



STAFF REPORT
Board Meeting of July 22, 2020

AGENDA ITEM: 4-D

PREPARED BY: Dylan Stone, Principal Regional Planner

SUBJECT:

California High Speed Rail Authority Updates

Enclosure: No

Action: Information and Discussion Only

SUMMARY:

New Central Valley Regional Director

On July 13, 2020 Diana Gomez stepped down from her position as the Central Valley Regional Director of the California High Speed Rail Authority (CHSRA) to take the position of Caltrans District 6 Director. Garth Fernandez will be the interim Central Valley Regional Director as CHSRA works on permanently filling the Governor appointed position.

2020 Business Plan Approval Delayed

The Draft 2020 Business Plan was issued February 12, 2020, and public comment was extended for an additional 49 days due to the COVID-19 pandemic. Effective June 1, the public comment period closed. The final 2020 Business Plan will be prepared and issued to the California State Legislature by December 15, 2020. The CHSRA Board was expected to act on the Draft 2020 Business Plan during the June 25, 2020 meeting. Action is now expected to take place in December of this year.

Below is a message shared to stakeholders from CHSRA Chief Executive Officer, Brian Kelly:

Dear Stakeholders:

This Thursday's board agenda will be modified to reflect a change to the adoption of our 2020 Business Plan. In an agreement between the Administration, Legislative Leadership and the High-Speed Rail Authority, the adoption of our 2020 Business Plan will now occur in December of this year. This additional time will allow for the more robust analysis we

have been discussing with both the Legislature and you, our stakeholders, given the current COVID-19 pandemic. We believe this advanced risk analysis will help inform our decisions moving forward in a way that's responsible and still meets our federal obligations and the requirements of Proposition 1A. As we committed to Legislative leadership and the Peer Review Group, we will review the project's status and path forward with policymakers and the public after enhanced risk analyses are completed later this year and in advance of our Board of Directors' adoption of the 2020 Business Plan in December.

In the meantime, we will advance the work that is well underway around the state, including construction work, environmental reviews, bookend projects, and our necessary procurements to meet our federal requirements. Of course, we will consult with policymakers about costs, benefits and risks prior to any contract award.

It's important to note, that while we are taking time to conduct further analysis ahead of adopting our Business Plan, progress is continuing statewide. In addition to making progress on full environmental clearance for the Phase 1 system from Los Angeles/Anaheim to San Francisco, we are also increasing our workforce in the Central Valley. We have now dispatched more than 4,000 workers to more than 32 job sites up and down the Central Valley. We have more than quadrupled our weekly average workforce in the Valley in the last year averaging more than 900 workers per week, and our average monthly construction expenditures have nearly tripled from \$22 million in early 2019 to more than \$60 million per month in the first quarter of 2020. This project is on the move and Californians are going to work to build high-speed rail.

We appreciate your support and we will keep you informed as this project advances.

*Brian Kelly
CEO*

FISCAL IMPACT:

No fiscal impact to the approved 2020-21 Overall Work Program and Budget.