

CALIFORNIA HIGH-SPEED RAIL AUTHORITY

MONTHLY MEETING

TRANSCRIPT OF PROCEEDINGS

FRESNO CITY COUNCIL CHAMBERS

2600 FRESNO STREET

FRESNO, CA 93721

TUESDAY, NOVEMBER 17, 2015

9:00 A.M.

Reported by: Peter Petty

APPEARANCESBOARD MEMBERS

Dan Richard, Chairman

Tom Richards, Vice Chair

Thea Selby, Vice Chair

Lou Correa

Daniel Curtin

Michael Rossi

STAFF

Jeff Morales, Chief Executive Officer

Janice Neibel, Secretary

Diane Gomez

Mark McLoughlin

CONTRACT CONSULTANTS

Gary Kennerley, WSP|Parsons Brinckerhoff

ALSO PRESENT

Ashley Swearingin, Mayor, City of Fresno, CA

Oliver L. Baines, III, Fresno City Council

Henry R. Perea, Fresno County Board of Supervisors

Chuck Riojas, Building Trades

James C. Ledford Jr., Mayor, City of Palmdale, CA

APPEARANCES (CONT.)ALSO PRESENT

Lee Ann Eager, Fresno County EOC

William Oliver, Mayor *pro tem* & Council Member, City of Madera, CA

Sylvia Ballin, Vice Mayor, City of San Fernando, CA

Ahron Hakimi, Kern COG

Bobby Kahn, Madera County EDC

Doug McIsaac, City of Bakersfield, KEDC

Rosario Torres

Lynn Ikeda

Bill Descary

David Vela, Lee Andrews Group

Delia Dominguez

Carol Bender

Chris Croisdale

Jeff Hovey

Ivor Samson, SunnyGem LLC

Dale Bybee

Alan Scott, Citizens for California High-Speed Rail Accountability (CCHSRA)

Gloria Coelho, CCHSRA

Ats Fukuda, CCHSRA

Frank Oliveira, CCHSRA

APPEARANCES (CONT.)ALSO PRESENT

Maureen Fukuda, CCHSRA

Phyllis Browning, CCHSRA

Mary Jane Fagundes

Karen Stout, CCHSRA

Shauna Green

Ross Browning, CCHSRA

Ash Jones, TECHNICON Engineering Services

Ron Jones, Train Riders Association of California

Jon Marshall, JMA Civil

Mike Brady

Dylan Crawford, O'Dell Engineering

John McCullough, Precision Civil Engineering, Inc.

Christian Gonzales, I Will Ride

Arthur Coster, I Will Ride

Kole Upton, Preserve Our Heritage

Paul Katchadourian, Katch Environmental

Curtis Lovett, Outback Materials

Mattie Boren, Precision Civil Engineering, Inc.

Gina Torres

Aaron Pankratz, Fresno City College, I Will Ride

APPEARANCES (CONT.)ALSO PRESENT

Nick Kennedy, I Will Ride

John Hernandez, High-Speed Rail Support Group

Jacqueline Ayer

Janet Lammon

Pam Wolter, Acton Town Council

Angela Toghia

Laura Skidmore, Kern Citizens for Sustainable Government

Barbara Nelson, Fairmead Community & Friends

Richard Moore

Jean Laird

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P R O C E E D I N G S

9:11 a.m.

PROCEEDINGS BEGIN AT 9:11 A.M.

FRESNO, CALIFORNIA, TUESDAY, NOVEMBER 17, 2015

CHAIRMAN RICHARD: If I could ask people to take their seats, please?

Good morning. This meeting of the California High-Speed Rail Authority Board will come to order. Before we proceed with anything else I'd like to let you know two things.

First of all, courtesy of the Mayor and the City Council and the leaders of the City of Fresno, parking is relaxed today. And so you don't have to run out and fill your parking meter with coins and if you get a ticket, a parking ticket, I'm told that you can send it in. I don't know what that means quite, but that's what I'm told.

UNIDENTIFIED MALE: And you can fix our parking tickets then?

CHAIRMAN RICHARD: I can't, but somebody can.

Secondly, before we start with official business we do have a translator here today for our Spanish-speaking citizens. I would like the translator to come forward at this point and explain to people who have limited English skills, how we can accommodate them today.

THE INTERPRETER: (Speaks Spanish to audience.)

1 CHAIRMAN RICHARD: Thank you, *Gracias*.

2 Okay. All right, would the Secretary please call
3 the roll?

4 MS. NEIBEL: Director Schenk?

5 BOARD MEMBER SCHENK:

6 MS. NEIBEL: Vice Chair Richards?

7 VICE CHAIR RICHARDS: Here.

8 MS. NEIBEL: Vice Chair Selby?

9 VICE CHAIR SELBY: Here.

10 MS. NEIBEL: Director Rossi?

11 BOARD MEMBER ROSSI: Here.

12 MS. NEIBEL: Director Correa?

13 BOARD MEMBER CORREA: Here.

14 MS. NEIBEL: Director Curtin?

15 BOARD MEMBER CURTIN: Here.

16 MS. NEIBEL: Chair Richard?

17 CHAIRMAN RICHARD: Here.

18 Ladies and gentlemen, normally at this point we
19 turn to honor America with the Pledge of Allegiance. And
20 as we do this today, obviously it's in the shadow of very
21 tragic events of the last week: the loss of life in Lebanon
22 followed by the equally terrible events in Paris.

23 I'd just like to reflect for a moment that were
24 it not for the French Navy in the Revolutionary War we
25 would probably be honoring a different flag today. And 100

1 years later they honored us with the Statue of Liberty.
2 Obviously, brave Americans gave their lives to liberate
3 France in World War I and on the beaches of Normandy.

4 And this is how the French expressed their
5 solidarity with America after the attacks on our country on
6 September 11th with honoring our flag. So as we pledge
7 allegiance to the flag today, I'd like to keep that in
8 mind. And I'd ask you to stand for a moment of silence
9 after that in memory of the victims of last week's attacks.

10 (The Pledge of Allegiance is made.)

11 (A moment of silence is observed.)

12 CHAIRMAN RICHARD: We will now proceed with the
13 agenda before us. We will start with our public comment
14 session -- I'm sorry, I forgot, we are here -- thank you,
15 Mr. Morales. For those of you who don't know me, there's
16 always something I always screw up on the agenda every
17 single month.

18 We're here with gratitude for the leadership of
19 the City of Fresno and we're graced by the presence of some
20 of the city leaders. And so if I could ask the Mayor to
21 honor us with a few welcoming remarks followed by
22 Oliver Baines from the Fresno City Council. Thank you.

23 MAYOR SWEARENGIN: Thank you, Mr. Chair.

24 And good morning to all of you, we welcome you to
25 the City of Fresno. It is always a pleasure to have you

1 here and I'm joined by my colleague, Council President
2 Oliver Baines, also Supervisor Perea who is no stranger to
3 any of you and a regular attendee at your meetings.

4 But we're all here to welcome you and to thank
5 you for your continued diligence when it comes to high-
6 speed rail. I think we know, certainly firsthand in the
7 City of Fresno, the work that's required to see this
8 project come to life. And while it is extremely difficult,
9 I want you to know that we remain ever committed to making
10 sure this project comes to fruition. And we're working
11 from the ground up as you work from the state down. And
12 we're very anxious to see these two things come together,
13 local and state, and ultimately see service begin in this
14 region in the not-too-distant future.

15 Recent activities include a heavy focus for the
16 City of Fresno on the station area plan. We've been
17 conducting a public planning process as well as working
18 very diligently with your staff and our staff on really
19 envisioning the station area. Not just the station itself,
20 but how we leverage the investment in the station to really
21 support private investment and the types of ambitions that
22 we have for the City of Fresno and in our downtown. So
23 much more to come on that over the next few months, but in
24 the meantime, again thank you for your work on this
25 project. And please know you have a dedicated partner in

1 the City of Fresno as we continue to work together. And I
2 wish you a productive meeting.

3 CHAIRMAN RICHARD: Thank you so much, Mayor. And
4 we are very grateful for your continued dynamic leadership
5 here in Fresno.

6 Council President Oliver Baines, Council Member
7 thank you so much for graciously allowing us to use your
8 chambers today.

9 COUNCIL PRESIDENT BAINES: Well, the honor is
10 ours, Chairman Richard. And I want to just echo the
11 sentiment of our mayor with the continued support of Fresno
12 with this project.

13 And so since she kind of told you what you all
14 are doing in Fresno let me tell you how I see how important
15 your role is as we welcome you to Fresno. It is not lost
16 on us in Fresno how important and historical this moment is
17 in time for all of us. We know the load that you all are
18 living. We are not only going to change this state
19 forever, but we're going to change this country forever.
20 And it's happening right here.

21 This is -- you are all the people that history
22 books will write about. And I'm honored that you guys
23 chose to spend some time with here. You are all the
24 "remember when" people. And any great project in the
25 country, history will tell us that the conflict that we

1 have right now is absolutely historical and progress always
2 wins, so we encourage you all to stay the course. You have
3 a dedicated, committed partner here in Fresno from here
4 until it's done.

5 Even when I'm out of office you will have a
6 committed partner in this, but we all recognize the
7 importance of what's happening here. But understand that
8 this is, for the history of this country, everything that's
9 happening is absolutely normal, funny enough. Stay the
10 course, you have partner's here and we will be with you.
11 Thank you.

12 CHAIRMAN RICHARD: Thank you so much. We
13 appreciate that.

14 As the Mayor mentioned Supervisor Henry Perea
15 from Fresno County is here. And actually he has asked, and
16 we have agreed, he wants to lead a delegation of elected
17 officials who are going to speak. And Lee Ann's not an
18 elected official, but she's special anyway.

19 So Supervisor, thank you very much and it's
20 always a pleasure to see you again. Thank you.

21 SUPERVISOR PEREA: A pleasure to see you, Mr.
22 Chairman, Members of the Board, Mr. Morales, CEO. It's an
23 honor being with you today. Welcome to Fresno County.

24 As I think the Mayor and Council President Baines
25 said, doing big things always requires a heavy push and a

1 heavy lift. And between Governor Brown and his vision and
2 leadership, and your steadfast leadership in getting this
3 project done, we will see the fruition of all of your --
4 all of our work in time to come.

5 You know, as I think of Henry Ford and the
6 visions that he had and the challenges that he had -- was
7 attributed to him as saying, "That if I would have asked
8 what they wanted, they would have said faster horses." And
9 I think a lot of times when we have major infrastructure
10 projects like this there's always people who are going to
11 say it's too hard. But fortunately, there's that American
12 spirit that says we can get it done. And we are and we
13 will.

14 Recently, Assemblyman Henry T. Perea and Fresno
15 Works led a delegation to Spain. We were there seven days
16 and we visited stations, station design. We met with folks
17 who talked about their construction sites in Alicante. We
18 met with the education and training folks as well as
19 visited assembly plants, maintenance facilities and
20 manufacturing plants.

21 And I'll tell you the one thing that we all --
22 and our group will talk about each piece of that briefly,
23 but I think the one thing we did realize is that when Spain
24 made a decision 20 or 25 years ago that they were going to
25 make this an integral part of their economic strategy. They

1 did and today they sit with one of the best systems in
2 Europe that moves people through their system.

3 And my take away -- and I'll stop here before I
4 pass it on to the next speaker -- with all that we saw and
5 all that we learned, our home base was Madrid. And from
6 Madrid to Alicante, Madrid to Malaga, about 300 miles each
7 way, it took us about an hour or two hours and thirty
8 minutes to get to each location with about three to four
9 stops going each way. So we could leave in the morning,
10 not so early that we had to wake up early, but early
11 enough, but we were back in time for dinner.

12 And the take away from the folks in Madrid and
13 those cities was that this system changed the way they
14 think about not just traveling for pleasure, but for work
15 because those trains were full of people going to work at
16 those cities 300 miles away. And that's what you all, in
17 all the work that you're doing, are bringing to California
18 and to this country.

19 And we thank you for your effort and our folks
20 will continue the presentation. Thank you.

21 CHAIRMAN RICHARD: Thank you, Supervisor.

22 MR. RIOJAS: Good morning, sir. Chuck Riojas
23 with the Building Trades and definitely welcome to Fresno.
24 I appreciate you guys being here.

25 I had the good fortune of being part of the Spain

1 delegation and representing the Building Trades. The
2 Building Trades made up of working men and women in the
3 Central Valley was unique in the fact that we can speak
4 about high-speed rail in a conceptual way. Going to Spain,
5 for me, was transformative in every way shape or form in
6 everything that I do.

7 We are hands-on people in the trades. We build
8 things we construct things. And so in so many other ways I
9 could describe what we do, but to be able to experience
10 high-speed rail the way I did, put your hands on it to ride
11 it, to touch it, to talk to the men and women that were
12 working on it -- we toured a construction site. And it was
13 eye-opening to me, the game changer that high-speed rail
14 has been in Spain, in the individual communities that it
15 has gone to.

16 What it has done for me is given me that vision
17 quest to move forward in the training aspect of what we do.
18 This Board was gracious enough to give us the National
19 Targeted Hiring Policy that allowed us to start doing pre-
20 apprenticeship training or job -- apprenticeship readiness
21 preparation for our men and women in the community. It is
22 a very successful program, it is moving people into the
23 working middle class as we speak. We just graduated
24 another class last week, another iteration of it from the
25 county just yesterday.

1 People are moving into these middle-class jobs
2 into these apprenticeship opportunities. With the start of
3 high-speed rail in Madera, on the viaduct, we have 50, 60
4 men working -- men and women working now. It's going to
5 double, it's going to triple. It's going to move forward
6 throughout the community. I was very proud to represent
7 the Building Trades in this particular effort with the WIB,
8 the Workforce Board, with the support of the community,
9 with the support of our contractors. We will train that
10 next generation of working men and women within the trades.

11 My responsibility now that I've seen it and that
12 I've touched it, that I've experienced it, is to go out and
13 without sounding too religious about it, to spread the
14 word. To say, "This is what we should be doing." I was
15 able to experience and talk to the men and women who worked
16 on high-speed rail, who are working on high-speed rail. It
17 changes lives. It has changed lives. It has changed
18 communities.

19 I was touched by it, like everybody else on that
20 trip, that you could be in one city, go do a whole day's
21 work in another city, and come back and be there for
22 dinner. People were working on the trains. Every train we
23 went to was not to capacity, but full. It was fully
24 functional.

25 I get a kick -- and I tell this story and indulge

1 me please a minute -- you know, we -- and I include myself
2 in that, we were like people visiting Disneyland for the
3 first time. Taking pictures of everything, experiencing
4 everything for the first time. But I was struck by the
5 community. The community was so used to high-speed rail
6 that it was a daily event for them. It was just something
7 that they do. They invited it into their communities and
8 into their lifestyle that it is now a part of them. Every
9 train station was full.

10 Every train was full. The buses were full
11 getting there. The taxis were there ready. The intermodal
12 piece of this was tremendous. I mean, I could speak for
13 hours on what we experienced at high-speed rail, but I'll
14 leave it at that, because I know there's other speakers
15 there. And I definitely appreciate you being in Fresno
16 allowing us the opportunity to speak today.

17 As a Building Trades representative we are going
18 to train that next generation of workforce. We will not
19 have any problem manning this work and we invite that
20 challenge in building the next phase of high-speed rail.
21 Thank you.

22 CHAIRMAN RICHARD: Thank you, Mr. Riojas.
23 Council President Baines.

24 COUNCIL PRESIDENT BAINES: All right, hello
25 again. And I can now chat with you a little bit on my

1 experience on the Spain delegation trip.

2 And I really want to narrow my focus. As Chuck
3 said, and Mr. Henry Perea has already said, the trip was
4 transformative for us. And not to be too religious about
5 it, but there were issues that came out of this that I
6 never even realized we would be able to capitalize on in
7 not only California, but in Fresno.

8 So and manufacturing and building a train is one
9 of them, so we had the opportunity to visit the Talgo Plant
10 where we actually saw a train being constructed. They're
11 actually building a train right now for Saudi Arabia. I
12 think we saw that train being built in their manufacturing
13 facility, and as we were learning about all the component
14 parts of high-speed rail.

15 So this conversation in some respects has been
16 narrowed down to a train. Now, I think a lot of us know
17 it's much bigger than a train. It's much bigger than
18 tracks. The opportunity for California to become an
19 integral part of building trains for the world is ever
20 present right now. And we saw that. We saw that in the
21 Talgo manufacturing facility that we here, in Fresno, can
22 build trains for the world. It's very possible.

23 You're talking about 1,000 to 1,200 highly-
24 skilled, high-paying jobs that don't require a college
25 degree, that require vocational training. That opportunity

1 is available to us right now. And as you all know we in
2 Fresno are preparing for that eventuality. We would like
3 nothing more than to be the center of high-speed rail for
4 all of California and America. And we believe that we are
5 putting together everything to make that true.

6 So we realize that beyond the fact of the
7 transportation, the positive transportation aspects and
8 connectivity aspects of high-speed rail, we also believe
9 that there is an amazing opportunity to build a very strong
10 workforce around this connectivity. And building trains is
11 one of them. In the very near future we believe that we
12 will be building trains for the world right here in Fresno.
13 And so that was one of the major takeaways that we had.
14 That the opportunity is present for us and we are preparing
15 to seize that opportunity.

16 CHAIRMAN RICHARD: Thank you, Councilmember.
17 Mayor Ledford.

18 MAYOR LEDFORD: Yes. You might be wondering
19 what's the Mayor of Palmdale doing with the Fresno
20 Delegation, but quite frankly it was quite informative. My
21 interest certainly -- immediate interest is station design.
22 I'm trying to get my head around what's this mean and where
23 do you go for examples in America? There are few, but
24 certainly in Spain we saw a diversity of stations.

25 And what I found to be most interesting was the

1 integration of the various modes. How does that work? And
2 so for us, as the City of Palmdale, we have a couple of
3 planning grants right now that we're working with to
4 develop our station. And so it was an important
5 opportunity for me to go see it hands on and I did. I saw
6 everything from high-speed stations to commuter stations to
7 subways to buses. But the integration is what I found to
8 be most fascinating.

9 And for us, my takeaway is I've got a much better
10 concept. And, of course, we're all excited in Palmdale
11 about the station and what high-speed rail will mean to our
12 community. What I believe it will do, it'll transform not
13 only California, but America. And give us an opportunity
14 to get around in a whole different mode.

15 But for our community, it's important that we
16 understand what it means to potentially have two systems
17 converge in our community. And how do we design this in a
18 way that's efficient. And you plug an airport into this as
19 well, so all these factors and elements are important for
20 our next step.

21 So I saw it all. I have a much better concept.
22 And I'm not quite as excited to get it done today, because
23 on one person told me over there, "Jim, relax. We've been
24 working on this station for 150 years." So that kind of
25 put it all in perspective. But I think it's important that

1 we do get our hands and wrap our minds around what this
2 concept means to our country, because again there's few
3 examples of what we're embarking on.

4 So I commend you. Thank you for the opportunity
5 to see it hands on.

6 CHAIRMAN RICHARD: Thank you, Mayor. And for the
7 record that was Mayor James Ledford of Palmdale who now is
8 going to cause me to mainline Prozac after hearing 150
9 years. Thank you, Mayor.

10 Ms. Lee Ann Eager, good morning.

11 MS. EAGER: Good morning. Welcome to Fresno.

12 Just to close this out, one of the cities that we
13 visited when we were in Spain was Malaga, which was very
14 exciting for us because it was very similar to Fresno.
15 They had a little over 520,000 people in the City of
16 Malaga. In the province, which is like their county they
17 had about a million two, so we looked at it as this is what
18 it could be for Fresno. And when we went and talked to
19 their community leaders that's what really got us excited,
20 because what they told us was that changed the economic
21 climate in that city forever.

22 When Spain decided to build the high-speed train
23 from Madrid to Seville, and the people of Spain saw what
24 happened to Seville after that, the folks in Malaga said,
25 "Wait, wait, wait. We want to be the next one. That has

1 to be us next." And that happened all over Spain. Once
2 stations started going up and the people of Spain saw what
3 happened to those communities everyone in Spain wanted a
4 station.

5 And that was one of the things that the Spanish
6 folks told us, they made some mistakes early on. They had
7 said there were places that they probably shouldn't have
8 built a station, because the people wanted it so bad. But
9 they thought it through and we know you all have already
10 thought this through all the way on where exactly those
11 stations should be, and what's the best place.

12 Well, when we looked at Malaga the reason that we
13 got so excited is they used to be a single focused entity
14 in Malaga. It was tourism and when the recession hit and
15 people stopped coming, their economy fell apart. Here in
16 the Central Valley, certainly our focus is agriculture and
17 we want to make sure that we can diversify that economy.
18 And we know by looking at what happened in Spain that that
19 can happen when high-speed rail comes to communities.

20 So we took a group of 12 folks there, many of us
21 certainly knew what high-speed rail could do. But I think
22 we came out with 12 people that are so excited, with 12
23 people that will spread that word around California about
24 what you all are doing for us and what this can mean for
25 those of us here in the Valley and certainly those of us

1 across the country.

2 So thank you all for coming and letting us share.
3 And I think you saw there was a tunnel there in one of the
4 pictures, we walked a mile and a half through that tunnel,
5 and yes you can build a tunnel through a mountain. We saw
6 it. Thank you.

7 CHAIRMAN RICHARD: Thank you. (Applause.)

8 Thank you all very much. I appreciate the
9 presentation and it sounds like a great trip.

10 We'll continue through our public comment period.
11 As is our practice, we afford elected officials the first
12 opportunity to speak. And I hope I'm not missing anyone,
13 but I have the first Council Member, Will Oliver from
14 Madera, the City of Madera, followed by Vice Mayor Sylvia
15 Ballin from the City of San Fernando.

16 And if I've missed any other elected officials --
17 so Councilmember Oliver? Good morning.

18 COUNCILMEMBER OLIVER: Good morning and the
19 Board. Will Oliver, Mayor *pro tem* and City Council Member
20 in the City of Madera. I just wanted to briefly welcome
21 you all to the Valley and thank you for your continued good
22 work.

23 Most recently, my colleagues and I and other
24 elected officials had an opportunity to see, firsthand, the
25 construction that's taken place in our community. I just

1 wanted to reiterate some of the comments and feelings from
2 my colleagues in our community that we are excited about
3 that construction and the potential jobs that it brings.
4 You can see firsthand along Highway 145 in Madera, just
5 outside city limits, the true work that's being done.
6 You're seeing via duct going up or seeing pylons going into
7 the ground, into the riverbed. And we're excited to see
8 that tangible impact in construction that's taking place.
9 So I just wanted to spend a quick moment to say thank you,
10 to keep up the good work, and to say that we're excited for
11 all that's yet to come. So thank you.

12 CHAIRMAN RICHARD: Thank you, Mayor, appreciate
13 that.

14 Vice Mayor Ballin, yes I see her coming down.
15 Good morning.

16 VICE MAYOR BALLIN: Good morning. And I guess
17 I'm going to be the person that kind of ruins the party. I
18 have to say I don't agree, the city does not -- oh, hold
19 on.

20 Our City of San Fernando does not support the
21 high-speed rail. And it is important that this Board
22 recognizes and realizes the devastation and destruction.
23 I've stated before in the United Voices collectively, we
24 say Governor Brown's legacy will be displacement,
25 destruction and devastation.

1 And if you just give me a minute, I knew I would
2 lose this. I want to give you some -- we continue to be --
3 First off, I want to let everyone in the audience know our
4 City is 2.4 square miles, approximately 24,000 in
5 population. Had a City Council meeting last night that
6 ended at 11:00 o'clock, but I was determined to be here
7 today.

8 We continue to be concerned with the proposed
9 high-speed rail line economic impacts to our local economy
10 based on the potential loss of 1.3 million in annual
11 general fund revenue from property tax, sales tax, and
12 business license fees.

13 I haven't heard anyone from High Speed Rail tell
14 us how you're going to make it up to our city. I
15 understand Burbank and Glendale, they're getting a whole
16 bunch of money, EIRs and what have you, and we know how
17 that can go.

18 Additionally, there is a potential loss of
19 approximately 850 local jobs from the taking of adjacent
20 properties for needed rail road right-of-way and/or
21 relocation of businesses due to reduced accessibility to
22 businesses in the immediate vicinity of the proposed route.
23 We continue to be concerned with the social, economic and
24 community impacts that the San Fernando community will
25 experience as it relates to the physical divide created by

1 a high-speed rail line infrastructure project that passes
2 through a predominantly Latino working class community with
3 no high-speed rail line access.

4 Disruption of the physical makeup of the
5 community -- walls. Where else have we heard about these
6 big walls, beautiful walls, great walls? And that's what's
7 being proposed for our community, is to divide us with
8 these huge walls.

9 Adverse economic impacts to the community by
10 increasing physical separation of the downtown area and
11 neighboring civic uses from the neighboring commercial,
12 industrial, institutional and residential land uses that
13 exist on both sides of the existing rail road, right-of-way
14 and proposed route.

15 Elimination of open space in the form of the bike
16 pathway, which by the way I think was completed just
17 recently for a few million dollars -- nothing like spending
18 taxpayers money and then destroying it -- located along
19 existing railroad right-of-way.

20 And potential impacts to the Cesar Chavez
21 Memorial, which further reduces public access to already
22 limited park recreation open space areas within the city.

23 I have a lot more, but you get the gist of where
24 I'm coming from and representing the community of the City
25 of San Fernando. And of course, we're very concerned about

1 Pacoima, Sylmar, and everyone along that SR-14 Route.

2 I guess I'm raining on the parade here, because I
3 just cannot believe all these great things that people are
4 saying and how wonderful it's going to impact their city.
5 But can you stop the excitement and look at all the people
6 that are going to be negatively -- and cities and
7 communities -- impacted by this horrible decision that is
8 going to cost billions more than we actually approved of.
9 Thank you very much.

10 CHAIRMAN RICHARD: Thank you, Mayor. (Applause.)

11 Okay. Our next speaker is Ahron Hakimi from the
12 Kern County Council of Governments followed by Bobby Kahn
13 from the Madera County Economic Development.

14 MR. HAKIMI: Thank you, Mr. Chairman, for the
15 opportunity to speak. My name is Ahron Hakimi. I'm the
16 Executive Director for Kern Council of Governments in
17 Bakersfield.

18 For those in the audience who may be not familiar
19 with transportation planning processes Kern COG is the
20 federally designated metropolitan planning organization for
21 Kern County. Its Board comprises a city council member or
22 mayor from each of our 11 incorporated cities and 2 county
23 supervisors.

24 I want to formally thank the Authority staff,
25 specifically Diana Gomez, Terry Ogle, and your CEO Jeff

1 Morales, and your Board for your help resolving several
2 concerns with our member agencies and for participating in
3 potential win-win opportunities in our region. Our
4 relationship has improved markedly over the last two years
5 and we appreciate the assistance and assurances you have
6 provided to the cities of Bakersfield, Shafter, Wasco, and
7 the County of Kern specifically in addressing concerns over
8 track alignments and routes.

9 Your cooperation in finding mutually beneficial
10 solutions is a promising start to a new chapter in our
11 relationship and this project's future. Thank you for your
12 time and consideration.

13 CHAIRMAN RICHARD: Thank you very much, sir.

14 And after Mr. Kahn is Doug McIsaac from the City
15 of the Bakersfield.

16 Good morning.

17 MR. KAHN: Good morning, Mr. Chairman, Members of
18 the Board. Bobby Kahn, I'm the Executive Director of the
19 Madera County Economic Development Commission.

20 I just wanted to come before you this morning to
21 let you know that my Board of Commissioners recently
22 adopted a resolution similar to the one I think that you
23 should have received from the Madera County Board of
24 Supervisors, and the City of Madera, along with the Madera
25 County Transportation Commission in support of locating a

1 heavy maintenance facility in Madera County. What I'd
2 like, to go just a step further with that, and also
3 encourage the Board to take a second look at alternative
4 sites that were not submitted back in 2009.

5 I think during the haste of 2009 in that we
6 overlooked many sites -- that also has to do with the fact
7 that especially in Madera County we were dealing with
8 multiple choices of alignments that weren't decided by this
9 Board. And so it put us at a severe disadvantage when
10 we're looking at three possible different alignments. I
11 think there's a great opportunity for reasonable gains in
12 analyzing sites that may not be on the board at this time.

13 And if you have any questions I'd be happy to
14 answer them and just to let you know that Madera County is,
15 as a whole, willing to work with your Board and your staff
16 in locating a heavy maintenance facility. Thank you.

17 CHAIRMAN RICHARD: Kahn. After Mr. McIsaac will
18 be Brad Johns.

19 Good morning.

20 MR. MCISAAC: Good morning, Mr. Chairman, Members
21 of the Board. I am here this morning representing the City
22 of Bakersfield and since you were somewhat in the
23 neighborhood, just wanted to come up and express our
24 sincere thanks and appreciation for the cooperation and
25 assistance that the high-speed rail staff has given us in

1 our attempt to resolve issues related to alignment going
2 through the City of Bakersfield.

3 In particular, I do want to thank and commend
4 Jeff Morale and Diana Gomez, who their astute leadership
5 has completely altered the working relationship that the
6 city has enjoyed now with the Authority for the better.

7 We do understand that work is continuing on
8 evaluating the Bakersfield S Street Station alignment. And
9 no promise or guarantees have been made as yet, but we do
10 appreciate the effort that has been made to facilitate the
11 consideration of this alternative alignment that we do feel
12 will address many of the substantial impacts that the city
13 did have over the currently adopted hybrid alignment.

14 And somewhat as a result of that we are now
15 gladly going forward with a grant for a station area
16 planning process, expect to award a consultant contract to
17 that shortly and get going on that and looking forward to
18 that. And again, thank you for your help. We really
19 appreciate it.

20 CHAIRMAN RICHARD: Thank you very much, sir.

21 We're now moving to the part we've -- moved
22 through the elected officials and also members of city
23 government and so forth. So we're going to take comments
24 in order except that we have a group here from the
25 Community Coalition for High-Speed Rail who's asked to

1 speak together back-to-back and we will accommodate that as
2 we go through.

3 Okay Mr. Johns, good morning.

4 MR. JONES: Good morning. Greetings back down to
5 our neck of the woods.

6 I'm pretty much ground floor on what's happened.
7 I've gone through the train has already settled through
8 three of my parcels back in July. We're good to go. The
9 team from Continental was fantastic. My purpose for here
10 is to tell you and Diana that you guys have -- your
11 transparency has been fantastic. I mean, when I needed
12 pipelines moved they moved pipelines. When we needed
13 access or whatever they did it. When they needed power
14 lines they did it.

15 I would simply say to the folks out there that
16 you have not, because you ask not. If you will come to the
17 teams with reasonable ideas and concepts they will work it
18 in. I repeat, the train hasn't been built yet, so moving
19 something an inch this way or an inch that way is no big
20 deal at this point. So work with your right-of-way agents.
21 Help the process along. The faster you get at it, the
22 faster we get the thing built, the faster life gets back to
23 normal.

24 In Hanford, for example, when they build the
25 train station -- and they will build the train station --

1 Costco is going in right across the road. The economic
2 impact to our area is going to be monstrous. They won't
3 have to worry about building police stations and what, they
4 will have the tax revenue to make these kind of things
5 happen. The future is bright. The glass is not only half
6 full, it's full. The bottom half is water, the top half is
7 air, the glass is full. We are building something for the
8 next generation.

9 I was with a group of 30-somethings the other day
10 at the coffee shop. And there was this really tall blonde
11 gal in there and her age didn't fit the group, but she was
12 with an engineering team that was headed to Fresno for an
13 engineering competition to build bridges out, of all
14 things, popsicle sticks and straws just for a competition.
15 But the ultimate goal is they're going to be building
16 bridges. This is the next generation that really is into
17 the future and the 30-somethings know that we are building
18 for them. And this is our way of paying forward for the
19 next generation.

20 America is great as long as we are moving forward
21 and moving forward by building our own infrastructure for
22 our transportation system, so that the Arabs can never
23 again shut us down by shutting our oil supply off. So I
24 want to say thank you. I mean, it's an awesome process and
25 I've got a backhoe down there and it's full of fuel

1 whenever you want to go. Have a blessed day. Thank you
2 again.

3 CHAIRMAN RICHARD: Okay. Thank you, Mr. Johns.

4 Next is Rosario Torres followed by Lynn Ikeda.

5 MS. TORRES: Good morning. Good morning, dear
6 Governor Brown, Board Members, Chief Executive Officer
7 Morales. It has come to our attention that AirTrain
8 responded to your request for private investment to fund
9 the construction of the California High-Speed Train
10 Project. Is it true they advised you that they will not
11 invest in your project?

12 My name is Rosario Torres and I have a business
13 Downtown China Town that I have invested for, for ten
14 years. Now, this high-speed rail that's going to go
15 through there, I really want to know where our money is
16 going. I really want to know the funding behind all this
17 because it will affect me, I'm sure. I work very hard,
18 seven days a week, where is our tax money going? That's
19 what I'd like to know. Thank you.

20 CHAIRMAN RICHARD: Ms. Torres.

21 Ms. Ikeda will be followed by Bill Descary from
22 Bakersfield.

23 MS. IKEDA: My name is Lynn Ikeda. Dear Governor
24 Brown, Board Members --

25 CHAIRMAN RICHARD: Excuse me, ma'am. Can we have

1 you speak into the microphone?

2 Maybe we can help her with the microphone? Thank
3 you.

4 MS. IKEDA: My name is Lynn Ikeda and I'm one of
5 the merchants in the China Town area.

6 Dear Governor Brown, Board Members, and Chief
7 Executive Officer Morales it has come to our attention that
8 the Plenary Group responded to your request for a private
9 investment to fund the construction of the high-speed rail
10 train project.

11 Is it true they advised you they will not invest
12 in your project because:

13 A) The bankability of the project is a risk.
14 Funding does not appear to be adequate to fund the entire
15 Phase 1 of the project.

16 B) The labor resources would be constricted given
17 the significant number of major projects being undertaken
18 or planned in the state.

19 C) Given the size of the project there are very
20 few constructions that handle such a project and that will
21 cause issue in the capital market. A project this large
22 will have a difficult funding -- finding availability,
23 security, security bonds and insurance to cover the
24 underwriters and lenders on the project of this size.

25 D) The ridership and operation and maintenance

1 costs in the 2014 Business Plan had very little room for
2 the contingency. And given the uncertain market, ridership
3 could be significantly impacted in a downturn economy.

4 Please respond to my questions.

5 Thank you, Lynn Ikeda.

6 CHAIRMAN RICHARD: Thank you.

7 Mr. Descary -- I hope I pronounced your name
8 correctly, sir -- and followed by I think it's David Vela
9 from Los Angeles.

10 Good morning, sir.

11 MR. DESCARY: Good morning. Bill Descary --

12 CHAIRMAN RICHARD: I'm sorry. I managed to get
13 that wrong. Go ahead.

14 MR. DESCARY: Dear Governor Brown, Board Members,
15 and Chief Executive Officer Morales, it has come to our
16 attention that the CRI responded to your request for
17 private investment to fund the construction of the
18 California High-Speed Train Project.

19 Is it true they advised you they will not invest
20 in your project because:

21 A) The government will need to invest more funds
22 to meet the private investment.

23 B) Financing costs will increase and so will the
24 risk.

25 C) The Authority needs to identify a long-term

1 debt financing program.

2 D) There is a \$31.76 billion gap to fund, which
3 is 62.6 percent of the total investment. This scares
4 private investors and are inherent uncertainties in the
5 project financing.

6 E) During design, construction and initial
7 operation there is not enough cash flow to pay back the
8 private debts.

9 F) And finally, normal financing institutions
10 cannot meet the demand of the project.

11 Please publicly respond to my questions, Bill
12 Descary.

13 CHAIRMAN RICHARD: Thank you, sir.

14 Mr. Vela is it -- I hope -- followed by Delia
15 Dominguez.

16 MR. VELA: Good morning Board Members, CEO Jeff
17 Morales. My name's David Vela. I'm Vice President of
18 External Affairs for Lee Andrews Group. We are an SBE, DBE
19 public affairs firm working on CP1.

20 I'm here to talk about the reason why we're in
21 support of the project. Our firm is a small business and
22 minority-owned firm. We've been able to grow our firm.
23 We've also been able to work side by side with the Fresno
24 community, also hire local Fresno residents for the job of
25 community outreach and public affairs.

1 In addition, it's allowed for our firm to work
2 with various other bids throughout the State of California,
3 which has allowed us to also grow our firm. So we want to
4 thank you and the opportunity to be with the project.
5 Thank you very much.

6 CHAIRMAN RICHARD: Thank you, sir.

7 Delia Dominguez followed by Carol Bender.

8 MS. DOMINGUEZ: Good morning. My name is Delia
9 Dominguez. I'm from Bakersfield, California and I'm
10 addressing my comments to Governor Brown, the Board Members
11 and the Chief Executive Officer Morales. It has come to
12 our attention that the OHL responded to your request for
13 private investment to fund the construction of the
14 California High-Speed Train Project.

15 Is it true they advised you they will not invest
16 in your project, because large projects around the world
17 have had huge problems and delays, which lead to delays in
18 getting to revenues? This will all lead to large financial
19 impacts to the project. And OHL expects unaddressed,
20 geological, environmental and right-of-way risks.

21 Please respond to my questions and thank you for
22 your consideration.

23 CHAIRMAN RICHARD: Thank you, Ma'am.

24 Carol Bender followed by Chris -- I believe it's
25 Croisdale?

1 MS. BENDER: Carol Bender from Bakersfield,
2 California addressing this to Governor Brown, Board Members
3 and Chief Executive Officer Morales. It's come to our
4 attention that FCC Construcccion responded to your request
5 for private investment to fund the construction of the
6 California High-Speed Train Project.

7 Is it true they advised you that they will not
8 invest in the current project, because:

9 A) The initial operating section south will have
10 complex issues with crossing the mountains and using
11 tunnels.

12 B) Connecting Burbank, L.A. and Anaheim will be
13 complex and has to interface with a huge population.

14 C) The Authority has already started Construction
15 Packages 1 through 4 and a new construction firm will have
16 to accept this work. This is an interface risk.

17 D) Moving utilities will be a risk that could
18 impact the project.

19 E) Securing funding will be challenging.
20 Security packages and guarantees will be needed for the
21 concessionaire.

22 F) Revenue risk should sit with the Authority.

23 I'd like you to publicly respond to my question.
24 And additionally, I'd like to say that while I appreciate
25 the reconsideration of a new EIR study for a less

1 destructive route through Bakersfield, I remain concerned
2 that there is not adequate funding, that this could be a
3 project left unfinished.

4 Additionally, I wanted to say that on your
5 website it's quite a circuitous expedition trying to find
6 and read the 36 response letters. And given the recent
7 press regarding transparency I urge you to place them in a
8 more accessible website location, perhaps simply under the
9 heading "News" or "Reports."

10 Thank you for your time today.

11 CHAIRMAN RICHARD: Thank you.

12 Chris -- is it Croisdale?

13 MR. CROISDALE: I am Chris Croisdale with Acton,
14 California.

15 It's come to my -- this is to Governor Brown,
16 Board Members, Chief Executive Officer Morales -- it's come
17 to our attention that TYPASA responded to your request for
18 private investment to fund the construction of the
19 California High-Speed Train Project.

20 Is it true they advised you they will not invest
21 in your project, because the uncommitted 67 percent of
22 funds for the initial operating section is a limiting
23 factor for participation by the private sector? Please
24 publicly respond to my question.

25 And on another note, in Acton the only option

1 that's viable for us if the train does go through is an
2 underground tunnel option, which we've stated that in the
3 past. And that is the only option that we will accept.
4 Thank you.

5 CHAIRMAN RICHARD: Thank you, sir.

6 Jeff Hovey followed by Ivor Samson. Then after
7 Mr. Samson will be Dale Bybee.

8 MR. HOVEY: Good morning.

9 CHAIRMAN RICHARD: Good morning.

10 MR. HOVEY: Jeff Hovey, also from Acton,
11 California. Thank you for having us here.

12 It has come to our attention that Barclays
13 responded to your request for private investment to fund
14 the construction of the High Speed Rail Project. Is it
15 true they advised you they will not invest in the project,
16 and if so why? Thank you.

17 CHAIRMAN RICHARD: Mr. Samson?

18 MR. SAMSON: Thank you. Good morning,
19 Mr. Chairman, Members of the Authority. My name is
20 Ivor Samson and I'm appearing today on behalf of SunnyGem,
21 which is the second largest vertically integrated almond
22 company in California.

23 SunnyGem has a processing plant of approximately
24 400,000 square feet in the City of Wasco in Kern County,
25 which employs about 200 local residents. Unfortunately,

1 the plant is located directly in the alignment, the
2 proposed alignment of the high-speed rail between Wasco and
3 Shafter. And we have very real and very serious concerns
4 about the impact of the rail alignment on the plant.

5 There is a significant risk that the proposed
6 location of the right-of-way could completely shut down the
7 facility not only costing High-Speed Rail and SunnyGem
8 millions of dollars, tens of millions of dollars, but also
9 costing jobs for over 200 local residents in a fairly
10 impoverished community.

11 Even if the plant is not physically taken in its
12 entirety the facility's loading dock, security, food
13 certification processes and sensitive equipment in the
14 plant could bring operations to a grinding halt effectively
15 resulting in the total fate of the facility. Any
16 disruption to SunnyGem's operations would result in the
17 loss of critical food safety certification without which
18 long-term supply contracts cannot be maintained.

19 I've been working on this matter since last
20 January; we have raised these issues numerous times for
21 over a year. None of these impacts have been addressed yet
22 despite several in-person meetings and multiple written
23 requests to obtain detailed information regarding the
24 proposed right-of-way, so we can really do a solid
25 technical assessment of the impacts. We've yet to receive

1 any substantive information and believe me, I have made a
2 very good paper trail on this.

3 Now, we understand that the Board has to
4 undertake a substantial environmental review of the
5 Shafter-Bakersfield route. And I'm here today to
6 respectfully ask that you also look at ways to avoid the
7 substantial impacts in Wasco and look at this as part of
8 your ongoing review of the Bakersfield Alignment.

9 As you know, the High-Speed Rail and the Federal
10 Railroad Administration have a legal duty both under CEQA
11 and under NEPA to make sure that all potentially feasible
12 alternatives are considered. Although the current
13 Supplemental Environmental Review came about as the result
14 of a proposal specific to the City of Bakersfield now that
15 the process is being opened up, your obligations and agency
16 extends to a review of all potentially feasible
17 alternatives.

18 SunnyGem representatives, myself included, have
19 met with Ms. Gomez several times and we've raised the
20 possibility of alternative route locations. But we have
21 yet to receive any response on this issue. Given your
22 responsibilities under CEQA and under NEPA we believe that
23 there are several alternatives that must be considered.
24 Alternatives that are not only feasible from the
25 functionality of a high-speed rail, but also would preserve

1 local jobs and ensure the economic vitality of Wasco as
2 well as SunnyGem as well as avoiding significant legal
3 delays and costs.

4 I have made a number of requests, both verbally
5 and in writing requesting to meet the senior High-Speed
6 Rail Authority officials. I've made these requests over
7 several months and all of them have been ignored. This is
8 the first opportunity that we have had -- SunnyGem has had
9 -- to raise our concerns with you as a Board and the senior
10 level management.

11 I've provided you a brief overview of our
12 concerns and our suggestion. I'll follow this up with more
13 detailed information in writing and look forward to the
14 opportunity to discuss this with you in a constructive way
15 in the near future. Thank you very much.

16 CHAIRMAN RICHARD: Thank you, Mr. Samson. I will
17 work with our CEO and follow up on these issues.

18 MR. SAMSON: I appreciate that. Thank you.

19 CHAIRMAN RICHARD: Okay. Nice to see you again,
20 Ivor.

21 Dale Bybee and then after that I'm going to turn
22 to the Community Coalition for High-Speed Rail and I'm not
23 sure that I have all of the speaker cards grouped together,
24 but we'll do our best.

25 So good morning, sir.

1 MR. BYBEE: Good morning.

2 Governor Brown, Board Members, and Chief
3 Executive Officer Morales, it has come to our attention
4 that Indra responded to your request for private investment
5 to fund the construction of the High-Speed Rail Train
6 Project.

7 Is it true that they advised you that they will
8 not invest in your project? And then please respond to my
9 question.

10 Also, you made a reference earlier to the
11 American Revolution, and like the British, hopefully this
12 project will be defeated by a farmer. Thank you.

13 (Applause.)

14 CHAIRMAN RICHARD: I just want to say we have
15 three more speaker requests from the community of Fairmead
16 that is impacted by the decisions about the so-called Wye
17 and we will take those. But at this point I want to close
18 the submission of public speaker requests, because they
19 were supposed to be submitted at the beginning but we will
20 take those.

21 I'm going to turn to the Community Coalition for
22 High-Speed Rail and I have a number of names that I think
23 are all -- as I understand it you wanted to speak as a
24 group. So I'm going to go through the ones I have and if I
25 miss anybody in that group then afterwards I'll ask you to

1 come up and I'll pull your cards.

2 So first Alan Scott followed by Gloria Coelho.

3 MR. SCOTT: Good morning, Mr. Chair --

4 CHAIRMAN RICHARD: Mr. Scott, good morning.

5 MR. SCOTT: -- Board Members, I need to correct
6 something. I don't know where the confusion is, but this
7 is -- we're from the Citizens for California High-Speed
8 Rail Accountability. I don't know how it got confused
9 with you and I apologize for anything that may have been
10 disruptive.

11 CHAIRMAN RICHARD: Excuse me, Mr. Scott. That is
12 not your problem, it's mine. I saw CCHSRA and I just did
13 that. So nobody incorrectly said it, it was my incorrect
14 interpretation.

15 MR. SCOTT: Okay. No problem.

16 CHAIRMAN RICHARD: I apologize for not getting
17 the name of the organization correct.

18 MR. SCOTT: I just wanted to make sure. I
19 thought someone else got a new --

20 CHAIRMAN RICHARD: No.

21 MR. SCOTT: -- yeah, I just got a new group.

22 CHAIRMAN RICHARD: Nope, it's all on me.

23 MR. SCOTT: All right, thank you very much, sir.

24 Good morning. Dear Governor Brown, Board
25 Members, Chief Executive Officer Morales, it has come to

1 our attention that AECOM responded to your request for
2 private investment to fund the construction of the
3 California High-Speed Rail Project. Is it true they
4 advised you they will not invest in your project, because:

5 A) Ticket sales are always smaller in comparison
6 to capital and operating cost, so the Authority will need
7 to provide availability payment of subsidies. In other
8 words, you're going to have to subsidize the claim.

9 B) A financing of the ridership revenue model is
10 going to yield higher financial costs. True.

11 C) The project is likely going to be subject to
12 cost overruns. And that's already happened.

13 D) One contractor should oversee the design and
14 construction, vehicles and the safety so that all the
15 interface risks are taken away.

16 Please publicly respond to my question, thank
17 you. And I appreciate your time.

18 CHAIRMAN RICHARD: Thank you, Mr. Scott.

19 Ms. Coelho followed by Mr. Fukuda

20 MS. COELHO: Gloria Coelho from Hanford.

21 CHAIRMAN RICHARD: I'm sorry. Did I mispronounce
22 your name?

23 MS. COELHO: No.

24 CHAIRMAN RICHARD: Okay.

25 MR. COELHO: Dear Governor Brown, Board Members

1 and Chief Executive Officer Morales, it has come to our
2 attention that Acumen responded to your request for private
3 investment to fund the construction of the High-Speed Rail
4 Train Project. Is it true that they advised you they will
5 not invest in your project, because

6 A) Revenue from ridership rarely covers
7 operations and maintenance, thus capital costs and B) your
8 real estate plan is not well thought out.

9 Please publicly respond to my question.

10 CHAIRMAN RICHARD: Thank you, ma'am.

11 Mr. Fukuda will be followed by Frank Oliveira and
12 then Maureen Fukuda.

13 MR. FUKUDA: Chairman Richards, Authority Board,
14 and CEO Mr. Morales, it has come to my attention that
15 Siemens responded to your request for a private investment
16 in the California High-Speed Rail. And is it true that
17 they advised you they will not invest in it, because the
18 Authority should be building Initial Operating Section
19 North instead of South?

20 Please respond. I left my address and email, so
21 if you could respond to that I'd appreciate it. Thank you.

22 CHAIRMAN RICHARD: Thank you, sir.

23 Frank Oliveira followed by Maureen Fukuda
24 followed by Phyllis Browning.

25 MR. OLIVEIRA: Good morning, welcome to Fresno.

1 Today you've heard glowing things about the
2 project. It's going to bring prosperity, jobs, that it's
3 all possible because it's been done in Spain. This is a
4 good thing.

5 You've also heard from cities that are going to
6 be devastated. You never talk about what you're losing,
7 but what you potentially can gain. As far as gaining, to
8 gain something you have to construct something. You have
9 to construct something and provide a service. What you're
10 hearing today is that you have no money to accomplish that
11 mission.

12 It's not because of us, it's because there is no
13 money out there that's willing to invest in you. In 2012 I
14 offered to be the first investor in this project. I
15 offered you five dinero -- five Iraqi dinars. You didn't
16 take it. If I pulled that same five dollar -- five dinero
17 bill out today I will still be the first investor in this
18 project.

19 If you're going to build this project and you
20 don't have any money to do it, it's going to have to come
21 from the taxpayers. The rhetoric has changed. Investment
22 will come after you build it. After you build it it's
23 built, so where did the public get -- where did the
24 taxpayers receive their benefit?

25 It's time for this project to end. It's also

1 time for people who have been involved in the decisions to
2 commit to large contracts when there is no money to
3 complete a service to resign. Thank you.

4 CHAIRMAN RICHARD: Mr. Oliveira, thank you.

5 Maureen Fukuda followed by Phyllis Browning
6 followed by Mary Jane Fagundes.

7 Good morning.

8 MS. FUKUDA: Good morning. I have a very short
9 statement that I'd like to address to our Governor Brown,
10 Board Members and CEO Officer Morales.

11 It has come to our attention that Skanska, a
12 large construction company, responded to your requests for
13 private investment to fund the construction of the
14 California High-Speed Train Project. It is true that they
15 advised you they will not invest in your project?

16 Please publicly respond to my question. Thank
17 you and have a good day.

18 CHAIRMAN RICHARD: Thank you, Ms. Fukuda.

19 Phyllis Browning followed by Ms. Fagundes
20 followed by Karen Stout.

21 MS. BROWNING: Dear Governor Brown, Board
22 Members, and Chief Executive Officer Morales, it has come
23 to our attention that Italferr responded to your request
24 for private investment to fund the construction of the
25 California High-Speed Train Project.

1 Is it true that they advised you that they will
2 not invest in your project? Could you please respond to my
3 question? Thank you.

4 CHAIRMAN RICHARD: Thank you.

5 Ms. Fagundes?

6 MS. FAGUNDES: Hello. My name is
7 Mary Jane Fagundes. I live at 9785 Ponderosa in Hanford.
8 I find it quite interesting, because I did not address
9 myself with our group.

10 CHAIRMAN RICHARD: I'm sorry.

11 MS. FAGUNDES: But I find that very interesting
12 that you were able to single that out, but going forward --

13 CHAIRMAN RICHARD: Excuse me, ma'am. Let me just
14 apologize to you. I made the assumption that all the folks
15 here from Hanford were in the same group. I was trying to
16 accommodate a request. If I improperly included you in a
17 group you didn't wish to be included in then I'm sorry.

18 MS. FAGUNDES: That's fine. I know you guys all
19 know who I am.

20 Governor Brown, California High-Speed Rail
21 Authority Board, Chief Executive Officer Morales it has
22 come to our attention that Meridiam responded to your
23 request for private investment to fund the construction of
24 California High-Speed Rail Project.

25 Is it true that they advised you that they will

1 not invest in your project, because the fare box revenues,
2 ridership and Cap and Trade proceeds thus far will not be
3 enough and investor payments should be backed by additional
4 state subsidies, so that the private investors do not
5 absorb the risk? And that Cap and Trade funding will not
6 last long enough and the Legislature should extend it out
7 to 2050?

8 Meridiam also does not trust the Authority as
9 well as your ridership forecast and as such, the Authority
10 should therefore takes the risk and manage the ridership
11 themselves. I ask that you publicly respond to this.

12 But also just additionally -- and I'd like to say
13 this and I don't want to disappoint you, but really some of
14 the powers that be that just spoke -- 150 years, 60 to
15 maybe upwards of 1,000 construction workers male and female
16 as well as tunnels, but no mention of earthquake? Thank
17 you.

18 CHAIRMAN RICHARD: Okay. Karen Stout and then
19 followed by Shauna Green.

20 Good morning.

21 MS. STOUT: Good morning. Governor Brown, Board
22 Members, and Chief Executive Officer Morales it has come to
23 our attention that the Vincenti (sic: VINCI) Concessions
24 responded to the request of private investments to fund the
25 construction of the California High-Speed Rail Project.

1 Is it true that they advised you that they will
2 not invest in your project, because:

3 A) There is no proven technology to operate at
4 220 miles per hour.

5 B) The Authority needs to provide more
6 information about the right-of-way process, land
7 acquisition, latent defects and interfaces. And

8 C) There are few examples of high-speed rail
9 assets to meet the expectations of the business plans.

10 Please publicly respond to my questions,
11 respectfully Karen Stout. And my address is there.

12 CHAIRMAN RICHARD: Thank you.

13 Shauna Green followed by Ross Browning and Helen
14 Sullivan.

15 MS. GREEN: As Mary Jane I identified myself as
16 myself, because your project plans to go through my
17 property or my house --

18 CHAIRMAN RICHARD: I'm sorry.

19 MS. GREEN: -- so I wasn't with the group either,
20 but I am interested in the financing part too, because dear
21 Governor Brown, Board Members, Morales it's come to my
22 attention that INABENSA has responded to your request for
23 private investment to fund the construction of the
24 California High-Speed Rail Train Project.

25 Is it true that they advised you they will not

1 invest in your project, because the Authority should be
2 providing strong guarantees or subsidies and that the
3 Authority needs more state and federal support? There is
4 not enough funding.

5 Please respond to my request, because my house
6 and my children's future depend on this. (Applause.)

7 CHAIRMAN RICHARD: Ross Browning followed by
8 Helen Sullivan.

9 MR. BROWNING: Good morning. Governor Brown,
10 Board Members and Chief Executive Officer Morales, it has
11 come to our attention that the Japan Consortium responded
12 to your request for private investment to fund the
13 construction of the California High-Speed Train Project.

14 Is it true that they advised you that they will
15 not invest in your project, because:

16 A) The initial operating sections north and south
17 should be put into one large package with the design-build
18 and maintenance functions separated. And

19 B) The required secured payments for the contract
20 are not in place.

21 Please respond to my question. Thank you.

22 CHAIRMAN RICHARD: Thank you, Mr. Browning.

23 Ms. Sullivan followed by Ash Jones from Fresno.

24 (Off mic colloquy.)

25 CHAIRMAN RICHARD: Okay. All right, for the

1 record I'm just informed that Ms. Sullivan had to leave,
2 but her comments have been submitted for the record.

3 Okay, Ash Jones followed by Ron Jones and Jon
4 Marshall.

5 MR. ASH JONES: Good morning. Thank you for
6 allowing me to speak to the Board representing one of the
7 local small business participants in the California High-
8 Speed Rail Project.

9 My name is Ash Jones. I'm the Drawing Manager
10 for TECHNICON Engineering Services. And I'm honored to
11 have the opportunity to be a part of this historical
12 infrastructure project.

13 TECHNICON's involvement with HSR began with a
14 preliminary geotechnical investigation back in 2012 and has
15 continued to this day. I have personally experienced how
16 our involvement with this project has provided many
17 networking opportunities with companies outside of the
18 Central Valley, which may not have been otherwise possible.

19 I can't begin to tell you the pride and positive
20 growth we've experienced through providing drilling and lab
21 testing services. And there's definitely something to be
22 said for having local companies and their employees become
23 a part of a project that will remain a fixture in their
24 community for decades to come.

25 I have even had the opportunity, over the past

1 three years, to speak to the fourth grade classes at Birney
2 Elementary School and share my knowledge of high-speed rail
3 while they're doing their learning in transportation.
4 Hopefully, in that time I've been able to inspire some
5 young minds to pursue careers in engineering, geology,
6 construction and heavy equipment operation.

7 The work we have done is just the beginning.
8 There is an entire construction phase still to come with
9 plenty of opportunity for local and small business
10 participation. Thank you for your time and I hope sharing
11 TECHNICON's experience helps in understanding the high-
12 speed rail effect on small business in the Valley.

13 CHAIRMAN RICHARD: Thank you, sir.

14 Ron Jones followed by Jon Marshall, and then
15 Mike Brady.

16 Mr. Jones?

17 MR. RON JONES: Good morning Board Members and
18 CEO Morales on behalf of Train Riders Association of
19 California, I'm the Interim President of. We appreciate
20 the opportunity you've given everyone here to come today.

21 Pardon my voice. I'm a Valley resident, so I'm
22 just getting used to the rain. (Laughter)

23 CHAIRMAN RICHARD: Somebody's got some -- yeah.
24 We've got some cough drops somewhere.

25 MR. RON JONES: Today I wanted to mention

1 something and the gentleman from SunnyGem reminded me of
2 it. The environmental work and some of the things that
3 have been done over the last two years, I think the Board
4 should be commended on. There's been difficulties in the
5 past and some of them have been improved and to that extent
6 I think the members of TRAC are appreciative. But it's
7 interesting to note that the gentleman from SunnyGem has
8 been working with you on environmental work for the last
9 eight, nine months. I wonder if we look at the beginning
10 of this project how much environmental work was done to
11 look at other alternatives for the State of California for
12 this project? I wonder if as many hours were spent on
13 that, that was done for this gentleman here.

14 So with that in mind I wonder that it's come to
15 our attention that Parsons Brinckerhoff, one of your
16 largest contractors, responded to your request for private
17 investment to fund the construction of the High-Speed Rail
18 Project. Is it true that you advised them (sic) that they
19 would not invest in your project, because:

20 A) The project should be broken down into smaller
21 pieces.

22 B) Due to the tunneling of the initial operating
23 section south, initial operation section north should be
24 done first.

25 C) No project in the world has been a \$15 billion

1 contract. The largest to date was a 9 billion in France
2 and had a huge subsidy of their federal government.

3 D) All of the financing identified by the
4 Authority falls short of funding by initial operating
5 section whether it's north or south.

6 E) It is likely that the American firm would
7 probably only be able to handle a \$5 million -- excuse me,
8 I'm not used to saying 5 billion -- \$5 billion project.

9 F) Your ridership values are unreliable.

10 G) The Authority should understand that the
11 revenues will have to go to operations and maintenance
12 while the subsidized payment will need to be made to the
13 private operators, so they are sure they would have a
14 reliable funding source.

15 I wonder if this contractor would have had these
16 same complaints on the other alternatives? Now we're never
17 going to know and I wonder why.

18 CHAIRMAN RICHARD: Thank you.

19 MR. RON JONES: And I wish you please publicly
20 respond to these questions.

21 CHAIRMAN RICHARD: Thank you.

22 Jon Marshall followed by Mike Brady followed by
23 Dylan Crawford.

24 MS. MARSHALL: Good morning, Board.

25 CHAIRMAN RICHARD: Good morning.

1 MR. MARSHALL: My name is Jon Marshall. I'm
2 Principal Engineer and Founder of JMA Civil. I'm here
3 today to talk about my positive experiences working as a
4 small business on high-speed rail. JMA is an engineering
5 design firm specializing in freight and transit facility
6 design. We're currently working for Tutor Perini and
7 Zachry/Parsons on Construction Package 1 and we're handling
8 the Union Pacific Railroad and SJVR design elements.

9 Our experience has been very positive working on
10 high-speed rail largely in part due to the Authority's
11 commitment to the 30 percent small business goal. The
12 design-build firms that you've hired to lead these projects
13 have plenty of qualified staff to do this work in-house.
14 And if not for the small business goal, equally qualified
15 firms such as mine wouldn't have the ability to earn a
16 place on the team.

17 The industry forum outreach events that you've
18 coordinated have been extremely valuable. They appear to
19 have the key decision makers from the design-build teams in
20 them and that's been an impetus for us to continue our
21 involvement in the project.

22 Overall, I would say thank you very much for your
23 commitment to small businesses. I strongly encourage you
24 to continue to maintain that goal both now and on future
25 packages, to continue to sustain and to grow your outreach

1 through your website, through the news media, through
2 social media. And also really to maintain the transparency
3 that I've seen that you bring to the project through your
4 reporting and tracking of small business goals. Thank you
5 very much.

6 CHAIRMAN RICHARD: Thank you.

7 Mike Brady followed by Dylan Crawford.

8 MR. BRADY: Good morning, Mr. Chairman. Mike
9 Brady, the last time I was in Fresno County I was across
10 the way. And the Board of Supervisors of Fresno County,
11 under the able leadership of Chairman Borges -- at that
12 time Fresno County after years of supporting the High-Speed
13 Rail Authority withdrew support for the High-Speed Rail
14 Authority. So a lot of your residents of this county are
15 not in favor of this project.

16 Why did they withdraw? They said promises
17 broken, promises not kept, years of not staying in touch
18 and years of not keeping their promises. And I think that
19 has continued.

20 I hear all these people today talking about
21 people who will not invest with you, private investors. I
22 remember six years ago when you hired a Silicon Valley
23 national group called Infrastructure Management Group, IMG.
24 Their report was supposed to tell you whether private
25 investors would be likely to invest in this project. What

1 did that report say? No, they will not, because this
2 project like high-speed rail throughout the world is a
3 loser financially. And yet, after that report which you
4 solicited and paid for you continued to go out into this
5 state and tell on numerous occasions the Legislature and
6 the public that \$10 to \$15 billion would be coming from the
7 private investor group. Promises not kept.

8 Two and a half weeks ago I listened to a debate
9 on Power Talk between Chairman Richard and the able
10 Congressman, Jeff Denham, from Turlock. It was about high-
11 speed rail and I heard Chairman Richard say, "This is the
12 most transparent agency in the State of California."

13 On practically the same day we had the bombshell
14 from the Los Angeles Times on the front page in which
15 Mr. Vartabedian, the reporter who has covered high-speed
16 rail for years, said that for 25 months you covered up a
17 report from your own contractor who said this project was
18 over 9 billion in costs -- over 9 billion in costs. And
19 you did not reveal that to the Legislature. You did not
20 reveal that to the public.

21 And you did not tell Congress when they have
22 oversight. The federal government, you're using their
23 money, you're spending it. You did not tell Congress.
24 Well, two days later Congress descended on you and said,
25 "We demand that you give us this report." So did the

1 Legislature and you were ordered to do this. And you
2 turned it over and we all got to see it. \$9 billion
3 overnight that you're over in costs and you didn't tell
4 people for 25 months.

5 Promises not kept and promises broken, so we
6 wonder where this is going to go? You've known now for
7 two-and-a-half years that you have terrible difficulties
8 getting to Southern California across those mountains and
9 the costs are going to be enormous. So what are you going
10 to do? Are you going to abandon Southern California and
11 change directions when in three months you come out with
12 your 2016 Business Plan? Very interesting, how much more
13 delay will that cost? How much increase will there be in
14 costs?

15 Promises not kept. Promises broken. Thank you.

16 CHAIRMAN RICHARD: Thank you, Mr. Brady.

17 Dylan Crawford followed by John McCullough.

18 MR. CRAWFORD: Dylan Crawford, Vice President of
19 O'Dell Engineering and we've been working on this project
20 since 2011. So I know there's been a lot of talk about
21 local workforce and local jobs, so wanted to share our
22 company's experience.

23 In 2011 construction and engineering trades were
24 pretty lean and we were among that group. But this
25 project's been a shot in the arm for us. We're doing --

1 we're able to grow our Fresno office, our Modesto office is
2 growing as well. We have upwards of 12 people working on
3 this project at any one time, so it's been really good for
4 us. It's opened up doors, other opportunities that we
5 probably wouldn't have been -- wouldn't have been available
6 to us otherwise. So we appreciate the opportunity and look
7 forward to completing this project with you.

8 CHAIRMAN RICHARD: Thank you very much, sir.

9 John McCullough followed by Christian Gonzales

10 MR. MCCULLOUGH: Good morning. My name is
11 John McCullough. I live in the City of Merced and commute
12 to work at Precision Civil Engineering here in Fresno.

13 The last time I checked, a few months ago, the
14 earliest Amtrak departure from Merced is approximately 9:00
15 a.m. arriving in Fresno at approximately 10:00 a.m. That
16 schedule just doesn't work for me. Therefore I rise in
17 support of the High-Speed Rail Project. Thank you.

18 CHAIRMAN RICHARD: Thank you, sir.

19 (Applause.)

20 Christian Gonzalez followed by Arthur Coster.

21 Good morning.

22 MR. GONZALEZ: I'm from Fresno and I'm a Fresno
23 State -- sorry -- I'm a Fresno State student of engineering
24 and I'm a member of I Will Ride. And I just wanted to say
25 that I'm really excited for the jobs that it's going to

1 bring to the Valley. And also the future's bright for me
2 right now, because of this and for also my fellow
3 colleagues. So thank you very much. I really appreciate
4 it.

5 CHAIRMAN RICHARD: Thank you.

6 Arthur Coster followed by Kole Upton and then
7 Paul Katchadourian.

8 MR. COSTER: Good morning everyone, Members of
9 the Board, CEO Jeff Morales. It's good to see you again.

10 My name is Arthur Coster and I'm part of I Will
11 Ride. I'm very excited about this, for myself but also for
12 my children and my children's children. I know I'm young,
13 but I know that this isn't for -- this isn't something
14 that's going to be instant. And I think that we all need
15 to remember that projects like this are so massive it takes
16 time. It takes a lot of time for results for results to be
17 shown.

18 And as somebody who's going to college right now
19 and seeing some great advancements just in terms of
20 education and in terms of our -- in terms of the United
21 States it's -- if we're here -- I apologize. I'm a little
22 nervous, this is my first time doing this. So you know, if
23 we're here at the United States of America and we pride
24 ourselves in innovation and we pride ourselves as leaders,
25 it really astounds me that we would have such opposition to

1 something that's so monumental to our infrastructure.

2 That's something that will benefit us all.

3 And it really scares me that people think that
4 they know so much about a project like this when they can't
5 even wrap their head around how massive this is, and how
6 much work and how much man hours. It scares me to see
7 people fight this, because I feel like there's a string
8 tied to each piece of this. And the more people pull, the
9 slower it's going to go and the slower it moves the more it
10 holds back not only me, my fellow colleagues, but it pulls
11 us back as a nation. And that scares me a lot.

12 And I appreciate you all listening to us today
13 speak our minds and offer our opinions. Me being so young,
14 and doing this for the first time, it's really exciting.
15 And I'm really, really excited for this project. And I'm
16 really, really -- yeah, excited. I'm sorry, I'll let it at
17 that.

18 CHAIRMAN RICHARD: Thank you, sir

19 (Applause.)

20 Kole Upton followed by Paul Katchadourian and
21 Curtis Lovett.

22 MR. UPTON: Good morning, Mr. Chairman, Board
23 Members, Mr. Morales. I'm representing Preserve Our
24 Heritage and I'm a Merced County farmer. Our President
25 Steve Massaro couldn't be here, so I hope you bear with me.

1 I'll try to get his comments too and still be good.

2 I'm submitting some petitions here today. These
3 are individual petitions that support the Highway 152 and
4 Road 19 Route. There's 590 in favor that live in the Wye
5 area or work there. Of those, 224 are from the City of
6 Chowchilla and/or Greenhills, so there's a great outpouring
7 for the Road 19, 152 Route. And the reason there is, is
8 because it's the result of a long consensus process between
9 Preserve Our Heritage and Diana Gomez and Terry Ogle. And
10 I tell you what, you ought to give those folks combat pay,
11 because they've done a very good effort in trying to work
12 with everybody, all right?

13 And we have another petition in here from the
14 businesses in the area. Virtually every business that does
15 business in the Wye is supporting the Road 19/152. And the
16 reason is, is because your other options which are Road 13
17 and Avenue 21 have a devastating effect on the
18 infrastructure of the public agencies like the schools,
19 like the Water District. And I know your consultants are
20 going to tell you, "Well, Road 13, Avenue 21 is cheaper and
21 is quicker, okay?"

22 But if you truly mitigate the effects of that
23 route it's going to cost you a heck of a lot more than what
24 the Road 19 and Avenue 21 is. And I submit to you if you
25 do proper mitigation along Road 19 that it's better for the

1 area. Certainly a 152 Route is better, because we're going
2 to have a freeway instead of blood alley right now. We've
3 given you statistics on that. And in the business petition
4 we have a five-page letter detailing the pros of the Road
5 19 and the cons of the other possible route.

6 Now, we've been involved in this since 2009. And
7 it was first with Chairman Pringle when we appeared before
8 him and the Board. A3 was on the table -- that was a route
9 -- it was basically a permutation of your Road 13. He
10 rejected that after us protesting and he told the staff,
11 "Hey, haven't we learned anything? We're not supposed to
12 go through ag land," because apparently they'd done that
13 previously. So they rejected it. So then we went into the
14 position where he wanted us to roll up our sleeves and work
15 with you. We've done that.

16 Now, I distinctly remember 2011 when the public
17 agencies had a meeting in Merced, of Madera County and
18 Merced County public agencies including the water districts
19 of each city and county. Not one, not one, favored a Wye
20 route that was north and west of Chowchilla. So what did
21 the consultants come out with a month later? You guessed
22 it, a north. So I challenged them. I said, "What are you
23 doing?" And they said, "Oh no, the City of Chowchilla
24 asked for this." Well, I happen to know the Mayor
25 personally. I called him up. He said, "No way, we didn't

1 do that."

2 So, you know, this wasn't you guys, but we were
3 lied to. And so that continued until you folks chose the
4 Merced to Fresno route and you gave us Road 12 1/4 as the
5 Wye, which doesn't exist. And I told you folks about that.
6 Again, you excised the Wye out of it and said, "Okay, we're
7 going to challenge this again. We're going to study it
8 again." You've gone through it again, all right. And what
9 have we got? Two Road 13 options and you have one option
10 that people worked together to do this, so I'm hoping that
11 somehow this Board will support the people who try to do
12 this.

13 I know the City of Chowchilla right now has just
14 come up with a new route of which is about their fourth or
15 fifth one since I've been involved in this. But they are
16 only a small imprint of that Wye. Look at the bigger thing
17 in Merced County and Madera County of the other agencies
18 and where they stand.

19 Lastly, you know I don't want to be -- well
20 whatever. The original engineer told me in 2010, he says,
21 "Upton, you're wasting your time." He said, "We're going
22 to choose Road 13 whether you like it or not or whether
23 anybody else like's it." You know what? By golly, he's
24 been right so far. So I hope he's not right this time.

25 And my group has challenged me on whether I'm

1 insane or not and I said, "Why would you ask that?" And
2 they said, "Because doing the same thing over and over
3 expecting a different result is insanity, okay?" So don't
4 put me in that position.

5 But I can tell you where we are, Mr. Chairman, my
6 last comment. I don't know, are you a football fan?

7 CHAIRMAN RICHARD: (Indiscernible)

8 MR. UPTON: Sure, okay. Well anyway, do you know
9 the story about the Modzelewski Brothers in the 1950s?

10 CHAIRMAN RICHARD: Actually, my father was the
11 next-door neighbor of Ed Modzelewski. I knew Ed
12 Modzelewski. He passed away last year.

13 MR. UPTON: Yeah, I know he did. Well, you know
14 that the first brother was named Big Mo and the second
15 brother was named Little Mo. You know what the third
16 brother was named?

17 CHAIRMAN RICHARD: No.

18 MR. UPTON: No Mo, right. That's where we're at.
19 I hope we don't go through this again. Thank you.

20 CHAIRMAN RICHARD: Thank you, Mr. Upton.

21 (Colloquy off mic.)

22 You guys didn't know that I was going to come up
23 with that, did you? You had no idea. Paul Katchadourian
24 followed by Curtis Lovett.

25 MR. KATCHADOURIAN: Good morning, welcome to

1 Fresno. Good morning Chair, Board. My name is Paul
2 Katchadourian and a brief background. I was born in
3 Fresno, born Downtown Fresno, and outside of military
4 service I've lived here my whole life. I'm a disabled
5 veteran who owns a small business, Katch Environmental.
6 And I've been awarded hazardous remediation on CP1, which
7 is the first phase of the high-speed rail.

8 What this project has allowed my company to do is
9 to grow, hire new employees, purchase new equipment and
10 modernize a lot of our -- of the way that -- our works. It
11 is also because of our growth and because of the
12 opportunity we've been able to get, instead of hiring
13 laterally from other companies or other people that have
14 been in the industry already I've decided to hire people
15 who are on public assistance, CalWORKs, in conjunction with
16 the County of Fresno and the EDC, Lee Ann.

17 We've partnered up and we're pulling from the
18 people who are looking for work, the people who have no
19 work. These people went on public assistance before and
20 after they're getting training we've been putting them to
21 work and they've had good union jobs. Recently, one of my
22 employees that I've hired from that program, he's been able
23 to work his way up through the ranks. He's now a leading
24 supervisor and one of my main employees. I really rely on
25 him. He's gone from public assistance, he's now a

1 homeowner, and this is after a year and a half.

2 So this program has -- and this job and the high-
3 speed rail and this opportunity has allowed employees in
4 the Fresno County to go from public assistance to
5 homeowners. I'll say it one more time: public assistance
6 to homeowners, this is a big deal. Not only does the State
7 of California need high-speed rail for traffic in the
8 future -- and this is the foresight and for-thought of
9 putting it in, the City of Fresno -- what this is doing for
10 the City of Fresno is just tremendous. It's put us on the
11 map. The first city in the United States to have high-
12 speed rail start, the first station is going to be here.
13 It's just amazing.

14 I'm proud to be Fresno before and I'm really
15 proud of what it's doing for our community, our town. And
16 I just wanted to thank you personally for the opportunity
17 it's given us. Thank you.

18 CHAIRMAN RICHARD: Thank you, Mr. Katchadourian.
19 Curtis Lovett followed by is it Mattie Boren?
20 Good morning, sir.

21 MR. LOVETT: Good morning Mr. Chairman, Board.
22 My name's Curtis Lovett. I'm the -- well my wife and I --
23 I better say that, are owners of Outback Materials. We're
24 a ready mixed concrete supplier that was founded in 1968 in
25 Madera County who operates six plants up in the foothills

1 and mountains. And the High-Speed Rail Project and the
2 visionary leadership of Governor Brown to commit to
3 infrastructure construction in this state, and to be
4 innovative in thinking about how he's going to move 50
5 million people around the state over the next 20 years, I'm
6 grateful for and commend him as a citizen and also as a
7 business owner.

8 To give you a perspective of what the impact has
9 been for us we've been able to hire an additional 15
10 employees, provide good paying jobs for them at very good
11 labor rates.

12 We've also been able to expand our healthcare
13 program within the company. I had one of our employees
14 tell me the other day that he grew up surfing -- he's 53
15 years old -- he grew up surfing in Southern California.
16 And that because of the project that we'll be doing it's
17 evened out the demand for our product and he's able to pay
18 for healthcare, said he's able to go surfing for the first
19 time in 15 years. It's changed his life.

20 So we've also had the opportunity to attract
21 really good people. We just hired a graduate, a Fresno
22 State Engineer to work with us in our Quality Department.
23 And have been able to attract other senior level people
24 with 25 plus years experience from some of our competitors.

25 It's also provided an opportunity for consumers

1 in Fresno to actually buy from a local company, which is
2 something that's been missing and lacking for just about
3 three decades. Our industry is dominated by foreign-owned
4 multinational corporations and we're the first family-owned
5 small California domicile business to be able to be in the
6 Fresno market now for just about 30 years. So it's a great
7 opportunity, which is our customers are very happy and
8 consumers in Fresno are happy about it.

9 I commend you for your transparency in offering
10 this public comment period to people like me to thank you
11 and express our appreciation. And also to listen to the
12 opponents of the project that have valid concerns in many
13 cases and I'm pretty impressed with the level of oversight
14 and willingness to listen.

15 I'd like to commend Tutor Perini/Zachry/Parsons
16 for their willingness to work and support small businesses
17 in this. And for Governor Brown and yourselves
18 establishing the 30 percent target. It's really had a big
19 impact, so thank you for your time and I look forward to
20 working with you. And we just finished pouring 150 yards
21 of concrete while I was -- just finished pouring a couple
22 more columns up there in the Fresno viaduct while I was
23 sitting here. So thank you.

24 CHAIRMAN RICHARD: Great. Thank you, sir.

25 (Applause.)

1 Mattie Boren followed by it looks like Gina
2 Torres.

3 MS. BOREN: Good morning Board and CEO Jeff
4 Morales who just happened to walk out.

5 CHAIRMAN RICHARD: It was not personal I'm sure.

6 MS. BOREN: I hope not. My name is Mattie Boren
7 and I'm a Fresno State graduate born and raised here in
8 Fresno. I currently work for Precision Civil Engineering
9 located here in Downtown Fresno. And I just wanted to come
10 up and thank you for the opportunity, as an engineering
11 professional, to have the opportunity to work on such a
12 tremendous and monumental project such as this. The level
13 of ingenuity that will go into creating something like this
14 is what draws a lot of people to the engineering field.
15 And the opportunity to be able to work on something like
16 this is a huge draw.

17 I just want to express my gratitude and let you
18 know that as a Fresnoian, as we like to call ourselves,
19 it's very humbling to know that we could be a part of
20 something as large as this. And to be the stronghold for
21 where it takes place, so thank you very much and I'm
22 clearly in support of high-speed rail. Thank you.

23 CHAIRMAN RICHARD: Thank you.

24 (Applause.)

25 Gina Torres followed by Aaron Pankratz.

1 Did I pronounce your first name correctly?

2 MS. TORRES: Gina Torres.

3 CHAIRMAN RICHARD: Great.

4 MS. TORRES: Good morning, Board. My name is
5 Gina Torres and I'm a Fresno native, been in Fresno my
6 entire life. I'm an alumni at Fresno State. And I'm in
7 support of high-speed rail. I just wanted to say that not
8 only will this project bring great jobs to the Valley, but
9 it will also bring economic diversity and I am very
10 excited. And thank you all for being here today.

11 CHAIRMAN RICHARD: Thank you.

12 (Applause.)

13 After Mr. Pankratz is Nick Kennedy.

14 MR. PANKRATZ: Good morning, Board Members. I
15 thank you for your work on this project. My name is Aaron
16 Pankratz and I'm an Instructor of Economics just down the
17 street at Fresno City College. I'm also the Adviser of the
18 student-led club, I Will Ride. And I'm very proud of some
19 of my students that have shown such energy for this project
20 and the importance that infrastructure has in our state.

21 I teach Economics and we talk about that
22 importance of infrastructure. It makes me sad to see how
23 this issue has become a partisan issue. It's really not.
24 I usually find myself in very strong support of men and
25 women such as the Honorable Jim Patterson. And to see this

1 here in the Valley really become not just his argument, but
2 a water versus rail argument -- I haven't heard that yet
3 here today, but it's become a big issue here in the Valley.

4 We know that these are separate pools of funds
5 and we also know that yes, we need water storage but we
6 also need rail. We simply cannot move our people around
7 based on the current infrastructure let alone do this in
8 2050 with the population we'll have at that point.

9 Former Governor Schwarzenegger spoke at the
10 Milken Institute's Global Conference a few years ago in
11 Beverly Hills. And he made an interesting statement. He
12 said, "How fast you move goods and people around is
13 economic power." And I was just on the 210 Freeway again
14 east of Pasadena a few weeks ago, not moving at all. I had
15 no economic power at that point. Meanwhile the Metro
16 Goldline comes zooming past us a couple of times right in
17 the middle of the freeway. This is going to be the entire
18 state in just a few years in gridlock and to see the
19 importance of infrastructure I think it's such an exciting
20 project, so fantastic, something we need.

21 And I just want to encourage you and thank you
22 for your work on this project. And thank you for the
23 ability to, in the future, move goods and people around the
24 state even faster. Thank you.

25 CHAIRMAN RICHARD: Sure.

1 Nick Kennedy followed by John Hernandez.

2 MR. KENNEDY: Good morning Board of Directors and
3 CEO Jeff Morales. My name is Nick Kennedy. I'm the
4 Founder and President of the Fresno City College chapter of
5 I Will Ride. I also wanted to thank the -- from the City
6 College students and our Adviser, Aaron Pankratz for coming
7 in support. We thank you for your hard work in bringing
8 this economically transformative project to the Central
9 Valley. And I can't wait to see how it will change the
10 face of Fresno as well as the other connected cities.

11 We have been changing the conversation about
12 high-speed rail on campus at Fresno City College and the
13 response has been really powerful. We believe the
14 millennials understand that the benefits of the project
15 will inevitably far outweigh the costs. You know, this
16 project is a 100-year project as it's often said. And I
17 think it's hard for us to grasp what that really means.
18 And that means that for many generations it's going to
19 positively economically impact the whole state.

20 I Will Ride obviously, publicly supports the
21 project. And again, I thank you for your hard work in
22 bringing it to fruition. Thank you.

23 CHAIRMAN RICHARD: Thank you.

24 (Applause.)

25 MR. HERNANDEZ: John Hernandez, High-Speed Rail

1 Support Group. Governor Brown, CEO Morales, Chairman
2 Richard, and Board of Directors it's come to my attention
3 that \$68 billion is going to be spent in the State of
4 California to support high-speed rail. In response to that
5 I've formed the High-Speed Rail Support Group, which is
6 dedicated to supporting the efforts of high-speed rail in
7 California. It will serve to educate the public, inform
8 and support procurement opportunities and job creation.

9 One of our initiatives that we adopted this last
10 Friday was called "Contacts Equal Contracts." The High-
11 Speed Rail Support Group or SHRG will do the following to
12 help California small business participate in the contracts
13 offered by the California High-Speed Rail Authority or its
14 prime contractors.

15 1) The HSRG (sic) will act as a resource to
16 California small business community by highlighting
17 available contracts via community outreach. The SHRG
18 monthly events will be a place where California small
19 businesses can network and make more business contacts in a
20 positive atmosphere.

21 The SHRG will educate and encourage the
22 California small businesses to collaborate with the
23 ultimate goal of getting a contract.

24 The SHRG Contacts Equal Contracts Initiative will
25 work collaboratively with other like-minded nonprofits to

1 support the construction and eventual operation of
2 California high-speed rail.

3 The SHRG will help certify as many small
4 businesses as possible via the resources offered by the
5 U.S. Government and the California government. The SHRG
6 will help certify as many small businesses as possible via
7 the resources offered by the U.S. Government and the
8 California government.

9 The SHRG will help the California High-Speed Rail
10 Authority meet the 30 percent small business participation
11 goal.

12 The SHRG will encourage business-to-business
13 contracting. We will help the California small businesses
14 use technology and the Internet to increase their
15 competitive advantage via their digital footprint.

16 And last, but certainly not least, the SHRG will
17 produce High-Speed Rail Now, an Internet news program.
18 Thank you.

19 CHAIRMAN RICHARD: Thank you, Mr. Hernandez.

20 Jacqueline Ayer from Acton followed by Janet
21 Lammon.

22 MS. AYER: Hello. And thank you very much for
23 allowing me to speak to you. I'm going to take a right
24 turn and talk about the drilling that's going to be going
25 on in the San Gabriel mountains.

1 Regarding the drilling that the California High-
2 Speed Rail Agency or Authority proposes for the Angeles
3 National Forest as part of the Palmdale to Burbank section,
4 according to your Environmental Document the core depths
5 selected for each boring site were determined based on the
6 tunnel depths assumed by CHSRA's Supplemental Alternatives
7 Analysis. It was issued six months ago.

8 All of these proposed east alternatives bisect
9 the Aliso-Arrastre Special Interest Area that was
10 designated for special protections in the San Gabriel
11 Mountains National Monument Proclamation. And they all go
12 aboveground on private lands in Acton, but below ground on
13 federal lands in Acton. California High-Speed Rail
14 Authority is fully aware that all of the east alternatives
15 will generate noise and other impacts on residents within
16 the Aliso-Arrastre Area, because they are all configured
17 aboveground on private lands.

18 Now, earlier this year the California High-Speed
19 Rail Authority committed publicly to mitigating significant
20 impacts within Acton near the Aliso-Arrastre Special
21 Interest Area and identified undergrounding as the
22 mitigation measure that will be considered.

23 This mitigation measure necessarily requires a
24 deeper tunnel than what is contemplated in the Supplemental
25 Alternatives Analysis and a correspondingly deeper geo

1 investigation than what is currently proposed in the
2 Angeles National Forest and in the San Gabriel Mountains.
3 Simply put, the proposed boring depths are too shallow to
4 establish the engineering feasibility of undergrounding the
5 high-speed rail adjacent to the Aliso-Arrastre Special
6 Interest Area.

7 If the California High-Speed Rail Authority geo
8 investigations are not modified to analyze the boring
9 depths necessary to implement the underground alternative
10 that was committed to our community, then the community of
11 Acton will know that the High-Speed Rail Authority is not
12 sincere in its commitment to pursue undergrounding options
13 in our community.

14 Furthermore, it is also obvious to anyone with
15 even the slightest grasp of the High-Speed Rail Project
16 that the geo investigations that you're about to implement
17 are going to have to be redone with deeper borings when the
18 High-Speed Rail finally acknowledges that the tunnel must
19 be configured underground in Acton to mitigate the
20 significant adverse impacts to residents and the federally-
21 protected special interest area.

22 Thank you very much.

23 CHAIRMAN RICHARD: Thank you, Ms. Ayer.

24 (Applause.)

25 Ms. Lammon, (phonetic: Lamone) did I pronounce

1 your name correctly?

2 MS. LAMMON: Call out Janet Lammon. (phonetic:
3 Lammen)

4 CHAIRMAN RICHARD: Lammon, there's an accent over
5 that, but I tried my best and I failed.

6 MS. LAMMON: Well, (indiscernible) when I was
7 speaking to Michael Antonovich he said, "Janet Lemon," in
8 regards to high-speed rail.

9 CHAIRMAN RICHARD: Sorry. Okay, why don't you
10 step before -- excuse me there, could you step before the
11 microphone and speak into that so your comments are
12 recorded? Thank you.

13 MS. LAMMON: Okay. First, I'd like to read a
14 little bit. Dear Governor Brown, Board Members and Chief
15 Executive Officer Morales -- and I say "dear" because I
16 sincerely hope that you all listen and consider what I'm
17 saying including Governor Brown.

18 I'm going to speak from my heart before I read
19 more and what I want to say is my mom always said make a
20 list. Make your pros and make your cons. So under the
21 pros I have jobs and, you know, free government money. And
22 by free I mean our tax dollars. I know that people are
23 working for it with the high-speed rail. I know
24 everybody's diligently pursuing the high-speed rail
25 commitment that you have.

1 I hear everybody that has been for it thanking
2 you for the opportunity to have government employee
3 regarding the high-speed rail and I don't blame you. I
4 would thank you also, however those are the pros. And the
5 cons are that the money is not free, it comes from us. It
6 comes from the citizens of California and our tax dollars.
7 And my concern is the -- after the sustainability issue
8 without taxation as people paying taxes, possibly the
9 majority of citizens will have to pay in perpetuity for the
10 Spruce Goose when it may only be afforded by government
11 officials and CEOs and not afforded by the average citizen.
12 And I'm talking ridership and I'm talking usability. And
13 I'm talking what taxes my children will have to pay.

14 The other issue is, you know, of course we have a
15 national debt, which has not been sustainable. And which
16 is continuing to be a problem in our great country of the
17 United States of America. We are going to have state debt
18 and we're going to have city debt and yes, this is
19 wonderful now with the jobs. You know, all the
20 inspections, all the permits, everything that's going on.
21 Everybody's working, everybody's happy. But in the end it
22 comes down to citizen debt and our property taxes and the
23 taxes that will be imposed on in order to facilitate the
24 high-speed rail.

25 And I heard the Mayor of Fresno saying that

1 you're working from the ground up. Well, every person that
2 owns property, it is their ground. My husband and I, we
3 own property. The high-speed rail, one of the three paths
4 that has been presented to me, is the northern section
5 which is hundreds of yards from where I live, from one of
6 my properties that I pay taxes on. I am a stakeholder, but
7 so are my children and so are all of your children for the
8 future. So if you can't make this affordable for the
9 average citizen that's going to end up paying taxes on this
10 you should scuttle it or you should figure out your
11 investors. And from what I understand you don't have any.

12 I respectfully submit that and I have the paper
13 here that I've written up. Oh, and I did want to read
14 this. "It has come to our attention that the DB
15 International GmbH responded to your request for private
16 investment to fund the construction of the California High-
17 Speed Train Project. Is it true they advised you they will
18 not invest in your project, because:

19 A) The Authority should break the project into
20 four design-build packages.

21 B) The project is large. It will likely have
22 fewer bidders.

23 C) There are no projects of this size in the
24 United States, so the lenders see this project has higher
25 risks.

1 D) Lenders will want guaranteed cash flow from
2 the state to finance the project. And Proposition 1A says
3 no guarantees or subsidies are allowed.

4 Please publicly respond to my question. Thank
5 you for everybody for hearing me.

6 CHAIRMAN RICHARD: Thank you.

7 Pam Wolter followed by Chris Schill. (phonetic)
8 Good morning.

9 MS. WOLTER: Governor Brown, Board Members and
10 CEO Morales it has come to our attention that CRSC Beijing
11 National Railroad Research & Design Institute of Signal and
12 Communication Group responded to your request for private
13 investment to fund the construction of the California High-
14 Speed Rail Project. Is it true they advised you they will
15 not invest in this project? Please publicly respond to my
16 question.

17 And I would like to remind the Board that Acton
18 has three proposed routes going through their community.
19 Mr. Richard came to our community and toured our community
20 and saw the destruction that was going to happen in Acton.
21 We have a brand-new high school that took us years to build
22 and get the bond approved. And now that train, one of the
23 routes, is within 1,000 feet of our brand-new high school;
24 1,200 feet from our junior high school. We can't rebuild
25 those projects in a community of less than 10,000 people.

1 You are taking away the lifestyle and the dreams
2 of 10,000 people. We live in North L.A. County for a
3 reason, because we can still have larger pieces of
4 property. We can still live close enough to the city to
5 wherever the commuters can go to get a job, but we like
6 living in our rural community. And so the destruction
7 that's going to be provided by this train doesn't justify
8 that change in our lifestyle.

9 I got involved with this project five years ago.
10 We had just completed the construction of our brand-new
11 house. The train, one of the routes, was 500 feet under my
12 house. I almost died when I heard that. The train then
13 proceeded down the street to my son's brand-new house 200
14 feet under my son's house. My son lives a block and a half
15 from the new high school. What do we tell our kids and our
16 grandkids about this project? How do we justify all the
17 years that we've worked to be able to live in that
18 community? And you're going to take away what we've worked
19 for.

20 If the train's got to come through Acton get it
21 out there in the national forest and get it underground.
22 Don't take away what we've all worked for. I am Pam
23 Wolter, Acton California, President of the Acton-Agua Dulce
24 Brokers Association. And I could go on for another five
25 minutes about the devaluation of all of our property values

1 in Acton and Agua Dulce. Thank you.

2 CHAIRMAN RICHARD: Thank you, Ms. Walter.

3 (Applause.)

4 Next is Chris Schill followed by, I think it's
5 Angela Toghia. I hope I got that correct.

6 Chris Schill?

7 (No audible response.)

8 Okay. Angela -- is it -- ma'am, I'm sorry if I
9 mispronounced your last name?

10 MS. TOGHIA: Good morning. Thank you for the
11 opportunity to speak to you today. My name is
12 Angela Toghia. I'm a resident of Acton, California. I'm
13 also here to support the Hanford group and I am in
14 opposition of the high-speed rail.

15 My family owns several properties in Los Angeles
16 County three of which are in Palmdale, two in Acton and two
17 in the City of Burbank. I am in strong opposition of the
18 high-speed rail especially as -- it's aboveground route
19 through the community of Acton and Agua Dulce.

20 The costs to build the high-speed rail, and to
21 make it an effective infrastructure, are great. The amount
22 that is projected to cost the taxpayers of California is
23 significantly higher than the amount that we had voted on
24 and had anticipating the cost to be -- the cost to ride.
25 I'm sure it projected a -- and I'm just tossing these

1 figures out, I'm not sure what they are -- but say \$40 at a
2 \$10 billion project was feasible, but a \$68 billion project
3 I'm sure that the ridership and the costs are just not
4 there. You will have to charge an exorbitant amount of
5 money to ride this high-speed rail train to get from Point
6 A to Point B. And at this point there's not even that many
7 riders that are going to be riding it from Point A to Point
8 B. It's just not there.

9 And the cost to our community is more than one
10 community: Acton, Agua Dulce, the San Fernando Valley,
11 Pacoima, San Fernando -- the City of San Fernando. Many
12 cities and communities are in opposition of the high-speed
13 rail, because you are devastating properties. The cost is
14 just too great. We can't support it.

15 And as we've heard today the investors aren't
16 willing to invest in it either, because it's not a viable
17 project. Thank you for your time. (Applause.)

18 CHAIRMAN RICHARD: Lauren Skidmore from
19 Bakersfield followed by Barbara Nelson.

20 MS. SKIDMORE: Good morning Chairman Richard,
21 Members of the Board, my name is Lauren Skidmore and I am
22 with Kern Citizens for Sustainable Government. I serve as
23 the Director. This organization focuses on local
24 government and policy issues throughout Kern County.

25 My organization is supported by private business

1 owners throughout Kern County. And we have strong ties to
2 the areas in which high-speed rail touches, especially in
3 regards to the proposed heavy maintenance facilities in
4 Kern County.

5 Since the high-speed rail conversation is heavy
6 in Bakersfield and throughout Kern I have been asked to
7 begin representing the millennial generation of Kern. We
8 are excited for the future of high-speed rail and look
9 forward to the positive economic impacts it will provide.

10 I do want to ask a few questions that we feel are
11 important and have not been answered. Can you please given
12 an estimate when Authority will select the heavy
13 maintenance facility site? Concern is being -- of this
14 consideration of the new locally generated alignment and
15 how it may impact the Shafter heavy maintenance facility
16 location or timeline of heavy maintenance facility decision
17 versus timeline of the locally generated alignment economic
18 study.

19 Thank you all for your dedication to this project
20 and although I'm a Fresno State graduate, and extremely
21 proud of Fresno, I don't want you to forget about us in
22 Kern County. I look forward to bringing the hope and the
23 positive elements of this project alive in Kern. Thank
24 you.

25 CHAIRMAN RICHARD: Thank you, Ms. Skidmore.

1 Barbara Nelson from Fairmead followed by -- is
2 that Elaine Moore? All right.

3 Sorry, did you say that the next speaker is not
4 here?

5 MS. NELSON: Richard Moore.

6 CHAIRMAN RICHARD: Oh, I'm sorry. Excuse me, go
7 ahead.

8 MS. NELSON: Barbara Nelson from Fairmead. I'm
9 the President of Fairmead Community & Friends.

10 And our concerns here today is about the Wye
11 that's coming through Fairmead. Fairmead is a community
12 that's unincorporated between Madera and Chowchilla. We're
13 mostly people of color, people of low income. This high-
14 speed rail will have a big impact on our community.

15 I was talking about it to my mother who has
16 property there. And she said, "If it comes through my
17 property, where am I going, Barbara?" My mother's 91 years
18 old. I said, "I don't know, Mother."

19 But anyway another part of it would be close to
20 our school that we have there. We would like for you to
21 take that route of Avenue 21 and 13 and not come -- and two
22 of the routes affect that community. Thank you.

23 CHAIRMAN RICHARD: Thank you very much, ma'am.

24 It's Mr. Moore, right? Yeah.

25 MR. MOORE: I'd like to present to you -- do you

1 have a sketch on your -- of the route?

2 CHAIRMAN RICHARD: Yes, sir. Could you --

3 MR. MOORE: Can we put it up?

4 CHAIRMAN RICHARD: Could somebody help this
5 gentleman with the microphone, so that we can record his
6 comments?

7 (Colloquy off mic regarding requested document.)

8 CHAIRMAN RICHARD: Okay?

9 MR. MOORE: Yeah. You can see on the projection
10 there, the two loops. The one to the right goes through
11 Fairmead. Also the one route that connects with 13 and 21
12 goes through Fairmead. So we have two routes that's
13 supposed to go through Fairmead community, which is a
14 historical site basically, because it was a small town
15 before even, I think, Chowchilla.

16 And it's a small community and it's close to the
17 Chowchilla and 152. And if you can compose what we're
18 talking about is the community itself will be divided in
19 half when that rail goes through, if it goes through there.
20 And we would propose doing 21 1/2. That eliminates going
21 through Fairmead and less track for the high-speed rail.

22 People are talking about taxes and the effect
23 that that would have on them. We're all going to pay taxes
24 regardless of how much it is whether it's county, state,
25 federal. We're always going to have something to develop

1 in the state, in the country. And so we're going to pay
2 taxes regardless of how much it is and when it is or how it
3 is.

4 And also like Interstate 5, when it came out you
5 had opposition against it crossing so many counties. And I
6 can remember going out to Interstate 5 and seeing only one
7 car maybe in a half an hour. Go out to Interstate 5 today
8 and look at the amount of vehicles traveling that road. So
9 in the future you need some kind of a trail -- that as the
10 train will have a commitment on those communities and be
11 able to go with it. But consider the routes on the Wye
12 that you would -- I would hope that you would take 21 1/2.
13 And thank you.

14 CHAIRMAN RICHARD: Thank you, sir.

15 Our last public speaker this morning is Jean
16 Laird from Acton.

17 MS. LAIRD: Thank you very much for seeing me,
18 hopefully you can hear me.

19 CHAIRMAN RICHARD: You came from a long way, so
20 you have a right to speak, so.

21 MS. LAIRD: Thank you, very much.

22 It's come to our attention that Acciona has
23 responded to your request for the private investment to
24 fund the construction of the high-speed rail and that they
25 did not want to invest in this endeavor. And the reasons

1 they stated are that they're concerned about the financial
2 market capacity to raise the required capital for the
3 delivery of the initial operating section north and south.
4 The Authority will need to share or transfer to other
5 providers the risk of commissioning the project. And they
6 do not believe that financing can be raised based solely on
7 future revenue projections.

8 Now, from down south I've not come this far north
9 in this whole high-speed rail thing, so honestly it's been
10 very eye-opening. I had no idea that there was actually a
11 single person that was in favor of it. (Laughter) I
12 didn't, I really didn't. Going down towards Sunland,
13 Tujunga, Santa Clarita, all the way up everyone says, "Who
14 is going to ride that and what about all of our homes, our
15 horses, our ranches?" Where do you take five horses when
16 you're under Prop 13 and you're retired? Where are we
17 going to go?

18 And more importantly, nobody's talking about
19 water. We're dying. Our wells are going dry. We need
20 water and no one will address the water situation, but how
21 are we going to tunnel and build these tunnels in a cash-
22 strapped state that also has no water? So I'd be curious
23 to know a ballpark figure that I could spread around our
24 neighborhoods what this is going to cost as far as
25 ridership.

1 Can anyone up here today give me a ballpark what
2 a ticket is going to cost to ride this thing? Ballpark, I
3 won't hold you to it.

4 CHAIRMAN RICHARD: Ms. Laird, this is your time
5 to speak to us. And so we don't --

6 MS. LAIRD: Okay. Well, it's my first, sorry.

7 CHAIRMAN RICHARD: That's all right.

8 MS. LAIRD: But it is something that, you know,
9 people would be willing to wonder. So thank you, again.

10 CHAIRMAN RICHARD: Thank you.

11 That concludes the public comment section this
12 morning. Before we turn to the rest of the agenda I'm
13 going to address something I don't normally do, because as
14 I just said to the last speaker this is the public's time
15 to speak to us.

16 One of the gentlemen, I think it was Mr. Lovett,
17 thanked us for giving him the opportunity to speak. You
18 shouldn't thank us for giving you the opportunity to speak.
19 That's your basic right as a citizen to come before a
20 government body and express your views. And our job is to
21 listen and to not argue or to try to push back or in any
22 way limit or chill the public's enthusiasm for coming to
23 express their views to government agencies.

24 On the other hand, this morning a series of
25 people raised a question and all of their comments started

1 with the same question. Is it true that we've been told by
2 the succession of companies that they have refused to
3 invest in the high-speed rail system? And they asked for
4 -- these speakers asked for a public response. And I'm
5 sure that this will be the subject of a lot of dialogue
6 over future weeks and months, but I'd like to give a public
7 response this morning. No, it is not true.

8 Number one, that is not the question that we
9 asked all of those companies. We did not ask them whether
10 they would invest in the system. That is a question for
11 later. What we asked them was two things. In light of the
12 Legislature's adoption of Cap and Trade funding for high-
13 speed rail would they see that revenue stream as a basis to
14 help finance -- which is different than invest -- finance
15 part of the construction. And if not, what ideas would
16 they give us about making those financeability criteria
17 more achievable.

18 The second question we asked them was as we look
19 at major construction packages, what is the best way to
20 organize our procurement? For those who are global
21 companies who provide huge infrastructure projects, what do
22 they think would be the most efficient ways for us to group
23 the packaging, to aggregate, to divide, how should we do
24 that? And we got quite a bit of very good information from
25 them about that, that will help us in our future

1 procurements.

2 And I would just end with this. If the question
3 is "does the private sector have an interest in high-speed
4 rail," many of you who are business owners, and those of
5 you who are citizens who are not business owners could
6 reflect on it this way: I don't think you have 36
7 international companies who spend quite a bit of their time
8 and their money to write response ranging from 20 to 50
9 pages to tell you that they're not interested. If they're
10 not interested they don't respond and they go on and do
11 something else.

12 So I just want to make sure that we put this in
13 context. It is a fair question for citizens to ask. Let
14 me be really clear about that, but I think that there has
15 been a lot of confusion about what it is we asked. And
16 what it was that the private sector responded.

17 And finally, I just want to say one other thing.
18 One of the speakers this morning made reference to a recent
19 article in a newspaper and concluded from this, that this
20 organization somehow was sitting on some secret information
21 about known cost increases in the project. The only
22 information that we're sitting on is that we think that the
23 current trends that have allowed us to come in below our
24 budget estimates are going to continue.

25 And the speaker referenced a comment that I made

1 on a radio show. During the rest of the radio show I
2 dismissed that report as being totally baseless and
3 unfounded. And basically it was bunk. So I just don't
4 want to sit up here and have people think that we give any
5 credence at all to that, because we don't.

6 So with that it's been kind of a long morning. I
7 suggest that we take a five-minute break. We'll come back
8 and we'll pick up on the regular agenda. Thank you.

9 (Off the record at 11:21 a.m.)

10 (On the record at 11:43 a.m.)

11 CHAIRMAN RICHARD: Thank you all and we will now
12 move through the regular agenda. We will begin with item
13 one, the consideration of approving the Board minutes from
14 the October 16th, 2015 meeting.

15 VICE CHAIR RICHARDS: So moved, Mr. Chair.

16 BOARD MEMBER ROSSI: And I will second that.

17 CHAIRMAN RICHARD: Okay. Hold on, do we have a
18 quorum?

19 (Colloquy off mic)

20 CHAIRMAN RICHARD: Fine, okay. Yeah, moved by
21 Vice Chair Richards and seconded by Board Member Rossi.

22 Will the Secretary please call the roll?

23 MS. NEIBEL: Vice Chair Richards?

24 VICE CHAIR RICHARDS: Yes.

25 MS. NEIBEL: Vice Chair Selby?

1 VICE CHAIR SELBY: Yes

2 MS. NEIBEL: Director Rossi?

3 BOARD MEMBER ROSSI: Yes.

4 MS. NEIBEL: Director Correa?

5 BOARD MEMBER CORREA:

6 MS. NEIBEL: Director Curtin?

7 CHAIRMAN RICHARD: Director Correa, we're voting
8 on the minutes. Do you want to be recorded?

9 Director Correa is in the room and has given a
10 thumbs up, which we --

11 MS. NEIBEL: Okay. Thank you.

12 CHAIRMAN RICHARD: -- are interpreting is an aye
13 vote.

14 BOARD MEMBER CORREA: Aye (indiscernible)

15 MS. NEIBEL: And Director Curtin?

16 BOARD MEMBER CURTIN: Yes.

17 MS. NEIBEL: And Chair Richard?

18 CHAIRMAN RICHARD: Yes. Thank you.

19 We'll now move to item two, which should be of
20 great interest to folks here today. The Update on the
21 Central Valley Project.

22 MS. GOMEZ: Good morning. I think it's still
23 good morning. Good morning, Chair.

24 CHAIRMAN RICHARD: One second, Ms. Gomez, I'm
25 sorry.

1 MS. GOMEZ: Okay.

2 CHAIRMAN RICHARD: Ms. Gomez, I'm sorry. Good
3 morning.

4 MS. GOMEZ: Yes, good morning.

5 What I wanted to do today was provide an update
6 on the Central Valley. So we'll have in a sense three
7 presentations. The first one is the progress. I also have
8 Scott Jarvis, our chief engineer, who will assist if we
9 have technical questions or questions that I can't answer.

10 And we also have with us, because we are going to
11 talk a little bit about giving an update on the Caltrans
12 Project, so we have Sharri Bender Ehlert, the District 6
13 Caltrans Director, also present here.

14 So as we all know, the Central Valley will serve
15 as the backbone for the high-speed rail system. And it
16 will -- that will tie the major regions of California
17 together as we all are aware. The Central Valley happens
18 to be -- continues to be the fastest growing region in the
19 state. And what we'll be doing is revitalizing the Central
20 Valley downtown centers not only here in the City of
21 Fresno, but also Merced and Bakersfield. And we'll talk
22 specifically about Bakersfield in item three.

23 The other thing you also heard today were
24 comments from those that are working on the project. And
25 we are seeing that, that we are creating jobs in the region

1 and this continues to be the highest unemployment area in
2 the state. And, of course, by building here first this
3 becomes the best, most cost efficient location to do the
4 testing of the system.

5 The backbone of the high-speed rail extends 130
6 miles from Madera County to Kern County. Currently, it is
7 comprised of three construction packages that will include
8 several new pieces of infrastructure including bridges,
9 overpasses, safety improvements. And we've discussed that
10 before about all the grade -- we have over 55 grade
11 separations along the county and city that we will be
12 eliminating due to our project.

13 We've come a long way in such a short time in the
14 Central Valley. We've experienced some momentum (sic)
15 actions in a short time. Since 2012 when the Legislature
16 appropriated the funds for construction, that same year we
17 were able to complete environmental clearance on the first
18 project section, which was Merced to Fresno which covers
19 CP1, Construction Package Number 1. We then
20 environmentally cleared Fresno to Bakersfield, which covers
21 Construction Package 2-3 and Construction Package 4.

22 During that time the Authority was ramping up
23 operations on all fronts, which has paved the way for us to
24 break ground and begin construction on the nation's first
25 high-speed rail system. And here, we're going to show a

1 video that shows the construction activities to date and
2 what is expected in the near future.

3 (VIDEO: "Central Valley Construction Update" begins.)

4 GOVERNOR BROWN: And the high-speed rail links us
5 from the past to the future, from the south to Fresno and
6 north. This is truly a California project bringing us
7 together today.

8 NARRATOR: In January, Governor Brown helped
9 celebrate the groundbreaking of high-speed rail at the site
10 of the future station in Downtown Fresno.

11 GOVERNOR BROWN: It's about men and women in
12 hardhats actually making stuff, but you've got to put
13 something in the ground. You've got to get these Building
14 Trades men and women doing stuff. That's what makes
15 America, makes the world go around. (Applause.)

16 NARRATOR: That work starts with Construction
17 Package 1. It begins at Avenue 17 in Madera County,
18 traveling through Madera and Fresno County to East American
19 Avenue in Downtown Fresno. The design-build contractor,
20 Tutor Perini/Zachry/Parsons is hard at work on the 29-mile
21 segment with the first construction currently underway at
22 the Fresno River Viaduct in Madera. Piles are now in
23 place, columns are being built for the 1,600-foot long
24 structure. Seven small businesses equaling 74 workers are
25 actively involved in the Fresno River Viaduct construction.

1 Work here is expected to last about another ten months.

2 As the work in Madera progresses several other
3 locations have been identified where work could begin in
4 the coming weeks and into early next year.

5 HUGO MEJIA: There is another location at Avenue
6 12 that looks promising.

7 NARRATOR: Work there will create a grade
8 separation between the tracks and the busy roadway, which
9 will increase safety for both vehicles and pedestrians.
10 Other projects include:

11 HUGO MEJIA: In the Fresno Downtown area there is
12 the Tuolumne Bridge demolition that is also a possibility.
13 There is the State Route 180. That we will build a tunnel
14 that goes under State Route 180. Overall we identified
15 seven, seven locations, including Fresno River Viaduct.

16 NARRATOR: All that work is being done using Tier
17 4 machines, the greenest construction equipment available.
18 And you don't have to look hard to see it, this is our
19 equipment yard right off Highway 99.

20 Highway 99 is where Caltrans expects to begin
21 work in December on another high-speed rail related
22 project. Over the next two years Caltrans will move a two-
23 mile section of Highway 99 100 feet to the west.

24 MICHAEL WEBER: It reconstructs three bridges
25 that are existing now, two over the Union Pacific railroad

1 and one over 99. And all three of those bridges get
2 reconstructed about six feet higher than the current
3 bridges and slightly realigned to accommodate the high-
4 speed rail corridor.

5 NARRATOR: And throughout Fresno high-speed rail
6 has been busy with the demolition of several vacant
7 buildings including the Del Monte Plant, the Kerr Rug
8 building and the Delmar Motel.

9 Other crews have also been busy with utility
10 relocation throughout the Fresno area. And while work
11 continues on Construction Package 1 design-build contractor
12 Dragados/Flatiron is focused on Construction Package 2-3.
13 That's the 65-mile stretch traveling from South Fresno
14 through Fresno, Kings and Tulare Counties. It ends one
15 mile north of the Kern/Tulare County line.

16 Right now the contractor is finishing designs,
17 busy acquiring property, doing utility and demolition work.
18 And is preparing to begin roadwork improvement in the next
19 few weeks.

20 JORGE GRANADOS: We're actually hoping that we
21 can get into major construction by spring of next year. So
22 we're -- I think we're going to make it.

23 NARRATOR: And finally Construction Package 4, it
24 extends 22 miles to Poplar Avenue north of the City of
25 Bakersfield. The design-build contract is expected to be

1 awarded and executed in early 2016.

2 (VIDEO: Ends.)

3 MS. GOMEZ: So we are expecting a lot more
4 construction sites within the next month. We expect to be
5 at, at least two locations in December and several more in
6 January. One of the sites that we didn't talk about in the
7 video is the San Joaquin River Viaduct where is -- where we
8 are expecting to go next.

9 Construction Package 4, we have the five bidders
10 who will be submitting their proposals next week on
11 Wednesday. And once we receive the packages we will start
12 evaluating and hopefully opening up the bids on December
13 23rd and bringing to you for a recommendation and approval
14 of awarding Construction Package Number 4.

15 In terms of right-of-way, I know in the past
16 you've heard a lot of concerns about our right-of-way
17 process. So we need -- over 1,400 parcels are needed in
18 the Central Valley. We do have to follow state and federal
19 laws. Those are some of the questions that we do get. One
20 of the other things is that we do need environmental
21 clearance before we can actually start acquiring right-of-
22 way.

23 So that's been some of our limitations. We have
24 had a slow start to property acquisition. And as I
25 mentioned, you have heard a lot of concerns, but we have

1 been having some lessons learned that I would like to just
2 kind of go over a little bit.

3 The biggest thing was putting us in their shoes.
4 Really understanding what the property owners were feeling.
5 The biggest lesson we've had is really trying to establish
6 a relationship early during the environmental process with
7 those property owners, understanding individual concerns.

8 Outlining and communicating the right-of-way
9 process, that was one thing that as we were going through
10 the environmental process we hadn't been doing a good
11 enough job of communicating what everybody would be going
12 through. What is that process? Now, at every public
13 meeting we have a right-of-way team dedicated to explain
14 that process.

15 Improving communication and protocols, increasing
16 the local staff, we do have more right-of-way staff here in
17 the Central Valley. And they have been out, they've been
18 the face of high-speed rail.

19 Refining internal process, we continue to do that
20 and trying to expedite payments. In some cases when we're
21 asking small businesses to get relocated they don't have
22 the funds to be able to do that upfront. We've been
23 working with the EDC. The EDC has been able to get a
24 business or a bank here locally to provide these 90-day
25 loans, so to the small businesses so they can be able to

1 relocate.

2 And the big thing has been partnering with the
3 cities, the counties, and specifically the EDC. We do
4 appreciate the local agencies along with EDC helping us
5 with the businesses and the homeowners.

6 Eighty four percent of the residential
7 relocations have stayed in Fresno County. This was a big
8 concern for the Mayor, was any business that would be
9 impacted. How can we get them back, relocated to within
10 the City of Fresno or the County? Ninety-eight percent of
11 the business relocation stayed in Fresno County.

12 One-fourth, and we will talk a little bit more
13 about that, have taken the opportunity to expand. For the
14 home residents half have transitioned to home ownership, so
15 we were relocating those that were renting. And as we were
16 relocating them they opted to go and acquire a house.
17 Others have moved into larger homes.

18 So this is the work that we've been doing, again
19 with our local agencies, with the EDC, with our contractors
20 again to be able to provide that additional benefit and
21 services as we were going through the relocation process.

22 We'd like to share with you two stories of those
23 businesses who took the opportunity to move and grow and
24 expand.

25 (VIDEO: "Business Relocations" begins.)

1 NARRATOR: A children's dance studio trying to
2 make a future in one location.

3 MELINDA SCHARNICK: We had moved into our
4 building and we expected to expand.

5 NARRATOR: And an iconic Fresno restaurant with
6 a long history in another.

7 GARY LANFRANCO: The old location has been in my
8 family since 1902.

9 NARRATOR: Seemed to have little in common,
10 however the owners of Stars Dance Studio and the Cosmo
11 share a similar story of finding out they would have to
12 move to make way for high-speed rail.

13 MELINDA SCHARNICK: And about six months in,
14 maybe nine months, we found out that the high-speed rail
15 was going to come through.

16 GARY LANFRANCO: It was probably the most
17 emotional experience of my life.

18 NARRATOR: The news left both Gary Lanfranco and
19 Melinda Scharnick worried about the future of their
20 businesses.

21 GARY LANFRANCO: I didn't know what I was going
22 to do. I've been doing this for 40-some years and all of a
23 sudden now I've got to make a change, and can I make the
24 change?

25 MELINDA SCHARNICK: You know, we went through a

1 lot of hard times I think, you know, with the relocation.
2 Just like anybody -- any business having to move.

3 NARRATOR: But with the help of the Authority and
4 Fresno EDC both have found new homes.

5 The new home of the Cosmo's is currently under
6 construction next to Selland Arena and the Fresno
7 Convention Center. It's expected to open in the spring.

8 GARY LANFRANCO: It's worked out great. I mean,
9 it's a positive move for us. I'm really happy about going
10 to a new location. It's time. I've done this. I've been
11 in that old one long enough.

12 NARRATOR: And Melinda has moved here to the
13 Figarden Loop where her business is not only surviving,
14 it's thriving.

15 MELINDA SCHARNICK: Once we moved in here we just
16 really expanded and having the extra room has been great.
17 We've got to get a couple of extra teachers, we've grown a
18 lot.

19 NARRATOR: Two very different businesses with
20 similar successful relocation stories.

21 (Crowd at Cosmo's give a toast: Here's to
22 Cosmo's.)

23 (VIDEO: Ends.)

24 MS. GOMEZ: Another successful relocation, some
25 of you had the opportunity yesterday to tour OK Produce,

1 another family-owned business founded in Downtown Fresno.
2 It's relocation provided the opportunity to invest in
3 expansion. It resulted in increased business and growth in
4 staff. They have hired 40 new employees in the last few
5 months. And again, this was all -- the other key thing
6 about OK Produce is these are the impacts that we're trying
7 to quantify. They used all of local contractors to remodel
8 their new facility, so they have invested -- not only we've
9 invested in them, but they then turned around, invested in
10 local businesses here in the Valley as it was alarm
11 companies, contractors, engineering, sprinklers; all those
12 kinds of businesses that received contracts from OK
13 Produce.

14 Some other successful relocations: Main Event
15 Graphics, La Tapatia which is an ice cream factory,
16 Transtar and ValPrint. And so those are other examples and
17 we have other companies that are being relocated. Weir
18 Floway -- they're not -- actually they're being
19 reconfigured. They're using a local engineer and
20 construction firm to do all of that work as well. The
21 Cosmo's, if you go by the new location they're utilizing
22 local contractors as well to build their new restaurant.

23 And so we are looking to be able to find ways to
24 quantify all of those economic benefits.

25 Here are some successful relocations in their own

1 words, letters that we have received.

2 "You were extremely helpful each step of the way
3 from assisting us from (sic) the documents, to finding
4 facilities that met our specs, to obtaining moving bids,
5 the reimbursement process, and everything else! What I
6 most appreciate is your consistent, honest communication
7 throughout the process."

8 This is Rich Ellis from Transtar Industries.

9 "When we first heard we had to move out of our
10 house we didn't know what to expect, but when Rosalia told
11 us not to worry and that we will be better off, she was
12 absolutely right. She said that they were going to be
13 helping us with everything and that made us feel a lot
14 better, at ease, and things turned out great...we did not
15 think we would ever be homeowners in the United States, but
16 it's a dream that Rosalia and our realtor Horacio helped us
17 accomplish and come true."

18 Abimalec & Vidaura Martinez, they're Central
19 Valley farmworkers

20 You heard earlier from Mr. Johns.

21 "This was a huge relief to us as it will save our
22 family farm! All in all, we have nothing but good things
23 to say about your service and involvement with the
24 process...When this train is built, we will be first in
25 line to ride into the history books and we hope you get

1 many chances to do the same. How amazing it is going to be
2 for us to see the bullet train go right by our ranch, and
3 to tell our grandchildren that we were planning for their
4 future!"

5 So all in all, these successful relocations and
6 the improvements we made in right-of-way have been a team
7 effort with our right-of-way staff, our right-of-way
8 subcontractors, the cities, the counties along the
9 alignment, and of course EDC.

10 So here in Fresno County their work is supported
11 by the County of Fresno, City of Fresno, and Fresno EDC,
12 and Madera County. The County of Madera has been very
13 helpful in the relocation process.

14 The last topic I wanted to cover was about small
15 business participation and you heard earlier today from
16 several of our small businesses working on the Construction
17 Package 1. We have 60 small businesses and vendors
18 committed, over 254 million utilization commitment.

19 Their work has varied from environmental studies
20 to demolition to design. And here are two stories of two
21 local small businesses working on high-speed rail and what
22 it has meant for them and their employees.

23 (VIDEO: "Investing in Small Businesses" begins.)

24 NARRATOR: Seven small businesses are actively
25 involved in the construction of the Fresno River Viaduct

1 where more than 100 workers have been dispatched. But
2 that's just one small part of Construction Package 1.
3 Across the state, 240 small businesses are working with the
4 Authority, 54 of those are in the Central Valley. That
5 includes Jill Kroeker and her Fresno-based small business
6 J. Kroeker, Incorporated.

7 Kroeker and her five full-time, and two part-time
8 employees, are responsible for all of the demolition
9 projects within Construction Package 1. It's a contract
10 worth nearly \$9.5 million.

11 JILL KROEKER: You know, for a small business you
12 don't always get that opportunity to know that there's
13 going to be steady work out there, so that is one advantage
14 for myself.

15 NARRATOR: And Kroeker recently hired another
16 operator, so she can tackle multiple demolition jobs at the
17 same time.

18 JILL KROEKER: I do want to gear up to have
19 probably two more crews as the properties are getting
20 released a little quicker now.

21 NARRATOR: Before Jill's crew can do its work,
22 Paul Katchadourian and his workers at the Fresno-based
23 Katch Environmental do theirs.

24 PAUL KATCHADOURIAN: Before any buildings get
25 demolished we have to go in there and remove all the

1 asbestos, lead-based paint, any chemicals.

2 NARRATOR: With an \$8 million contract
3 Katchadourian went to CalWORKs to help fill out his crew of
4 25. CalWORKs is a state program that offers training and
5 assistance finding work to those who are struggling to make
6 ends meet.

7 PAUL KATCHADOURIAN: We go through an interview
8 process. We hire the ones that are qualified or that want
9 to come to work after the interview. And it's worked out
10 very well.

11 NARRATOR: Maybe the best example is Honorio
12 Garcia. He'd been unemployed for nearly six months. He's
13 now a lead supervisor.

14 PAUL KATCHADOURIAN: He stood out, you know,
15 initially out of all the guys. We have other people that
16 are moving up the ranks, but Honorio's worked out to where
17 he's running the jobs solely by himself.

18 NARRATOR: But more importantly, listen to the
19 impact this job has had on Honorio's life.

20 HONORIO GARCIA: My change -- my life completely
21 changed. Prior to working for him I was actually living
22 with family members. He allowed me to actually get a
23 apartment and now I recently got a house that I'm
24 purchasing.

25 Having a house is something that I've always

1 wanted. I just never thought it would be a reality this
2 soon, you know? Me, I have a family, two daughters. And I
3 get to see them go to sleep in our house every day. And
4 that's a great feeling. I mean, it's a blessing really,
5 you know? And through Paul and the high-speed rail I'm
6 able to do this.

7 (VIDEO: Ends.)

8 MS. GOMEZ: Some of the other efforts that we've
9 been engaged in have been providing assistance with the
10 training that earlier you heard about in terms of working
11 with the Workforce Investment Board providing trainers and
12 also with the trades.

13 So the next steps is to continue moving,
14 progressing on Construction Package. You heard about the
15 six locations, continuing to try to see if we can't start
16 working on road improvements in Construction Package 2-3 in
17 Tulare County. We are working with Tulare County. The
18 Caltrans 99 work will be releasing an Early Works Package
19 later in December, and award and execute Construction
20 Package 4.

21 All of these efforts continue to support putting
22 America back to work and investing in small businesses,
23 especially those men and women located in the Central
24 Valley.

25 In terms of right-of-way we want to continue to

1 build on the moment, continue to meet and work with those
2 impacted property owners. We do understand that we are
3 changing their lives and how they will eventually operate
4 and work around their farms and so we want to continue to
5 partner with them and work together.

6 And achieve environmental clearance and the next
7 two agenda items will give you an update on where we're at
8 with those two Environmental Documents.

9 I do want to thank the entire team for all their
10 hard work and here in the Central Valley, and us being able
11 to come and show you the progress that we've made in the
12 last couple of years.

13 So with that if you have any questions.

14 CHAIRMAN RICHARD: Thank you, Ms. Gomez. I had
15 one or two, but let me turn to my colleagues first.

16 Any questions? No.

17 I don't need an answer for today, because I don't
18 want to put you on the spot, but I would like to follow up
19 with you and Mr. Morales on the SunnyGem situation and
20 understand that. And where we are, what we can possibly do
21 and so forth, so as I said I'm not trying to put you on the
22 spot right now with that.

23 The second thing is, are you sitting on some \$9
24 billion overrun that you haven't told us about?

25 MS. GOMEZ: (Laughs) I'm actually under budget.

1 CHAIRMAN RICHARD: Yeah, really? I'm sure I'll
2 read that somewhere.

3 MS. GOMEZ: That's the truth they were asking
4 for.

5 CHAIRMAN RICHARD: Okay. That's good. Okay,
6 that was really my question.

7 Any others?

8 Okay. Diana, you do a great job. Thank you very
9 much, we very much appreciate your professionalism and hard
10 work. And it's really nice to see the progress that's
11 coming along here.

12 MS. GOMEZ: Go on to agenda item three?

13 CHAIRMAN RICHARD: Is that you also? It is --

14 MS. GOMEZ: Yes.

15 CHAIRMAN RICHARD: -- look at that.

16 MS. GOMEZ: The next two.

17 CHAIRMAN RICHARD: All right. We'll move to
18 agenda item three.

19 MS. GOMEZ: Okay. What I wanted to do was
20 provide an update on the Wye and we did hear earlier from
21 several of the impacted property owners. Also with me here
22 is Mark McLoughlin, Director of Environmental in case again
23 if you have some of those technical questions that he can
24 assist in answering.

25 And so we have talked a lot about the Central

1 Valley Wye. We've been talking about it for several years.
2 That is what connects the train tracks branching off from
3 the main line towards different directions, so they will
4 either go north to Merced or to the west to San Jose. Each
5 direction, two tracks must become four tracks to travel in
6 two different directions.

7 So just kind of a little timeline and process,
8 since 2009 the Authority has been working with resident
9 stakeholders and others to identify a range of Wye
10 alternatives. The Wye was originally analyzed as part of
11 the Merced to Fresno section environmental process.

12 In 2004, the Authority decided to carry forward
13 the Wye area for study as part of San Jose to Merced
14 section.

15 In early 2013, based on further study and
16 stakeholder feedback six alternatives were preliminarily
17 identified for future evaluation. At that time it was
18 decided to study the Central Valley Wye as a supplemental
19 document to Merced to Fresno project section.

20 Since the last Board presentation in May of 2013
21 the Authority has continued to meet with a wide variety of
22 stakeholders through ongoing community engagement and
23 regulatory agencies as part of the environmental clearance
24 and permitting process. And we narrowed the alternatives
25 from six to four.

1 And then we continue to have further discussion
2 and further studies and we have then now gone to three
3 alternatives, which are being evaluated. That's State
4 Route 152 where both alignments are on the north side of
5 State Route 152. One goes to Road 13, the other to Road 19
6 and then there's Avenue 21 to Road 13.

7 We've had community open houses in Chowchilla and
8 Fairmead. Once a month we meet with the Farm Bureau
9 Working Group, which includes Madera and Merced Farm
10 Bureaus, Preserve Our Heritage, and Chowchilla Water
11 District.

12 Stakeholders meeting - - we've had more than 48
13 one-on-one meetings including with local residents and
14 businesses; school districts; Madera County, Chowchilla and
15 Fairmead, Merced County; and irrigation districts; state
16 and federal agencies; and elected officials.

17 What I want to do now is kind of just talk a
18 little bit about some of the pros and cons of the three
19 alternatives. The key evaluation criteria that we are
20 required to use is agency and public input, aquatic
21 resources, agricultural resources, the cost, the financial
22 viability, community impacts, environmental justice, noise
23 and vibration, proximity to existing community and
24 transportation facilities, residents and business
25 development, traffic and circulation, travel time, visual

1 impacts.

2 The first one is State Route north to Road 13.
3 This alignment does follow a major transportation corridor
4 of Highway 152, which passes along the southern limits of
5 the City of Chowchilla then crosses State Route 99 and the
6 UPRR Corridor. It passes through the community of Fairmead
7 along the existing road and to the south it will connect to
8 CP1 adjacent to BNSF and Madera Acres.

9 CHAIRMAN RICHARD: Ms. Gomez?

10 MS. GOMEZ: Yes?

11 CHAIRMAN RICHARD: Mr. Morales just reminded me
12 since we had representatives from Fairmead here this
13 morning can you just point everybody to where that
14 community is?

15 MS. GOMEZ: So Fairmead is -- I don't have a
16 pointer, well maybe I do. Oh, there it kind of dies out.

17 It's if you look at kind of where the Wye -- too
18 on with the blue alignment -- okay it's right -- there is
19 Fairmead right there.

20 CHAIRMAN RICHARD: Thank you.

21 MS. GOMEZ: And we have been working with the
22 community of Fairmead. We have met with them several
23 times. We've made adjustments to the State 152 Alignment.
24 We pushed it up to the north after we met with several of
25 the regulatory agencies. So we did push it to the north to

1 avoid the school that they have there in Fairmead. And
2 we're going to continue to meet with Fairmead to determine
3 potential mitigations for both of those alignments.

4 In terms of input from stakeholders in the Wye,
5 it continues to be mixed. We have strong support from the
6 community for using State Route 152 Corridor and associated
7 safety improvements this would bring. We would be
8 eliminating -- State Route 152 during the winter gets a lot
9 of fog and we'd be eliminating a lot of those at-grade
10 crossings in terms of their county roads. So we would be
11 eliminating those creating a safety improvement along that
12 corridor.

13 The City of Chowchilla is opposed, because of its
14 proximity and potential impact to future development. And
15 you heard earlier about the Fairmead Community.

16 We have received letters and comments
17 specifically about State Route 152, but also about Road 13
18 and Road 19.

19 The next one is State Route 152 to Road 19, which
20 also follows the 152 Corridor. This connection to Merced
21 is a long Road 19 travelling east of Chowchilla passing
22 through additional areas of large development between
23 Chowchilla and Fairmead. Again, I mentioned the work that
24 we are doing with the community of Fairmead.

25 This alignment here used to be Road 18 and again

1 meeting with the regulatory agencies we moved it further to
2 the east and we landed on Road 19. This alignment has
3 support from several elected officials, but Chowchilla High
4 School District, and as I mentioned, the City of Chowchilla
5 opposes anything along 152. We've received a considerable
6 amount of letters in support for this alignment as well.

7 We have met with the Chowchilla School District
8 in trying to work with them. Their biggest concern is
9 whatever alignment we pick does impact their bussing route,
10 so within that community of Chowchilla the school districts
11 are required to bus in students from around the county.

12 The next third one that we're studying, Avenue 21
13 to Road 13, this follows Avenue 21. It is a county road
14 and it connects to CP1 and follows Road 13 to connect to
15 Merced. However, this alternative will create another
16 barrier and would isolate the properties between the
17 existing State Route 152 and Avenue 21.

18 This Road 13, Avenue 21 has the least impacts to
19 City of Chowchilla and Fairmead. We have had community
20 letters and comments express support for this alignment as
21 well. The school district, several school districts,
22 oppose because of again proximity to their school and
23 anticipated impacts to student transportation. Others
24 including Preserve Our Heritage oppose the alternative,
25 because it does not follow a major east-west transportation

1 corridor.

2 Placing a high-speed rail two miles from State
3 Route 152 would ultimately create partially isolated strip
4 of land between the highway and high-speed rail.

5 VICE CHAIR RICHARDS: Diana, if I may interrupt
6 for a moment?

7 MS. GOMEZ: Yes?

8 VICE CHAIR RICHARDS: Did you -- repeat that
9 again, on 21 and Road 13 is that the one that you said had
10 the least amount of impact on Chowchilla and Fairmead?

11 MS. GOMEZ: That is correct.

12 VICE CHAIR RICHARDS: Okay. Thank you.

13 MS. GOMEZ: Although both alignments -- the three
14 alignments aren't close to Chowchilla, so we're only kind
15 of on the outer limits. So we don't impact the city -- the
16 direct impact of their populated Chowchilla. And Fairmead,
17 like I mentioned we do go right above that.

18 We have been doing a lot of work around
19 mitigation. Agricultural conservation easements, the
20 wetland creation/restoration, we've been noise walls or
21 other insulation measures, landscaping. With the community
22 of Fairmead we are looking at some of their community
23 facilities. Business and residential relocation
24 assistance, and then grade separations to maintain road
25 connectivity and we'll continue to do that as we progress

1 with the Environmental Document.

2 Our next steps, we will continue to do outreach
3 and stakeholder meetings. We will again specifically those
4 we will continue to refine mitigation measures and identify
5 solutions that will address their concerns. This is one
6 thing -- a lesson learned from our previous documents is
7 figure out how we can include some of those mitigation
8 measures. All the input received including future input
9 we'll continue to engage with the stakeholders, will be
10 collected and considered as we complete the Environmental
11 Document.

12 Prior to its release in the spring of next year
13 we anticipate coming back to the Board with a
14 recommendation for a preliminary preferred alternative that
15 would be indentified in the draft document. This is
16 different than we've done in the past, so we like to
17 identify the preliminary preferred in the draft and
18 circulate it as such.

19 After community workshops, public hearing, during
20 the comment period we will return to the Board to confirm
21 the preferred alternative.

22 And then the final document for project approval
23 is anticipated in 2017.

24 That is the update on the Wye if you have any
25 questions.

1 CHAIRMAN RICHARD: Ms. Selby?

2 VICE CHAIR SELBY: Thank you. I wanted to check
3 -- I wasn't quite sure if I misheard -- her name was
4 Barbara Nelson speaking from Fairmead. Did she have yet
5 another alternative that she wanted you to look at or was
6 she advocating the third one, Avenue 21 to Road 13?

7 MS. GOMEZ: The community of Fairmead? Yes, they
8 were in favor of Avenue 21.

9 VICE CHAIR SELBY: Okay.

10 MS. GOMEZ: We have not received any additional
11 -- we started off with 26 alignments, so we've covered
12 quite a bit of this five by five by five mile area. And so
13 far we haven't -- we've made refinements based on -- from
14 the community input and from the regulatory agencies. And
15 we feel these are the three that we want to study.

16 VICE CHAIR SELBY: Thank you.

17 CHAIRMAN RICHARD: Any other? Mr. Curtin.

18 BOARD MEMBER CURTIN: My assumption is Avenue 21
19 is south of Fairmead and would have less impact?

20 MS. GOMEZ: That is correct. It is south of
21 Fairmead.

22 BOARD MEMBER CURTIN: So how many grade
23 separations are we talking about on the Highway 152 Route?

24 MS. GOMEZ: Well, between the section that we're
25 studying, which is Carlucci Road and State Route 99 I

1 believe it's six -- it varies at six -- how many
2 overcrossings on State Route 152?

3 MR. KENNERLY: (Off mic) We'd be eliminating
4 about nine (indiscernible) --

5 CHAIRMAN RICHARD: Hold on a second. We want to
6 make sure that it's recorded, so if I could ask you --

7 BOARD MEMBER CURTIN: I could hear you, but the
8 microphone couldn't.

9 CHAIRMAN RICHARD: Yeah, use the microphone.

10 MR. KENNERLY: My name's Gary Kennerly. I'm the
11 Regional Manager for the Wye, supporting Diana.

12 Along 152 at the moment there is a grade crossing
13 about every mile, so the project if we went along 152 would
14 eliminate between Road 14 -- sorry Road 4 and Road 17 we'd
15 eliminate about nine grade crossings. And we'd replace
16 that, rebuilding two existing interchanges and also
17 building three new interchanges.

18 BOARD MEMBER CURTIN: So the 152 Corridor would
19 have nine improved crossings for a highly trafficked
20 corridor I take it?

21 MS. GOMEZ: That is correct.

22 BOARD MEMBER CURTIN: All right.

23 MS. GOMEZ: And so we've been working with the
24 County of Merced and County of Madera to determine which
25 were the right roads where we would have overpasses and

1 then the interchanges. There is a state route that we do
2 impact that connects to State Route 152.

3 BOARD MEMBER CURTIN: Would those enhanced routes
4 reduce the isolation of that corridor a little bit that you
5 were talking about if you were to do -- well you wouldn't
6 enhance them, I guess, if you were doing Route 21.

7 MS. GOMEZ: That is correct, because we'd be on
8 Avenue 21.

9 BOARD MEMBER CURTIN: Right. All right, and how
10 many -- would it be similar on Route 21, the grade seps?

11 MS. GOMEZ: Not along Avenue 21. We would not
12 have nine of them.

13 BOARD MEMBER CURTIN: Do you have a number?

14 MS. GOMEZ: We have -- what is it on Avenue 21?

15 MR. KENNERLY: We would have a similar number of
16 grade separations, but they would just be overcrossings.
17 They wouldn't actually be interchanges --

18 BOARD MEMBER CURTIN: Right (indiscernible)

19 MR. KENNERLY -- providing a connectivity to the
20 highway. It would just be overcrossings over the country
21 road and the high-speed rail right-of-way.

22 BOARD MEMBER CURTIN: Okay. So it wouldn't
23 actually improve that particular transportation corridor.
24 It would just be getting the high-speed rail through it?

25 MR. KENNERLY: No, it'd primarily just maintain

1 the connectivity.

2 BOARD MEMBER CURTIN: Right.

3 MR. KENNERLY: But it wouldn't actually be an
4 improvement along the county road.

5 BOARD MEMBER CURTIN: All right. Thank you.

6 MS. GOMEZ: Okay. Do you want me to go on to the
7 next agenda item?

8 CHAIRMAN RICHARD: Yes.

9 MS. GOMEZ: Okay.

10 CHAIRMAN RICHARD: Thank you for helping me out
11 here.

12 MS. GOMEZ: I want to keep things moving.

13 CHAIRMAN RICHARD: Yep, because that's your job.

14 MS. GOMEZ: (Chuckles) It's almost lunch time.

15 Okay. I'd like to now provide an update on the
16 Bakersfield Locally Generated Alignment. You did hear
17 earlier from the city along with Kern COG and so I'd like
18 to provide an update.

19 As you remember we certified in the summer of
20 2014 the Fresno to Bakersfield Environmental Document,
21 which was 114-mile corridor. At that time the preferred
22 alternative included parts of the BNSF Alternative, it
23 included Corcoran Bypass, Allensworth Bypass and the
24 Bakersfield Hybrid Alignment. It also included three
25 stations: Downtown Fresno, the Kings/Tulare Regional

1 Station and Downtown Bakersfield.

2 In the summer we had legal challenges to the
3 Environmental Document. In December we settled an
4 agreement with the City of Bakersfield, which resulted in a
5 proposed conceptual new alignment and station location,
6 coordination between the city and the Authority to refine a
7 Local Generated Alignment Alternative, and engagement with
8 public and affected stakeholders.

9 Since January we've continued to work with the
10 city and continue to refine this Locally Generated
11 Alternative. We've had several meetings, one-on-one
12 meetings with public and the affected stakeholders and
13 continued public meetings for continued engagement.

14 This is the Locally Generated Alignment. It's a
15 23-mile corridor. It puts the station at F Street and
16 Golden State Avenue, which happens to be State Route 204.
17 And it parallels the BNSF and the UPRR railroad corridors.
18 It parallels BNSF in Shafter and then it parallels UPRR in
19 the City of Bakersfield.

20 Some of the benefits for this new Locally
21 Generated Alignment, it is a shorter alignment in miles and
22 travel times. It does have a significant reduction of
23 impacts to residential development and schools.

24 The F Street location stimulates economic
25 development. There is a lot of excitement about the F

1 Street location. It's located between a mix of uses
2 including the Kern River Parkway Trail, a ballpark, Kern
3 County Museum. It also provides linkage to not only the
4 Downtown to the south, but also to the Bakersfield Medical
5 Center to the northeast along State Route -- along 34th
6 Street.

7 It's connection to California urban centers and
8 it works to achieve rail passenger gap between the Central
9 Valley and Southern California.

10 The meetings that we've had, coordination with
11 the city and you heard earlier from the City of
12 Bakersfield. We've had nine technical working groups.
13 They came to us with the concept of a Locally Generated
14 Alignment. We have refined it and continue to make
15 adjustments to it as we meet with some of the major
16 businesses that are impacted like Rain for Rent, like
17 Halliburton.

18 We've had more than 30 one-on-one meetings.
19 We've had three open houses including FRA two weeks ago.
20 We've also met with the Mercado Latino Tianguis, which is
21 an activity center that is impacted.

22 We've had stakeholder working groups with Sumner
23 Street businesses, which are businesses that would be
24 impacted. We're proposing to build the high-speed rail in
25 the middle of Sumner Street, so we're trying to see how we

1 can ensure that those businesses continue to thrive.

2 So what's next? We will continue to meet with
3 the stakeholders, continuing outreach not only with the
4 City of Bakersfield, with also the City of Shafter. We are
5 working now in putting together the Environmental Document,
6 the studies and refining the route design. We hope -- well
7 our goal is that we will have a Draft Supplemental
8 Environmental Document by summer of 2016. And by the fall
9 of 2016 we will have a Final Supplemental Environmental
10 Document. That is what our schedule is.

11 That's a quick update on the Bakersfield Locally
12 Generated Alignment. With that I'll entertain any
13 questions.

14 CHAIRMAN RICHARD: Yes, Mr. Curtin?

15 BOARD MEMBER CURTIN: Yeah, thank you.

16 So we had a comment about the good working
17 relationship developed with Bakersfield. Could you -- and
18 I see a lawsuit here and then a settlement agreement, would
19 that be safe to say that that process -- the settlement
20 agreement -- was the beginning of the new working
21 relationship or they are --

22 MS. GOMEZ: Well, that was the beginning of our
23 commitment to work with the City of Bakersfield. And so we
24 have been in -- meeting with them. And I think the biggest
25 key thing with the success with Bakersfield has been that

1 they do participate in every meeting with us, with the
2 major stakeholders. So it isn't just High-Speed Rail
3 coming and selling the alignment. It's also the City of
4 Bakersfield as well who comes to those meetings. So that
5 really has helped and they've also seen how we make
6 adjustments to the alignment or to some of the local roads
7 to minimize those impacts to those businesses.

8 BOARD MEMBER CURTIN: Right. Right, I got that.
9 And that is an offshoot of the lawsuit? That everybody
10 said let's put this aside and sit down and work this out
11 and that was the December 2014 settlement agreement?

12 MS. GOMEZ: That is correct.

13 BOARD MEMBER CURTIN: Okay. So on the next page
14 I'm a little -- just help me out here. There's two
15 alignments, one is the Locally Generated with the F Street
16 Station and the other is the Hybrid Alignment?

17 MS. GOMEZ: The other alignment was the approved
18 alignment --

19 BOARD MEMBER CURTIN: Yeah.

20 MS. GOMEZ: -- in the current document, which we
21 call the --

22 BOARD MEMBER CURTIN: Okay. So where are we -- I
23 wasn't clear, do we have this alignment decided upon or are
24 we still working on the environmental or --

25 MS. GOMEZ: Well, we're still working now on

1 collecting all the environmental studies along the new
2 alignment. And then we will be comparing those to the
3 existing Hybrid Alignment.

4 BOARD MEMBER CURTIN: Okay. Good, thank you.

5 MS. GOMEZ: And so we'll come back to the Board
6 showing all of the comparisons of the two alignments.

7 BOARD MEMBER CURTIN: Is there an active group
8 fighting for the Hybrid Alignment or -- never mind, thank
9 you.

10 CHAIRMAN RICHARD: Ms. Selby?

11 VICE CHAIR SELBY: Yeah, I just wanted to clarify
12 -- I think I may have misheard, but maybe not -- did you
13 say that the high-speed rail is going to go through the
14 middle of Sumner Street?

15 MS. GOMEZ: Right. So we're proposing -- so
16 Sumner is a city street and we'd be on a viaduct. And so
17 we'd be creating a median and so our foundations and
18 columns would be above that. That was -- working with the
19 city we felt that that would be the best, but we would be
20 able to still allow these businesses to stay open. And
21 then we would be reconfiguring how Sumner -- or we'd make
22 it and convert it to a one-way street, but they would still
23 have plenty of parking and be able to stay in business.

24 VICE CHAIR SELBY: And this is their preferred
25 way of doing it?

1 MS. GOMEZ: This is yes, in working with the City
2 of Bakersfield.

3 VICE CHAIR SELBY: Okay. Thank you.

4 CHAIRMAN RICHARD: Okay.

5 MS. GOMEZ: Those are all my agenda items.

6 CHAIRMAN RICHARD: Where do you want to go next
7 on the agenda?

8 MS. GOMEZ: I'll pass it on to someone else.

9 CHAIRMAN RICHARD: All right.

10 MS. GOMEZ: All right, thank you.

11 CHAIRMAN RICHARD: Thank you, Ms. Gomez.

12 Mr. McLoughlin?

13 MR. MCLOUGHLIN: So we can move to number five.

14 CHAIRMAN RICHARD: Yeah. I'm sorry. My silence
15 -- didn't mean to stop everything, I just --

16 MR. MCLOUGHLIN: Good morning Chairman and other
17 Members of the Board, I'm here to present to you today to
18 consider awarding the Environmental and Engineering
19 Services Contract for the San Francisco to San Jose and the
20 San Jose to Merced Sections.

21 We do seek your Board approval today to enter
22 into a contract with HNTB Corporation and for this E & E
23 services, again for San Francisco to San Jose and Merced
24 project sections. Previous Board action items was in
25 August, where you approved the resolution for authorizing

1 the RFQ for these two sections.

2 So today we seek your approval for this contract.
3 We had strong competition. I was part of the panel as was
4 Diana on the three firms that competed for the project.
5 And HNTB came out ahead on this contract, so we feel very
6 confident in their ability not only on experience in that
7 corridor with Caltrain but moving forward to meet our
8 goals for the ROD for the section in 17.

9 CHAIRMAN RICHARD: Okay. Questions for
10 Mr. McLoughlin? Mr. Rossi?

11 BOARD MEMBER ROSSI: Can you tell me how you
12 arrived at the \$36 million number?

13 MR. MCLOUGHLIN: I think that number -- I think
14 it started as a higher number and we honed it down. And
15 remember that this contract is task order-based, so we're
16 going to control the tasks as we go through to not have a
17 larger -- but to control the amount of dollars that go
18 through and how we manage those dollars by task. I wasn't
19 originally part of that \$36 million number --

20 CHIEF EXECUTIVE OFFICER MORALES: I can add a
21 little bit more on that.

22 MR. MCLOUGHLIN: Yeah, go ahead.

23 CHIEF EXECUTIVE OFFICER MORALES: We had a
24 discussion on this at the meeting in August, but I think
25 you were not present but I'll recap it to the best of my

1 ability on the -- there's a bottoms up estimating process.
2 The scope of this contract is preliminary engineering,
3 design and environmental clearance. We tend to shorten it
4 to the environmental, but it's all three of those
5 components.

6 We do an assessment of what we think is required
7 to achieve -- to get to the level of -- to ultimately get
8 us a ROD associated with that built up by task. We
9 developed that estimate internally. We test it with some
10 outside people to look at that value and then they bid
11 against that. It's the actual amount will be based -- as
12 Mark said based on actual task orders issued against the
13 contract.

14 BOARD MEMBER ROSSI: Two things, in those numbers
15 -- no, first who do you go to when you say you put it out
16 to some outside sources to see -- I guess to add validity
17 to your internal calcs?

18 CHIEF EXECUTIVE OFFICER MORALES: We do -- when
19 we have an internal draft we have the RDP staff take a look
20 at it, we do industry outreach as well. We have pre-bid
21 forums where we talk to potential bidders about what the
22 scope of work is, what they think the value is. I believe
23 those are the primary means of how we get to that number.

24 BOARD MEMBER ROSSI: And the second question I
25 have is as you work through this process, what do your

1 progress reports look like?

2 MR. MCLOUGHLIN: So we will have monthly progress
3 reports along with monthly schedules, updates for the
4 corridor, for both corridors. And that way we can have
5 that managed by month, by task, and ensure that those tasks
6 are met by those deadlines and those target dates and the
7 cost portion of that. Withstanding public outreach, things
8 like that.

9 BOARD MEMBER ROSSI: So in your progress reports,
10 Mark, is there a section which deals with the opinion of
11 the provider of the service as to potential problems that
12 need to be dealt with in order to make scheduling, to stay
13 on budget and those sort of things?

14 MR. MCLOUGHLIN: Yes. We would know pretty
15 quickly based on the progress of what happens by month and
16 not only by week --

17 VICE CHAIR RICHARDS: Mic.

18 MR. MCLOUGHLIN: We would know the progress
19 definitely by month and it's always in arrears, but we also
20 manage day-to-day and a week-by-week, a weekly schedule on
21 every project.

22 CHIEF EXECUTIVE OFFICER MORALES: Yeah. I would
23 just add we have obviously a number of deliverables
24 attached with this. I wouldn't want to rely on a monthly
25 report, which comes in typically a week or two after the

1 end of the month as the only way to find out information.
2 Obviously the monthly report is really a summary, so that
3 we can ensure that for payment purposes and other things
4 that we're tracking appropriately. But we have other
5 ongoing reports and things that would indicate issues,
6 challenges, new things to be looked at, etcetera.

7 MR. MCLOUGHLIN: Always, still look ahead. It's
8 not just what we did previously, but to look ahead in the
9 next six to twelve months of each project.

10 BOARD MEMBER ROSSI: Do you have interim reports
11 to the monthly report?

12 CHIEF EXECUTIVE OFFICER MORALES: Well, no. The
13 monthly report is a summary of all the things that took
14 place in the month and that's partly for purposes of
15 invoicing to compare against an invoice, make sure that
16 what tasks were performed.

17 During the course of a month there might be
18 specific deliverables on one element or another of their
19 scope of work. It could have to do with scheduling
20 outreach meetings or providing summaries of those or a
21 certain environmental report or an update on design, things
22 like that. The monthly report is capturing all of the work
23 that gets done over the course of that month.

24 BOARD MEMBER ROSSI: So I'm going to ask my
25 question again.

1 MR. MCLOUGHLIN: Okay.

2 BOARD MEMBER ROSSI: If someone wants to review
3 progress and find out whether or not there are issues,
4 which report do you direct them to?

5 MR. MCLOUGHLIN: I will give you -- well what we
6 do on each project, so we have weekly -- we have weekly
7 meetings on each project. And we have weekly notes and
8 targets and goals that we're still working on. Some are
9 concurrent --

10 BOARD MEMBER ROSSI: So you have a weekly report?

11 MR. MCLOUGHLIN: Yes, a weekly report and
12 reporting out --

13 BOARD MEMBER ROSSI: So that would be the
14 earliest warning report?

15 MR. MCLOUGHLIN: Yes.

16 BOARD MEMBER ROSSI: Okay.

17 MR. MCLOUGHLIN: And we would know pretty quickly
18 that week if that affects either the next three months or
19 six months or twelve depending on the item.

20 BOARD MEMBER ROSSI: Thank you, Mark.

21 CHAIRMAN RICHARD: Okay. Before I ask for a
22 motion on this, Mr. Morales is suggesting that we just add
23 -- to clarify that in the resolution that the CEO is
24 authorized to enter into and execute a contract for
25 environmental engineering services for the San Francisco to

1 San Jose and San Jose to Merced project sections. And the
2 resolution right now does not say with whom, so Mr. Morales
3 suggested that we add "with HNTB Corporation," which I
4 think is appropriate for the resolution.

5 BOARD MEMBER CURTIN: Mr. Chairman?

6 CHAIRMAN RICHARD: Yes?

7 BOARD MEMBER CURTIN: I feel a little
8 disadvantaged, I don't have that paper. But I am concerned
9 or at least would like clarification, is this one contract
10 or is this a combination of two contracts or -- because the
11 way it's sort of written it's from here to here and from
12 here to here, which why not -- if it's one contract why
13 isn't it from, you know, San Francisco to Merced.

14 So is this going to enhance the ability to get
15 the thing done if they're combined and just a little
16 clarification, because I'm confused.

17 CHIEF EXECUTIVE OFFICER MORALES: Sure the
18 distinction between the two sections is those are the
19 sections that have been identified with the FRA previously
20 for environmental clearance they could be independent
21 sections. And so we would -- but what we've looked at is
22 that at San Jose in particular, we need to look at how the
23 two link together. We don't want them looked at
24 separately.

25 BOARD MEMBER CURTIN: That makes sense.

1 CHIEF EXECUTIVE OFFICER MORALES: So that's why
2 it's a single contract to look at both sections. So it is
3 a single contract --

4 BOARD MEMBER CURTIN: So it's a blended contract?

5 CHIEF EXECUTIVE OFFICER MORALES: It's a blended
6 contract, I guess you could say. Yes, sir. We think it's
7 a better way to coordinate the work to look at that, the
8 entire stretch and how they tie together.

9 BOARD MEMBER CURTIN: Right.

10 MR. MCLOUGHLIN: If I could comment too, each
11 corridor is a little different. You have the urban
12 corridor and then you have more from San Jose to Merced is
13 a little different type of corridor.

14 BOARD MEMBER CURTIN: Right.

15 MR. MCLOUGHLIN: And each one will have their own
16 task orders and then each --

17 BOARD MEMBER CURTIN: So they'll be sort of
18 somewhat handled separately, but --

19 MR. MCLOUGHLIN: Yes.

20 BOARD MEMBER CURTIN: -- except where they come
21 together and might --

22 MR. MCLOUGHLIN: Two project teams.

23 BOARD MEMBER CURTIN: Yeah, okay.

24 MR. MCLOUGHLIN: The advantage is that one team,
25 that San Jose, that connection where (indiscernible) is

1 important to make sure that happens together.

2 CHAIRMAN RICHARD: Okay. Any other questions?

3 All right, do we have a motion?

4 VICE CHAIR RICHARDS: So moved.

5 BOARD MEMBER ROSSI: Second.

6 BOARD MEMBER CORREA: Second.

7 CHAIRMAN RICHARD: Okay. It was moved by Vice
8 Chairman Richards and seconded by Mr. Rossi and Mr. Correa.

9 Would the Secretary please call the roll?

10 MS. NEIBEL: Vice Chair Richards?

11 VICE CHAIR RICHARDS: Yes.

12 MS. NEIBEL: Vice Chair Selby?

13 VICE CHAIR SELBY: Yes.

14 MS. NEIBEL: Director Rossi?

15 BOARD MEMBER ROSSI: Yes.

16 MS. NEIBEL: Director Correa?

17 BOARD MEMBER CORREA: Yes

18 MS. NEIBEL: Director Curtin?

19 BOARD MEMBER CURTIN: Yes.

20 MS. NEIBEL: Chair Richard?

21 CHAIRMAN RICHARD: Yes.

22 Thank you, Mark.

23 MR. MCLOUGHLIN: Thank you.

24 CHAIRMAN RICHARD: Okay. We've reached the end
25 of our regular agenda. And I've determined that we do not

1 need to enter into a closed session today to go over any
2 issues, because nothing much has changed from our last
3 meeting.

4 And so with that, and in view of the plummeting
5 blood sugar of everyone in the room, this meeting is now
6 adjourned. Thank you.

7 (Chairperson Dan Richard adjourned the Public Meeting of
8 The High Speed Rail Authority
9 at 12:41 p.m.)

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