



Resolution #HSRA 15-08
Adoption of the CP 2-3 Design-Build Contract Risk-Informed Contingency

Whereas, the California High-Speed Rail Authority (Authority) is responsible for the development and implementation of intercity high-speed rail service pursuant the Public Utilities Code §185030, *et seq.*,

Whereas, in its August 1, 2013 Resolution #HSRA 13-20, the California High-Speed Rail Authority Board (Board) established policies and procedures pertaining to the use of contingencies on Construction, Design-Build, and Design-Build-Operate contracts,

Whereas, as part of Resolution #HSRA 13-20, the Board adopted a risk-based, informed approach in determining appropriate levels of contingency,

Whereas, the Authority Audit and Finance Committee, in its advisory committee role, received risk-informed contingency assessment reports and recommended contingency estimates for Construction Package 2-3 from Authority staff,

Whereas, at the April 14, 2015 regular Board Meeting, the Authority Audit and Finance Committee reported its recommendation for Board approval for CP 2-3 contingency in the amount of \$261,200,000.

Therefore it is resolved:

1. The Board received the Finance and Audit Committee's recommendation for Board approval of CP 2-3 contract contingency in the amount of \$261,200,000 based upon Authority staff's risk-informed contingency assessment reports and recommended contingency estimates for Construction Package 2-3.
2. The Board approves CP 2-3 contract contingency in the amount of \$261,200,000.
3. The Board authorizes the CEO, or his designee, to manage the CP 2-3 contract contingency balance, with required reporting to the Audit and Finance Committee at its regular meetings or upon request, and for the Audit and Finance Committee to provide recurring notification to the Board on contingency trending information.

Vote: 7 – 0
Yes: Correa; Henning; Perez-Estolano; Richards; Rossi; Schenk; Selby
No: N/A
Absent: Richard
Date: 4/14/15