



**CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY**

BRIEFING: JUNE 2010 OPERATIONS COMMITTEE
AGENDA ITEM #4

TO: Committee Chairman Katz and Committee Members Diridon and Burns

FROM: Carrie Pourvahidi, Interim Executive Director

DATE: 05/25/10

RE: Monthly Program Management Oversight (PMO) Report

Description/Background

Mr. Mark Ashley, PMO Project Manager with T.Y. Lin International, will present his monthly report on PMO findings and recommendations.

Attachments:

- ✓ PMO Briefing Report

To: Operations Committee, Board of Directors,
California High-Speed Rail Authority

From: Mark Ashley, T.Y. Lin
International

Date: June 2, 2010

Copy:

Subject: Program Management Oversight Briefing

This briefing summarizes the findings and recommendations of the PMO team regarding following activities:

- Contract management and administrative support for the CHSRA staff
- Oversight of PMT Management
- Monthly Progress Audits of the PMT Engineering/Design and Environmental Management Teams
- Monthly Progress Audits of the Regional Consultant Teams that are completing preliminary engineering and environmental studies and documents

I. Contract Management and Administrative Support for CHSRA Staff

The primary focus over the past month has been on the Annual Work Programs for the PMT and all the Regional Consultant teams. Negotiations were conducted for all the contracts between 5/10/10 and 5/17/10. The CHSRA Program Delivery Director was successful in negotiating contract terms in compliance with state and federal requirements. These included elimination of mark-ups on subconsultant costs, controls on labor cost escalation and addressing issues raised in the audit by the State Bureau of Audits.

The PMT, PMO and Chief Engineer all reviewed and requested revisions to the level of effort proposed by the Regional Consultants. The PMO and Chief Engineer performed this for the PMT contract.

The revised AWP are due to be submitted by the end of May. These will be reviewed to ensure that all negotiated revisions are incorporated in preparation for issuance of authorizations at the beginning of next Fiscal Year.

The budgets for FY 10/11 are constrained to the amount authorized by the Legislature in the budget. Most of the proposed amounts in the AWP exceeded the budget requests by the authority. This will require deferring portions of non-critical tasks to the following fiscal year. An example is the 30% design task.

II. PMT Management

The Management team has been heavily involved in the AWP process and preparing the recent FRA grant application. Concurrently, the Management team has been working on the following improvements to the program controls:

- Implementation of earned value analysis
- Improved document control
- Implementation of Risk Management. The PMT plans to shift this task from the Engineering Management Team to the Management Team

The PMO has recommended that PMT Management develop a contingency plan in the (likely) event that budget is late again this year. The Program Delivery Director has requested a projection of funds remaining in all the contracts at the end of this fiscal year. Those funds could then be redistributed on a priority basis to maintain progress of critical work until the new budget is approved.

The PMO has recommended that the PMT develop a schedule to determine the latest possible start date for 30% engineering based on the FRA ARRA requirement that construction be completed by September 30, 2017. This is necessary to determine how long this task can be deferred to meet FY 10/11 budgetary constraints.

III. PMT Engineering/Design Management Team (EDMT)

The EDMT continues to work on guidance documentation for preliminary engineering work and regulatory clearances with FRA and the CPUC.

One issue that came to light during the AWP process was the need for revisions and clarification of guidance for 30% engineering work. The PMO recommended that the PMT conduct a workshop with the Regional Consultants to expedite this so that the revised AWPs would reflect an appropriate and consistent scope of services. The EDMT held the workshop on May 19, 2010.

FRA review of the PMT systems requirements package is falling behind schedule. The PMT is trying to arrange a 2-day workshop with FRA to get this completed. The PMT is awaiting a decision from the CPUC on whether the Order Instituting Rule Making process is appropriate for the electrification. The engineering team is also following up regularly on Authority legal review of non-disclosure agreements for utility company applications.

IV. PMT Environmental Management Team (EMT)

The EMT is continuing to complete guidance documentation for environmental work and is starting to perform reviews of environmental studies and documents being submitted by the Regional Consultant teams. Following is a brief discussion of current issues:

- The EMT has a Data Request and Issue Resolution Log with 30 unresolved items. Some require information from the RCs while others require input from the Authority, FRA or AG.
- The document review process has been problematic to date and improvements will be necessary once the volume of submittals increases.
- Consideration of new alternatives at this point for the ARRA sections poses a potential threat to meeting the NOD/ROD deadline.

The PMO has recommended that the PMT develop a plan for completing all necessary reviews of environmental guidance, MOU/MOAs and environmental studies and documents. This plan needs to identify the anticipated review workload and staffing requirements. The EMT has begun developing a plan and has identified 200 documents requiring review within the remainder of this calendar year. The breakdown by month is: June (14), July (37), Aug. (43), Sept. (44), Oct. (23), Nov. (36), and Dec. (13). The Authority, FRA, and the AG may not have sufficient staff to critically review and comment on this volume of technical/legal reports as well as conduct their other project activities.

V. Regional Consultant Teams

ARRA Sections

A. San Francisco – San Jose

The schedule for this section is probably the most critical of all the ARRA sections. Combined with the prevailing community issues, there is serious concern regarding the ability to meet the ARRA NOD/ROD deadline.

The PMO recommends that the Authority establish policies regarding system-wide issues (such as property impacts) to help the RCs address community concerns. Also, the ongoing community outreach needs to be maintained to help resolve issues outside the legal system, while maintaining the schedule for the DEIR/EIS.

See Figure 1 for the current timeline.

B. Merced – Fresno

According to the RC, the decision to carry Alternative A1 into the DEIR/EIS has put increased pressure on the environmental technical studies for this alignment. Biological surveys must be completed this Spring to stay on schedule. The overall progress on the ADEIR/EIS and 15% Design has slipped as a result.

See Figure 2 for the current timeline.

C. Fresno – Bakersfield

The RC and PMT have requested additional Authority involvement in addressing potential impacts to planned future development particularly in the vicinity of Bakersfield.

If the downtown Hanford alignment currently being revisited is carried forward, it will be significantly behind schedule for engineering and environmental work.

The RC is running low on FY 09/10 budget and is actively prioritizing work to keep the environmental activities on schedule.

See Figure 3 for the current timeline.

D. Los Angeles – Anaheim

The RC has recently completed a draft 5% design for the shared use alternative. BNSF still needs to review and approve this concept since it has a major affect on their facilities.

RC responses to information requests from Gateway Cities COG (GCCOG) have been slow due to RC budget and resource constraints. GCCOG have requested right-of-way impacts to individual parcels. The RC has requested an opinion from the AG on whether this information can be released. As an alternative, the PMO suggested a meeting between the RC and GCCOG to review the right-of-way requirements so that GCCOG could assess the impacts themselves. The GCCOG will be requesting a meeting in writing.

The GCCOG is concerned that they will not be able to accept a Locally Preferred Alternative by September 2010 as stated in the MOU because they have not received all the information requested.

The RC and PMT are working out issues regarding guidance on piecemeal submittal/review of the ADEIR/EIS.

See Figure 4 for the current timeline.

Issues On Other Sections

Phase 1:

San Jose – Merced: Releasing Preliminary AA at the June 3, 2010 Board Meeting. Downtown San Jose and Morgan Hill-Gilroy/UPRR property still primary issues.

Bakersfield – Palmdale: Minimal work in progress due to focus of resources on the Fresno – Bakersfield section.

Palmdale – Los Angeles: Among other issues, sharing of Metro right-of-way between LAUS and SR-134 needs to be worked out with Metro and UPRR. Increased involvement by the Authority would be helpful.

Phase 2:

The schedules for the Phase 2 sections are constrained by budgetary limitations. Progress would be improved by award of the new FRA planning grant.

Sacramento – Merced: The PMT will be realigning the management of this section and Altamont under a single common dedicated Regional Manager.

Altamont: The Preliminary AA is scheduled for release at the October 2010 Board Meeting. The PMT will be realigning the management of this section and Sacramento – Merced under a single common dedicated Regional Manager.

Los Angeles – San Diego: The Preliminary AA is scheduled for release at the August 2010 Board Meeting. The focus over the next fiscal year will be to complete studies which may further narrow the many alignment alternatives.

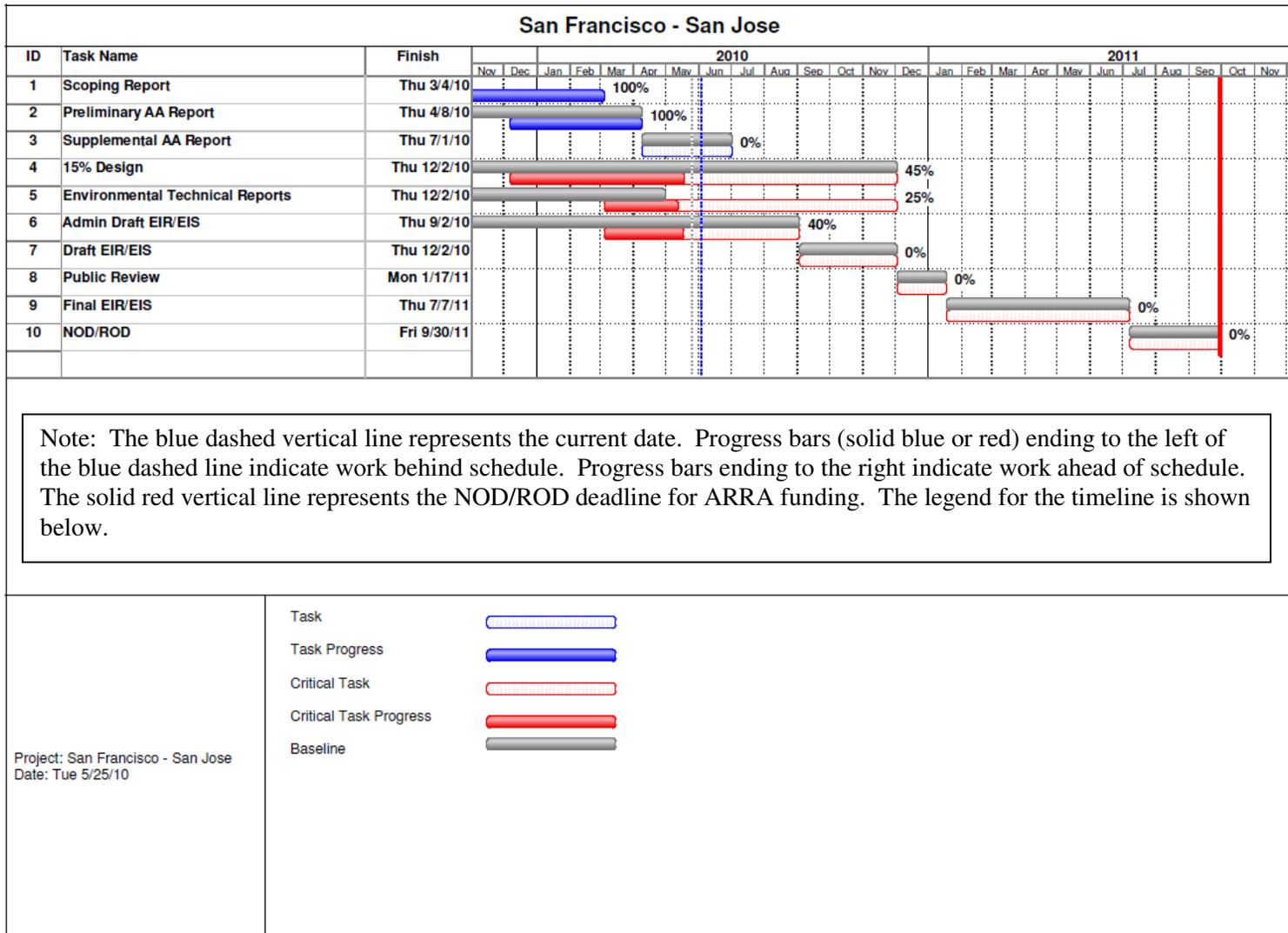


Figure 1 – San Francisco – San Jose Timeline

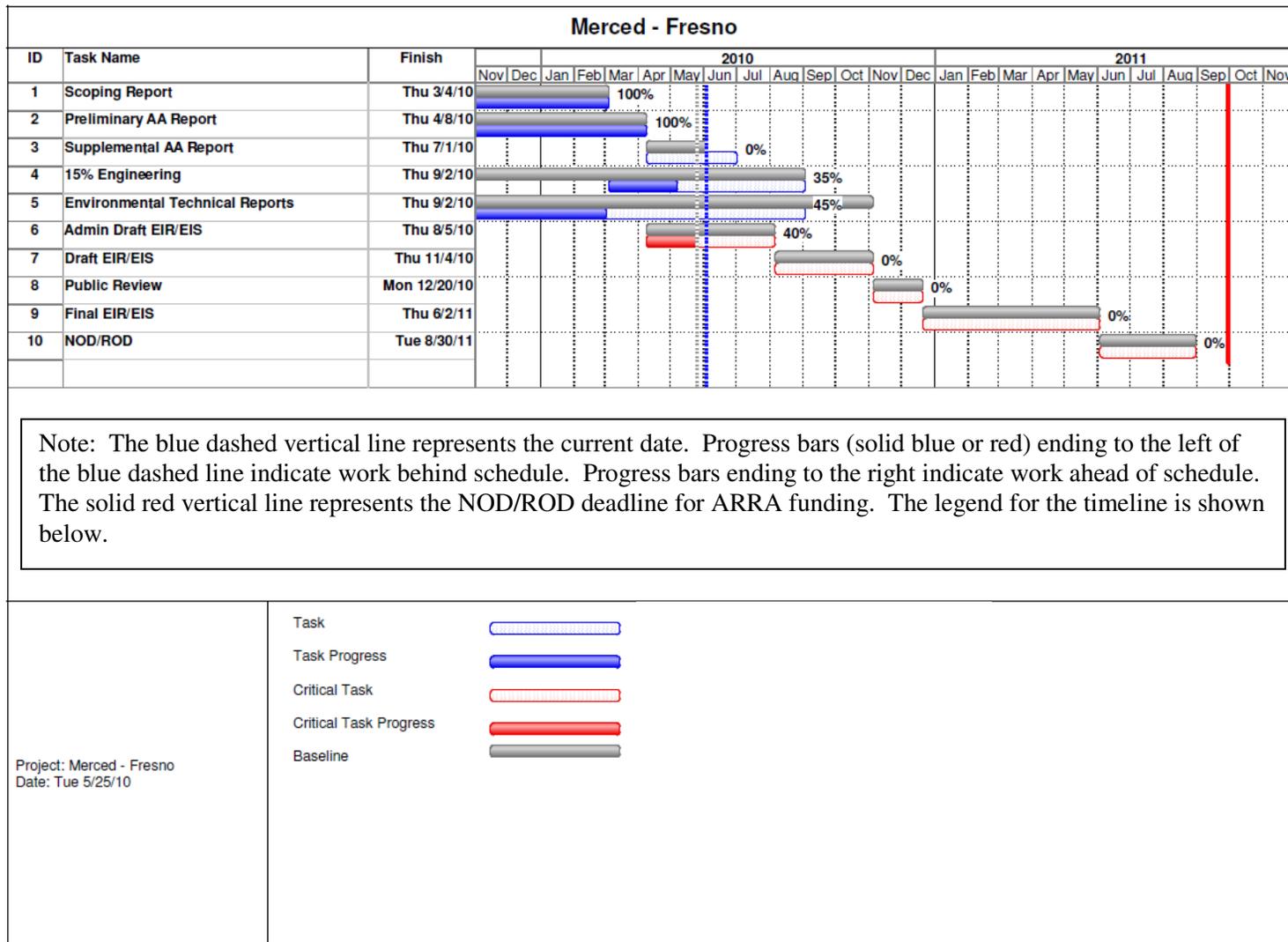


Figure 2: Merced – Fresno Timeline

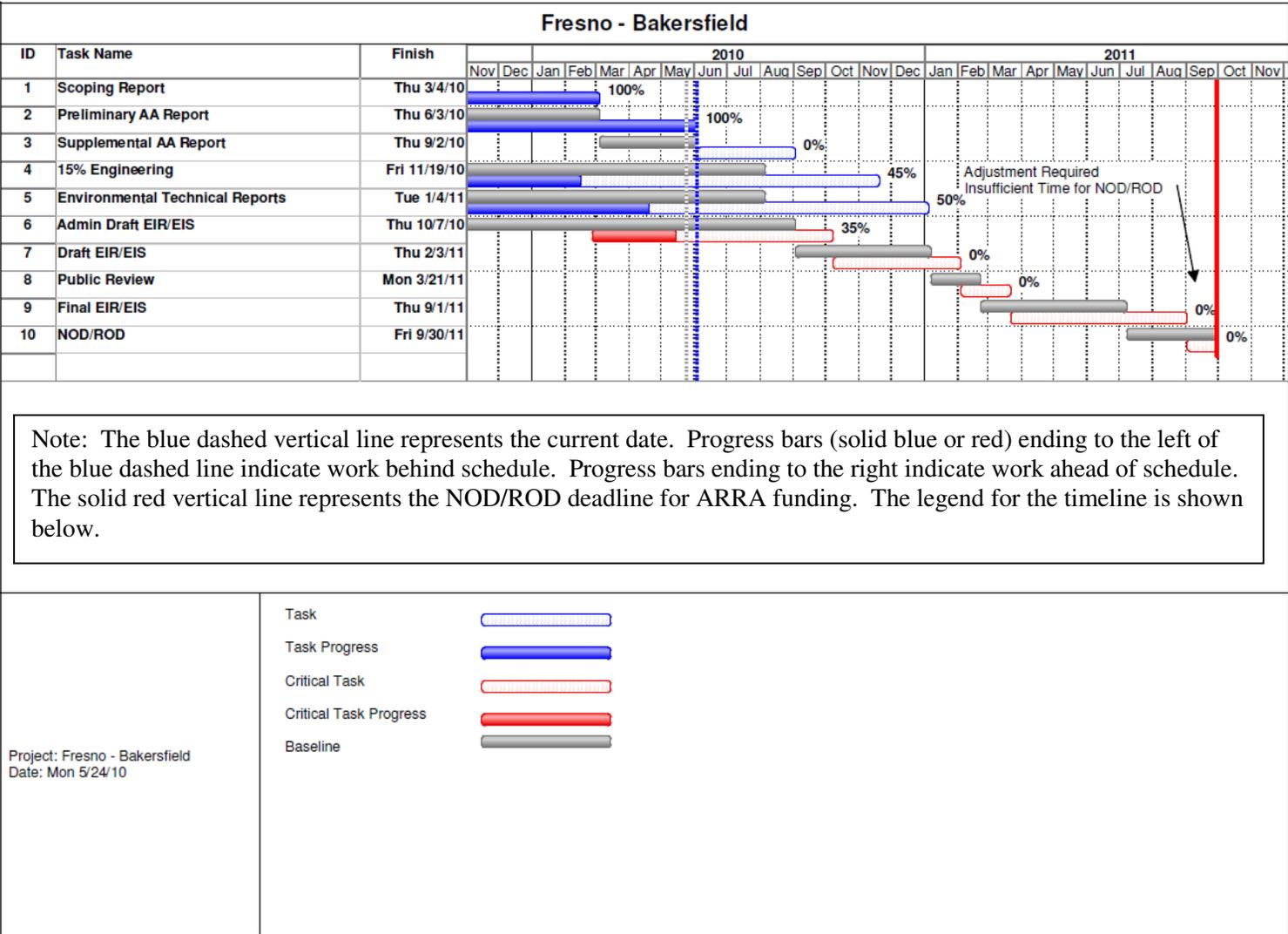
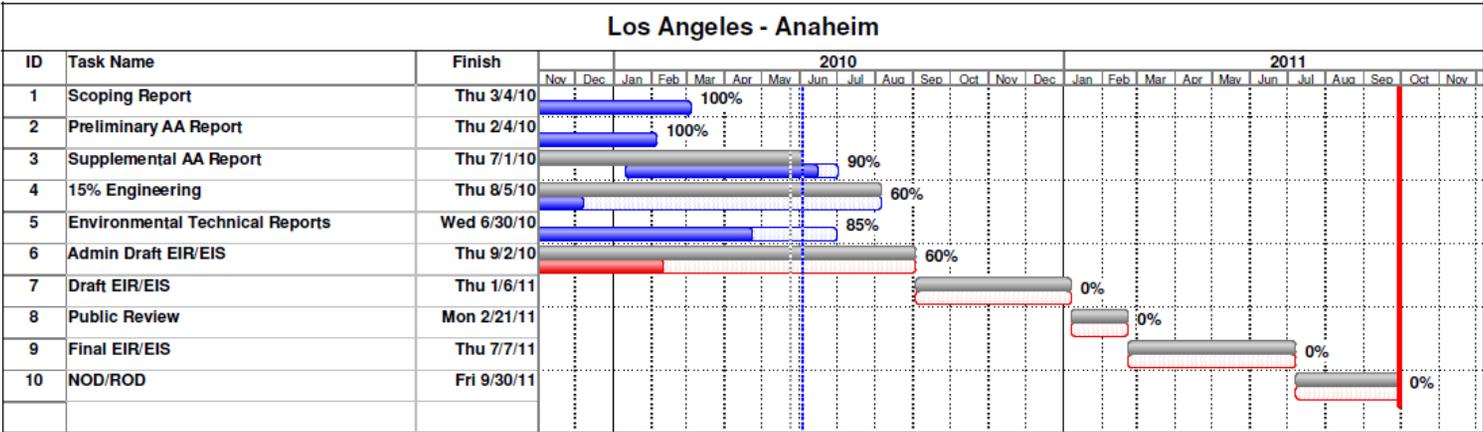


Figure 3: Fresno – Bakersfield



Note: The blue dashed vertical line represents the current date. Progress bars (solid blue or red) ending to the left of the blue dashed line indicate work behind schedule. Progress bars ending to the right indicate work ahead of schedule. The solid red vertical line represents the NOD/ROD deadline for ARRA funding. The legend for the timeline is shown below.

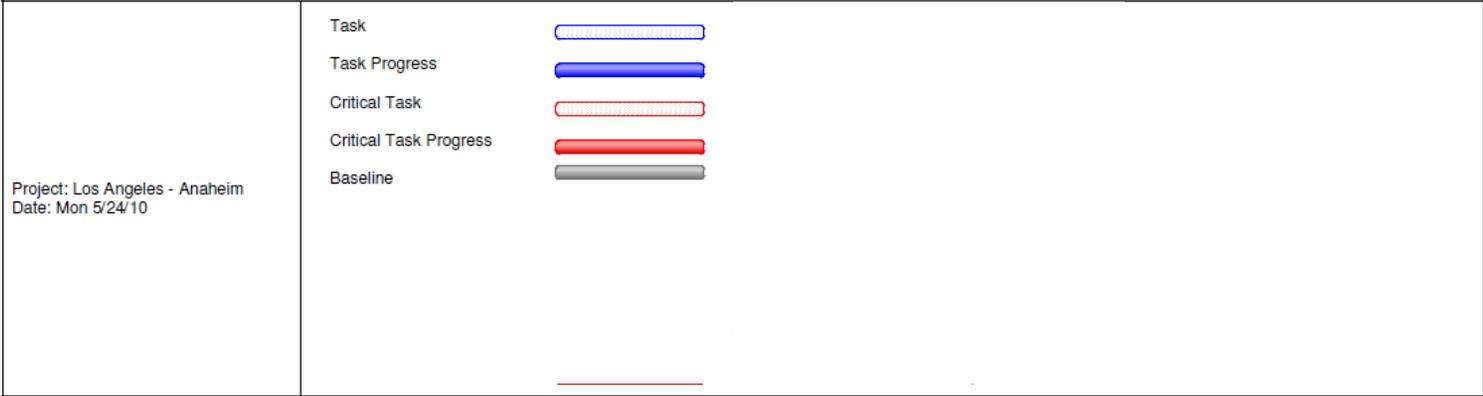


Figure 4: Los Angeles – Anaheim Timeline