



CALIFORNIA
HIGH-SPEED RAIL
AUTHORITY

BRIEFING: APRIL 12TH 2012 BOARD MEETING AGENDA ITEM #2

TO: Chairman Richard and Committee Members

FROM: Thomas Fellenz: Chief Counsel and Acting CEO / Jeff Morales (PMT)

DATE: April 12, 2012

RE: 2012 Revised Business Plan Adoption

Background

The California High Speed Rail Authority is required to prepare, adopt and submit to the Legislature an updated Business Plan by January 1, 2012, and every two years thereafter. The Authority released a draft of the 2012 Business Plan for public comment on November 1st, 2011 which allowed the mandatory 60-day public review and comment period before Board adoption. As a result of requests from the public, from the Peer Review Group and from members of the Legislature, the Authority postponed the consideration of the adoption of the 2012 Revised Business Plan until this April 12, 2012 Board meeting.

Discussion

After the release of the draft of the 2012 Business Plan the Authority engaged in extensive outreach to solicit, review and consider comments from a broad range of interested parties. As required by statute, the draft Plan was submitted to for review by the Senate Committee on Transportation and Housing, the Assembly Committee on Transportation, the Senate Committee on Fiscal and Budget Review and the Assembly Committee on Budget. Several legislative hearings took place that included public participation. The High Speed Rail Authority independent Peer Review Group met with Board staff, consultants and Board members and provided extensive comments on the draft Plan. In addition, the Legislative Analyst's Office, and the Bureau of State Audits provided comments. More than 250 comments were submitted to the Authority's website and through letters.

As a result of these comments the Authority has listened and has made a number of significant changes in the 2012 Revised Business Plan. The overall passenger rail system will be significantly **better** because of two commitments. First is the commitment to build not just the initial operation section but in fact an Initial Operating Section (IOS) of high speed rail from the Central Valley to the Los Angeles Basin, which can be completed within 10 years. Second, the Revised Plan provides for integration, or blending of high speed rail improvements with existing or upgraded rail systems.

Benefits of the high speed rail system will be delivered **faster** in the Revised Business Plan through the adoption of the blended approach and through investment in the bookends (the Los Angeles and San Francisco Bay Area metropolitan regions).

Finally the benefits of investing in high-speed rail will be delivered far *cheaper* than previously estimated. Through the adoption of the blended approach, the Authority has confidence that the cost of delivering the San Francisco to Los Angeles/Anaheim system, in accordance with Proposition 1A performance standards, is reduced by almost \$30 billion, now estimated at \$68.4 billion.

Recommendations

Adopt the California High Speed Rail Authority 2012 Revised Business Plan.

Attachments

HSRA 12-13