

DRAFT

Finance and Audit Committee Meeting Minutes May 1, 2025

Webcast available at:

www.hsr.ca.gov

The meeting of the California High-Speed Rail Authority (Authority) Finance and Audit Committee Meeting was called to order on May 1st at 8:15 A.M. at 1220 N Street, Sacramento, CA and by Zoom. The Meeting Minutes were prepared in the order items were presented during the meeting.

Committee Members Present:

Mr. Tom Richards, Committee Chair

Ms. Nancy Miller, Vice Chair

Mr. Ernie Camacho, Committee Member

Mr. James Ghielmetti, Committee Member

Staff Present:

Mr. Ian Choudri, Chief Executive Officer

Ms. Alice Rodriguez, Secretary

Mr. Tom Fellenz, Acting Chief Counsel

Mr. Jamey Matalka, Chief Financial Officer

Dr. Gary Walker, PDS Executive Program Director

Public Comment

An opportunity for public comment was made at the beginning of the meeting.

Item #1 – March 6 Meeting Minutes

The March 6, 2024, Meeting Minutes were moved for approval by Committee Member Ghielmetti and seconded by Vice Chair Nancy Miller. The meeting minutes were approved by all committee members present.

Item #2 – Financial Reports Executive Summary by Chief Financial Officer

Chief Financial Officer Jamey Matalka presented the Financial Reports Executive Summary to the F&A Committee Members.

Question (Total Project Expenditures):

Member Camacho asked how are we going to use that \$29 billion, have we slated?

Response:

Mr. Matalka responded that money is fully allocated to advancing the early operating segment of Merced to Bakersfield and also finalizing our project development requirements under the ARRA grant for environmental clearance down to down to Anaheim.

Question:

Member Camacho said so that includes the 171 miles of track and systems?

Response:

Mr. Matalka responded yes, it's not fully funded, but to actually complete that scope of work this is the funding we have towards that.

Question:

Member Camacho asked how about the maintenance facility or the two stations?

Response:

Mr. Matalka responded yes, well both are in there and again, the funding we have does not fully get us to completing that scope of work but it's all directed towards that scope of work.

Question:

Member Camacho asked and the cost for the design to Palmdale, is that included in that as well?

Response:

Mr. Matalka responded yes. Now, only preliminary design just to be clear.

Question:

Chair Richards asked do you have any detail on what those change orders were, just one line or something like that?

Response:

Mr. Matalka responded yes, we do and it will be actually in the Central Valley status update report, although I can...

Response:

Chair Richards responded no, it's all right if you're going to mention it I'd like to at least hear that for the public.

Response:

Mr. Matalka responded definitely yes, I'll leave that for Gary.

Question:

Member Camacho asked [indiscernible]

Response:

Mr. Matalka responded other than the DB package, the design builder within the construction package is the major driver of those costs. However, in the package we have the project construction manager, the PCMs, we have the right of way third party contracts, we also have environmental mitigation, resource agencies, and smaller support contracts to help advance that scope of work. I have a list of the different expenditures in the detailed report and if you'd like any further information happy to provide it.

Question:

Member Camacho asked [indiscernible]

Response:

Mr. Matalka responded PCM firms of the 22, it's next month's report so I don't exactly have that just yet. I could give you what the PCMs had for this month, if that if that works. To give you a sense of where they're at and they range between four to five million a month.

Question:

Member Camacho asked [indiscernible] it seems that we're spending less money right now on construction costs that means that something [indiscernible].

Response:

Mr. Choudri responded couple of things, I think Jamie, can we talk about the CP4 expenditures are they going down at this point and that's maybe contributing.

Response:

Mr. Matalka responded that is definitely one of the pieces, if we could, maybe pull up our central valley status report. We do have an earned value graphic that we're showing. I think CP1 gives a good example on page 12 where you see that we're tracking our expenditures. Now, it's not a linear fashion, as we all know construction goes up and down given this current period we're reporting 85 million, but you saw 77% increase for next month. It's based on advancing the work getting past some of the utility relocations so the contractor can get moving on their work and you'll see the expenditures increase. So our graphic is showing that between the middle of 25 to the end of 26 you'll see an uptick in expenditures to achieve our target.

Question:

Member Camacho asked [indiscernible]

Response:

Mr. Choudri responded that's very true and on the CP1 in particular we have some major milestones that have some reviews to be done with our class one railroad and that is tomorrow. If those get organized in a way I think they should then we will have a major construction activity starting very, very soon.

Item #3 – Central Valley Update by Deputy Chief Operating Officer

PDS Executive Program Director Dr. Gary Walker presented the Central Valley Status Report Executive Summary to the F&A Committee Members.

Question:

Member Ghielmetti asked any of these utility relocations or right away holding up any work?

Response:

Mr. Walker responded no, as planned.

Question:

Member Camacho asked maybe this is to Ian, when can we get a sequence of contracting for the rolling stock maintenance facility track and OCS system as well as the station construction? Can we get a schedule for that?

Response:

Mr. Choudri responded yes, it's revised, it's getting updated we will have that available for at the next board meeting

Having no further business, the meeting was adjourned at 8:54 A.M.

The Authority additionally posts on its website a link to a recording of the F&A meeting, which detail the discussion, questions, and answers from the meeting