, then by the -- because this is all professional services that we’re talking about, if we release them at the same time, by the time that they find out they're conflicted or disqualified from the PDS, teams will have already been being formed or formed already for four and five.

So the idea is to try to provide those teams who are disqualified on one to have an opportunity to still find a way to participate in four or five. It increases the size of our proposal pool. And I think it really has a huge benefit, especially for small business who don’t have some of the resources to make quick changes and incur costs that they don’t have the funds to provide for.

So that's making it as simplistic as I can make it but I do think it’s worthy of our consideration. And I think the result is a very strong benefit for small business and, frankly, for anybody who gets conflicted on the PDF -- or PDS RFQ, for whatever the reason the determination was made that there was a conflict, that there's still an opportunity to stay in the pool that we want to keep as large as possible that will be then, also,
responding to either one of the other or both of the other two RFQs.

So those -- that's the comment or the long comment I wanted to make to you and ask you to keep that in mind as we move through items three, four and five and consider, especially, the idea of approving all three, releasing the item number three, the program delivery one, and holding the other two for 30 days.

So, yes, Director Camacho?

BOARD MEMBER CAMACHO: Yeah. Does that -- the PDS RFQ that we would be voting on, will then we be assured from Staff that we will get a determination within the next week, or whatever period of time, so that it releases those firms in the event there is a conflict?

CHAIR RICHARDS: You know, I think that that's what the goal will be. And I would say that anybody who is responding to PDS RFQ, if they have any concerns or anyone has any concerns about a conflict of interest, they should notify the Authority as early as possible within that 30-day period with the intent that by the -- before the end of the 30 days, or certainly not before the -- well, before the end of it, that they will have then notified us as to whether or not they have a conflict so that they are able to move -- they're able to have an equal footing on either one of the other two, which will not have been released for
that 30-day period.

And as you all know, when the RFQ is released is what really starts a lot of the work and the interaction with the Authority with regards to questions, with regards to meetings that the Authority will be holding with respondents to the PDS RFQ. And there will be none of that occurring on the other two in that interim period because the RFQ had not been released and that's what triggers our ability to move forward on the procurement. We first, obviously, have to release it.

So we will have approved it, we’re just -- would consider we would be providing a 30-day delay on four and five.

MS. FOWLER: If I may, Board Chair, just to --
CHAIR RICHARDS: Yes. Hi.
MS. FOWLER: -- make sure I understand -- or to respond to Board Member Camacho’s inquiry?
CHAIR RICHARDS: Sure.
MS. FOWLER: This wonderfully robust dialogue has actually brought in quite a few conflict requests, which I think is good. I think everybody is hearing this and they understand the process. We are working through them as quickly as we can. Certainly, the ones in hand, you know, we can absolutely have those done in the next, I'd say, two weeks, as long as everybody has been very responsive so
far, and they have been, getting back to us if we need more
information. But I just have a feeling this discussion
today will also generate more.

And so we can absolutely promise to, you know,
get these out as quickly as we can. But I can assure you,
you know, as more flow in we’re going to need a little bit
more time to get to them as they come in. And to Board
Chair Richards’s point, they may keep coming in, even after
the RFQ gets out, but we will keep working very diligently.

CHAIR RICHARDS: So everybody -- I think, Ernie,
that people need to be encouraged. They're listening to
us, certainly, and the staff and management will reassert
the importance of notifying us as quickly as possible. If
it looks like we’ve got a problem in responding timely,
then that's something that I'm sure that our Chief Counsel
will discussion with management and we’ll come up with what
do we need to do in order to get the answers out?

One of the things that are really critical for
people to understand is if -- they need to provide all the
information in order to allow Alicia’s department to make a
determination. And so if there's a request for
information, they need to respond as quickly as possible.
And I think that what we do is we see what this generates.

But the key to this is to keep as many people
qualified in the pool to produce as large a response in
terms of numbers of alternatives and numbers of people participating in our RFQ process. We wouldn’t have this situation if we only had one RFQ coming out right now but we’ve got all three of them. And the one that we, I think, will generate a large number of subcontractors under the teams is likely to be the project delivery services RFQ.

MR. KELLY: Mr. Chairman?

CHAIR RICHARDS: Uh-huh. Yes, Brian?

MR. KELLY: No, I just, as you consider this, I just wanted to comment on one other thing that I think is important. Typically it’s the -- I mean, this is not the first RFQ we’ve done. And we’ve applied conflict of interest review to all RFQs before.

As we talked about on February 1st, we've had 67 inquiries. In 52 or 53 of them we’ve said you're eligible to participate, including, sometimes, with mitigation measures. That's an 80 percent participation rate. And some people are conflicted, and in 20 percent of the cases, we found that to be the case.

But I do want to say, in the schedule, which I think is important, about the PDS, we would issue the RFQ as early as tomorrow because -- assuming the Board’s approval, but we’ve built in a 12-week period, which is an extensive period, before the SOQs are actually due. And I say that because in between the issuance and that time, we
will have a pre-bid conference with businesses, including small businesses, on how we will interact on this issue, answer any questions, other questions about this that they can’t ask unless the RFQ is issued. And so we’ll have a pre-bid workshop and conference with them in March and will -- and any conflict -- or questions that come in, as Alicia said, we’ll endeavor to move quickly so that everybody is notified where they are.

And I think I'd just say that the timing issue of the other one might allow those who are -- who have some kind of a conflict to be responsive to the second or third RFQ that comes down the line.

But I want to make sure that the schedule issue is understood because all of our RFQ processes build in the opportunity for this kind of review, this kind of communication and, ultimately, a resolution of the issues. And so in that regard, nothing’s new here.

CHAIR RICHARDS: Yeah. Thanks Brian.

MR. KELLY: Thank you.

CHAIR RICHARDS: Yes, Martha?

BOARD MEMBER ESCUTIA: Okay. Thank you, Mr. Chairman.

You know, this discussion in timing in terms of the timing of the decision making of our internal staff, what we’re doing right now is exactly my concern that we’re
developing this policy, basically, on the fly right now. And, frankly, this issue of timing should be reflected in the actual Conflict of Interest Policy.

I am very concerned about the timing. I'm hoping that this delay of release of it for 30 days will be enough for Alicia to make decisions. And we really need to get a very good sense, basically, if Alicia has enough staff to make that decision, you know?

So I'm very concerned that maybe, perhaps, you know, in trying to push this RFQ forward that we don't have enough time and staffing for staff, you know, to make the proper decision in a timely manner.

Obviously, I would love for this policy on timing of decision making to be reflected in the actual Conflict of Interest Policy but I'm glad that we're having the discussion right now.

Second of all, and please excuse my ignorance, I don't understand these transportation projects and their -- I mean, how do they even come together? So, obviously, the first thing is the RFQ, which to me, in Olympic term, both are qualifying trials, you know? They all, you know, qualify and then whoever gets top three gets to go to the final.

So after the RFQ is released and people come back with their responses, that pool of people of the RFQs, will
then those be the people that would qualify to submit a bid for an RFP, a request for proposal? Because I'm assuming that after an RFQ an RFP follows; is that true or not true?

CHAIR RICHARDS: Not on professional services, it's just an RFQ.

MR. KELLY: Not on A&E contracts.

BOARD MEMBER ESCUTIA: What's A&E?

CHAIR RICHARDS: On professional services, it's just an RFQ.

MR. KELLY: Architecture and engineering --

CHAIR RICHARDS: Yeah.

MR. KELLY: -- contracts. And in this case, remember, this is -- these contracts are for what's called, as Tom said, professional services. And typically the way that we execute those here and other agencies do is, through the RFQ process, there is first a call for qualifications. Those qualifications are reviewed by a review team here at the management level and, sometimes, with the benefit of outside help, as well. We review those and they are scored.

And then once they're -- once you score them and have them an order of the top three or four, depending on how many solicitations you get, we then go through an interview process. And we have an interview process on -- with that, which is all laid out in the RFQ itself, it's in
the background memo, and it will be in the PowerPoint, if we can get to it, that Darin will go through on how we go through that process.

And then we do a full scoring through presentation against all of the metric that we laid out in the RFQ. And then we come back to the Board, to me, and then ultimately to the Board for a recommendation on that scoring and who we recommend to go forward with that. And all the scores are available, as well.

BOARD MEMBER ESCUTIA: All right. So Brian --

MR. KELLY: So we’ll get back to you on that.

BOARD MEMBER ESCUTIA: Okay. So Brian, help me, help me understand.

MR. KELLY: Yeah.

BOARD MEMBER ESCUTIA: So then, you know, for these professional services contracts, it’s basically the RFQ that's the only, you know, thing that matters. But that's an RFQ that, if we vote on it today and it’s going to be, say, delayed for 30 days, that means that -- I just want to make sure that whoever is conflicted right now gets a chance to apply for this RFQ four and five.

CHAIR RICHARDS: That's why I'm --

MR. KELLY: Yeah. So --

CHAIR RICHARDS: -- that's why I'm --

MR. KELLY: -- so, yeah, I want to -- just a
couple of things. I hope it’s clear.

BOARD MEMBER ESCUTIA: Do we have enough time?

MR. KELLY: Yeah. I mean, I'm trying to be -- I hope to clarify this here. But if they are found to have a conflict on the PDS, that does not mean they cannot, anybody who’s found to have a conflict, cannot apply or participate in the other one --

BOARD MEMBER ESCUTIA: Okay.

MR. KELLY: -- and so they have an ability to do that.

What I would say to the Board is we are mindful of this. We also -- everybody wants a competitive, vibrant process. And so we built into our schedule on the first one, which would not be delayed, the PDS thing, we would move immediately. But we built in a 12-week timeline before the SOQs come in so that people can work through any of the conflict issues they have. And, actually, we put the draft out early so people can start asking our counsel about those issues and make some preliminary determinations.

But we're going through that process. Those decisions are being rendered. Guidelines, our guidance, is being developed. And we built in and we’ll have a workshop that's in our schedule with industry and small business. And the SOQs are not due for 12 week after we release this.
BOARD MEMBER ESCUTIA: Okay.

MR. KELLY: And so they’ll all know where they stand.

Now if they are conflicted here, they are still eligible to repeat in -- to compete in the other two. And what Tom is proposing is we don’t lay out the RFQ for the other two immediately while this one is out. We hold those for a 30-day period and we push all of that schedule back for 30 days. And that schedule has built into it all of the same things we have for this one --

BOARD MEMBER ESCUTIA: Right. Okay.

MR. KELLY: -- to --

BOARD MEMBER ESCUTIA: -- Now on the PDS, which is like the big contract --

MR. KELLY: Yeah.

BOARD MEMBER ESCUTIA: -- will that RFQ require an RFP?

MR. KELLY: No --

BOARD MEMBER CAMACHO: No.

MR. KELLY: -- because, generally, A&E contracts do not.

BOARD MEMBER ESCUTIA: No, I'm talking about the program --

MR. KELLY: Yeah.

BOARD MEMBER ESCUTIA: -- the --
CHAIR RICHARDS: No, there's no RFP.

MR. KELLY: There's no RFP.

BOARD MEMBER ESCUTIA: So for all these RFQs there is not going to be an RFP?

MR. KELLY: Not on these type of contracts, that's correct.

BOARD MEMBER ESCUTIA: All right. Okay.

BOARD MEMBER CAMACHO: So the -- it will be substituted by the interview process, in a sense?

MR. KELLY: Yes, because what we're after here on these kind of contracts more than anything else is qualifications --

BOARD MEMBER CAMACHO: Yeah.

MR. KELLY: -- is qualified expertise to give us the services that we're looking for. And so it is very common across the board in agencies, in transportation circles, for these kind of contracts to be qualifications-focused, and that's what we are doing here.

Now I will say to you that we will go through a review process. Some will be invited back to present based on an initial scoring. The final scores will be presented and a recommendation will be made to the Board to, ultimately, execute. And all the scores will be made available. And so that's how we do this going forward.

BOARD MEMBER ESCUTIA: Okay. May I ask a
question of Counsel, of Alicia Fowler?

Alicia, do you have the staffing necessary to make these decisions on conflicts pretty quickly with a quick turnaround?

MS. FOWLER: I appreciate the question, Board Member Escutia, and I do feel that I do, a pretty amazing and dedicated team. You met a few of them earlier in the month and there's more behind them.

Now that we have the scope of work completely determined, it really has been moving much more quickly, and so I do feel I have the staff I need. But I really appreciate the inquiry.

BOARD MEMBER ESCUTIA: Obviously, I still want to have, with you, a discussion on Conflict of Interest Policy. That policy is still ambiguous. But I just want to make sure because, you know, a lot of the -- we're being asked to vote on something on certain assumptions, you know? But after hearing from Tom in terms of this 30-day delay, in addition to the 12 weeks that Brian is talking about that's already built into it, you know, I mean, I would think that's enough time, you know, for you, on a concurrent track --


BOARD MEMBER ESCUTIA: -- on a parallel track to make your conflict determinations. And if for some reason
you feel that you can't do it, please let us know, you
know? Because, you know, I think new are here as Board --
as a Board to make sure that Staff is not overwhelmed and
gets the resources that they need.

MS. FOWLER: I appreciate that. Thank you.

BOARD MEMBER CAMACHO: Well --

CHAIR RICHARDS: Thank you, Martha.

Ernie?

BOARD MEMBER CAMACHO: Yeah. Many -- maybe this
is directed towards Alicia, but many of the large agencies
not only use legal staff but they use legal staff for the
conflict issue, but the mitigation issue is usually
determined by the engineering staff or the operations
staff. Is that what we’re doing here, as well?

MS. FOWLER: We are working with them. We
absolutely don’t want to make those sort of determinations
in a vacuum. We sit down with the folks who will be
actually handling the contract to make sure, you know, we
understand from not just the proposers side but, also, from
the internal folks here what would work, so, yes.

BOARD MEMBER CAMACHO: Oh, good.

MS. FOWLER: Thank you.

BOARD MEMBER CAMACHO: But I just wanted the
Board to realize that it’s not all just the legal staff
that is doing -- you may be doing the conflict issue but
the mitigation issue, many times, is handled by engineering
and/or operations.

MS. FOWLER: We work them in, absolutely.
BOARD MEMBER CAMACHO: Thank you.
CHAIR RICHARDS: Thank you, Ernie.

Any other questions?
BOARD MEMBER PENA: Yeah, I have --
VICE CHAIR MILLER: I've got --
BOARD MEMBER PENA: -- a question. Oh, sorry.
VICE CHAIR MILLER: Go ahead.
CHAIR RICHARDS: Yes, Margaret.
BOARD MEMBER PENA: I have a question for Alicia.
Do people -- do you -- when you -- when we issue
these proposals does it -- do you indicate right up front
that people can come to you with a potential conflict of
interest issue?

MS. FOWLER: Yes. In the presentations that have
been done thus far, and in the documentation and the new
presentations, they always give them the email site and the
phone number to reach out to us on these.

BOARD MEMBER PENA: Okay. Okay. So they have
that right up front?
MS. FOWLER: Yes.
BOARD MEMBER PENA: Okay.

CHAIR RICHARDS: Thank you.
BOARD MEMBER PENA: Thank you.

CHAIR RICHARDS: Any other questions or comments?

VICE CHAIR MILLER: I have one if --

CHAIR RICHARDS: Yes, Vice Chair Miller.

VICE CHAIR MILLER: I'm just wondering if it's possible, and when we get to the actual motion, if we can add some of these points into our resolution as policy directives, right, because we have to be a little bit careful here? But I have like five that I think we've been talking about, which is timely and robust responses to conflict questions.

At the pre-bid conference, I'd like to see there be conflict staff available to answer questions that people may have because that's where a lot of people call in.

I do think we'd want to authorize, if we have to, additional staff if you need it. I mean sometimes, you know, other agencies might be available with lawyers, or even your outside counsel, if you need to get something quick and you have an overwhelming --

MS. FOWLER: Yes.

VICE CHAIR MILLER: -- number of requests; right?

I don't know if we need to authorize that but I think that's --

MS. FOWLER: No, I have --

VICE CHAIR MILLER: -- part of --
MS. FOWLER: -- your executive authorization to do that. Thank you.

VICE CHAIR MILLER: All right. And then when you get to mitigation issues, I agree with Ernie, and I think it was Martha that brought this up, is that the -- it’s not -- that's not just a legal determination, it is an engineering, because you have to figure out exactly how you can separate some of the project specifics. And I don't know if I'm saying that very articulately but that issue is one that was raised last month, as well, or last week, whenever we had our last meeting.

So I don't know if that goes into a resolution or just our intent is enough. But I think we’re all wanting to see that because we’ve built a lot up, in the conflicts area, we’ve built up a group of small businesses, disabled veteran businesses, minority business. We don’t want to lose that in this next process; right? Because we’re now transitioning to kind of our next construction large phase.

So to the extent that those people can be dealt with quickly in terms of potential conflicts, you know, the better it’s going to be for us, I think, and for our -- and I know everybody agrees with this, so I don’t think that’s a problem. I just don't know if it should be an intent resolution when we’re approving these or just saying it is enough?
CHAIR RICHARDS: So we just need your guidance on this, Alicia, on when we get to the point where we are making a motion here.

MS. FOWLER: Understood. Yeah, let me think on that. I, you know, I always worry about opening ourselves up to protests we don’t intend with language we, you know, we’re realizing would be used in a way we didn’t intend.

CHAIR RICHARDS: Yes.

MS. FOWLER: But, yeah, let me work on --

CHAIR RICHARDS: Okay. Okay.

MS. FOWLER: -- some of that.

CHAIR RICHARDS: Okay.

BOARD MEMBER SCHENK: Tom?

CHAIR RICHARDS: Yes, Director Schenk.

BOARD MEMBER SCHENK: Thank you. Yeah, just reflecting on all this, I just want to, I guess, reiterate what I said early on and that is the commitment of each of us, which I know is there, the sincere determination to make sure that small business can, in a practical way, be involved, and that the conflict situation, as Ernie and Martha have so well articulated it, is not such a roadblock, you know, to implementation. I listened carefully to Mr. Vargas and Ms. Uden, you know, and there are some specifics in there that make a lot of sense.

And so I hope that -- not hope but expect that in
this time period that Brian Kelly discussed, that those all
will be addressed, and addressed in a timely manner.
Margaret brought up something interesting, you know, like
where can people turn to, to express it? Well, we have an
e-mail, we have a phone number.

But I want to add to what Vice Chair Miller so, I
think, eloquently, you know, described that reflects, I
think, all of us here, that we also have some time limits
in responding to small business. I listened to the
gentleman who said that he didn’t get any response on his
design proposal. That’s just, frankly, not acceptable.

And so it does go back to the issue of having
enough staff to make sure that people get a response. They
may not like the response, they might not like the answer,
but they are deserving of the respect of getting an answer
in a timely way.

So I think I, for one, really appreciate this
very robust discussion that we’ve all had. Everybody was
very engaged and gave their best thoughts to this. I think
that Alicia, Brian, the staff have heard us. And I really
look forward to this being a much better process because of
it.

CHAIR RICHARDS: Thank you, Director Schenk, very
much.

All right, thank you all for your comments. And
we’ll now move forward into -- with agenda item number three, which is the request for approving the release of the request for qualifications for the program delivery support services contract.

MR. KELLY:  Tom or Mr. Chairman?

CHAIR RICHARDS:  Yes.

MR. KELLY:  Sorry.  I just wanted to introduce Darin Kishiyama if I could?

CHAIR RICHARDS:  Thank you.

MR. KELLY:  This is the presentation on the substantive elements of the PDS RFQ that would go out. Just a reminder for the Board Members, the PDS is the program delivery support services contract that we are distinguishing from what used to be called the RDP contract. The RDP contract has been in place with WSP as a partner since 2013. That was a longer contract and a bigger contract.

What you’ll see in the presentation from Darin going forward is that we are trying to be a little bit more targeted with this PDS one going forward. The during is a little bit shorter. And we’re really trying to target it to where we need the specialized or contracted help in not in areas where state staff or other contract services are providing service.

So you’ll see in this presentation that there's a
little bit more of a targeted approach to how we do this  
going forward, also recognizing that we’ve been adopting  
what we call the form-to-function process which is  
having -- making sure that we have, you know, state  
services doing state functions and contractors doing, you  
know, contracted-for functions appropriately, and so that's  
part of this, as well. You’ll see that reflected here.  

The last thing I'll say is there are -- an  
important element of this is the carefulness that we need  
to apply to the handoff between the RDP and the PDS as the  
ew services come online. And so as Darin gives this  
presentation, he’ll talk about a transition period for  
certain services that the RDP is applying now that we’d be  
moving to the new provider. And some of those have a  
shorter term transition and some of them have a slightly  
longer one. But that transition period is important. We  
talked a lot to industry about making sure that the  
transition or the handoff from one entity to another is  
done carefully so that we have -- we don’t lose any  
services that are needed to move the program.  

So with that, Mr. Chairman, I'm happy to  
introduce Darin Kishiyama, who has been our Director of  
Contract Management, particularly on the RDP contract, and  
he’s done loads of work on this PDS approach. And it’s  
been, as I said, nuanced and delicate but he’s done a nice
job. I'm happy to have Darin presentation to the Board.

So thank you, Mr. Chairman.

CHAIR RICHARDS: Thank you very much, Brian.

And welcome, Darin.

MR. KISHIYAMA: Thank you. Good afternoon. My name is Darin Kishiyama and I'll be presenting the request to release the RFQ, the request for qualifications, for the program delivery support contract.

CHAIR RICHARDS: Can you just let us know, Darin, what is your position with the Authority?

MR. KISHIYAMA: I am the Director of Contract Management.

CHAIR RICHARDS: Okay. Thank you.

MR. KISHIYAMA: And I'm also the RDP Contract Manager.


MR. KISHIYAMA: So the RFQ release for the program delivery support contract, or PDS, so you'll hear me use these acronyms throughout the presentation --

CHAIR RICHARDS: Okay.

MR. KISHIYAMA: -- and the contract is in the amount of -- not to exceed $400.

Next slide.

So the summary of the request is to approve the
issuance of the RFQ to begin the procurement process of a contract for the program delivery support services. The program delivery support contract will provide the professional architecture and engineering services to the Authority for support and technical expertise in the delivery of the program.

Next slide.

So when we were developing the scope of this contract the Authority had some very mindful and key objectives for the program delivery support contracts. These were to assign appropriate roles for state staff and the consultant staff. So this is, more or less, what Mr. Kelly was referring to, being consistent with the Authority’s form-to-function, to assure that state staff are performing those state functions and that the consultants are assigned the appropriate roles and responsibilities.

The Authority will maintain the overall responsibility for the program direction, stewardship, oversight, and make those decisions that only state employees must make.

Under form-to-function, state staff have been put into accountable roles. So over the past few years since we adopted the form to function, state staff have been assuming the roles that were previously performed by the
current RDP.

The second main goals that we’re looking at was reducing the number of layers and interfaces between the varying different consultants that the Authority contracts with. So the new PDS contract includes an additional scope element, optional to be put in place, related to the project and construction management services for the civil works.

The last point being scope of services to be provided under separate contracts or also accomplished with the state staff through form-to-function include finance, leadership, information technology, planning sustainability, strategic cogs (phonetic) and special projects, rail and operations delivery, safety and security to the operations, and construction management services for track and systems and train sets.

Next slide.

BOARD MEMBER CAMACHO: Mr. Chairman?

CHAIR RICHARDS: Yes, please, go ahead, Director Camacho.

BOARD MEMBER CAMACHO: Can we ask or would you prefer we wait until the end or shall we make -- ask questions as we go along?

CHAIR RICHARDS: Are you asking me or are you asking Darin?
BOARD MEMBER CAMACHO: Yeah. I was asking you to --

CHAIR RICHARDS: No.

BOARD MEMBER CAMACHO: -- reflect?

CHAIR RICHARDS: I would prefer that we go to the end, unless Darin is able to do this without losing concentration on what he’s going to say next.

MR. KISHIYAMA: I can go either way. It depends on -- again, some of these things I'll cover a little bit later in the presentation, so it might be best to hold it until the end.

CHAIR RICHARDS: All right. Okay. all right. Go ahead, please.

MR. KISHIYAMA: So this slide shows the current level of support provided by the RDP. We currently have 15 different tasks across the breadth of the Authority that provides a variety of different skill sets and expertise to the various different functions within the Authority. The Authority provided the -- well, the RDP provided the Authority a team of resources to support the day-to-day management and deliver of the program.

Next slide.

So this shows the intended structure of the PDS contract. And you’ll notice, between the two slides, that we’re reducing the breadth of what we’re covering with the
consultant contract. So we will rely on the PDS consultant
to provide the necessary skill sets and technical support
under the Authority leadership in the areas of strategic
delivery, engineering services, real property, program
management and oversight, environmental services, capital
procurements, commercial and claims oversight,
infrastucture delivery, quality, process improvement, and
document control.

You can see in the green that we’re also showing
the optional scope element of the project and construction
management to support the civil works.

Also, there are some notes below that show some
of the things that we’ve done to shift the work, actually,
to state staff, so that's primarily for finance and
information technology. We also are reflecting a couple of
future contracts, specifically for the High-Speed Rail
technical expertise for rail and operations, safety and
security, and potentially for the (indiscernible) for
future construction projects for rail.

Next slide.

So (indiscernible) being the scope of the PDS
contract, and to assure the Authority’s objectives were
achievable, Authority Staff conducted two outreach sessions
with industries to solicit feedback, one was on August 4th
of 2021 which was a virtual industry forum and provided the
industry, really, a program update of where the Authority is today -- or at that time, the information related to our Small Business Program, and overview of the procurement process, and a live question and response session.

In that presentation, we also briefed industry on the organizational conflict of interest that the Authority has in the policy and encouraged industry to start submitting for early determinations for conflict of interest checks by Authority’s legal.

We followed the industry forum with one-on-ones with several firms that self-identified as intended primes in September to ask for them -- for more pointed additional feedback on the structure of the contract.

The key takeaways from these meetings was that there is strong support to include contract management, the project and construction management for the civil works, and program and project controls into the PDS scope. The market was somewhat neutral on the proposed unbundling of the future rail and operations scope.

It was noted at that time that, actually, there were several teams that were self-identified that were in the process of forming. But it was really unclear at the time whether or not all these teams would actually put together a bid for us. Other key firms were in the process of examining contract and strategy and/or looking for
partners.

The final key takeaway was that industry wanted to see a draft scope of the work as soon as possible. This primarily would help those teams form a more robust set of skill sets and also allow them to submit for early determinations for conflict of interest. So in hearing the industry, the Authority posted a draft scope, as well as the requirements for key personnel and additional expertise in December -- or December 23rd, 2021, and then followed it with a release of the entire draft RFQ January 13, 2022.

Next slide.

So Staff recommends a PDS contract term of four years with options to extend that will be dependent upon the performance of the PDS consultant. The contract value of the four-year contract term is $400 million but this also includes the revised scope areas, such as the PCM element, and it also includes the performance regime which I'll discuss below. This is a qualifications-based procurement. The actual contract amount will be negotiated and recommended when we present it to the Board for award and approval.

Things that we’re also including in the contract are similar to what we have in the RDP, so we have small business, disadvantaged business, and DVBE utilization goals that are also included, so these are the 30 percent
small business utilization goals inclusive of the 10 percent DBE and 3 percent DVBE.

So in regards to the performance regime, the agreement will also include a performance-based fee in order to align the PDS consultant’s performance with the Authority’s objectives. This performance regime will be Riverside percent of the contract cost or $20 million. The total performance-based fee will represent the maximum at-risk fee the consultant can earn. The milestones, deliverables, and allocation of the performance-based fee weighting will be reflected in workplans that will be annually agreed upon.

Next slide.

In addition to the traditional qualification-based submittal, the Authority will also be evaluating teams based on their program delivery approach and performance criteria. Pre-award audits will be conducted concurrently with negotiations and prior to execution and will complete before award. We’re also adding in an additional pass-fail requirements, environmental, social and governance efforts, which may include the environmental sustainability efforts, socio-economic equity policies, and governance policies, or a report will be incorporated as a pass-fail requirement in the RFQ. Offerors shall provide information on their ESG efforts which may include any
efforts, policies, or reports.

Next slide.

So this is the proposed procurement schedule. If the Board approves the RFQ to be released, the RFQ will be released on Cal eProcure tomorrow or shortly thereafter. Within two weeks of the release of the RFQ the Authority will hold a pre-bid conference and a small business workshop, which is currently scheduled for March 3rd. Interested firms are invited to attend the virtual pre-bid conference to learn more about the requirements of the procurement and the importance of small business participation.

The Authority’s Small Business Team will be hosting an informational workshop following the pre-bid conference to provide a detailed overview of the Small Business Program, small business compliance, and information on certifications that count toward the Authority’s small business goals.

The SOQs will be due on May 17th. The solicitation will use the A&E, the architectural and engineering contracting method, where statement of qualifications are submitted. And the selection is based on the qualifications. Costs are not a factor in the selection but fair and reasonable costs will be negotiated with the top-ranked offer prior to executing a contract.
We will come back to the Board with a proposed contract for award, so you will hear this item again when the item is recommended for award at the August Board meeting.

Next slide.

So to assure that an efficient and effective transition of the workload between the RDP and PDS consultant, the current term of the RDP contract will need to be extended and amended to provide for these three transitions that we’re showing here.

We’ve identified three transitions where the RDP will develop or -- well, will develop a workplan to describe the scope, schedule, and resource-based budget for these transitions. The shortest term for the transition will be approximately three months from the PDS Notice to Proceed and will allow for the largest portion of the RDP workload to transfer between the two consultants. This is primarily for the work that has well-documented processes and is common for an A&E consultant.

The medium-term transitions for work where the RDP will complete specific items of work to prevent a disruption in the delivery of specific critical deliverables. And example of this is the ROD/NOD scheduled to complete in 2022. Specifically to the RODs/NODs completed after 2022, those will be transitioned to the PDS
consultant within the short-term transition. And so this would cover the two project sections, Palmdale to Burbank and L.A. to Anaheim.

The longest term is expected to be up to 12 months or June 30, 2023. This is for work where the RDP is providing critical support and technical recommendations to the Authority on the completion of the design-build contracts. The PDS consultant will provide similar services but the RDP will be performing nonduplicative support for disputes and claim management.

You’ll notice there’s two dashed boxes on here. Those are for those separate contracts for planning and sustainability, and rail and operations, where we expect new contracts to be procured, so the transition timelines will be dependent upon those procurements for each of those contracts.

Next slide.

So when we look at the overall schedule, this slide shows the current term of the RDP contract, and then being extended or just the standard scope until we reach the NTP for the PDS contract, which is expected to be in August of ’22. We also show the three transitions, as well as the optional construction management services that has yet to be really determined when it will be applied or if it will be applied.
And with that, this is the end of my presentation. And I'd be happy to take any questions now.

CHAIR RICHARDS: Thank you, Mr. Kishiyama. I'm going to now ask Members of the Board for your questions.

Ernie, I'll start with you.

BOARD MEMBER CAMACHO: Yeah. Tom? Tom?

CHAIR RICHARDS: Yes. Go ahead, Ernie.

BOARD MEMBER CAMACHO: Yeah. I'd like to ask a question.

Is this a Staff augmentation-type of contract or is a performance-based contract?

MR. KISHIYAMA: It’s staff augmentation and it’s performance based. So the consultant staff will be producing work products that we can gage and determine performance so that we can, one, evaluate and consider how good they're performing as a consultant to the Authority, as well as how good of a work product they're performing within the structure of the organization.

BOARD MEMBER CAMACHO: Okay. In the military, that's very much like a cost-plus-award-fee-type contract where you have a quality evaluator evaluating the performance of a contractor, but what you're saying is you have a hybrid.

The language in the RFQ talks about the
contractor advising as opposed to making determinations in the field. So once we do that, if we start to get means and methods, we have no way of holding them accountable. But on the other hand, you're driving them -- you're holding them to a performance-based contract when, in fact, they really don't have decision-making power.

So we have -- you have a provision in the contract where you have five percent of the contract cost, which is $20 million, which tells me it’s a performance-driven contract. So how do you make that determination and how is that negotiated?

MR. KISHIYAMA: So based off of the workplans that will engage with the RDP, we do gage their performance on things that are fully within their control. So it’s not something where the Authority would get in and comingle or create a potential conflict as to who was accountable for the workload. We’ll be clear with the workplan and the expectation sheets that we execute that it is wholly within the consultant’s capability to be held accountable for the work product they produce.

BOARD MEMBER CAMACHO: Good. Now one other question.

Are we contemplating design-build again or are we looking at design-bid-build or some other mechanism of delivery?
MR. KELLY: I'm going to take that if that's okay?

In this instance going forward, that's a decision we want to make later because we are -- not on this contract but on the ones that are pending, and you will get a briefing on momentarily, you will see that there's a couple of NTPs in those contracts. One is to bring the design out to something like 30 or 40 percent. And then the other is to consider the second NTP, which is to bring it out all the way.

And so what we want to do is be at a place where we assess where we are at 30 percent and then talk to the Board at that time about the right procedure method going forward. But we have the option to have the design done on the High-Speed Rail side through that contract to bring it all the way out to 100 percent if we want do to a design-bid-build-type approach.

BOARD MEMBER CAMACHO: Yeah. Well, I --

MR. KELLY: So the final procurement method, we have not -- we are not determining yet for the future contracts.

BOARD MEMBER CAMACHO: Right. So the reference in here to design-build is the CP 1 through 4 that we're --

MR. KELLY: Yes.

BOARD MEMBER CAMACHO: -- that we already have in
place? We’re not --

MR. KELLY: That's correct.

BOARD MEMBER CAMACHO: We have not necessarily
determined that we’re going design-build in the future?

MR. KELLY: That is correct.

BOARD MEMBER CAMACHO: That's what I wanted to
clear up. Thank you.

MR. KELLY: Sure.

CHAIR RICHARDS: Any other questions or comments
from Members?

VICE CHAIR MILLER: I have a question and it has
to do with retention of personnel.

With these long-term contracts, so you -- I
didn’t see it in the RFQ but I do know that this has
happened before where we -- you select a certain team,
obviously because of the personalities of that team, but
then sometimes those people leave or -- and so how do you
handle that?

MR. KISHIYAMA: So within the contract itself we
list out a number of key personnel. And those are the
people that we’re qualifying them against and actually
tracking. We’re not tracking every member of the
consultant firm, per se, so we are just primarily concerned
with the key personnel. So --

VICE CHAIR MILLER: And what happens if a key
personnel leaves the company?

MR. KISHIYAMA: We require the consultant to replace them in kind. So they are required by the contract to continue to provide that service unless they are relieved of it by the Authority.

BOARD MEMBER CAMACHO: But isn't it with your approval --

VICE CHAIR MILLER: Right.

MR. KISHIYAMA: Yes. Yes. Yes.

BOARD MEMBER CAMACHO: Yeah. Staff has to approve the new --

VICE CHAIR MILLER: Right.

BOARD MEMBER CAMACHO: -- (indiscernible)?

MR. KISHIYAMA: Yes.

VICE CHAIR MILLER: And can you -- so if you don't approve, do you have the ability to pivot to, maybe, to someone else, is what I'm getting at? Or I would like to see you have more flexibility there, just because I've seen that happen in contracts where suddenly someone who was, you know, the perfect person has left, and now you're having to deal with who's -- someone brand new.

MR. KISHIYAMA: Right. Over the term of the RDP contract, since I've been managing, we've had similar issues and we've had to struggle with trying to find the right qualified person to fill positions. We put the onus
upon the consultant to continue to fulfill their requirements of the contract, so we give them that every effort to be able to comply with the requirements.

I don’t necessarily see any other contracts that really have the capability of providing the skill sets that we would need within this contract because we are trying to be very clear and deliberate about the qualifications that we are seeking.

BOARD MEMBER CAMACHO: And, Nancy, the leverage that they -- our staff maintains in this type of contract is they have the $20-million contract cost, which is an award-fee type of reward. So if, in fact, they don’t comply with that, it would be reflected on their evaluation.

VICE CHAIR MILLER: Right. I guess that's true. I've seen this happen, just sometimes, you know, you may not -- you just struggle to find the right person; right? It becomes very difficult.

MR. KISHIYAMA: Yes.

VICE CHAIR MILLER: And I don't know a good way of solving that other than you could pivot, you know? If you --

MR. KISHIYAMA: As Director Camacho said, we actually are doing that with the rail delivery partner contract.
VICE CHAIR MILLER: Right.

MR. KISHIYAMA: We do those evaluations as far as retention of key personnel.

VICE CHAIR MILLER: Okay.

MR. KISHIYAMA: And we do rate them. And we do associate their performance-based fee on that.

VICE CHAIR MILLER: Okay. All right. So you think you’ve got it adequately handled? It sounds like you do feel that way?

MR. KISHIYAMA: Yes, ma'am.

VICE CHAIR MILLER: Okay. Thanks.

CHAIR RICHARDS: Thank you, Nancy.

Any other questions or comments from Members of the Board?

All right, seeing none --

BOARD MEMBER PEREA: I have one, Mr. Chairman, a couple.

CHAIR RICHARDS: Oh, I'm sorry, Henry. Go ahead.

BOARD MEMBER PEREA: Don’t apologize.

First, thank you for the presentation. The question is: The current RDP, are they going to be eligible to compete on this new process and/or will they be eligible to be part of a team member of somebody else that's going to be submitting the bid?

MR. KISHIYAMA: So they didn’t participate in the
creation of the scope of services for this contract, so they are not precluded from bidding on this PDS contract.

One of the things that we are trying or we did to assure that it’s a level playing field and that there’s no advantage to the incumbent is that we created a set of reference documents for all proposers to be able to view in order to assure that everybody who is interested in bidding or proposing on this contract has the right and relevant information to go in fully informed.

BOARD MEMBER PEREA: Okay. So they could either directly submit a response or they could attach themselves to another team that is submitting their response?

MR. KISHIYAMA: Yes, sir.

BOARD MEMBER PEREA: Okay. And my other comment, Mr. Chairman, and to Members of the Board, just to share with you, I had a conversation with our Chairman earlier this week where he committed to an agenda item, probably in our next Board meeting, so I won't go into too much detail on it now, other than to say that, you know, my interest in seeing how we can partner in a more meaningful way with Caltrans, either to be considered as the one who would function in this role or to function more actively in other parts of our construction program.

You know, I'm certainly not considering or proposing that they take over the oversight, construction,
management, et cetera, of our program. But the discussion that I want our Board to engage in, in a more meaningful way, under an agendized item is just to see how we can expand the role of Caltrans in our project. I'll just leave it there.

Thank you, Mr. Chairman.

CHAIR RICHARDS: Thank you, Henry.

Any other questions or comments?

All right, this is an action item and the -- first of all, before we go to -- Alicia, are you still onboard? I don’t think there's any requirement for any change on this one. We’re not looking at any change from our previous discussion. Are we good to move on forward with a request for a motion here?

MS. FOWLER: Yes, Board Chair.

CHAIR RICHARDS: Okay. We are.

BOARD MEMBER PEREA: I make a motion to approve.

CHAIR RICHARDS: Okay. Thank you. Okay. Motion by Director Perea. Is there a second?

BOARD MEMBER GHIEMETTI: Second.

BOARD MEMBER WILLIAMS: Second.

CHAIR RICHARDS: Second by Director Williams.

Thank you.

Please call the roll, Mr. Secretary.

BOARD MEMBER CAMACHO: Tom, before you do that --
CHAIR RICHARDS: Yes, please.

BOARD MEMBER CAMACHO: -- did we not add something to that that we were going to make an addendum that I think Director Miller provided to add to this motion?

CHAIR RICHARDS: Yeah. Let’s go back to Nancy for a second. I know she listed a number of things. I didn’t hear any that related to this first contract but --

BOARD MEMBER CAMACHO: I wasn’t sure.

CHAIR RICHARDS: Yeah. Nancy, do you have a comment on that?

VICE CHAIR MILLER: Well, I was thinking this was kind of an overall policy. Maybe it’s not appropriate for this particular contract but I don’t see why not. Maybe someone --

CHAIR RICHARDS: Okay. Go ahead.

VICE CHAIR MILLER: -- you know --

CHAIR RICHARDS: Why don’t we go through your --

VICE CHAIR MILLER: -- educate me? Sorry.

CHAIR RICHARDS: No, let’s go ahead. Let’s go through your list again.

VICE CHAIR MILLER: My list was -- just a second. My list was to have a robust and timely response to conflict of interest questions by our staff. In the pre-bid conference, to add conflict staff there to answer
questions. If you need additional staffing to be able to handle the workload that we, as a Board, are in support of that. And then that any conflicts’ mitigation determination include engineering staff.

CHAIR RICHARDS: Okay.

BOARD MEMBER ESCUTIA: I think all that, Mr. Chairman, should be added to all three RFQs, you know, as a guiding policy. And I would even add more and say that, you know, these are policies that, frankly, have got to be reflected, at least in the conflict of interest document that we have. You know, I appreciate the fact that we’re discussing policy right now kind of ad hoc and it’s good. I agree with the five points that Nancy has made. And I think that they are so good that the have to be embedded in a serious policy document that reflects and has the intent of a policy from this Board of Directors.

CHAIR RICHARDS: I guess, so anything -- and I hear what you're saying.

VICE CHAIR MILLER: Just --

CHAIR RICHARDS: What I'm thinking is, is that we’re talking about a request for qualification, so we’re talking -- you know, this is directed to whoever is going to respond to this. So I'm not sure that what we’re saying has to do with what we are saying as the Authority.

VICE CHAIR MILLER: I agree. Yeah, I agree. I
agree, Tom.

Let me just say, to Martha’s point, I mean, in my mind it’s also we’re not giving any unfair advantage to anyone, right, by doing this.

CHAIR RICHARDS: Right.

BOARD MEMBER CAMACHO: Right.

VICE CHAIR MILLER: But it may not belong in the RFQ process, so that’s why I was asking. And I do want Legal somewhere. You have to tell us exactly how we would do this. And maybe it’s not in a resolution, maybe it’s simply something else that we’re doing, I’m not quite sure.

So, Alicia, that’s to you.

BOARD MEMBER ESCUTIA: Well, the thing that I would respond --

MS. FOWLER: Thank you.

VICE CHAIR MILLER: Yes, Martha? Yeah.

BOARD MEMBER ESCUTIA: The thing that always scares me about intent, Nancy, as you well know, is that many times intent does not have the force of law, you know? So I just wanted to make sure, not that I want this stuff to have like the force of law and create legal actions, but it’s got to be very serious. It’s got to be more than just intent.

VICE CHAIR MILLER: Okay. So maybe right -- I’m just a little worried with the language to make it
something with the force of law right now. Maybe an intent and then we work on our policies?

CHAIR RICHARDS: I think you're right. I think that's -- I think you're right, Nancy.

BOARD MEMBER ESCUTIA: That's fair. That's fair.

MS. FOWLER: Our --

VICE CHAIR MILLER: But, Alicia, I need to know.

MS. FOWLER: Nancy or Board -- Vice Chair Miller, as you know, we are sitting down with the BAC (phonetic) starting next week on this very topic. And we’d be very happy to come back to the Board, agendized, you know, to talk to you all about the progress we made with them.

CHAIR RICHARDS: So I agree. So I think that really what we’re saying is that the -- I think those are all great points and I think they're going to find their way into the conflict of interest -- or the COQ -- or COI, I'm sorry, policy. But --

VICE CHAIR MILLER: So, Alicia, is should not be in the resolution right now?

MS. FOWLER: Oh, I mean, I'm not taking that position, Vice Chair Miller. That's certainly up to this Board.

CHAIR RICHARDS: I think it can be a --

MS. FOWLER: We could --

CHAIR RICHARDS: Yeah.
MS. FOWLER: -- we can keep the resolution as is. We could add some Staff direction in the resolution. I am fine with either.

I have some thoughts about what I would want to not put in here because I, again, don’t want to open the Board up to --

CHAIR RICHARDS: I think if it’s --

MS. FOWLER: -- other protests but I'm happy to read you some language that may or may not meet what you guys are looking for and we can --

VICE CHAIR MILLER: Okay. Read us --

MS. FOWLER: -- talk about it.

VICE CHAIR MILLER: Yeah.

MR. KELLY: Mr. Chairman --

VICE CHAIR MILLER: Read away. Read away.

MS. FOWLER: It’s all scribble. So currently, if you're in your Board materials, at the -- near the halfway through this agenda item there is a resolution already in existence. And as part --

BOARD MEMBER ESCUTIA: Can you please tell us --

MS. FOWLER: -- of that resolution --

BOARD MEMBER ESCUTIA: -- can you please tell us what page where you're at?

MS. FOWLER: Oh, gosh, I wish they were numbered.

So under item three, agenda item three, there is a memo.
And at the back of that memo and before the pretty
PowerPoint is a one-page resolution.

BOARD MEMBER ESCUTIA: Yes, I see it. I see it.
MS. FOWLER: Okay. So --
BOARD MEMBER ESCUTIA: And it starts with
“Whereas, whereas, whereas” --
MS. FOWLER: Yes.
BOARD MEMBER ESCUTIA: -- “whereas.”
MS. FOWLER: And when you get down to,
“Therefore, it is resolved,” you know, that you are
resolving to move this RFQ forward --
BOARD MEMBER ESCUTIA: Yes?
MS. FOWLER: -- one thing you could do, and this
is -- you know, we could add some language, I'll read this,
you can tell me if you hate it, the Board directs the HSR
Legal Office to, number one, attend the pre-bid conference
and small business informational workshop scheduled for
this RFQ to explain the conflict policy process. And this
-- number two would be that the Board directs the Legal
Office to report progress on responses to the COI requests
on this RFQ to the Board weekly starting -- I'm just using
next Thursday -- starting on February 24th. And then the
third would be and the Board has directed Legal Staff to
work with appropriate contact staff -- or I think just
appropriate Authority staff to explore possible mitigation
measures to resolve potential conflicts.

CHAIR RICHARDS: Okay. Then I think that's certainly -- that's appropriate and a good start.

MS. FOWLER: It's a lot. I'm sorry. You know, it's hard to --

CHAIR RICHARDS: Yeah.

MS. FOWLER: -- I'm just doing it verbally but --

CHAIR RICHARDS: No, it's okay.

And then, Vice Chair Miller, on your five, let's, perhaps, let's go over those and see which ones of those, if not all of them would end up in the resolution but they're not in the RFQ.

MS. FOWLER: I will --

MR. KELLY: The thing, I think --

MS. FOWLER: -- I will say the one I am hesitant --

CHAIR RICHARDS: Okay. Yeah.

VICE CHAIR MILLER: -- Vice Chair Miller has mentioned the robust and timely and I absolutely commit to being robust and timely. I think those words are very easy to legally challenge later. They're very subjective. I think we talked last month about timely. You know, when we receive a request we reach back out for more information, we get more information. We have conversations, sometimes, about mitigation. But you know, define timely. Some of
that takes a while.

    CHAIR RICHARDS: Yeah.

    MS. FOWLER: And I would hate for someone to be
able to challenge this wonderful --

    CHAIR RICHARDS: Yeah.

    MS. FOWLER: -- RFQ because someone thought
 timely meant one thing and we thought it meant something
else.

    CHAIR RICHARDS: Yeah. Good point.

    BOARD MEMBER ESCUTIA: Well, the more reason why
we have to have the discussion of timeliness in the
conflict of interest discussion.

    MS. FOWLER: Yes. Yes. And I think --

    BOARD MEMBER ESCUTIA: More reason why we have to
have --

    MS. FOWLER: -- I think --

    BOARD MEMBER ESCUTIA: -- the timeliness issue
addressed. That's where this discussion should be, in a
conflict of interest discussion, not in an RFQ.

    MS. FOWLER: Perfect.

    VICE CHAIR MILLER: I agree.

    MS. FOWLER: I agree.

    VICE CHAIR MILLER: I understand what you're
saying.

    MS. FOWLER: I agree.
VICE CHAIR MILLER: So let’s take that language out. And I think Martha and I are in agreement that we need -- you know, the thing is just we know that with this RFQ timing there is a timing element, and you know it, too, so I don’t think it needs to be in the resolution, particularly if there's some legal issue with that.

CHAIR RICHARDS: Great.

BOARD MEMBER ESCUTIA: So what does that mean, that you're withdrawing your five points from being in --

VICE CHAIR MILLER: No.

BOARD MEMBER ESCUTIA: -- (indiscernible)?

VICE CHAIR MILLER: No. No.

BOARD MEMBER CAMACHO: Can I --

VICE CHAIR MILLER: What I think is I'm thinking when I go to the BAC, just honestly, when I go to the BAC next week I'm going to -- this issue, I'm sure, will come up and we’ll talk about that. And I will basically say, if anyone’s feeling that they're not getting timely responses, they're going to have let staff know, let us know, right, let the Board know.

MR. KELLY: I think -- can I add something here?

VICE CHAIR MILLER: Please do.

MR. KELLY: I think what Alicia just articulated to be added to the resolution covered all of the issues that Nancy had with the exception of the requirement for
robust and timely response. But the other ones, where she articulated, get to Nancy’s points. So not that --

MS. FOWLER: And then the --

MR. KELLY: -- (indiscernible) --

MS. FOWLER: -- the idea of reporting to the Board --

MR. KELLY: -- the same.

MS. FOWLER: -- on how we’re doing --

MR. KELLY: And the -- yeah.

MS. FOWLER: -- and leave that timeliness, I think, to you --

MR. KELLY: That's right.

MS. FOWLER: -- to make sure you receive --

MR. KELLY: Report to the Board weekly on this.

VICE CHAIR MILLER: I agree. I agree.

MR. KELLY: And I -- we can --

VICE CHAIR MILLER: I'm good with that.

CHAIR RICHARDS: I agree with that, also.

BOARD MEMBER ESCUTIA: So is this -- so we have three resolutions, HSRA-2204, HSRA-2205, and HRSA-2206. Are we going to embed this language in each resolution?

MS. FOWLER: That was the vision. I simply want to make sure each of them have a pre-bid small meeting. I know the conference is taking place --

MR. KELLY: I think they --
MS. FOWLER: -- for the PDS.

MR. KELLY: -- they do, Alicia.

VICE CHAIR MILLER: I think --

MS. FOWLER: Okay.

VICE CHAIR MILLER: -- I think they do, Alicia.

MS. FOWLER: Then, yes, that would be the only one. I just wanted to clarify.

VICE CHAIR MILLER: And that would be my -- our attention, Martha; right? We want this in there?

BOARD MEMBER ESCUTIA: I mean, my intention is to, yes, put it in the RFQ resolution. But my intention, ultimately, from a policy perspective is to have a serious discussion on basically amending our Conflict of Interest Policy. And I really want to be part of that discussion.

BOARD MEMBER PEREA: Then I would say, as the maker of the motion, I would accept the suggestions that Alicia has presented. And I think Member Escutia is absolutely right, it has to be a broader discussion but in a different context. Maybe we form a Board subcommittee with Member Escutia, and maybe one or two others, to have that discussion at a more -- at a deeper level with Staff than bring something back to the Board for a full policy discussion. And I want to make that part of the motion because that's --

CHAIR RICHARDS: What I'd like to do with your
concurrence is let me work on this after the Board meeting, and I think we’ll do something like that, but I’ll get back to you on this.

BOARD MEMBER SCHENK: Well, that's a good idea.
CHAIR RICHARDS: Yeah. Okay.

BOARD MEMBER SCHENK: Okay.
CHAIR RICHARDS: All right.

BOARD MEMBER GHIELMETTI: And I concur as the seconder of the motion.

CHAIR RICHARDS: Okay, we have -- we do -- okay, we have the motion and second.

Mr. Secretary, please call the roll.

MR. RAMADAN: Thank you, Mr. Chairman.
Director Schenk?

BOARD MEMBER SCHENK: Yes.

MR. RAMADAN: Chair Richards?
CHAIR RICHARDS: Yes.

MR. RAMADAN: Director Camacho?
BOARD MEMBER CAMACHO: Yes.

MR. RAMADAN: Vice Chair Miller?
VICE CHAIR MILLER: Yes.

MR. RAMADAN: Director Perea?
BOARD MEMBER PEREA: Yes.

MR. RAMADAN: Director Ghielmetti?
BOARD MEMBER GHIELMETTI: Yes.
MR. RAMADAN: Director Escutia?

BOARD MEMBER ESCUTIA: Yes.

MR. RAMADAN: Director Williams?

BOARD MEMBER WILLIAMS: Aye.

MR. RAMADAN: Director Pena?

BOARD MEMBER PENA: Yes.

MR. RAMADAN: Mr. Chairman, the motion carries with the addendum of the policy directives in the resolution.

CHAIR RICHARDS: Thank you very much, Mr. Secretary. Thank you, colleagues.

We’ll now move on to agenda item number four, agenda item number four, the RFQ for Design Services for the Merced to Madera.

And it will be -- Brian, did you want to do the introduction or --

MR. KELLY: Yes, Mr. Chairman, if I could? I just want to introduce, for purposes of the presentation here, Christine Inouye who our Chief of Strategic Delivery. Christine is heading up the work of -- is kind of, in my view, the look-forward division of the authority. We are wrapping up the environmental documents in various segments. And now we’re starting the process of looking about how we go forward with things like advance design work and, ultimately, prepping for the next stages in our
process of delivering, you know, future construction
elements.

And so the next step in that is this RFQ, which
is two RFQs here for advance work where we’re completed the
environmental documents south of Fresno to Bakersfield and
north of Madera into Merced. And so Christine will lay
this out in this presentation.

And, again, just reflecting on the conversation
with Director Camacho earlier, in this instance we are
looking at -- you’ll see Notices to Proceed in each of
these to, first, bring the design far enough out so we can
do things like map right-of-way, identify utility
relocations, and start to identify local agreements and
third-party agreements that need to be done. And then the
consideration for a subsequent NTP to bring them out to 100
percent if we choose to do a kind of procurement that --
where we would want all of the design completed here and
then, perhaps, do design-bid-build procurement contract.
We don’t have to make that decision today. But, as you’ll
see in Christine’s presentation, that option is available
based on how we would do this.

An then I would just presume, from the prior
conversation, we would amend the resolutions consistent
with what we did on agenda item three.

And so with that, Mr. Chairman, I'm happy to hand
it over to Christine Inouye and just say, again, one more point I think is important, these are important RFQs and process points for us because they do reflect the movement of the Authority to making sure that we are identifying and getting risk under control earlier through this process and well in advance of doing subsequent construction projects.

And, really, the advance design work is the first step in that process.

So all of that said, Christine, you have the floor. Thank you.

CHAIR RICHARDS: Thank you, CEO Kelly.

Welcome Christine.

MS. INOUYE: Thank you and good afternoon, Chair Richards and Board of Directors. And thank you, CEO Kelly, for the wonderful introduction. I am Christine Inouye, Chief Engineer of the Strategic Delivery of the High-Speed Rail Authority. And today I will be presenting two agenda items, number four and number five, consider providing approval to release a Request for Qualifications for Design Services for the Merced to Madera Project and the Fresno to Bakersfield Locally-Generated Alternative Project.

So the Authority is recommending approval to issue the Request for Qualifications, or RFQ, to procure two architectural and engineering contracts, one is for Merced to Madera, and the second for Fresno to Bakersfield
Locally-Generated Alternative.

These are RFQs will result in contracts for design and professional services to advance the design and establish the configuration footprint. The configuration footprint sets the baseline for future work and drives alignments of critical project elements. The services will also include value engineering, cost refinements, travel time enhancements, right-of-way mapping, and utility relocation requirements.

Next slide, please.

This map shows the project limits for the Merced to Madera Project section. Total length of the section is appropriate 33.9 miles within the counties of Merced and Madera. The section begins at R Street in Downtown Merced. The Authority is evaluating relocation of the approved at-grade station at Martin Luther King, Jr. Way to R Street as an elevated intermodal station. This evaluation is being done in coordination with the Altamont Corridor Express and the San Joaquin Regional Rail.

From Downtown Merced the alignment crosses under State Route 99 in a trench and continues at grade, crossing under Childs Avenue and Mission Avenue. There are structures to cross over Miles Creek, Owens Creek, and Dough (phonetic) Slough. It then continues south towards State Route 99 to Avenue 19 in Madera. The alignment
includes 40 structures, including 3 viaducts and 29.9 miles of guideway embankment.

Next slide, please.

This map shows the project limits for the Fresno to Bakersfield Locally-Generated Alternative section. the total length of this section is approximately 18.5 miles in Kern County. The project begins at the southern end of Construction Package 4 at Poplar Avenue near the City of Shafter. It then follows the BNSF Corridor through the city, heading eastward along the future Northern Beltway Corridor in Kern County. It ends at the F Street Station in Bakersfield. The alignment includes 31 structures, including 2 viaducts and 12 miles of guideway embankment.

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The Authority recommends a procurement approach with multiple Notices to Proceed to progress the work. Merced to Madera has three Notices to Proceed. And Fresno to Bakersfield LGA has two notices to proceed. NTP-1 progresses the design through a configuration footprint which is a minimum of 30 percent design. This is Stage 3. NTP-3 is an option and only applies to Merced to Madera. The work is the same as NTP-1 for the section between R Street and Martin Luther King, Jr. Way.

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NTP-1 and, similarly, the optional NTP-3 will
include several key tasks and deliverables, establishing the project configuration footprint by progressing design and conducting value engineering, refined project cost, studying travel time enhancements, updating project risk assessments and schedule, right-of-way mapping, identifying utility conflicts and relocation requirements, and developing third-party agreements.

Next slide. Previous slide. Thank you.

The NTP-2 option includes the work to final design and construction-ready documents. This is Stage 4.

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NTP-2 also includes several key tasks and deliverables, including final design and specifications, constructability and construction staging plans, updated project risk assessments and schedule, and begin securing environmental permits. The approved configuration footprint from Stage 3 provides enough design certainty for right-of-way acquisition and utility relocations to begin as the final design is being completed. So the right-of-way acquisition and utility relocations can then start in late Stage 3 or in Stage 4.

Next slide.

The contracts will have similar terms. For Merced to Madera, NTP-1, the contract is two years three months, and the contract value is $41 million. This is
consistent with the expenditure authorized by the Board in December 2021.

NTP-2 is an option at the sole discretion of the Authority. The term is two years, with some work being done concurrently with NTP-1. The amount for this work is an additional $103.4 million. And the Authority would request separate approval and funding for NTP-2.

NTP-3 is also an option at the sole discretion of the Authority. The term is two years three months. And the may be performed concurrently with either NTP-1 or 2. The amount for this work is an additional $6.8 million.

For Merced to Madera Project section, we are only requesting consideration for NTP-1.

Next slide.

For the Fresno to Bakersfield LGA NTP-1 the contract term is two years three months, and the contract value is $44.9 million. This is also consistent with the expenditure authorized by the Board in December 2021.

NTP-2 is an option at the sole discretion of the Authority. The contract term is two years, with some work to be done concurrently with NTP-1. The amount for this work is an additional $72 million. And the Authority would request separate approval and funding for NTP-2.

And similarly for Fresno to Bakersfield LGA, we are only requesting consideration for NTP-1.
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This is a qualifications-based procurement, so the actual contract amount will be negotiated with the most qualified offer. Contract includes provisions for a performance-based fee structure. The fee range is limited to between 8 percent for satisfactory performance and 11 percent for exceptional work. Deliverables, measurable activities, and milestones will be included in an annual workplan. And then performance will be evaluated respective to the workplan targets and these measures. Performance-based payments will be made on a schedule from the negotiated terms.

In the evaluation the Authority will qualify offers for the full scope of work. But we are only requesting consideration for NTP-1 for both RFQs today. Pre-bid audits will also be conducted prior to contract execution.

Next slide, please.

The offeror shall provide information on their environment, social, and governance efforts. This may include any environmental sustainability efforts, socioeconomic equity policies, governance policies, or reports. The Authority is including the firm’s ESG efforts a pass/fail minimum qualification effort in the RFQs.

The contract also includes small business,
disadvantaged business enterprise, and disabled veterans business enterprise utilization goals. These goals are 30 percent for small business, 10 percent for DBE, and 3 percent for DVBE.

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The schedule for both procurements are shown here and these are the scheduled dates that we have in the draft RFQ and draft contract that is in your Board package. It does not reflect some of the conversation or discussion that happened -- that's happened during this Board meeting.

So with Board approval the RFQ release date is February 18th or thereafter on Cal eProcure. A pre-bid conference and small business information workshop is scheduled for March 2nd. Statement of Qualifications are due in April. And the anticipated Notice of Proposed Award is expected in May, and a return to the Board for consideration of approval to award the contracts in July. Contract execution in NTP-1 are scheduled for late July.

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And that concludes the presentation. Thank you for your time and your consideration today. I'll be happy to take any questions.

BOARD MEMBER SCHENK: This is Lynn. Maybe a question, just clarification for Brian.

So on the timeline that Christine had, how will
MR. KELLY: Well, I think if --

BOARD MEMBER SCHENK: -- in terms of --

MR. KELLY: -- if I understand the proposal from the Chairman correctly this morning, essentially, you would push it all back 30 days for each element, so we would hold the formal release of the RFQ to March 18th, March 18th instead of February.

BOARD MEMBER SCHENK: Okay.

MR. KELLY: And you would have to conform. I think you would have to push each of the dates after that back 30 days.

BOARD MEMBER SCHENK: That's what I was --

CHAIR RICHARDS: That's correct.

BOARD MEMBER SCHENK: Good. Thank you.

MR. KELLY: Thank you.

CHAIR RICHARDS: Any other questions? Yes. Any other questions, please?

Okay, seeing none, this is item number four, this Design Services Contract from Merced to Madera.

Do we have -- well, first of all, with regards to a resolution, Ms. Fowler, can you give us -- can you read the resolution as it will read, which will include the changes that we've made?

MS. FOWLER: Absolutely.
CHAIR RICHARDS: Thank you.

MS. FOWLER: So after the existing “Therefore it is resolved” paragraph, we will add a paragraph that says, “The Board directs the HSR Legal Office to, one, attend the pre-bid conference and small business informational workshop scheduled for this RFQ to explain the conflict of policy process, two, report progress on responses to OCOI requests on this RFQ to the Board weekly starting on February 24th, and three, work with appropriate Authority staff to explore possible mitigation measures to resolve conflicts.”

BOARD MEMBER ESCUTIA: And where exactly in the resolution would that be, Alicia? Would it be, “Therefore be it resolved” or would it be a “whereas?”

MS. FOWLER: It would be a “Therefore it is resolved.”

BOARD MEMBER ESCUTIA: Right. Thank you.

MS. FOWLER: I would propose it coming after the very first paragraph.

BOARD MEMBER ESCUTIA: Okay. Thank you.

BOARD MEMBER WILLIAMS: And Mr. Chairman, we would also -- it might make sense to incorporate your proposal here by saying the Board authorizes Authority Staff on or after whatever the date is --

CHAIR RICHARDS: Yes.
BOARD MEMBER WILLIAMS: -- you said March --
CHAIR RICHARDS: Yes. Yes. That's what I --
BOARD MEMBER WILLIAMS: -- to issue --
CHAIR RICHARDS: Yes.
BOARD MEMBER WILLIAMS: Yes.
CHAIR RICHARDS: Thank you, Director Williams.
That should be incorporated in the resolution, also.
MS. FOWLER: So we can say the Board authorizes
Authority Staff to issue an RFQ for the Merced to Madera
Project on, do want to say, March 17?
CHAIR RICHARDS: I think the 18th. Let's just
make it March 18th.
MS. FOWLER: Let me make sure that's all right.
MR. KELLY: Mr. Chairman, I really think --
MS. FOWLER: Okay, that's fine.
BOARD MEMBER ESCUTIA: And also that our
procurement deadlines would be extended --
CHAIR RICHARDS: Of them are extended.
BOARD MEMBER ESCUTIA: -- 30 days.
CHAIR RICHARDS: Yeah, all of them are extended
by 30 days --
MS. FOWLER: Right.
CHAIR RICHARDS: -- each key point, each key
date.
BOARD MEMBER PEREA: And Mr. Chairman --
MS. FOWLER: Yes.

BOARD MEMBER PEREA: -- I have one question for Staff and it’s probably -- I should have asked it on the previous.

I understand that we’re going to extend it the 30 days and that's fine. But I just want to make sure that Staff is committing to meet those 30 days. We don’t want any delays on this.

CHAIR RICHARDS: Well, I think that they're going to report to us, I think, weekly on where they are on the --

MR. KELLY: Our intention --

CHAIR RICHARDS: -- (indiscernible).

MR. KELLY: -- Henry, will be to --

CHAIR RICHARDS: Yeah.

MR. KELLY: -- to implement this, consistent with the revised deadlines that -- or the revised schedule that the Board has directed here.

CHAIR RICHARDS: Right. Right.

BOARD MEMBER PEREA: Understood. Brian, my only question is, you know, our job is also to hold Staff accountable to meeting deadlines.

MR. KELLY: Yes.

BOARD MEMBER PEREA: Just want to make sure that that's included.
MR. KELLY: Yes. I think that's, in part, why the resolution will include the language of us reporting back to you weekly --

CHAIR RICHARDS: Right.

MR. KELLY: -- on where we are on the COI issues.

BOARD MEMBER PEREA: All right. Thank you.

CHAIR RICHARDS: Okay.

MS. FOWLER: Okay. So again, at the second line of the paragraph, “Therefore it is resolved” --

CHAIR RICHARDS: Um-hmm.

MS. FOWLER: -- you’ve “authorized Staff to issue an RFQ for design services for the Merced to Madera Project” --

CHAIR RICHARDS: Um-hmm.

MS. FOWLER: -- “on or after March 18th, 2022 for a contract value up to $41 million for NTP-1.”

CHAIR RICHARDS: And you’ve got all the language in there with regards to the --

MS. FOWLER: Yes.

CHAIR RICHARDS: -- stating that all the key dates beyond that will all each be extended by 30 days?

MR. KELLY: I think they have to as a matter of practicality.


MS. FOWLER: Yes. Yes. It doesn’t --
CHAIR RICHARDS: Okay. Fine.

MS. FOWLER: Those dates aren’t addressed in the resolution, that's correct, Brian.

CHAIR RICHARDS: Right, as long as you don’t need to state it, that's fine.

MS. FOWLER: Okay. Thanks.

CHAIR RICHARDS: Okay. Everybody good with that?

BOARD MEMBER SCHENK: Yes.

CHAIR RICHARDS: All right, then we -- do we have a motion for approval of HRSA 22-04?

BOARD MEMBER SCHENK: So moved as amended.

CHAIR RICHARDS: Thank you, Director Schenk.

A second, please?

BOARD MEMBER ESCUTIA: Second.

CHAIR RICHARDS: Is that Director Escutia?

BOARD MEMBER ESCUTIA: Yeah. Believe it or not, yeah.

CHAIR RICHARDS: I love you, Martha.

BOARD MEMBER SCHENK: It’s been (indiscernible) here, Martha.

BOARD MEMBER ESCUTIA: Well, I have to reward movement, you know?

CHAIR RICHARDS: Well, thank you so much. We appreciate. Anyway --

BOARD MEMBER WILLIAMS: Mr. Chairman, just for
the record

CHAIR RICHARDS: -- we have a motion.

BOARD MEMBER WILLIAMS: -- just for the record --

CHAIR RICHARDS: Yes?

BOARD MEMBER WILLIAMS: -- I think you misspoke.

Did you misspeak on the number?

CHAIR RICHARDS: I don't know.

BOARD MEMBER WILLIAMS: It should be HSRA 22-05

or am I looking at the wrong one?

MS. FOWLER: Yeah, 05, that's correct.

BOARD MEMBER WILLIAMS: Yeah. That's right.

CHAIR RICHARDS: Oh, you know what? In my book, every thing was put in one -- in the binder, just one column from what it was supposed to be, so, okay, 05.

Thank you, Director Williams.

All right, we have a motion and second.

Mr. Secretary, please call the roll.

MR. RAMADAN: Thank you, Mr. Chairman.

Director Schenk?

BOARD MEMBER SCHENK: Yes.

MR. RAMADAN: Chair Richards?

CHAIR RICHARDS: Yes.

MR. RAMADAN: Director Camacho?

BOARD MEMBER CAMACHO: Yes.

MR. RAMADAN: Vice Chair Miller?
VICE CHAIR MILLER: Yes.

MR. RAMADAN: Director Perea?

BOARD MEMBER PEREA: Yes.

MR. RAMADAN: Director Ghielmetti?

BOARD MEMBER GHIELMETTI: Aye.

MR. RAMADAN: Director Escutia?

BOARD MEMBER ESCUTIA: Yes.

MR. RAMADAN: Director Williams?

BOARD MEMBER WILLIAMS: Aye.

MR. RAMADAN: Director Pena?

BOARD MEMBER PENA: Yes.

MR. RAMADAN: Mr. Chairman, the motion carries with the addendum of policy directives added in the resolution.

CHAIR RICHARDS: Thank you, Mr. Secretary, and thank you, ladies and gentlemen.

Moving on to agenda item number five is the consideration of the RFQ for Design Services for the Fresno to Bakersfield Locally-Generated Alternative Project Section.

Brian, again, for the introduction, please.

MR. KELLY: Mr. Chairman, the presentation done by Christine Inouye covered both.

CHAIR RICHARDS: All right. Thank you very much.

MR. KELLY: And so here, I just think we need to
make sure that the resolution is conforming.

CHAIR RICHARDS: Yeah.

MR. KELLY: And then, with that, we can move
forward with the, I think, with the motion.

CHAIR RICHARDS: Okay. So are you saying there's
no need for any presentation on this at all?

MR. KELLY: No. The presentation was already --

CHAIR RICHARDS: Yeah.

MR. KELLY: -- given.

CHAIR RICHARDS: What I've just noticed, I've got
the same for both, so that just didn't get put in mine.

Okay, so we have the Locally-Generated
Alternative resolution. The resolution would be with the
same changes that we have just acted on.

So with that, unless anybody would like the Chief
Counsel to read the resolution, the Board would -- or the
Chair is ready to accept a motion for approval and a
second, please.

VICE CHAIR MILLER: Moved.

CHAIR RICHARDS: Vice Chair Miller.

And a second?

BOARD MEMBER CAMACHO: Second.

CHAIR RICHARDS: That was Director Camacho. A
motion and a second.

Mr. Secretary, please call the roll.
MR. RAMADAN: Thank you, Mr. Chairman.

Director Schenk?

BOARD MEMBER SCHENK: Yes.

MR. RAMADAN: Chair Richards?

CHAIR RICHARDS: Yes.

MR. RAMADAN: Director Camacho?

BOARD MEMBER CAMACHO: Yes.

MR. RAMADAN: Vice Chair Miller?

VICE CHAIR MILLER: Yes.

MR. RAMADAN: Director Perea?

BOARD MEMBER Perea: Yes.

MR. RAMADAN: Director Ghielmetti?

BOARD MEMBER GHIELMETTI: Aye.

MR. RAMADAN: Director Escutia?

BOARD MEMBER ESCUTIA: Aye.

MR. RAMADAN: Director Williams?

BOARD MEMBER WILLIAMS: Aye.

MR. RAMADAN: Director Pena?

BOARD MEMBER PENA: Aye.

MR. RAMADAN: Mr. Chairman, the motion carries with the addendum of the policy directives included in the resolution.

CHAIR RICHARDS: Thank you, Moe, very much.

Ladies and gentlemen, moving on to agenda item number six is the 2022 Draft Business Plan Summary.
And CEO Kelly, you're up.

BOARD MEMBER CAMACHO: Mr. Chairman, one quick question.

CHAIR RICHARDS: Yeah.

BOARD MEMBER CAMACHO: I mean, this is actually related to --

CHAIR RICHARDS: Yes. Go ahead, Ernie.

BOARD MEMBER CAMACHO: -- my video won't go on because it says that the host has stopped it. Not that I need to be seen but I just thought that it’s easier to talk.

CHAIR RICHARDS: Okay. Thank you. Hopefully I.T. has heard that and we can make -- is this on your end, Ernie, or on our side.

BOARD MEMBER CAMACHO: It says the host has stopped the video.

CHAIR RICHARDS: Oh, okay, then it sounds like our side.

MR. KELLY: Mr. Chairman, bear with me.

CHAIR RICHARDS: We’ll try to get that fixed.

MR. KELLY: Okay.

CHAIR RICHARDS: Oh, there you are. Good. You're back on, Ernie.

BOARD MEMBER CAMACHO: Thank you.

CHAIR RICHARDS: Okay. All right, Ernie.
Okay, go ahead, Brian.

MR. KELLY: Thank you, Mr. Chairman and Board Members. As you know, in early February, we released our -- I think it was on February, I'm sorry, February 7th, we released the 2022 Draft Business Plan, as I summarized in January for the Board.

Just by way of reminder, the draft at this point is a recommendation from the staff on where we are and where we would propose to go on the program in the '22 Business Plan. We are now in the midst of the 60-day public comment period. We had some public comment this morning. But I'll say for the Board now that at our March hearing we will have a more formal, both review of the Business Plan and separate and direct and public comments on what's in the Business Plan at the March hearing.

So here, today, I wanted to go do a high-level review of what's in the Business Plan. I know that each Member has received that plan. We are entering a period where we will go into some legislative hearings to get legislative comment on the Business Plan and, again, come back to the Board in March.

In April, we will come back to the Board for any amendments or revisions to that plan and a final adoption so we can submit it to the legislature by May 1st under the statutory requirements.
So with that said, if I can pull up the presentation, I'll go through this as quickly as I can. I'm mindful it's been a long hearing. All right. Can we pull up the PowerPoint, maybe? There we go. Okay. Thank you.

All right. Next slide, please. Wait, wait, wait. Sorry guys. This is the wrong PowerPoint. This is the CEO PowerPoint. We want to go back to the 2022 Draft Business Plan PowerPoint, item number six. Great. Thank you. Perfect. Right there. Okay.

By way of reminder, the Business Plan is required by the Public Utilities Code section 185033 every two years. This is a slightly different Business Plan, mostly because we’re effected, like everybody else in the world, by COVID. And our 2020 Business Plan was not released until Spring of 2021, which was just ten months ago. So the COVID-19 impacting the timing and cadence of the Business Plans, we’re designed this one to be a little bit of a bridge document between what we just released and what we’re proposing to come back with more substantively in the 2023 Project Update Report with the legislature next year.

And so, in some ways, we don’t have a ton of updates over where we were just ten months ago but there are some important things that we highlight here and new opportunities that we discuss, as well as updating status.
of where we are in the program.

This 2022 Business Plan, as I said, is a bit of a bridge document, updates on progress and new opportunities since April of 2021. It includes limited updates to forecasts and previews that we’ll cover in the Project Update Report.

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The most significant change from April 21 to today is the reemergence of our federal partner as a funding partner in high-speed rail and public transit infrastructure generally. As you all know, the Infrastructure Investment and Jobs Act was enacted by Congress in -- I think it was in December of 2021. And we have identified opportunities to compete in no less than six different federal funding pots where, there, we’re identified roughly between $60 billion and $70 billion of new funding over the next five years in various pots that we have an ability to play in.

In addition to that, there's a bill pending at Congress now called the Build Back Better Bill, which has a provision in it that is specific to high-speed rail, a $10 billion program for high-speed rail projects specifically around the country.

And so we are evaluating federal programs and we are developing a grants’ strategy. It’s important to
remind the Board and public that, certainly under the Biden Administration, we’ve had a very helpful partner to date on federal funding for this program. Not only did we see a billion dollars come back to this program that the prior administration tried to rescind, we also were the recipients of a $25 million grant in November for work that we’re doing in the City of Wasco. And so now, with new opportunity, we intend to opportunity, we intend to, you know, compete vigorously for additional federal funds as we go forward.

In addition to that, at the state level, Governor Newsom has included in this budget proposal a roughly $15 billion transportation infrastructure investment plan including, again, the request for $4.2 billion of our remaining Prop 1A funds to be appropriated for this project, nearly $4 billion, $3.75 billion, for rail and transit investments around the state, including grade separations, some $750 million for active transportation project which are typically pedestrian and bicycle safety projects, some $1.2 billion for port-related or trade corridor investments to help with supply chain issues, and some $400 million for climate adaptation projects.

Next slide.

The opportunity that is presented for us and that we hope we can work out in communications with legislature
in the months ahead is the ability to clarify how these
funds can be brought to bear for us to do some important
things. For example, we had indicated in the prior
Business Plan that we, because of budget constraints, we
may be limited to a single track in the Central Valley.

But we think with the availability of new
funding, we’ll have an opportunity to fund a two-track
initial operating segment in the valley, invest statewide
in the advance engineering and design work, like we just
approved for Bakersfield and Merced, but to other segments
where we finish the environmental work around the state, an
opportunity to leverage new federal and state funds for
targeted statewide investments, particularly in shared
corridors in the Bay Area and Los Angeles Basin. This
would be things like helping Caltrain finish their funding
for Caltrain electrification in the Bay Area. It could be
funding for the single station in Downtown Merced instead
of two different stations.

And in Southern California, as an example, it
could be for early grade separations that, in the short
term, help with Metrolink’s corridor but will also help our
corridor by the time we get there. So an example of some
kind of shared corridor investments that can be made.

And then, particularly, is the Build Back Better
Bill, as we see that resolve in Congress, there is an
opportunity to advance a longer term funding strategy about
how to put the funding pieces together to emerge from the
Central Valley and connect to the Bay Area as soon as
possible.

So we indicate this opportunity and these parts
of the conversation in this Business Plan are important
elements for us going forward. And, really, it’s made
possible by the availability of new funding.

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We do update some progress issues. Obviously, in
the Central Valley the key update is how we’ve moved the
project along. We’ve advanced the design from only 30
percent in 2018 to now nearly 100 percent for all of the
structures and guideways that we are working on in the
valley. We are working now on design changes that address
third-party concerns getting finalized in the scope in the
contract. Seventy-one percent of the structures are now
completed or under construction. Seventy-two percent of
the miles of guideway are completed or in progress now,
which we report to our F&A Committee each month.

We took important steps in 2021 to revamp the
management and the, really, the outcomes that come out of
our Right-of-Way Division, including the establishment of
30-, 60-, 90-day goals, and more comprehensive mapping and
tracking of our right-of-way progress. The result has been
good. We now have, as I'm speaking to you, about 2,069 parcels that we have delivered to the design-build contractors which means that, for the first time in the program’s history, 90 percent of the right-of-way has now been delivered to the contractors.

And of course, as you all know because it’s the work you're doing, we’re advancing the environmental documents statewide. And so we just did, with the last adoption of the Burbank to Los Angeles segment, we’ve cleared 300 miles to that environmental process. And we’re coming back to the Board in April, and again in June, for the San Jose to Merced and the San Francisco to San Jose segments, which will mean we will have cleared 430 miles by July 2022. That's an essential step for us to advance the entire statewide program.

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Another update -- other updates that are important in the Business Plan. We do indicate that we came to the Board in December and sought and received a $2.3 billion expenditure authorization so that we can address specific issues going forward on this project, advance the design work like we just discussed in the prior items. We are deferring a formal program budget baseline update until we conclude the conversations with the legislature, which will probably be later this year on the
question of the $4.2 billion of Prop 1A funds.

And we’ve updated with new connectivity maps in the document showing how high-speed rail will connect to other local public transportation services in the Bay Area and in Los Angeles. And this is largely designed to respond to issues of understanding better for the public and some policymakers how our system interacts and will work with the local and regional rail and transit providers, so we took steps to display that in this Business Plan.

We also updated our capital costs. And, mostly, those updates were tied to, as we completed the environmental work and we identified additional mitigations that were important to get that environmental work done, we identified that there were costs associated with those. And as a transparency matter, we report those in the Business Plan, which we did here.

Just by way of reminder on things like the Bakersfield to Palmdale or Burbank to L.A., the extensions, we did things like went around the Cesar Chavez National Monument which required us to make changes to the project scope and design. We did enhanced noise barriers around the City of Tehachapi. We did stream restoration and safety enhancements along the Pacific Crest Trail. And similarly, at the Burbank Airport and that stretch down
there, we chose an underground tunnel so we can get close to the Burbank -- the new Burbank Airport terminal. That also had us lessen our impact on residences and businesses substantially.

And so we do report when we make those kind of mitigations. There are some costs associated with those and we did report those in the Business Plan.

Next slide.

We also wanted to indicate to folks what would be coming up. We have a Project Update Report that's due to the legislature in every odd-numbered year. Business Plans are generally an even-numbered year. Odd-number year is the Project Update Report. And I think after the budget discussions are settled and we see the resolution of Build Back Better legislation, we’ll have more comprehensive things to update on our funding strategy going forward. We want to update the program baseline and budget schedule tied to that, including having the benefit of having our track and systems bids come in so we can apply those. With design procurements, we’ll update on where we are with the Merced/Bakersfield/Central Valley stations.

And the other thing is at the end of ’22, working closely with the California State Transportation Agency, we are using a new ridership model now that we’re just implementing. And that ridership model will enable us to
have more dynamic ridership projections. And it will
include some elements of ridership that were not included
in prior models. And so we’ll have the benefit of that to
update our ridership and revenue forecasts. These are the
things that we’ll be reporting on more comprehensively as
we get to the 2023 Project Update Report. And again, we
will update our capital cost estimates as we complete more
and more RODs as we forward. And so those are the things
that we’ll be updating as we move from this document to the
2023 Project Update Report.

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Just in terms of schedule, as I said, we put the
draft plan out February 8th, I'm reminded here, for a 60-
day public review. We have a hearing today and I'm
providing the summary now. There were some public comments
about the plan. On March 17th, we’ll have a more formal
review of this plan, including dedicated public comment to
the Draft Business Plan. And then at the Board meeting, we
will seek direction from the Board on getting that plan
finalized for adoption and submittal to the legislature by
May 1st.

So that is our schedule on this plan. There will
be more and more public comment that will come in over the
course of the next 45 days or so. And again, that will all
be part of the record about this plan. And we’ll come back
to the Board for final direction as we move to adoption of
the final plan.

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Just for the public purposes, ways to submit
comments on the Business Plan, online comment through the
Draft ’22 Business Plan website, and that website is
displayed here. You can email the Authority at
draftpb2022@hsr.ca.gov. And, of course, we’re happy to
accept comments by regular mail, as well. And again, our
two upcoming -- our next upcoming public comment
opportunity before the Board will be at our March 17th
hearing.

Mr. Chairman, I think with that, that’s my
summary. And I’m happy to answer any questions from Board
Members.

CHAIR RICHARDS: Thank you, CEO Kelly.

Questions for Brian from Members of the Board?

Yes, Director Camacho?

BOARD MEMBER CAMACHO: Yeah, Brian, one -- apart
from this that your presentation just made, I had asked for
an update on the funding that we were working with MTA or
the L.A. Division of MTA --

MR. KELLY: Yeah.

BOARD MEMBER CAMACHO: -- that 420. Where are we
with that or could you get me a status on that?
MR. KELLY: Yeah. Yeah. I mean, I can summarize it for you now, but I'm happy to also provide any additional information you may want.

We are really in negotiation back and forth on what's called the Project Management and Financing Agreement, PMFA. The PMFA is a document that we execute before dollars can be dedicated or spent to the project. And we did -- we executed a similar one on the Caltrain Electrification Project before we made dollars available there.

We are in the negotiation stages there. And I would say that, fundamentally, what it’s coming down to is making sure that the Authority has rights, access rights and operating rights, to be able to get in and out of the L.A. Union Station Project that we are providing almost half-a-billion dollars to fund. And working closely with Metro and Metrolink to make sure that we are able to preserve those rights and do it in a way where everybody’s operational concerns are met. And I think I would say that, fundamentally, that's the final issue that we're trying to resolve before we can execute that PMFA. But I'm eager to do it. And we're hoping to bring it back to the Board soon.

BOARD MEMBER CAMACHO: Great. Thank you. I think it would help us politically at the end of the day.
MR. KELLY: Sure. I don’t disagree.

BOARD MEMBER CAMACHO: Thank you, sir.

MR. KELLY: Thank you.

BOARD MEMBER CAMACHO: Thank you.

CHAIR RICHARDS: Thank you. Thank you, Ernie.

Any other questions or comments for Brian?

VICE CHAIR MILLER: Brian, did I hear you say we got the grant for Wasco?

MR. KELLY: We did, yeah.

VICE CHAIR MILLER: Great.

MR. KELLY: That was announced, I think, in November. We are very pleased, very, very pleased by that. I think it’s helped us a great deal. Our working relationship with the City of Wasco has never been better, so we’re working hard to make sure we maintain that.

VICE CHAIR MILLER: There you go. Thanks.

CHAIR RICHARDS: Your working relationship with this Board would be better if you could find us some money.

MR. KELLY: Well, as I indicated, Mr. Chairman, there's some $70 billion in that federal pot.

CHAIR RICHARDS: No, no, no, just a small amount, Brian.

MR. KELLY: I've got to go get it.

CHAIR RICHARDS: Okay.

BOARD MEMBER WILLIAMS: Thanks for the work --
CHAIR RICHARDS: All right. Thank you.

BOARD MEMBER WILLIAMS: -- on Wasco, Brian.

CHAIR RICHARDS: Thank you.

Director Williams, did you have something?

BOARD MEMBER WILLIAMS: No, I was just saying --
I was just chiming in on the -- my camera is not working
but I was chiming in on the --

CHAIR RICHARDS: Okay.

BOARD MEMBER WILLIAMS: -- on the Wasco thing,
just appreciated the partnership and the hard work of the
staff on that.

MR. KELLY: Thank you, Anthony.

BOARD MEMBER SCHENK: Yeah. Thank you.

CHAIR RICHARDS: Thank you. Thank you, Director
Williams.

All right, moving on to --

BOARD MEMBER PEREA: Mr. Chairman?

CHAIR RICHARDS: Yes?

BOARD MEMBER PEREA: I have couple things,
just --

CHAIR RICHARDS: Oh, hi. Hi Henry. I'm sorry.

BOARD MEMBER PEREA: That's okay, Mr. Chairman.

Three things, Brian. One, the bridge, this plan
being a bridge to the previous plan, does that mean that
the components of the previous plan all still hold or will
this plan --

MR. KELLY: Yeah.

BOARD MEMBER PEREA: -- be replacing that plan?

MR. KELLY: Yeah. I think, as we indicated in
the Draft Business Plan, our proposal for how we would move
forward, the things that we want to achieve next are
estimates for doing it, we have not changed. And so we,
you know, we still want to get to an operating segment
between Merced and Bakersfield as the initial building
block of the system and we maintain all that here. We are
certainly making other moves. I think we need
clarification from the legislature, candidly, on when and
how we will be able to utilize the $4.2 billion in bond
dollars that are holding out.

And I want to say, you know, respectfully to all
parties, we all have a -- we’re all trying to bridge
differences on this, but we do need to get a uniform policy
recommendation on how we’re going to move forward. And I
think that’s important and I would hope that we have this
in place through this budget conversation so the Project
Update Report can be clear on exactly where we’re going and
how we’re going. And so I’m really hopeful that this is
the year we can resolve those things. And I would just
observe that sometimes, you know, new federal or state
funds can be big helpers in making sure we can get an
agreement in place.

And so we didn’t change much. And we want to see some things resolved that need to resolve with the legislature and other places and then we’ll update more things in the 2023 Project Update Report.

BOARD MEMBER PEREA: Okay. So the question, one question I have, is in the previous document it says that we’re going to commence testing of the electrified high-speed rail system in 2025.

MR. KELLY: Yeah.

BOARD MEMBER PEREA: We’re going to certify trains by 2027, and that trains will be in service by the end of the decade. And if I heard correctly in this presentation today, that says that delivery will be as soon as possible. So are we going to be replacing the specific timelines that we had in the -- that we’ve had for the last three or four years?

MR. KELLY: Well, as you know and as we’ve discussed through other presentations to the Board, particularly in November most recently, and we’ve talked about, we are working through some of the scope issues and commercial settlement issues on CP 2-3 and 1. And as we do those, we’ll be evaluating any schedule impacts. We’ll update that when that work is concluded but it’s not concluded right now. We continue to work through it. And
when we do we’ll update all schedule-related impacts tied
to that.

And so we’ve indicated we would conclude that
work, we hope in Q2 of 2022, and so as we do that, we’ll
update as soon as we can. But I don’t have all of that
settled yet but we’re working through it.

BOARD MEMBER PEREA: Thank you. Okay. Because
as, I mean, we all know, part of a business plan is the
timelines, the delivery schedules.

MR. KELLY: Yeah.

BOARD MEMBER PEREA: And I think what --
MR. KELLY: Yeah.

BOARD MEMBER PEREA: -- what we owe the taxpayers
and we owe the governors, the state legislature, and the
federal government, with all the money they're committing,
is a schedule that we can live with.

MR. KELLY: Yes.

BOARD MEMBER PEREA: So, yeah, I hope you get
that data sooner rather than later.

MR. KELLY: I appreciate that.

BOARD MEMBER PEREA: And the last point I just
want to make, I know you're in the comment period for this
plan, but I just want to just emphasize, at least speaking
for myself, a single track does not work and will not work
in the Central Valley. I mean, if we are the spine of this
system, you can't operate at 220 miles and hour with the timelines that we're promising on a single track. You know, the research I've done in other countries, yes, you do find single tracks but they're on secondary lines, not on your primary lines.

So you know, I know money has been an issue, it looks like we're getting money, but I think we need to make a strong commitment at some point. And I'm hoping in this plan that we will deliver a two-track system.

MR. KELLY: Well, I do too. And I think I would just say that the single-track option was initially put in the last Business Plan totally as a response to our budget constraint. Hopefully, with new federal money and state funds, we can address that issue. And we are pretty clear in this plan that that is our preferred option. That's what we will be pursuing federal funds primarily for is to make sure we can settle that issue.

BOARD MEMBER PEREA: Great. Thank you.

CHAIR RICHARDS: Thank you. Thank you, Henry.

All right. Thank you, Brian.

Item seven, ladies and gentlemen, is the CEO Report, so you're still up, so go on, Brian.

MR. KELLY: Okay. Thank you, Mr. Chairman.

Board Members, again, this is the monthly CEO Report that I provide to the Board each month.
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I'll go through the issues that I'm going to cover here. The first is a little bit of a primer for the Board Members on what's coming to you in April, which is the San Jose to Merced Project section Final EIR/EIS. We're hoping to bring that before the Board for your consideration at our April Board meeting.

I want to talk to the Board about something that I've discussed at different levels with the Chairman and, I think, Mr. Ghielmetti on a tunneling workshop that we'd like to do with the Board in March. I have to update you on some change order updates, as well as contract extensions that we have worked through, and so I'm going to go through each of these. And again, at the end, I'll be happy to answer any questions.

So with that, let me start with the update on what's coming to you all on the San Jose-Merced Final Environmental Document. First of all, on Friday, February 25th, we'll be publishing the Final EIR/EIS for the publicly-released -- or will be publicly released for the San Jose to Merced Project section. NEPA requires a 30-day waiting period prior to considering certification or approval of the documents, so we're putting this really about 60 days in front of our April hearing, but we have to do that for NEPA purposes.
At the April 20th-21st Board meeting, which will be a two-day Board meeting, as all of the environmental consideration meetings are, we will consider certifying the Final EIR/EIS as the CEQA lead, approving the preferred alternative and related CEQA decision documents, and directing the Authority’s CEO, myself, to issue the Record of Decision under the Authority’s NEPA assignment. This is part and parcel of what we do at all of these Board meetings where we consider the environmental document.

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Again, just as a sort of broad reminder, this is the San Jose to Merced section. This is a section that is approximately 90 miles long and connects the Central Valley with Downtown San Jose. There's upgrades to the existing rail corridor between San Jose and Gilroy, including a Diridon design variant, dedicated high-speed rail infrastructure their Pacheco Pass in the San Joaquin Valley connecting to the Central Valley Wye. And two tunnels in this section, which is a little bit of a foreshadow to something I'll talk to you about next, but two tunnels in this section, one 13-and-a-half miles and one about a mile-and-a-half, in the Pacheco pass, including a tunnel design variant. There are two stations involved here, the Downtown Gilroy Station and the San Jose Diridon Station, and two maintenance facilities, South Gilroy Maintenance
and Weigh (phonetic) Facility, and a maintenance and weigh siting near Turner Island Road.

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Again, just some of the statistics on this, 88.8 miles, close to 90 miles long. The viaducts combined, 15.2 miles of viaducts, 26 miles of embankment. We see the tunnel numbers, 15.1 miles of tunneling through the Pacheco Pass. We cross 141 different waterbody crossings, and a total number of roadway crossings of 29. Total number of permanent public and private roadway closures, eight from San Jose to Gilroy and seven from Gilroy to Carlucci Road.

Next slide.

As all of these CEO documents reflect every time we talk about them, we’ve been talking about these things for some time, you see on this one, we started to develop the alternatives for this segment between San Jose and Merced back in 2009. We had a partial revision to the program EIR/EIS in 2012. The Board identified the preferred alternative, which we call Alternative 4, through here in 2019.

We released the Draft EIR/EIS in 2020, did a revised Draft EIR and Supplemental Draft EIS in 2021, and we are preparing now to bring the final the Board in April of 2022.

Next slide.
So that's -- that concludes the sort of, you know, brief snapshot of what's coming to you in April. And, again, we'll be publishing the draft -- or sorry, the Final EIR/EIS document on Friday, February 25th.

The second item I wanted to report and talk to the Board about, we have also scheduled a two-day hearing, which has always been set since we adopted our calendar, for March this year, March 16th and 17th. And what we would like to propose here is doing one day, I think we're proposing on March 16th, to have a workshop specifically on tunneling and tunneling issues that we have on this project.

The reason we think this is an important thing to talk about is the three segments in the state of California for our Phase 1, the entirety of our Phase 1 segment, that have tunnels account for about half of the program's -- sorry, about half the program cost. So if you think about our system statewide being, you know, on the order of a $90 billion program, some $45 billion to $50 billion are in segments where there's tunneling. We have significant tunneling between Palmdale and Burbank, significant tunneling between Bakersfield and Palmdale, and as I indicated, about 15 miles of tunneling between Merced and San Jose.

So the idea is to bring in some tunneling experts
with experience in transportation tunneling projects from five fields, design, heavy civil contractor, tunnel boring machine manufacturer, public sector, and academia. And the primary purpose is to hear from experts on things like best practices and lessons learned in tunnel construction, scheduling, and cost modeling, opportunities to mitigate cost and risk, and to focus areas of near-term planning, including important preconstruction work that's really key and important when it comes to tunneling.

So what we're envisioning here is bringing in a panel of experts, have them moderated by another expert in the field, and have them talk about some of the issues that they've seen that are important in this area, knowing that it's a big issue for us, and then opening up that panel to questions from the Board and others. It would be a workshop that would be held publicly. And so that is -- that's what we're contemplating here.

I see Mr. Ghielmetti has a hand up.

BOARD MEMBER GHIELMETTI: Brian, you know, I understand we might be able to meet in person in April.

MR. KELLY: Yeah.

BOARD MEMBER GHIELMETTI: Would this workshop on tunneling be better held when we can meet in person?

MR. KELLY: It could be. I mean, I'll defer to the Board on that. It certainly could be. We just, you
know, we know that we have two-day thing on the calendar in March. I think the earlier we have these conversations the better. But I, you know, I don’t have a strong opinion one way or the other, other than I think it’s an important conversation for us to have and for the Board to engage in, again, mostly because so much of our cost issues are tied to segments with significant tunnelling.

But I defer to the Board on that. We can do it either Zoom in March or we can wait for an in-person hearing and do it then. Again, I defer to the Board.

CHAIR RICHARDS: Well, in April, Brian, do we -- is it -- don’t we already have a two-day meeting?

MR. KELLY: Yeah. I mean, I would probably --

CHAIR RICHARDS: Okay.

MR. KELLY: -- not choose April for it. I would have to say that.

CHAIR RICHARDS: It’s environmental, so I don't know that we’ve got the time and the attention to do it in April. I agree with Jim, it’s, there's no question, it’s better in person but you weigh it against is it better? We know it’s better in person but do we really want -- do we want to delay it any longer?

BOARD MEMBER GHIELMETTI: I mean --

CHAIR RICHARDS: It's an interesting part of what we’re getting ready to do and has been looming over our
shoulders forever. Costs that we’ve heard in the past were amazingly large. The idea of updating what the technology is and cost is going to be incredibly helpful, I think, to all of us, certainly to me.

BOARD MEMBER GHIELMETTI: Well, we’re not going to build a tunnel for a while.

CHAIR RICHARDS: No, I know, but it’s just -- I think the -- well, you're right, and there's no question we’re not.

BOARD MEMBER GHIELMETTI: Right. You know, if May is a better month, let’s push it off to May.

MR. KELLY: That is an option. I mean, I would just say April is -- because April, we’ll both have the environmental document and the adoption of the Business Plan, we don’t want to do April.

CHAIR RICHARDS: No.

MR. KELLY: But if May is better for the Board, we can make that work.

CHAIR RICHARDS: You know, the other thing that might be the case, Brian, but I don't know how far along you’ve been in talking to these experts, we might have an easier opportunity at making sure that you are able to fill your panel, unless you’ve already been working on it and you think you’ve already got it filled in March.

MR. KELLY: Yeah. We have been working on it. I
think we can make it work on either date.

   CHAIR RICHARDS: Oh.

   MR. KELLY: But again, look, I appreciate the
   perspective that in-person might be best and I'm certainly
   open to the Board's direction on that.

   CHAIR RICHARDS: We want to look at these
   machines and hang onto them, so in-person would be great.

   BOARD MEMBER SCHENK: Yeah. And are we scheduled
   for a two-day meeting in May, as well? I had that down as
   a tentative.

   MR. KELLY: Yeah. It is not, at this time, I
don’t believe. It’s not in May.

   BOARD MEMBER SCHENK: Oh, okay. I think we were
asked to at least tentatively hold two days, so if others
have held it, we could probably use that time.

   MR. KELLY: I mean, we could make it work, and I
come back to the Board with a specific schedule on that.
But again, if the preference is to do it in person, we’ll
find a date to do that.

   VICE CHAIR MILLER: Is there any -- I mean,
should we talk about a hybrid? I know some people are
doing this, where it’s part, you know, a public hearing
and, also, Zoom.

   MR. KELLY: Yeah. I would imagine that when we
go back to the public hearing, we’ll still have -- oh,
sorry, the in-person hearings, we’ll still have a Zoom component to what we’re doing --

VICE CHAIR MILLER: Right.

MR. KELLY: -- because once you open up public comment avenues, you want to maintain them, even when we’re back in person, so I think --

CHAIR RICHARDS: I guess the --

MR. KELLY: -- we’ll have that.

CHAIR RICHARDS: -- the thing that I think about, too, is I just wonder, I don't know where these experts are going to come from but if they're from other parts of the country, maybe even outside the country, regardless of when we have it, do you have any sense for whether any of them were going to be participating in a virtual way, on Zoom or something like that, or do you think that they --

MR. KELLY: I can tell that --

CHAIR RICHARDS: -- would (indiscernible)?

MR. KELLY: -- I can tell you that all are outside of California, some are international, five have confirmed. But again, you know, we can work through the dates.

Again, what I think is important is that we have this dialogue and we start looking at this issue. But again, the specific time to do it is something that I'm happy to work through, I just don’t want to do it in April.
CHAIR RICHARDS: Okay, so we’ll -- if you
would -- so take a look at May and whatever and just come
back to us with whatever you find out is going to work best
for them and for you and us.

VICE CHAIR MILLER: Well, wait. Wait. Before we
leave this, I mean, it is true, we’re not building anything
for a while, but we are building our budgets and we’re
trying to get a handle on the cost. And I just know, once
we hit the summer, everyone’s availability starts to go
down.

So, Jim, is this a thing where if it was -- it’s
a -- I don't know. I've never been -- I've been to one
hybrid meeting and it seemed to work okay. Most people
came by -- attended by Zoom. But it sounds like if our
experts are attending by Zoom anyway --

BOARD MEMBER GHIELMETTI: You know, I just think
it’s -- these kinds of presentations, I've been through
them before on the CTC, are better in person. And during
recess you can talk to some of the people about it and
answer some off-the-record questions or whatever. Zoom
doesn’t do it for me. I think if you really want to get
into the technology of drilling tunnels, I think we’re
better off doing it in person. That's my personal opinion.

CHAIR RICHARDS: Brian, well, how long --

VICE CHAIR MILLER: Well --
CHAIR RICHARDS: Go ahead, Ernie.

BOARD MEMBER CAMACHO: Yeah. I agree --

CHAIR RICHARDS: Yeah.

BOARD MEMBER CAMACHO: -- with you, so much so, two years ago I visited -- I went to both Spain and to Italy, but in Italy, I visited a tunneling -- to see them tunneling. And prior to that, in my other life as a rail construction corporation, we toured Europe and we visited the new Australian -- Austria tunneling methods. And I absolutely agree, it’s much better to be able to talk to them face-to-face. You get much more out of them and you learn a great deal more.

And I realize the issues with Zoom that we have and the availability of that but if, in fact, they're going to present through Zoom, or are they presenting in person, Brian?

MR. KELLY: Well, look, because they are all from out of California, and some international, and because the COVID protocols are still in place, we’ve been working on this as a Zoom thing.

VICE CHAIR MILLER: Right.

BOARD MEMBER CAMACHO: Oh.

MR. KELLY: However, I don’t disagree with the in-person --

CHAIR RICHARDS: Yeah.
MR. KELLY: -- request and benefit. And I think, well, let me do this, I think what's really beneficial for the Board and all of us is to start to hear and think about these issues and what we need to do to plan for them. And I would just say, let me come back to you on options --

CHAIR RICHARDS: That sounds great. It’s in your hands.

MR. KELLY: -- (indiscernible).

BOARD MEMBER CAMACHO: Very good.


MR. KELLY: Okay. Thank you, Mr. Chairman. I'll go back to the presentation.

Next slide, please.

Okay, I'm going to update on a couple of change orders that I want to report to the Board. That list of change orders that you see there on Construction Package 1 are those that I identified that we have to negotiate to complete getting scope into that project. And what I'm going to tell you here is that we’ve already done the Belmont Avenue overcrossing. I already reported that to the Board.

And I'm reporting to you today the conclusion of the Golden State North and South Alignment. So the top two of those are now complete. And we are in negotiation on
McKinley Avenue which is close to final negotiation and pending internal approval. And we’re in negotiation on what’s called the guideway for Caltrans 99, so that is where we are on these. And I just want to, again, put some context to these. The first two are complete. And the next ones are in negotiation now.

So a little detail on the Golden State North and South.

Next slide, please. Those are the two that are done. Next slide, please. I stepped all over the great graphic.

Two elements of Golden State. And, listen, it’s a theme that I keep repeating every time I update a change order to the Board, but Golden State Boulevard, north and south, is another example of a series of scope changes that were pushed -- not pushed but negotiated with permitting and approval agencies after the contract was awarded, in this case mostly with the City of Fresno and the railroads, the freight railroads, and that required us to alter design and scope. And that was executed between 2015 and 2018. And we are getting the change orders implemented now and putting it into the project.

The first one is -- they all involve widening of local roadways that are along where our alignment are, some demolition of some bridge structures tied to the freight
railroads, and the addition of things like additional traffic signaling and things like that. So the totality of this is two elements, one is Golden State North, the other is Golden State South. Golden State North was negotiated at $19.2 million. And Golden State South was negotiated at $28.2 million. And so we’ve executed those. And now that we’ve done that, the work can commence shortly on that work.

So I'm just, again, updating the Board on these change orders.

Next slide.

Time impact delay, we, as you know, when we have been in a time impact delay on these construction packages due to delays from right-of-way delays, third-party agreement delays or other things, we have to negotiate a time impact. We do it every couple of years. And on TPZP, we just concluded a time impact -- a delay that we had to conclude. And before, Brian Annis indicated to the Finance and Audit Committee that $40 million of that was paid in January. The rest goes out in the future over months. But the totality of that delay and that package was $121.9 million. And that covered almost two years of delay tied to the TPZP CP 1 contract, so we just completed that TIA, as well, and is part of also getting that dispute behind us and move forward on the work on CP 1.
Next slide.

Contract extensions. There are two contract extensions, I think, that I'm going to talk about. Here the first is Log Harris (phonetic), who was the PCM on CP 1. Their contract expired at the end of 2021, so we are extending it a 12-month period to 2022. It costs about $2.7 million a month, I guess a little bit less, so this is a 12-month extension to get to the end of the year.

A couple of things on this before we extend it again. I'm asking -- I've asked and directed our staff to do a full evaluation on these services before we consider any other extension. And also I would note in the PDS RFQ that you just approved, we are considering PCM services here. And we will, as we bring on the new Board, we will consider that option as opposed to an additional extension here. It is something that we will consider as we go forward. So I need to report to you that we've made this extension to make sure we have management services in place. But there will be options on this as we get to the end of 2022.

Next slide. Oh, sorry. That's it.

So with that, I'm happy to answer any questions of the Board.

CHAIR RICHARDS: Any more questions for Brian?

All right, Brian, thank you very much.
MR. KELLY: Okay. Thank you, Mr. Chairman and Board Members.

CHAIR RICHARDS: Thank you.

I'll just run very quickly through a few points on Finance and Audit. And that will then conclude our meeting for today.

With regards to disputes, that is result of invoices which we have a dispute on, they increased in December, and all these numbers are for December, increased to $96.6 million, up about $50 million, all due to or primarily due to disputes with the DB on CP 2-3, Dragados Flatiron.

Cash management, we’ve got -- at the end of December we had $1.88 billion available to the Authority. That represented $158 million increase from the month before. That was due to the receipt of the ARRA proceeds from the August can-and-trade auction of $252 million less the expenditures in December which were $72 million. The February cap-and-trade auction occurred yesterday. And there should be preliminary results of what our share might be as early as next Thursday.

On admin and budget, we’ve gone through 50 percent of the fiscal year. We’ve spent about 30 percent of our admin budget, that's $27.2 million that we’ve spent. The budget for -- annually -- or for this fiscal year is
$91 million. And the vacancy rate, that is unfilled positions, state positions, 31.9 percent, about 137 vacancies. And those jumped way up when we entered into the '21 or '21-22 budget as a result of the budget passed by the legislature, and then an additional amount that we’re allocated, I believe, in September.

On capital outlay for the month of December, we spent $90 million, which was $9 million over and above what we had spent in November. Of that, design-build expenditures were $44.6 million.

Also what happened, the CFO updated the budget for '21-22. We originally had adopted a budget of $2.3 billion. That's been adjusted down with what they think the actual expenditure forecast will be at about $1.7 billion.

Small business utilization rate increased up to 23.5 percent. That's an overall, on the year, the previous 12 months, that's 11.4 percent increase over 12 months ago. On contingency, there were $44 million drawn down on contingency, $39 million of which were for the Belmont Avenue construction that the CEO just mentioned and was reported to the Board, also, in January, and then we heard that again this morning -- or this afternoon.

And (clears throat) excuse me, regarding the
Central Valley Status Report, labor on the sites in December were at 766, which were a decrease of 123 from the month before, which is, we were told, is attributable to seasonal fluctuations and holidays, as well as wet weather. As you recall, we had -- the last real rain we had, certainly in the valley and I assume around the state, was quite a lot in December.

On our construction programs of structures, we’ve got 66 out of 93 that are underway or substantially complete. That's an increase of one from the previous month. And guideway, 86 miles out of 119, that's 72 percent. There's no change from the month before. And right-of-way, which Brian also mentioned, as we stand today we have 269 parcels that have been purchased and delivered. At the end of December it was 241, that was 89 percent. We’re now over 90 percent.

And that is a quick summary of F&A today. Any questions from anybody on that? All right. Well, thank you very much.

That concludes our agenda today. And to my colleagues, thank you all very much for your well-placed comments, and for the work that you’ve done to get here today, and for getting us through this meeting.

For you and the public, thank you for joining us. We will look forward to seeing you next month. And we
appreciate your participation.

With that, to all of you, have a good day.

(The California High-Speed Rail Authority Board
meeting adjourned at 2:30 p.m.)
CERTIFICATE OF REPORTER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were reported by me, a certified electronic court reporter and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

IN WITNESS WHEREOF, I have hereunto set my hand this 28th day of February, 2022.

[Signature]

MARTHA L. NELSON, CERT**367
CERTIFICATE OF TRANSCRIBER

I do hereby certify that the testimony in the foregoing hearing was taken at the time and place therein stated; that the testimony of said witnesses were transcribed by me, a certified transcriber and a disinterested person, and was under my supervision thereafter transcribed into typewriting.

And I further certify that I am not of counsel or attorney for either or any of the parties to said hearing nor in any way interested in the outcome of the cause named in said caption.

I certify that the foregoing is a correct transcript, to the best of my ability, from the electronic sound recording of the proceedings in the above-entitled matter.

MARTHA L. NELSON, CERT**367