

DRAFT

Finance and Audit Committee Meeting Minutes October 9, 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 October 9 at 8:30 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

Mr. Ernie Camacho, Committee Member

Staff Present:

Mr. Ian Choudri, Chief Executive Officer

Ms. Alice Rodriguez, Secretary

Mr. Jamey Matalka, Chief Financial Officer

Mr. Ed Fenn, Chief of Construction

Ms. Paula Rivera, Chief Auditor

Public Comment

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

Item #1 – August 28 Meeting Minutes

The August 28, 2025, Meeting Minutes were moved for approval by Committee Member Camacho and seconded by Chair Richards. The meeting minutes were approved by all committee members present.

Item #3 – 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.

Item #4 – Central Valley Update by Deputy Chief Operating Officer

Chief of Construction Mr. Ed Fenn presented the Central Valley Status Report Executive Summary to the F&A Committee Members.

Question:

Chair Richards asked Ed, as you're going through this, do you know what changes there were that caused you to do the revised report? When you get to those, would you just let us know? Because, I mean, I haven't read the revised one here, but I've got my other comments on the one that was the original. So, when you get to those, if you could just tell us, so that we don't have to go through this revised one.

Response:

Mr. Fenn responded Sure, understood.

Question:

Chair Richards asked are any of the 18 right-of-way parcels affecting construction at this point? There's 18 parcels still necessary for the right-of-way? Are there -- are any of those 18 impacting our ability and are in construction today?

Response:

Mr. Fenn responded no. No, they are not. They will never. They are ancillary parcels - easements for utilities, drainage. So, at this point, they're not a concern to us.

Question:

Chair Richards asked Okay. Do we have any pictures available of what it looks like now?

Response:

Mr. Fenn responded I don't have a great one, actually. The one that's in this report is a bit dated.

Question:

Chair Richards asked yeah. Yeah. Maybe we could have it for the next month?

Response:

Mr. Fenn responded we can do that

Question:

Member Camacho asked can I stop you for a second? Can you go back to slide three on the railhead? The project continues to proceed on schedule with the initial surfacing and ballast for all track forecast to be completed by October 3rd. So, are you saying that it is not complete?

Response:

Mr. Fenn responded no, that is -- that is complete. So, the track is ballasted and surfaced at this point.

Question:

Member Camacho asked what do you mean by the surfacing and ballast?

Response:

Mr. Fenn responded yeah. So, that's basically the rock underneath the --.

Question:

Member Camacho asked yeah. No, I know what ballast is, but are you saying that they've already put the ballast in place?

Response:

Mr. Fenn responded yes, sir. Yes.

Question:

Member Camacho asked and then the track will be laid on top of that?

Response:

Mr. Fenn responded yes. So, the track's all in place and the ballast is all in place. I mean, it's ready to receive rail cars, if I'm correct there. That's correct. Yes. So, in that sense we

Question:

Member Camacho asked but I thought -- I thought that would be the responsibility of the track -- of whoever has the track, the -- that'll be laying the track, as opposed to doing the

Response:

Mr. Choudri responded I think this is about the -- within the depot, within the yard. Yeah. This is just to bring the freight trains into the yard. Not the main line, yeah.

Response:

Member Camacho responded but not the main line. Okay. Okay I got it. Thank you.

Question:

Member Camacho asked going back to slide number 10. We're talking about a completion of the structures and guideway by Q4, December 26 on both of those. So, realizing that we have also the holidays, at the same time, which construction generally slows down by that. Have we anticipated the holidays come into play? As well as the fact that if it's at the end of December, Ian, we have published and stated that portion would be done by the end of '26 or into '26. When will we be alerted that we certainly have a problem and we may not make that date, and what do we do about that? What is our contingency plan?

Response:

Mr. Choudri responded: I will let Ed talk more in detail, but I think what we are doing, and Ed, you can explain more on the schedule. And our day-to-day monitoring of the progress is just to ensure that there are no surprises. So, right away, elements are removed as obstacles. The reason of the end of '26 completion target, we set it so that when we start laying tracks, we don't have any civil works in the way that will continue, unless it's a civil work outside of the track works. So, nothing in the rail construction when we are laying rail. But anything else that, for instance, if they're doing some work to do protection walls, they may continue into '27 because that's not critical for us. What we are trying to do is clear the pathway in the 119 mile. When we start laying tracks we don't stop, in any of these CPs. Ed, you can talk about how we are monitoring that.

Response:

Mr. Fenn responded yes. Yeah, no. If I could add to that as well. So, our approach right now, especially, so the initial focus for me, anyway, being here three months, was to focus on the CP23, which is our track construction comes from CP4 in the south, and it goes north. What we're instituting with the contractor there is a guideway turnover approach, which is consistent with what Ian's saying there, is we have the guideway to build track. There may be ancillary work such as fencing, ditches, drainage, even utility relocations, above, but if it's not precluding us from building track, we're going forward with a guideway turnover approach there, and working to date, excuse me, the JV at this point to identify those areas, part of our settlement with them. So, it is daily monitoring. So, moving from south to north, moving into north with CP1, there's a lot of work there. There's heavily sequenced work within the city of Fresno that we're monitoring closely. A lot of the challenges with that is there are third parties involved with that, both the City of Fresno and the UP. So, we're strengthening those relationships with them and ensuring that we're meeting dates for that. So, we continuously look at schedule, and next week we're having a kind of a summit down at CP1 to go through a couple of the longest paths to see how to optimize phasing and construction. But it will be we will be busy through the end of next year.

Question:

Member Camacho responded well, the reason for my concern about that date is if I go back to slide number 15, which has the earned value, the delta between where we currently are, and where we should be, is quite a spread, obviously. And the trajectory doesn't look like it's closing. It seems to be somewhat constant, which keeps the spread the same. And I'm just hoping that we'll close that spread soon, or begin to close it, so that the trajectory would actually look at meeting into '26.

Response:

Mr. Fenn responded yeah, no, I understand completely. One thing that we will see soon is that we started on Shaw Ave, which was a shoofly that we needed to coordinate with the UPRR back in September, and so that opened. So, a lot of their dollar value is in structures, and they're frankly ahead of schedule just on that specific substructure for Shaw Avenue. Church Avenue, as well, we just had a utility relocation that allowed that work to open up. I understand what you're saying. I think we're going to see a bit of a more positive trend going forward. We need to, right? But again, the dollars are in the structure. So, when the structures are able to be constructed, that should help this trend.

Question:

Member Camacho asked when we begin laying track, are we going to look at starting at the CP4 area and moving north? I mean, the optics of laying track - it certainly helps with the idea that we are in fact moving and the progress is certainly very, very visible. So, is that where we're going to start with the track and systems?

Response:

Mr. Fenn responded so, the railhead that we saw in the last slide of the presentation is basically the starting point for that track to move north. Concurrently with that, as well, is just at the south limits of CP1 is where our HMF will be located. So, currently, right now, we're developing the plans for a second railhead there as well. So, while they're building track north from CP4, the TSCC contractor will be constructing that railhead at the northern segment, which will allow us to run concurrent headings for track construction, both from our Wasco yard, and then from the HMF/ railhead facility just at the

south of CP1. So, initially, from CP1, they'll move south and meet the track construction that's starting from the south, somewhere in the middle. So, that's right now the plan. And then once we close that gap, then we'll be able to move north through the remainder of CP1.

Item #2 – Audit Report by Chief Auditor

Question:

Chair Richards asked back to us on that when that's completed and let us know what happened?

Response:

Ms. Rivera responded yes.

Question:

Chair Richards asked how long do you think this will take, Paula?

Response:

Ms. Rivera responded not long. The majority of the slides are to generally share with the Board what an external peer review is, but you and Ernie are aware, we've been through this a number of times. So, I can skip those slides.

Having no further business, the meeting was adjourned at 9:18 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.