

HIGH-SPEED RAIL AUTHORITY
MONTHLY MEETING
TRANSCRIPT OF PROCEEDINGS

FRESNO CONVENTION CENTER
EXHIBIT HALL 3
700 M STREET
FRESNO, CALIFORNIA
WEDNESDAY, MAY 2, 2012
10:18 a.m.

TIFFANY KRAFT
CERTIFIED SHORTHAND REPORTER
LICENSE NO. 12277

A P P E A R A N C E S

BOARD MEMBERS

Mr. Dan Richard, Chairperson

Mr. Tom Richards, Vice Chair

Ms. Lynn Schenk, Vice Chair

Mr. Jim Hartnett

Mr. Russel Burns

Mr. Thomas Umberg

STAFF

Mr. Thomas Fellenz, Esq., Legal Counsel

Ms. Olivia Fonseca, Chief Executive Officer

Mr. Mark Mc Loughlin, Interim Deputy Director

Ms. Carey Moore, Board Secretary

Mr. Hans Van Winkle, Project Manager

ALSO PRESENT

Ms. Shelli Andranigian

Mr. Dan Barber, San Joaquin Valley Air Pollution Control
District

Mr. Scott Birkey, Preserve Our Heritage

Mr. Bill Bowker

Mr. Ross Browning

Mr. Jerry Brozell

A P P E A R A N C E S

ALSO PRESENT

Ms. Amanda Carvajal, Merced County Farm Bureau

Mr. Roger Christensen

Mr. TJ Cox

Mr. Marvin Dean

Mr. Dan Dolan

Mr. Ed Dunkel

Ms. Lee Ann Eager, EDC

Mr. Kevin Fabino, City of Chowchilla

Ms. Raquel Garcia

Mr. Randy Ghan, Fresno Madera Tulare Kings Central Labor Council

Mr. Ed Gravelino, Former Authority Member

Mr. Paul Guerrero

Ms. Sue Parechan Habeld

Mr. Loren Harding

Ms. Kristen Kawaguchi, Our Train, Young Voters for High Speed Rail

Mr. Randy Kennedy, Our Train, Young Voters for High Speed Rail

Ms. Liz Kolstad

Mr. Mark Kyle, Operating Engineers

Ms. Diana LaCome, APAC

Mr. Marvin Mackin

A P P E A R A N C E S

ALSO PRESENT

Mr. Silvio Manuo, Forestiere Underground Conservancy

Ms. Rose Ann Martinez

Mr. Gilberto Montes

Mr. Baldwin Moy, California Legal Assistance, Statewide
Farmworker Legal Services

Ms. Annalisa Perea

Supervisor Henry Perea, Fresno County

Mr. Rick Phillips

Mr. Michael Quisley, California Alliance for Jobs

Ms. Anja Raudabaugh, Madera County Farm Bureau

Mr. Barry Runyon, Azteca Milling

Mr. Fernando Santillan, Our Train, Young Voters
for High Speed Rail

Mr. Matt Severson, Our Train, Young Voters for
High Speed Rail

Mr. Farhat Siddiqi

Mr. Kevin Smith, Our Train, Young Voters for
High Speed Rail

Ms. Veronica Stumpf

Mr. Douglas Thornton

Mr. Matt Treber, Madera County Planning
Department, Board of Supervisors, Madera County

Mr. Kole Upton, Chowchilla Water District, Grand
Avenue Water District, and Preserve our Heritage
Organization

INDEX

	<u>PAGE</u>
1. Staff Presentation on the Merced to Fresno Section Final EIR/EIS Statement	5
2. Public Comment on Merced to Fresno Section EIR/EIS	
Supervisor Anderson	29
Mr. Rodriguez	30
Mr. Arredondo	32
Mr. Mozier	34
Council Member Westerlund	36
Mr. Boren	38
Mr. Samuelson	38
Ms. Forestiere	41
Mr. Forestiere	43
Mr. Runyon	45
Mr. Christensen	46
Mr. Cox	48
Ms. Parechan Habeld	49
Mr. Birkey	51
Mr. Brozell	54
Mr. Gravelino	55
Mr. Moy	56
Ms. Carvajal	58
Ms. Raudabaugh	60
Mr. Manuo	63
Mr. Phillips	64
Mr. Fabino	66
Mr. Upton	68
Mr. Harding	70
Mr. Kyle	73
Mr. Mackin	74
Mr. Thornton	77
Mr. Treber	79
Mr. Dean	79
Mr. Bowker	81
Ms. Stumpf	83
Mr. Browning	84
Mr. Dunkel	85
Mr. Montes	88
Supervisor Perea	88
Ms. Eager	89
Ms. Kawaguchi	91

INDEX CONTINUED

	<u>PAGE</u>
Mr. Santillan	93
Mr. Severson	94
Mr. Kennedy	96
Mr. Smith	98
Mr. Ghan	100
Mr. Quisley	101
Ms. Perea	102
Mr. Barber	104
Ms. Kolstad	106
Ms. Andranigian	109
Ms. Martinez	112
Ms. Garcia	114
Mr. Guerrero	117
Ms. LaCome	119
Mr. Siddiqi	120
Mr. Dean	121
Mr. Dolan	122
3. Update on Amendments to Small and Disadvantaged Business Enterprise Program	136
4. Operations Committee PMO Report	152
5. Closed Session Pertaining to Litigation	124
6. Recess	188
7. Reporter's Certificate	189

1 acoustics today may be a bit challenging. We'll all do
2 our best.

3 I want to start by saying we are very pleased on
4 the Authority Board to be here in Fresno this morning. We
5 are taking up an item of very great importance, which is
6 the consideration of the first final project EIR/EIS at
7 the project level for the Merced to Fresno section for the
8 high speed rail project.

9 What I'd like to do this morning in terms of the
10 agenda is as follows: Which is to begin by asking the
11 staff on Item 1 to make a presentation to the Authority
12 Board and to you, the members of the public.

13 And after that -- and I should point out that
14 Agendas Items 1 and 2 today, as well as items 9 and 10 for
15 tomorrow, Thursday, do involve that Merced to Fresno
16 EIR/EIS project.

17 So Agenda Item Number 1 will be a brief
18 presentation by the staff on the issues involved with the
19 EIR/EIS. As I said, that's for the benefit not only of
20 the Board, the decision makers, but for you, the members
21 of the public to get the staff's information on that.

22 Then we will go to Agenda Item 2, which is the
23 public comments on the Merced to Fresno final project
24 EIR/EIS.

25 After that, what we will do is to proceed to

1 public comments on other matters on today's agenda item.

2 So we're going to approach the public comment
3 today the same way we did at the last meeting where we
4 were looking at another EIR/EIS matter, which was the
5 program level EIR/EIS at our last meeting, which was to
6 have the staff presentation first.

7 Normally, we start our meetings with public
8 comment first, but we thought this would help inform your
9 views as you talk to us about your comments and thoughts
10 on this draft document.

11 And that really is our purpose here this morning,
12 is to hear from you, the public, about your thoughts, your
13 comments, your concerns, your suggestions as we consider
14 these environmental documents for adoption.

15 So our intention today is to make sure that
16 everybody who wants to make a comment on these final
17 project documents has that chance to speak. So we've
18 scheduled a relatively light agenda for the rest of today
19 to make sure that there is adequate time for public
20 comment.

21 On Thursday, we'll take up some other matters and
22 then move onto Agenda Number 9, which is the staff summary
23 of the comments, to be followed by Number 10, which is
24 actually the Board consideration of the EIR/EIS and the
25 Merced to Fresno decision.

1 I'm going to ask -- I anticipate that we'll have
2 many people who want to speak. As you can hear, we are in
3 a large room. The acoustics are a little challenging. We
4 have a court reporter. Part of this is to establish a
5 record of your comments. The court reporter is here
6 transcribing those. Out of consideration to her and to
7 all of your fellow citizens, we'd appreciate it if we
8 could all help with the acoustics and just have the
9 comments and without a lot of other commentary or,
10 frankly, noise that will make it difficult for the
11 transcriber.

12 With that, I'm going to move to -- oh, I'm sorry.
13 Before I do, our agenda notice for the meeting today
14 indicated that those who wanted to speak should fill out
15 speaker cards before the commencement of the meeting. And
16 we have those speaker cards. And I'm going to take them
17 in order, although we will follow our practice of
18 affording our elected officials, your representatives, an
19 opportunity to speak first.

20 But I'm going to ask so that we can manage this
21 process and give everybody adequate time that if anybody
22 else wants to speak on these items, we're going to make an
23 exception here and allow people to turn in speaker cards
24 for another ten minutes or so to our Board Secretary, who
25 is sitting to my left and your right. And after that, it

1 will be at the discretion of the Chair whether to accept
2 any further comments. So we want to make sure that all of
3 you who wish to speak, you should have filled out speaker
4 cards by now. But if you have not, please do so right
5 away and see those young ladies sitting to my left.

6 With that, we will turn to Item 1, which is the
7 staff presentation.

8 Good morning, Mr. Fellenz.

9 CHIEF COUNSEL FELLEENZ: Good morning, Chair
10 Richard, Board members. We have a presentation for you
11 today and for the public.

12 CHAIRPERSON RICHARD: Let me just stop you right
13 there. Can people hear Mr. Fellenz when he's speaking?

14 CHIEF COUNSEL FELLEENZ: Can you hear me?

15 You might want to move your mike a little closer.

16 Our Deputy for Environmental, Mark McLoughlin,
17 will be making the presentation with his staff.

18 Mark.

19 ENVIRONMENTAL PLANNING INTERIM DEPUTY DIRECTOR
20 MC LOUGHLIN: Good morning, Mr. Chairman and members of
21 the Board.

22 I'm Mark McLoughlin, the Interim --

23 CHAIRPERSON RICHARD: You're going to need to --

24 ENVIRONMENTAL PLANNING INTERIM DEPUTY DIRECTOR

25 MC LOUGHLIN: Can you hear me now?

1 Good morning, Chairman and members of the Board.
2 I'm Mark McLoughlin, Interim Deputy Director of
3 Environmental Planning for the Authority.

4 CHAIRPERSON RICHARD: Mark, let me suggest -- can
5 that microphone pull out so you can actually hold it? I
6 think it needs to be a little closer.

7 ENVIRONMENTAL PLANNING INTERIM DEPUTY DIRECTOR
8 MC LOUGHLIN: No problem.

9 We're going to start today with our staff
10 presentation on the Merced to Fresno Final Project
11 EIR/EIS.

12 But before we do, that I'd like to acknowledge
13 the strong dedicated staff of people at the Authority, the
14 PMT and the regional consultants that have worked very
15 hard and very long on this to get to this day. And that
16 includes the AG's office also and the FRA. So glad to be
17 here today representing them.

18 For your frame of reference today, before you is
19 the EIR/EIS that you're going to take under consideration
20 today. It's the Final Project EIR/EIS.

21 Volume I contains the main text with the impact
22 analysis.

23 Volume II includes the appendices to the
24 documents.

25 Volume III includes the project plans and

1 profiles.

2 Volume IV includes the Responses to Comments for
3 the documents.

4 We also have an errata that made some technical
5 corrections to the text of the final, and there is an
6 addendum that addresses project benefits for your review.

7 The staff provided you with all this document for
8 your review and consideration. Karin Lilienbecker from
9 the consultant team will provide a brief presentation,
10 after which we'll hear public comment.

11 We have our team of consultants and staff here
12 today to listen to the public comments. The team will be
13 able to address on Thursday, tomorrow, any technical
14 issues or questions that may come up today. So we invite
15 you to ask staff at the conclusion of Items 1 and 2 of any
16 issues for which you'd like additional information or
17 feedback.

18 With that, I'll introduce Karin Lilienbecker.

19 (Whereupon the following slide show presentation
20 was made as follows.)

21 MS. LILIENBECKER: Thank you, Mark. Good
22 morning, Mr. Chairman. Good morning, members of the
23 Board.

24 My name is Karin Lilienbecker. I am the
25 Environmental Manager for the consulting team that

1 prepared the EIR/EIS. And I'm here to present some of the
2 highlights of the EIR/EIS and findings that we have
3 prepared.

4 I will speak for about 30 minutes, if that is
5 permissible and allows your time frame. And we'll go
6 through the environmental review status --

7 --o0o--

8 MS. LILIENBECKER: -- describe the preferred
9 alternative that has been identified in December, discuss
10 some of the design refinements that have been made since
11 release of the public EIR/EIS last summer, and then spend
12 the majority of the time discussing some of the issues
13 that the public and agency comments asked about in the
14 earlier public comment period. And lastly, there will be
15 three discussion items that set up for your discussion
16 tomorrow for the consideration of this certification of
17 the EIR and approval of the project.

18 --o0o--

19 MS. LILIENBECKER: The Merced to Fresno section
20 is located in the Central Valley, and we evaluated three
21 alternatives.

22 --o0o--

23 MS. LILIENBECKER: The Burlington Northern Santa
24 Fe alternative is along the existing BNSF route.

25 The second alternative is the Union Pacific

1 railroad State Route 99 alternative.

2 And the third alternative is a hybrid alternative
3 which combines the two.

4 We also evaluated five heavy maintenance
5 facilities.

6 What is the status of the environmental review
7 process?

8 --o0o--

9 MS. LILIENBECKER: The public review draft was
10 released last summer. And after an extended 60 day
11 period, it closed on October 13th. The Board identified
12 the preferred alternative in December based on public
13 comments and also the technical evaluation in the EIR/EIS.

14 The administrative final draft EIR/EIS was
15 reviewed by the cooperating agencies, the Corps of
16 Engineers, and the U.S. Bureau of Reclamation, and also
17 the EPA. The final that is in front of you considers the
18 comments that were made by those agencies.

19 The final EIR/EIS has been out for public viewing
20 since April 20th. So for about a week and the half. The
21 document is available on the Authority website and also at
22 select libraries.

23 So today, we have scheduled this staff
24 presentation to you as well as public comment afterwards.
25 And tomorrow, staff will ask for your consideration of

1 certification of the EIR and also for approval of the
2 project.

3 --o0o--

4 MS. LILIENBECKER: The preferred alternative that
5 was selected in December has several components. It has
6 the hybrid alternative was identified. The Merced station
7 in the downtown area, there was only one alternative for
8 the Merced station. And in the Fresno downtown area, it
9 was the Mariposa station alternative.

10 The hybrid was selected on several grounds. One
11 of them being it has fewer community impacts than the
12 other two alternatives. And it has also fewer biological
13 resource impacts than the BNSF alternative and has similar
14 biological resources impacts to the Union Pacific railroad
15 alternative.

16 Impacts on agricultural lands compared to the
17 alternative are a little bit different. So for prime
18 agricultural lands, the impacts are similar to the UPRR
19 alternative and less than the BNSF alternative. And
20 impacts on important farmlands, excluding prime lands, are
21 greater for the hybrid.

22 The preferred alternative has been reviewed by
23 some of our federal partners. The FRA supports the hybrid
24 as a preferred alternative. The Corps of Engineers and
25 the EPA have both provided preliminary concurrence of the

1 hybrid alternative as the least environmental damaging
2 practicable alternative under the Clean Water Act. And
3 the FRA has determined that the hybrid alternative would
4 result in the least harm under Section (4)(f) of the
5 Department of Transportation Act.

6 The State Historic Preservation Officer has
7 provided preliminary concurrence with the findings of the
8 effects that have been prepared for the hybrid
9 alternative.

10 --o0o--

11 MS. LILIENBECKER: The preferred alternative has
12 two design options. And on the slide in front of you is a
13 box that shows the Chowchilla area, the Wye area, which
14 would be determined in the future environmental document,
15 namely the San Jose to Merced section. And the boundaries
16 of that box in the north of the -- approximately at the
17 Buchanan Hollow Road and in the south it is approximately
18 Avenue 19 1/2.

19 --o0o--

20 MS. LILIENBECKER: Let me talk about some of the
21 design refinements that have occurred since the public
22 draft was released. Some of these refinements were made
23 in response to public and agency comments. Others were
24 just design refinements to either improve performance of
25 the hybrid alternative or to reduce impacts.

1 One of the changes that has occurred is to take
2 the 15 percent design in the Fresno area in the City of
3 Fresno to 30 percent. Another change that has occurred to
4 reduce long-term maintenance costs is to put slab on the
5 major elevated sections of the hybrid alternative instead
6 of ballasted track. And then we have design refinements
7 that were made, and they're difficult to make sometimes
8 because they need to be adhering to the design criteria to
9 achieve the design speed of 220 miles an hour. So some of
10 these design refinements were a little bit tricky. But we
11 have reduced impacts on businesses, such as a dairy. We
12 have avoided impacts on the main facility of the dairy, so
13 not the dairy property in its entirety by the main
14 facility of a dairy in the Wye area. We've revised some
15 of the circulation and improved some of the circulation by
16 changing the overcrossings and especially in the downtown
17 Fresno area we've worked very closely with the city to
18 figure out what the traffic routing should be once a
19 station area would be operational.

20 We've also reduced impacts on biological
21 resources by making some changes to the profile of the
22 tracks or the height of the track or by reducing impacts
23 at overcrossings.

24 --o0o--

25 MS. LILIENBECKER: We have received on the order

1 of 700 comments on the public draft EIR from federal,
2 State, local agencies from businesses, organizations, and
3 the public. And these comments --

4 --o0o--

5 MS. LILIENBECKER: -- have addressed the resource
6 issues that are shown on this slide. We have evaluated
7 other additional resource issues in the EIR/EIS, but these
8 other ones that the public has had the most comments on.

9 --o0o--

10 MS. LILIENBECKER: For all of these resource
11 areas, we're working with agencies on the State and
12 federal level and also stakeholders to represent in the
13 final EIR some of the ideas that they had also.

14 What I would like to do next is show you some
15 locations along the hybrid alternative starting from the
16 north going to the south that exemplify some of these
17 resource issues.

18 Starting in the north at the downtown Merced
19 station area, the slide shows the pink area as permanent
20 impacts, the yellow area as temporary impacts during
21 construction, and the blue line is the high speed train
22 track.

23 --o0o--

24 MS. LILIENBECKER: At the downtown station area,
25 a couple of issues are related to transportation and

1 safety. One of the issues that we worked with the local
2 fire department on was emergency access. And as a result
3 of those discussions between the draft and the final, we
4 shifted the station area by about 20 feet, providing more
5 access between the station and the existing Union Pacific
6 Railroad tracks. So that is improving the emergency
7 access, should it be needed.

8 --o0o--

9 MS. LILIENBECKER: We made those changes in the
10 footprint that was identified in the draft EIR/EIS so
11 there were no additional impacts that we had to disclose
12 for them.

13 In the draft EIR, we had already -- we had --

14 CHAIRPERSON RICHARD: Why don't you wait one
15 second.

16 Whoever just did that, if they could undo it.

17 For the record, the lights just went out.
18 Somebody was trying to help us by dimming the lights but
19 went overboard.

20 Mr. Fellenz just informed me that apparently the
21 lighting was changed by someone outside of the building
22 and we're now getting somebody to come and fix this.

23 Are you able to see the proceed with your
24 presentation?

25 MS. LILIENBECKER: Yes.

1 CHAIRPERSON RICHARD: Okay.

2 MS. LILIENBECKER: Thank you.

3 In the downtown Merced station area, in the
4 draft, we had already included an overcrossing at G
5 Street, which would preserve circulation in the downtown
6 area. And the overcrossing also includes pedestrian and
7 bike access, so for safe passage of pedestrians and
8 bicycles.

9 --o0o--

10 MS. LILIENBECKER: The second location along the
11 examples that I want to discuss with you this morning is
12 in the Arboleda Drive to Sandy Mush Road area. There are
13 several resource issues, like transportation, agricultural
14 lands impacts and biological resources impacts.

15 Let me ask you, can you see the slides that we
16 have provided to you?

17 CHAIRPERSON RICHARD: We have hard copies here.
18 I'm able to read it, even though the light is a little
19 dim. My colleagues are able to adequately see.

20 MS. LILIENBECKER: So at this location, what I
21 want to point out is that the high speed rail alignment
22 has minimized impacts on agricultural lands. You see the
23 yellow line. It is immediately adjacent to the existing
24 State Route 99 and Union Pacific Railroad tracks.

25 In the right bottom corner, it diverges a little

1 bit from those tracks from the existing facilities because
2 that's the divergence to the San Jose area. And so we
3 could not always avoid all impacts to agricultural lands,
4 but we try to minimize them.

5 --o0o--

6 MS. LILIENBECKER: On the next slide, you see
7 that along the yellow line there are some new additions --
8 and I'm sorry it's hard for you to see with the lighting
9 situation at the moment.

10 There are some additional white lines that
11 appear, and those are indicating planned projects by
12 Caltrains. They have already planned projects to improve
13 the safety of the intersections that are currently at
14 grade in this area. And the design of the high speed rail
15 overcrossings has taken those plans by Caltrains into
16 account and the overcrossing plants have been modified to
17 not only cross over the high speed train tracks but also
18 State Route 99 and the existing railroad tracks.

19 --o0o--

20 MS. LILIENBECKER: One additional benefit of
21 having overcrossings is that the freight trains no longer
22 have to blow their horns to warn oncoming vehicles of
23 freight trains that are approaching.

24 In this area is also an essential habitat
25 connectivity area that is used by wildlife. And the

1 project design includes under-crossings under the high
2 speed train tracks to accommodate wildlife movement. In
3 these areas, the under-crossings are more frequent than in
4 other areas along the train tracks because of the presence
5 of this essential habitat area.

6 --o0o--

7 MS. LILIENBECKER: The ultimate size and
8 frequency of those wildlife crossings would be approved by
9 Resource Agencies.

10 Another area that we wanted to talk about this
11 morning is the Madera Acres area. There are a couple of
12 places that we wanted to highlight.

13 This one shows that high speed train project
14 would install five overcrossings in the Madera Acres area.
15 Again, this would improve emergency access. It would
16 improve the safety of kids going to school by either bus,
17 vehicle, or bike. And it would also eliminate the need
18 for the freight train horns. So there are benefits
19 associated with the overcrossing that the high speed train
20 project would install.

21 --o0o--

22 MS. LILIENBECKER: Another area -- so on this
23 Madera Acres slide, there was -- I don't know if you could
24 see it, there was a couple of call outs for the Fresno
25 River and State Route 145. That is in that vicinity there

1 at a crossing of the Fresno River. And one of the design
2 changes that occurred between the draft and the final is
3 that, in the draft, there were couple of overcrossings
4 just north and south of the river. And in the final, we
5 elevated the high speed train tracks, which eliminate the
6 need for the overcrossings by taking the train tracks
7 higher over the existing road facilities. This reduces
8 the impacts on biological resource in the vicinity of the
9 river and the river itself, water quality issues and such
10 are reduced.

11 --o0o--

12 MS. LILIENBECKER: We've also analyzed impacts on
13 school districts. And school districts also provided
14 comments on the draft EIR/EIS. Primarily, they were
15 concerned with the safe to school routes by bus or
16 vehicle, walking, or bike. They were also concerned about
17 school district revenues and potential health effects on
18 children during construction.

19 As I had explained with overcrossings, there are
20 benefits that improve safety. And so safety would be
21 either maintained or improved for kids going to school.
22 The school district revenues depend on the number of kids
23 that are in the district going to those schools. At least
24 in part those revenues depend on that.

25 And we have done an analysis to see what would

1 bridges. And the other photo shows an aerial view of
2 those two bridges as well as a line that would indicate
3 where the high speed train crossing would be. And it
4 would be upstream of the existing UPRR crossing.

5 At this location where along the San Joaquin
6 River the Department of Water Resources and Bureau of
7 Reclamation have worked for years to implement a
8 program -- to implement, which is the San Joaquin River
9 Restoration Program, which would restore fisheries habitat
10 for salmonid species, so for example, Chinook salmon. We
11 have worked with the Bureau and the Department of Water
12 Resources and the Authority's committed to avoiding
13 impacts on salmonid habitat. There are a couple of design
14 options in the final EIR/EIS and the difference between
15 them is the spacing of peers. With either of the
16 options -- either of the options could be built if there
17 were no adverse impacts on salmonid species, subject to
18 approval by Resource Agencies, of course. And the
19 Authority's prepared to go with the wider spacing of
20 peers, even if that would increase the construction cost.

21 --o0o--

22 MS. LILIENBECKER: So ultimately, the project
23 would be consistent with the San Joaquin River Restoration
24 Program.

25 Roeding Park is a facility in the City of Fresno

1 not too far from here. There are several issues that come
2 into play considering the high speed train track alignment
3 in this vicinity. Transportation parks, the park itself
4 is a cultural resource. We have cultural resources issues
5 we looked at, visual and noise issues as well.

6 The question was where to route to high speed
7 train tracks. Would you take a sliver on the east
8 boundary of Roeding Park, which is shown in the center of
9 the slide or would one want to perhaps close Golden State
10 Boulevard to route the train tracks along the road where
11 there is currently a road.

12 Working with the City of Fresno, it was decided
13 that Golden State Boulevard should be closed on the east
14 side of the park to avoid park impacts. And in order to
15 do so, a couple of adjustments would be made at existing
16 intersections between Golden State Boulevard and Olive
17 overcrossing, for example. Olive Avenue would be a new
18 overcrossing. Currently, that intersection is at grade.
19 There is -- Olive Avenue crosses, in fact, the existing
20 Union Pacific Railroad tracks, Webber, and Golden State
21 Boulevard. There would be a new overcrossing at Olive
22 across all those facilities, including the high speed
23 train track.

24 On the southern boundary of the park is currently
25 an under-crossing under Belmont Avenue. This would be

1 modified because a trench there -- the train there is
2 dipping into a trench to cross under State Route 180
3 further south. So the Belmont undercrossing that is
4 currently there would have to be modified.

5 So given those trade-offs between the traffic,
6 park, and cultural resource issues, a couple of subsequent
7 issues came into play, which are visual and noise impacts.

8 --o0o--

9 MS. LILIENBECKER: And I would like to show you a
10 few slides quickly that show simulations of how this might
11 look. And this exemplifies similar issues along other
12 locations along the hybrid alternative.

13 So this is a photo of the existing conditions in
14 the northeast corner of the park overlooking this
15 intersection that I mentioned between mostly Golden State
16 Boulevard and Olive Avenue.

17 If the high speed train project were built, an
18 overcrossing would be constructed over Golden State
19 Boulevard for Olive Avenue. And it would look similar to
20 this, and the image shows the train going by.

21 With the train going by, there would be noise
22 impacts on the park. And the noise impacts would be
23 reduced by building a sound barrier. And so the next
24 image shows a simulation of the overcrossing with a sound
25 barrier.

1 We had talked with the City of Fresno and under
2 the Authority's draft noise and vibration policy, this is
3 what Authority does. It talks to the local jurisdictions
4 to determine their input, getting their input on whether a
5 sound barrier is preferred. And the City of Fresno
6 decided to have a noise barrier installed. And the draft
7 noise and vibration policies are included in Volume II of
8 the EIR/EIS for hearing.

9 --o0o--

10 MS. LILIENBECKER: The last simulation shows the
11 sound barrier somewhat modified aesthetically treated with
12 additional vegetation to be planted in the park. So it
13 hides the concrete a little bit. Other methods of
14 treating sound barriers are texturizing or in other areas
15 maybe murals could be painted. But for this location, it
16 seemed appropriate to work with additional vegetation.

17 --o0o--

18 MS. LILIENBECKER: The last location along our
19 hybrid alternative is the downtown Fresno station. There
20 were two alternatives that I mentioned earlier. The
21 Mariposa Street Station was identified as the preferred
22 alternative because it is consistent with the downtown
23 Revitalization Plan and it allows to city to use a
24 Southern Pacific Railroad Depot, another historical
25 structure downtown, allows the city to integrate the

1 structure into the station area.

2 The smaller image shows a traffic circulation
3 figure, and I don't expect anybody to be able to read it
4 on those slides. It's just indicating that we have worked
5 with the city to figure out what the traffic routing
6 should be in the downtown area and where there should be
7 maybe more over or undercrossings.

8 --o0o--

9 MS. LILIENBECKER: The next slide shows the
10 Southern Pacific Railroad Depot location in relation to
11 existing facilities, including the ballpark, which I want
12 to mention the local baseball team, the Grizzlies call the
13 Crown Jewel of downtown Fresno on their website. So
14 having a high speed rail station might be a nice
15 additional complement to this Crown Jewel.

16 --o0o--

17 MS. LILIENBECKER: The next slide shows the
18 downtown Fresno Station area, and it shows the mass and
19 form of the station. It does not show the final
20 architectural design detail which would be decided in
21 coordination with the City of Fresno.

22 But you do see that the station would be
23 co-located with the existing historic structure of the
24 railroad depot.

25 The Authority has a station area planning funding

1 agreement with the city, so that the city can determine
2 how best to integrate parking, transit, and station area
3 development into their plans.

4 --o0o--

5 MS. LILIENBECKER: This concludes the highlights
6 of the final EIR/EIS resource issues that I wanted to
7 bring to your attention. And I wanted to now talk a
8 little bit about some of the documentation that has been
9 prepared for your consideration and to accompany the final
10 EIR/EIS.

11 One of those documents is a mitigation monitoring
12 and reporting program. And as I mentioned, the project
13 has already designed features that reduce -- minimize
14 impacts. Of course, the Authority will comply with any
15 applicable laws and regulations.

16 And this mitigation monitoring and reporting
17 program, or MMRP, lists all of the mitigation measures
18 that are identified in the EIR/EIS and in addition to any
19 project measures or applicable regulations that the
20 Authority would comply with.

21 The MMRP also provides the timing of the
22 implementation of each of these measures so it would be
23 prior to construction, during construction, or after
24 construction. And also provides information on any
25 potentially necessary implementation instruments, such as

1 Memorandum of Understanding. And construction would
2 adhere to the MMRP.

3 --o0o--

4 MS. LILIENBECKER: The EIR/EIS with all those
5 mitigation measures and design features and regulatory
6 requirements still identify some significant and
7 unavoidable impacts. Some of these occur only during
8 construction and the only significant and unavoidable
9 impacts for the hybrid alternative are the two station
10 alternatives that were identified are listed on this
11 screen.

12 --o0o--

13 MS. LILIENBECKER: One of the other items that
14 has been prepared for your consideration tomorrow is the
15 Finding of Facts and Overriding Considerations.

16 The Finding of Facts is essentially a list of the
17 projects -- list and explanation of the project's
18 significant and avoidable impacts. And these need to be
19 balanced in your consideration against the economic,
20 social, and other benefits that the project would have.
21 And those are the overriding considerations. And those
22 will be presented to you tomorrow by Authority staff.

23 --o0o--

24 MS. LILIENBECKER: If you were to approve the
25 project, the following steps would be taken:

1 We would continue with ongoing permitting
2 activities with State and federal agencies, advance the
3 right-of-way acquisition process, and progress design from
4 preliminary to a final stage.

5 This allows us to further look for ways to reduce
6 impacts so that the impacts would either remain at the
7 level as described in the EIR or go below those levels.
8 And we would also continue to work with stakeholders to
9 refine mitigation measures, for example, treatment of
10 locations and treatment of sound barriers.

11 --o0o--

12 MS. LILIENBECKER: This is a repeat of an earlier
13 slide with the environmental review status just
14 highlighting where we're at in the process now at the
15 bottom of the slide.

16 Today is the opportunity for public comment. And
17 tomorrow, we would ask you to consider certification of
18 the document and approval of the project.

19 At this point, Authority staff and regional
20 consulting staff are happy to answer any questions you
21 might have.

22 CHAIRPERSON RICHARD: Thank you.

23 First of all, I want to thank you for what is
24 obviously a very enormous body of work. I know we'll have
25 many comments today and probably be many people with views

1 that may raise issues.

2 But as a starting point, the staff has obviously
3 done tremendous work here. I want to thank you, your
4 colleagues, and our colleagues on the Federal Railroad
5 Administration side.

6 Let me turn to my colleagues now and ask if there
7 are questions for staff based on this presentation that we
8 just received at this time.

9 Okay. We're going to then proceed with -- thank
10 you very much.

11 MS. LILIENBECKER: Thank you very much.

12 CHAIRPERSON RICHARD: As was mentioned, this is a
13 two-day meeting of the High Speed Rail Authority. And the
14 purpose of today's activities is primarily to get comments
15 from the public on these documents that describe the
16 Merced to Fresno EIR/EIS process.

17 After receiving those comments, staff will be
18 considering public comments and be making further
19 presentations tomorrow to the Board, responding to
20 comments that have come in not only today, but we also
21 have a number of letters and so forth that we're receiving
22 that are part of the record as well. And that will then
23 lead to a proposed Board action tomorrow.

24 I'm going to now move to public comment period.
25 And I always say that we are taking the comments in the

1 order that they were received, with the opportunity for
2 public officials to speak first. I had comments coming in
3 in a number of batches, and I also tried to go out through
4 and pull out those that seemed obvious to me to be related
5 to other agenda items other than the EIR/EIS. So I did my
6 best here.

7 So we'll start with some of our elected and civic
8 officials. First up, we normally afford this honor to
9 Supervisor Perea. He has asked to actually defer, so
10 he'll speak later.

11 But first is Supervisor Susan Anderson from the
12 County of Fresno, followed by Max Rodriguez from Madera
13 and Ricardo Arredondo from Madera Unified School Board.

14 Supervisor, good morning.

15 SUPERVISOR ANDERSON: Good morning, Mr. Chair and
16 members of the Board. We want to thank you for being here
17 in Fresno. And we welcome you to Fresno.

18 I serve, as Chairman said, on the Board of
19 Supervisors for Fresno County and also Co-Chair of the
20 Fresno Works effort with Supervisor Perea.

21 We just really appreciate your being here. And
22 we want to thank you for your dedication to this project
23 and the hard work. We know that you've all grown several
24 extra layers of skin through this process. And it's not
25 easy. And we understand that.

1 But we feel that the economic benefits, the
2 connectivity and the improvement in safety is so important
3 to our residents and to Fresno County that we are so
4 supportive of this project.

5 And we're working hard here in Fresno County to
6 be sure that our residents and impacted business owners
7 get the information and the support that they need as we
8 move forward and proceed with this project. We want to
9 thank the staff for their work on the environmental
10 documents.

11 I want to say I really appreciate the
12 consideration for Roeding Park. That is a very important
13 piece of property here in Fresno County and provides great
14 service to many of our families and children. And I think
15 the recommendation treats that appropriately.

16 So again, we just appreciate you being here.
17 Appreciate all your hard work. And we are here to support
18 you in any way that we can. Thank you.

19 CHAIRPERSON RICHARD: Thank you very much,
20 supervisor. We're delighted to be in Fresno today.

21 Okay. And next is Max Rodriguez from Madera,
22 followed by Mr. Arredondo, followed by Scott Mozier.

23 Good morning, sir.

24 MR. RODRIGUEZ: Good morning, Mr. Chairman. And
25 good morning, fellow members of the Board.

1 My name is Max Rodriguez. I'm from Madera
2 County. I'm on the Board of Supervisors.

3 I want to thank you all for the hard work you and
4 your staff have done and endured. This is a very
5 controversial project, and a lot of criticism is directed
6 at you and the people that favor this project. So be it.
7 It's such a huge project that that is not uncommon, and it
8 will continue.

9 But I think where we're on the right path with
10 what we're doing now. We're working together. You have
11 done a better job as far as informing the public of what
12 direction we're going. You're accepting more comments
13 from the people, especially the ag community, which in
14 Madera County is very crucial and important. I happen to
15 be in the minority in Madera County as far as favoring
16 this project. But as I see it, the economics of this
17 project will be so great that it's going to transform my
18 area quite a bit.

19 A lot of people have stated, "Don't change my
20 lifestyle." Well, the lifestyle has to change, because we
21 have a large number in the community that just don't --
22 are not making it. Are not making it. And when we talk
23 about jobs, jobs, jobs, this is the most important thing
24 that we should think about. This project, this type of
25 project will never -- let's not use the word "never" --

1 but will be a long time coming again. So we should take
2 advantage of what is here, move forward, hang together,
3 and get it done.

4 I have been a supporter of this project from the
5 word "go" and I will be continue being a supporter until
6 it's built.

7 I happen to live in Madera County. We have a
8 beautiful site in Madera County. It's 450 acres, one
9 owner, that sits pretty close to the alignment. And I
10 hope that your staff and your Board will consider because
11 Madera County is in need of a stimulus. And this is it.

12 Thank you very much, Mr. Chairman.

13 CHAIRPERSON RICHARD: Thank you, Supervisor.

14 Ricardo Arredondo, followed by Scott Mozier,
15 followed by Larry Westerlund.

16 MR. ARREDONDO: Good morning. I currently serve
17 as the Board President for the Madera Unified School
18 District. And my comments are centered around the project
19 as we are here today.

20 Our region is underserved and under-utilized
21 because in many respects we're isolated. True high speed
22 rail is the missing component to our transportation
23 system. The high speed rail will open hundreds of
24 thousands of job opportunities for California. And the
25 Central Valley is the starting point.

1 In addition, our region will likely become home
2 to heavy maintenance facility, yet another great creator
3 where assembly and maintenance of the
4 technologically-advanced train sets will be placed.
5 Required infrastructure surrounding the facility will
6 stimulate even more business and could become our version
7 of the Silicon Valley.

8 Along with job opportunities, there will be
9 significant education opportunities in the form of STEM.
10 Stands for science, math, engineering, and technology
11 fields.

12 Our region has been deficient in those areas
13 because the demand for a skilled workforce in those areas
14 hasn't been significant, here at least in our region.
15 High speed rail represents the catalyst. It will
16 stimulate our region. Concerns of building a system so
17 large with so many impacts should be addressed and the
18 effort of the high speed leadership to do so is greatly
19 appreciated.

20 Thank you for considering and addressing the safe
21 routes of our transportation and other impacts near our
22 schools and our community. And thank you so much for
23 taking into consideration every concern that has been
24 shared for your consideration because with total input, we
25 can have a more complete and informed decision when the

1 time has come. And we appreciate all the opportunity.

2 Thank you.

3 CHAIRPERSON RICHARD: Thank you, Mr. Arredondo.

4 I was remiss. I should say that I've asked the
5 Secretary to provide two minutes for public comment. And
6 I suspect you're doing that.

7 But Mr. Scott Mozier, followed by Larry
8 Westerlund, followed by Tony Boren of the Fresno Council
9 of Governance.

10 MR. MOZIER: Good morning, Mr. Chair, Authority
11 Board members. Thank you for being here in Fresno.

12 I'm Scott Mozier, City of Fresno, Public Works
13 Department.

14 Wanted to express appreciation to Authority staff
15 and the engineering consultant team for working very
16 closely with us with Mayor Swearengin and staff at the
17 City of Fresno on the various issues. Just want to
18 commend the team. We've come a long ways in the past
19 two years.

20 The early alternatives analysis included a
21 60-foot elevated guide way structure from one end of the
22 city to the other that we both felt was very expensive and
23 also would not be complementary to the community. And so
24 the team worked closely with us and brought the vast
25 majority of the alignment down to ground level, which is

1 what we saw in the draft EIR and which you have before you
2 today.

3 With that, there was a need to work very closely
4 with the city, because as soon as we got to the ground
5 level, then that involved considerable issues with street
6 alignments, how grade separations would be configured.
7 And some additional ideas needed more refinement and work,
8 and we've been seeing that type of progress throughout
9 this process.

10 So just wanted to put on record that there has
11 been a considerable effort of coordination in trying to
12 minimize impacts where possible, value engineer the
13 project, and make it as good as possible for the system
14 and for the community. As we've appreciated that level of
15 cooperation and engagement throughout this process.

16 Just want to also say that as the City of Fresno,
17 we expect -- we do expect that type of coordination and
18 cooperation to continue as we move into final design,
19 right-of-way acquisition and final construction of the
20 project. Very large undertaking.

21 So with that, we would ask and recommended that
22 you -- tomorrow with the vote that you vote to certify the
23 EIR and the related actions. Thank you.

24 CHAIRPERSON RICHARD: Thank you very much.

25 Council Member Westerlund. I'm sorry. I should

1 have taken you in order. Followed by Tony Boren, followed
2 by Brad

3 COUNCIL MEMBER WESTERLUND: Well, thank you, Mr.
4 Chair. Thank you, Commissioners, Board members. It's an
5 honor to have an opportunity to address you today.

6 I send greetings from Mayor Swearingin. She
7 would have loved to have been here today to address the
8 Board on this and, of course, to voice her very strong
9 support for this. She is out of town today and was not
10 able to make it, but did ask me to address you and welcome
11 you. And thank you again for being in Fresno in the
12 Central Valley again to address and hear the issues and
13 concerns of all of those that are a part of this and
14 concerned about this huge undertaking.

15 I know I have been involved and watched somewhat
16 from the side, but I've gotten more and more involved in
17 it more recently into the planning and the preparation of
18 this particular document. And I want to thank you and
19 your representatives for fully engaging with the City of
20 Fresno and I know outlying areas in the county and other
21 counties in getting to this level of specificity so that
22 you can consider the draft EIR and approve a final EIR
23 here I think shortly, as tomorrow.

24 One of the things that I would mention -- and I
25 know that you have with your team -- continued to do

1 engineering and do work with our staff. And I hope that
2 it will be relayed to those who are concerned here while
3 this adds a great deal more specificity than the project
4 has before, there still has to be continued drill down
5 into exactly which parcel is going to be effected and how
6 that parcel is going to be effected and to mitigate the
7 impacts as you continue to drill down and drill down and
8 drill down into the very specifics of this.

9 So lots of people have lots of information that
10 they are in need of. And I know that your commitment, as
11 I understand the Board, will continue to provide that
12 information and work with folks at that.

13 I'll just add this parenthetically. I recently
14 read an article about the building of the Golden Gate
15 Bridge in 1933, 1935. And at that time, they had 2,300
16 lawsuits in opposition of the Golden Gate Bridge today.
17 So I know this is controversial. I hope you don't reach
18 2,300. But I do appreciate you being here. Thank you for
19 the extra time.

20 CHAIRPERSON RICHARD: Thank you, Council Member.
21 As you said that, I was thinking what was the proportion
22 of lawyers to the population in 1933 compared with today?
23 So it's not a good prospect.

24 Good morning, Mr. Boren.

25 MR. BOREN: Good morning, Chair Richard and

1 members of the Board.

2 Tony Boren, Executive Director for the Fresno
3 Council of Governments, the Regional Transportation
4 Planning Agency, and Metropolitan Planning Organization
5 for Fresno County region.

6 No specific comments on the EIR today, but I did
7 want to get on the record that our Policy Board has taken
8 a position of support for the High Speed Rail Project.
9 And we look forward to working with the Authority in the
10 implementation of the project. Thank you.

11 CHAIRPERSON RICHARD: Thank you very much, sir.

12 Mr. Brad Samuelson, followed by Valery
13 Forestiere, followed by Rick Forestiere. I hope I
14 pronounced that correctly.

15 Good morning.

16 MR. SAMUELSON: Good morning, Chairman Richard
17 and members of the Authority.

18 My name is Brad Samuelson. I'm the General
19 Manager, Fagundes Brothers Dairy. Our operation is
20 primarily located in Merced and Madera Counties and has
21 grown steadily into a diversified family farm. Every
22 route we consider directly impacts our dairies, orchards,
23 homes, and farm ground.

24 Our approach to high speed rail has been to
25 cooperate, figuring in the end the State would do us

1 right. We have given tours to Board members, Regional
2 Directors, Project Managers, consultants, and elected
3 officials. Not only have we given them tours, but we have
4 allowed them into our homes.

5 First and foremost, our biggest concern is the
6 delay in making a decision regarding the Y. We don't
7 think you can make an educated decision on the Merced to
8 Fresno section without having analyzed a significant
9 portion of the area between these two cities. We believe
10 this amounts to piecemealing of the project.

11 Initially, we were elated to see that the
12 Authority was taking our community's suggestion seriously
13 by preparing the impacts on confined animal, agricultural,
14 technical memorandum. That elation quickly turns to
15 disgust upon reading the horribly prepared and inaccurate
16 document.

17 Please keep in mind that we gave tours to several
18 Authority staff members and consultants as I describe
19 these inaccuracies.

20 Number one, our Valley calf ranch operation is
21 described as a poultry operation. You can see the calves
22 from a public road.

23 To add insult to injury, it describes the impacts
24 as moderate, even though every one of our calf hutches is
25 within the right-of-way.

1 Number two, our home dairy is lumped together
2 with two other dairies. As if this is not insulting
3 enough, the impacts are also described as moderate because
4 only ten percent of the dairy would be impacted. When
5 lumped with two other dairies, that may be ten percent.
6 But it's over 50 percent of our dairy.

7 Number three, two of our other confined animal
8 facilities aren't even mentioned in this technical
9 document.

10 It is obvious that High Speed Rail Authority is
11 hurrying to complete the environmental review process so
12 they can meet the federal ARA time lines. We ask that you
13 delay making any decisions until the project is fully and
14 accurately analyzed.

15 CHAIRPERSON RICHARD: Mr. Samuelson, my
16 colleague, Vice Chair Schenk asked do you have written
17 comments? Although I believe we have a letter.

18 MR. SAMUELSON: We've submitted comments.

19 CHAIRPERSON RICHARD: I saw the letter from
20 your -- we're going to take a good look at that.

21 MR. SAMUELSON: Thank you.

22 CHAIRPERSON RICHARD: Thank you, sir.

23 Valery Forestiere. I hope I pronounced that --

24 MS. FORESTIERE: Well, Valery Forestier, that's
25 good. It's been mangled much worse.

1 CHAIRPERSON RICHARD: Well, I don't want to be in
2 that group. Forestiere. Thank you. Good morning.

3 MS. FORESTIERE: Good morning, Chair, and Mr.
4 Chair and members of the Board.

5 My name is Valery Forestiere. I'm here to speak
6 on behalf of the Forestiere Underground Gardens. My
7 sister and I give the historic tours to people from all 50
8 states and over 80 counties around the world annually.

9 The entire ten-acre parcel is listed on the
10 National Register of Historic Places. It's California
11 Registered Landmark 916 and is on the City of Fresno's
12 local registry.

13 The draft findings of effect on your EIR
14 inaccurately states there will be no adverse impacts or
15 effect to the gardens from long-term cumulative
16 vibrations, increased traffic, reduced access, and years
17 of construction that it is literally on our front door
18 step five feet from the entrance of the gardens on Shaw
19 Avenue.

20 In addition, my family has never been consulted,
21 my father, the owner, nor our business. There have been
22 no hearings with the National Registry of Historic Places
23 that are required under the NEPA, the National
24 Environmental Policy Act. We have had no hearings with
25 the California State Historic Preservation Office that are

1 required under the CEQA document that you're preparing.
2 There have been no hearings with the City of Fresno
3 Historic Preservation Office. There have been no hearings
4 that impact the Highway Cities Specific Land Committee.
5 And in effect, there has been no due process.

6 Your document concludes there is no adverse
7 impacts on the gardens, and yet no one can tell us what
8 reasoning was used, what documents were reviewed, and what
9 expert testimony there was.

10 My father is probably the greatest expert because
11 he was present while his uncle was creating this open air
12 museum. But your document does not -- it emphasizes
13 mitigation but very little preservation or protection.

14 I ask that all three levels of historic
15 preservation, local, state, and national conduct their own
16 hearings and receive expert testimony on the impact of
17 this proposal. Failure to do so could lead to years of
18 litigation.

19 And I just believe that I speak for the citizens
20 of Fresno who wish to protect this one-of-a-kind
21 historical landmark from being adversely affected.

22 Thank you.

23 CHAIRPERSON RICHARD: Ms. Forestiere.

24 MS. FORESTIERE: Yes?

25 CHAIRPERSON RICHARD: Could you just help me

1 understand? Is this impact the result of any one of the
2 particular alignments?

3 MS. FORESTIERE: Yes. It is in your Section 4.46
4 where it documents the overpass at Shaw Avenue that
5 adversely takes part of Shaw Avenue and Cornelia where
6 there will be a huge redevelopment of Cornelia Avenue of
7 traffic. It eliminates all of our access to over half of
8 our property and reduces, you know, a visual potential
9 blight for the raised overpass.

10 CHAIRPERSON RICHARD: I was just trying to
11 understand where you are. Thank you, ma'am.

12 MS. FORESTIERE: Okay. Thank you.

13 CHAIRPERSON RICHARD: Thank you.

14 Rick Forestiere, followed by Barry Runyon,
15 followed by Roger Christensen.

16 MR. FORESTIERE: Chairman Richard and members of
17 the Board, I'm Rick Forestiere. I'm a keeper of the
18 Underground Gardens, rather than just an owner because my
19 brother and I had listed the property with the State
20 Department of Parks and Recreation. And it was designated
21 a registered historical landmark.

22 About a week-and-a-half ago, I received the one
23 and only contact with your -- with the Rail Authority.
24 You know, I have nothing against railroad. I love Amtrak.
25 I love high speed rail and all the railroads in Spain and

1 Italy, which I've traveled extensively. So I'm not biased
2 in any way. If I am, I'm biased in favor of the railroad.
3 But I'm here -- we've been at this address and this place
4 since 1906. That's 116 years ago. Week-and-a-half ago,
5 we received this printed flyer that this meeting was
6 taking place.

7 But it seems to me that the EIR and especially
8 the negative impact statement were little more than a kind
9 of rationalizations for a pre-determined outcome. We have
10 been completely ignored. Your staff, you've noticed in
11 their presentation earlier this morning, we are
12 non-existing. That is a tragedy.

13 Growing up, I learned quickly that man's greatest
14 enemy are those of his own house. And heaven knows, that
15 the house of Forestiere has endured more grief, betrayal
16 than it is entitled to.

17 The first encounter we had with the 99 freeway
18 being -- cutting down Baltizar's property -- Baltizar is
19 my uncle -- was diagonally in half. That was right after
20 the war.

21 Next after that, Shaw Avenue was widened. And
22 they crunched the exit or the entrance that goes
23 underneath which was -- I measured it again this
24 morning -- 20 feet wide at its turn down to eight feet.
25 And now this, we'd have to turn sideways to get in.

1 CHAIRPERSON RICHARD: Sir, I'm going to ask you
2 if you can just wrap up so that we can get through all the
3 people who want to speak today. I understand this is
4 important.

5 MR. FORESTIERE: That about sums it up.

6 I wish I had been involved. I wish we were
7 notified. I wish we had some input in the preliminary
8 because your final indicated that something preceded it.
9 I'm glad to be an octogenarian, considering the
10 alternative. And I don't see well. And sometimes I don't
11 hear well either.

12 Thank you very much.

13 CHAIRPERSON RICHARD: Thank you for your
14 comments, sir.

15 (Applause)

16 CHAIRPERSON RICHARD: While I do appreciate the
17 gentleman certainly deserves that respect, again I would
18 ask just for benefit of our transcriber that we avoid
19 those kind of demonstrations. It makes it hard for her to
20 follow.

21 Barry Runyon, followed by Roger Christensen,
22 followed by TJ Cox. Gentlemen, good morning.

23 MR. RUNYON: Good morning, Mr. Chairman and Board
24 members, for the opportunity to comment.

25 My name is Barry Runyon with Azteca Milling here

1 in Madera, California.

2 CHAIRPERSON RICHARD: Could you speak up a bit,
3 please?

4 MR. RUNYON: Sorry.

5 Azteca Milling supports the final EIR/EIS because
6 the hybrid route it selects bypasses both of Azteca
7 Milling facilities that would have been impacted in a
8 major way.

9 And we do have some concerns on the Gordon-Shaw
10 site on the impact of our facility as well.

11 With that being said, I'll conclude by saying
12 that Azteca Milling wants to thank the HSR staff for
13 meeting with Azteca Millin on numerous occasions and
14 listening to its concerns and courteously providing needed
15 information and guidance. And again, we thank you.

16 CHAIRPERSON RICHARD: Thank you, Mr. Runyon.

17 Roger Christensen.

18 And then Mr. Cox did not indicate what item he
19 wants to speak on, but when he comes up, I'll ask if he
20 wants to speak on this item.

21 Mr. Christensen.

22 MR. CHRISTENSEN: Good afternoon.

23 My name is Roger Christensen. I'm born in
24 Kingsburg and now retired in Kingsburg. And I lived many
25 years in Los Angeles where I was the Chairman for about

1 ten years of Metropolitan Transportation Authority's
2 Citizen Advisory Council.

3 And there was a huge event last week in Los
4 Angeles, which I think impacts this project big time in
5 terms of ridership. They opened up the new light rail
6 line that will ultimately take people from downtown L.A.
7 to the beach, which will be a huge impact for high speed
8 rail people.

9 They also certified the EIR for the Wilshire
10 subway, which will take people in 15 minutes from the high
11 speed rail from Union Station to Beverly Hills to Century
12 City to Westwood UCLA. That is just amazing.

13 And this is because the people of the County of
14 Los Angeles voted by nearly 70 percent to tax themselves
15 for this. This is a huge turn around from the 1990s where
16 metro rail was the project from hell, the boondoggle,
17 train to nowhere that nobody would ride, that no one could
18 pay for. That just simply is not the truth. And today,
19 350-some-thousand people are riding it every day. And it
20 will be more than half a million soon.

21 It has created billions of dollars of private
22 investment in the San Fernando Valley and downtown in
23 Hollywood and has been -- that's why nearly 70 percent of
24 the people who used to hate this project just loved it. I
25 just think that's a compelling story for us to keep in

1 mind and the work you're doing.

2 I, of course, support the EIR. I think this is
3 going to be big move. I'm very pleased with the sensitive
4 way you're dealing with the downtown station and saving
5 Roeding Park.

6 I think the mitigations and the problems, when
7 you compare it to, say, the 41 freeway plowing through
8 Fresno between Fresno and 1st Avenue all the way from
9 downtown, this is minimal and mitigable. And good luck to
10 you. Thank you.

11 CHAIRPERSON RICHARD: Thank you very much.

12 TJ Cox. Sir, do you wish to speak on this item
13 the EIR?

14 MR. COX: Yes.

15 CHAIRPERSON RICHARD: Okay. And then followed by
16 Sue Habeld.

17 Good morning, sir.

18 MR. COX: Good morning, Chairman, members of the
19 Board. Thank you very much.

20 My name is TJ Cox. I'm a personal property owner
21 whose property and business will be affected by the
22 realignment of the freeway. It's moving west to make way
23 for the high speed rail.

24 Even though I will be adversely affected and this
25 is where the rubber hits the road, I'm in full support of

1 high speed rail. Because the fact of the matter is I will
2 take the capital that I'm reimbursed for my property or
3 compensated for my property and I'll invest that in other
4 places. I will create more jobs and frankly I'll find a
5 better location.

6 So I'm all in favor of high speed rail. I thank
7 you for your efforts.

8 CHAIRPERSON RICHARD: Thank you, sir.

9 I hope I pronounce -- Sue Habeld; is that right?

10 MS. HABELD: It's Sue Parechan Habeld.

11 CHAIRPERSON RICHARD: I'm so sorry. Okay.

12 MS. PARECHAN HABELD: That's okay.

13 And I'm here representing my family who is in
14 farming and they are off of 99. And I did just notice
15 that if it does weave in a certain direction, then you're
16 impacting a lot of property because we are on both sides
17 of the railroad.

18 And this is a four generation farming operation.
19 But besides us, we're taking away a lot of other people's
20 businesses that's so important. And they're productive
21 businesses. And a lot of them you can give them money for
22 their property, and they can't go anyplace else. Some of
23 these people have had nurseries and hardware stores or
24 something for 30 years. And they can't afford to go
25 anywhere.

1 But I want to take a common approach to this.
2 And I'm saying if there was -- if I had a private business
3 and let's just call it Amtrak. And I had a Board and I
4 was talking and I was telling them, you know, we're going
5 to start this. We're going to feed it, clean it, maintain
6 it. And then it wasn't doing very well, so I called the
7 Board back and I said, okay. We're going to do something
8 different. We're going to put in a high speed rail.
9 We're going to make it go further. We're going to make it
10 go faster. And we're going to maintain it. We're going
11 to do all of this. From the Amtrak, we have all these
12 fancy smart people that give me a ticket and said this is
13 how much you have to pay to make it -- for us to make a
14 profit.

15 Then we go to the high speed rail and you're
16 going to have another ticket that's going to be so
17 expensive. I don't see where you're going to get all of
18 these people to use this all the time for -- if you're
19 taking your family, let's say, and you're going to go to
20 L.A. or San Francisco, it's just not feasible.

21 The State of California is in trouble as it is.
22 I think jobs are good, but I think that you're trying to
23 get -- you're trying to do it the wrong way because I
24 don't think this is going to make it. And I think you're
25 going to be hurting a lot of people. Thank you.

1 CHAIRPERSON RICHARD: Thank you, ma'am.

2 My next card was from somebody who said they
3 wanted to speak on Item 4, which is not the EIR/EIS. And
4 that's from Dan Dolan. If that's incorrect, then come
5 forward now. Otherwise, we'll have you speak in the next
6 general public comment session.

7 MR. DOLAN: That's correct. Item 4.

8 CHAIRPERSON RICHARD: Then next we have Scott
9 Birkey, followed by Jerry Brozell, followed by Ed Gravlin.

10 MR. BIRKEY: Good morning, Chairman Richard,
11 Board members, and staff.

12 We have prepared a set of comments that I'll read
13 to you this morning. And I've given it to your Secretary
14 earlier, so she has a hard copy of those.

15 My name is Scott Birkey, and I'm a lawyer at Cox,
16 Castle & Nicholson in San Francisco. I represent the
17 organization Preserve our Heritage, POH.

18 POH is a group of farmers and other agricultural
19 interests from the Madera and Merced area of the Central
20 Valley. Its members have lived and farmed in this area
21 for generations and they pride themselves on being good
22 stewards of the land.

23 As members of this Board are well aware, POH has
24 been very involved in the environmental review and
25 planning process for the Merced to Fresno section of the

1 high speed rail project. POH members have served on
2 technical working groups, participated in innumerable
3 public meetings, and offered several suggestions on how
4 high speed rail could work within our community.

5 Despite our efforts to reach an agreement on a
6 proper alignment, today, the Authority stands poised to
7 adopt an alignment for the Merced to Fresno section that
8 will do great harm to the agricultural lands that anchor
9 the areas, communities, and provide food across the
10 country.

11 As our letter commenting on the final EIS/EIR
12 explains in detail, we think the document is fatally
13 flawed for several reasons. Two of those flaws are: One,
14 its failure to consider a reasonable range of alternatives
15 that are consistent with project objectives; and two, it's
16 improper exclusion of analysis of the SR 152 Y.

17 We urge the Authority to consider alternatives
18 that are consistent with the project objectives of using
19 existing transportation corridors to minimize impacts to
20 agriculture and natural resources. The EIR/EIS has failed
21 to take this project objective seriously.

22 The preferred alternative, the so-called hybrid
23 alternative, may use a portion of existing transportation
24 corridors, but its wide swing to the east of Highway 99,
25 its proposal to implement the west Chowchilla design

1 option, and its proposal to expand the 21 Avenue or 24
2 would still disrupt hundreds of acres of important ag
3 lands.

4 Let me just conclude with one final thought, if I
5 may.

6 CHAIRPERSON RICHARD: Thank you, sir.

7 MR. BIRKEY: For POH members who reside in the
8 project area, farming is more than a means to make a
9 living and support our families. It's a way of life
10 passed down from generation to generation. And it's an
11 integral part of our area's economy, supplying revenues
12 and significant support for our school, water, and special
13 districts.

14 We believe the EIR/EIS is woefully inadequate in
15 painting a proper picture of what kinds of impacts will
16 flow from the decision you are about to make.

17 The Authority can and should do a better job of
18 evaluating this alignment and its environmental impacts,
19 particularly in light of the alignment's effects on the
20 area's farming communities. Thank you for your time.

21 CHAIRPERSON RICHARD: Thank you, sir. I know we
22 have your letter. I believe we have your letter in our --

23 MR. BIRKEY: Yes. I confirmed with the Secretary
24 this morning. You should have my letter.

25 CHAIRPERSON RICHARD: We have that.

1 MR. BIRKEY: Thank you very much.

2 CHAIRPERSON RICHARD: Jerry Brozell, followed by
3 Ed Gravlin, followed by Baldwin Moy.

4 MR. BROZELL: Thank you. I'd like to thank the
5 Board for all their hard work in all this. And I'm in
6 favor of the EIR from Madera to Fresno.

7 I wanted to point out that a few blocks from here
8 at the Southern Pacific Depot, 30 years ago, the Native
9 Daughters of the Golden West put a plaque on the wall
10 there. And I'd like to read something from their plaque.
11 It says, "The railroad founded Fresno, brought settlers
12 and shipped their crops, developing this desert into the
13 agra business capital of the world."

14 Now, it's certainly true the railroad was here
15 before all of us, and it's the base and foundation of
16 Fresno. And we know transportation is the backbone of any
17 economy. It certainly was for Fresno and it will continue
18 to be whenever the high speed rail is put there.

19 Now I would like to simply ask whenever the new
20 station is there that they take this plaque and put it
21 somewhere in a prominent location. Thank you.

22 CHAIRPERSON RICHARD: Thank you, sir.

23 Ed Gravlin, welcome. Followed by Baldwin Moy,
24 followed by Amanda Carvajal.

25 MR. GRAVELINO: Thank you, Mr. Chair, members of

1 the Board.

2 I'm shocked actually after 14-and-a-half years --
3 I remember the first meeting in October of '97 at the PUC
4 headquarters in San Francisco. To think we're in a place
5 where we're certifying the first EIR is really something.
6 Congratulations to you all.

7 And thank you for the work you've done. Very
8 appreciative of the tenor that has changed over the last
9 several months and the outreach process and the way in
10 which I believe the issues that are real and they're valid
11 that have been spoken before you today are being
12 mitigated.

13 And I just noticed in a number of opportunities
14 in visiting other systems around the world the farming
15 issue is a huge issue. In every system we visit, those
16 issues have been mitigated to a great extent. Thank you
17 for the work you're doing.

18 I'm excited about what's going to happen in in
19 future. I recall long enough ago when highway 168 and 180
20 were determined to be roads to nowhere. And those
21 highways are just part and parcel of the great
22 infrastructure that we built in Fresno County since then.
23 And I believe high speed rail is going to be another key
24 piece to that.

25 Again, thank you for the work you've done. I

1 know it's been really tough the last six months.

2 Appreciate all you're doing. Thank you.

3 CHAIRPERSON RICHARD: Thank you, sir, for your
4 service on this body. And I know we are building on the
5 foundation you helped lay. We appreciate that.

6 Mr. Moy, good morning.

7 MR. MOY: Good morning, Mr. Chairman and members
8 of the Board.

9 Baldwin Moy, California Legal Assistance with the
10 Statewide Farmworker Legal Services.

11 We join in acknowledging the efforts of both the
12 Board and staff.

13 Just briefly, people who kind of talk gloom and
14 doom about this project really have no sense of history.
15 The two biggest single federal expenditures in this
16 country were the transcontinental railroad and the state
17 highway system.

18 Before the transcontinental railroad, it cost
19 nearly \$1,000 in today money to travel from the east to
20 west. After the completion of the railroad, it cost \$150.
21 Currently, one-third of all auto travel in this country
22 occurs on federal highway. The mantra that the high speed
23 rail should pursue only self-sustaining is not only
24 penny-wise and pound foolish, but it's really
25 disingenuous. Whether you walk, bike, travel by boat or

1 fly, they are all government subsidized, both in terms of
2 initial infrastructure outlay, maintenance, and upkeep.

3 I want to address the issue actually of
4 significant benefits, which is often overlooked in the EIS
5 and EIR. The high speed rail has been based on an
6 economic narrative. And members of a disadvantaged
7 community which we represent want the living wage jobs.
8 But not only the living wage jobs, but also the training
9 that gets them to the living wage jobs. They want the
10 increased opportunities. They want investments in their
11 community. And oftentimes, the windfall -- the economic
12 windfalls that we talk about when we begin to talk about
13 how this is going to be the economic engine that drives
14 the renaissance in the Central Valley overlooks the
15 disadvantaged communities.

16 Let me -- I realize my two minutes are up.

17 Let me conclude by saying that we think that the
18 efforts can be accomplished by: One, supporting a project
19 labor agreement, but the project labor agreement has
20 robust community input and participation in fashioning and
21 developing disagreement; secondly, that there should be a
22 local recruitment station active at the alignment site.
23 This project can be a model for an entire project. And
24 lastly, but certainly not least, is that there needs to be
25 robust community input and participation both in the

1 monitoring and compliance. Thank you.

2 CHAIRPERSON RICHARD: Thank you, Mr. Moy.

3 Amanda Carvajal. I hope I pronounced that
4 correctly. How did I do?

5 MS. CARVAJAL: Very well, actually. Kind of
6 rare.

7 Amanda Carvajal, Merced County Farm Bureau,
8 Executive Director. On behalf of Merced County Farm
9 Bureau, I would like to respectfully ask that the Board
10 deny the certification tomorrow on the final EIR.

11 We at the Farm Bureau have been very thorough and
12 diligent in reviewing the draft EIR and the final EIR
13 comments. And there are a few things we want to address,
14 but ultimately we were overall largely disappointed in the
15 response by the Authority. They were very generalized
16 comments. We went to specifics noticing several animal
17 facilities operations that would never mentioned in this
18 report, which is just asinine for a project of this scope.

19 As can be seen in a letter submitted joint by
20 Merced County Farm Bureau and Madera Farm Bureau and our
21 legal counsel, we have thoroughly reviewed, like I said.
22 And you should take notes of everything that's included in
23 there.

24 Also, it's rare that Merced County Farm Bureau or
25 any Farm Bureau references that the EPA wrote a fantastic

1 letter in the draft EIR that addresses several concerns.
2 Everything from sprawl, water issues -- you name it. They
3 even referenced the ag and dairy impacts and how the
4 permitting process. We really think there's concern that
5 you guys need to fully address these issues before moving
6 forward with this project.

7 And the last thing I want to point out is in the
8 report by staff, they mentioned that the hybrid route was
9 by EPA and the Army Corps of Engineers said it was the
10 least impactful -- the hybrid route was the least
11 impactful according to the Clean Water Act. Interesting
12 enough, they didn't mention everything else that the EPA
13 said about those hybrid and all of the routes in general.
14 It is an extensive report, and I hope you guys take notice
15 of it before you make any further decisions.

16 Thank you so much.

17 CHAIRPERSON RICHARD: Ms. Carvajal, I did read
18 the letter from your counsel representing you and your
19 colleagues and Merced County Farm Bureau. And I just
20 wanted to ask: Is there a difference among the three
21 route options that we're looking at in your mind in terms
22 of superior alignment?

23 MS. CARVAJAL: We have endorsed A-2 along 99 UP
24 as well as 152. We have some discrepancies in the
25 agreement whether or not the Y should be included in the

1 project, obviously, but we want to keep it. And we
2 actually are working with the Authority on trying to come
3 up with a better opportunity for the Y because we
4 understand all of the issues that come with the speeds
5 that have to go into the radius and all of that. But even
6 then, right now, it's not addressing everything that it
7 should be.

8 CHAIRPERSON RICHARD: All right. Thank you very
9 much. I appreciate that.

10 Is it Anja Raudabaugh?

11 MS. RAUDABAUGH: Close. My name is Anja
12 Raudabaugh with the Madera County Farm Bureau.

13 Mr. Chairman and members of the Board, good
14 morning. On behalf of our two farm bureaus, Merced and
15 Madera, that stand to be most effected by the segment of
16 the rail alignment, we submit formal comments, response to
17 the final EIR/EIS, for inclusion in the administrative
18 record, which I note that you've seen.

19 Comments included in the administrative record
20 from our mutual Bureaus have but one logical purpose: To
21 ensure that all avenues, both legal and political, remain
22 open to those in desperate need of righteousness in the
23 face of this impeding project.

24 Our comments today, however, reflect not a legal
25 agenda, but an agenda pleading for the recognition of the

1 quality of life in our two counties. We urge the Board to
2 deny certification of this flawed final EIR/EIS.

3 Citizens, businesses, and local governments in
4 our two counties rely on agriculture for the prosperity
5 and way of life. To disrupt this bedrock system of food
6 production in such an unnecessarily destructive manner as
7 this segment of the project sets out to do is to seal a
8 permanent economic blight and ensure a poor, substantially
9 diminished quality of life.

10 We recognize the need for this project in this
11 state is very great. But so, too, is the need to continue
12 living as productive citizens in our unique one-of-a-kind
13 valley.

14 If you feel we're being dramatic about the level
15 of impacts this project will have on agriculture, I invite
16 you to read our comment letters, along with those from
17 Preserve our Heritage, the California Farm Bureau
18 Federation, Kings County Farm Bureau, and Citizens of the
19 Bay, so many others who also have thoughtfully considered
20 detrimental effects this project will have on our entire
21 agriculture economies. The word dramatic doesn't usually
22 enter the minds of our Farm Bureau members who are rather
23 miserly with their money when they're proving vast amounts
24 of money for us to write letters and pay attorneys.

25 For your Board to ignore this plea, you would

1 also ignore the overwhelming mountain of comments and
2 evidence of the true impact this project will have as
3 envisioned in the valley.

4 There is an historic opportunity here. The
5 Authority needs to decide how it wishes to distinguish
6 itself in the annals of despondency. You can be
7 forward-thinkers, trying to solve a transportation crisis
8 by sabotaging a few, or cautious deliberate proceeding
9 slowly with the best interests of all those involved.

10 If your Board were to certify this document
11 tomorrow, it will effectively sabotage the entire project
12 and program itself. Be it evidence against the project's
13 legality has reached an apex of consequence, consequences
14 that will be foreboding in the court of public opinion.

15 On behalf of all our members, we must ensure that
16 our plea is heard. And we hope for all concerned it's
17 heard today. Thank you.

18 CHAIRPERSON RICHARD: Thank you, Ms. Raudabaugh.
19 Ed McIntyre and followed by Silvio Manuo.

20 MR. MC INTYRE: I don't have comments pertaining
21 to this item.

22 CHAIRPERSON RICHARD: I'm sorry, sir.

23 MR. MC INTYRE: I'll reserve them for the public
24 comment.

25 CHAIRPERSON RICHARD: Yes. Okay. Thank you.

1 MR. MANUO: Yes. Good morning, Mr. Chairman,
2 members of the Board. Thank you for the opportunity to
3 speak.

4 My name is Silvio Manuo. I'm the President of
5 Forestiere Underground Conservancy.

6 The Conservancy was established in 1978 to ensure
7 the preservation and restoration of the Forestiere
8 Underground Home and Gardens. Its purpose is to conserve
9 the historical, cultural, and ecological significance of
10 this unique California registered historical landmark.

11 The Conservancy feels deeply committed to the
12 preservation of one of the most historical landmarks in
13 the Central Valley, visited by scores of travelers from
14 around the world each year. Already hemmed in by
15 fast-food restaurants, gas stations, and hotels while
16 flaunted by Shaw Avenue, a major thoroughfare, the fragile
17 Gardens, the valued crown jewel of historical landmarks
18 are beset by a host of environmental threats and face an
19 uncertain future and additional potential threat to the
20 Garden's physical integrity is now posed by the much
21 anticipated high speed rail and overpass plan to sent the
22 high speed rail tracks on Shaw and Golden State.

23 Although the Conservancy is not opposed to the
24 project, per se, it is deeply concerned about the glaring
25 lack of environmental sensitivity exhibited thus far by

1 the California High Speed Rail Authority towards this
2 local historical treasure. The Conservancy vigorously
3 rejects the Authority's conclusion and assertion the
4 project will not engender adverse effects on Forestiere
5 Underground Gardens. The Conservancy finds the proposal
6 as currently drafted speculative and marred by serious
7 ambiguity.

8 Several critical questions regarding the future
9 of historical landmark remain unanswered. The Conservancy
10 is not alone in this declared opposition to the high speed
11 rail project in its present form. Other community
12 entities have expressed similar concerns. It is the hope
13 such concern will be satisfactorily addressed by the High
14 Speed Rail Authority or before any concrete action is
15 taken.

16 Thank you very much for your time.

17 CHAIRPERSON RICHARD: Thank you, Mr. Manuo.

18 Rick Phillips, followed by Kevin Fabino, followed
19 by Kole Upton.

20 MR. PHILLIPS: Thank you, Mr. Richard.

21 I appreciate all the effort that the whole Board
22 has put in on this new proposal. When I look at that new
23 proposal up on the board there, all I see is work. I see
24 work. I see tax dollars coming in. I see a lot of these
25 guys sitting out here in orange outfits out working rather

1 than sitting in on meetings trying to get work.

2 We're all aware there's some naysayers in every
3 project that comes along, from the 99 to 41, in which I
4 personally lost my house when 41 came through back in
5 around 1980. But it was for the betterment of the
6 community. It was for progress. I moved into town. It
7 was a better move for me. I think it's going to be a
8 better mover for everybody. I appreciate Mr. TJ Cox's
9 comment on what he's going to do with his money if he does
10 have to relocate. If everybody manages, they're going to
11 make the best of whatever they have to do.

12 Bottom line is, in the name of progress, we all
13 have to make sacrifices. We need the high speed rail
14 system for the valley. We need to reduce the smog. We
15 need to reduce the congestive traffic.

16 I know you've traveled to the Bay Area or the
17 L.A. area, which I do occasionally more often than I
18 really care to. And you can see the need for an
19 alternative mode of transportation.

20 When I look at this new proposal, all I see is
21 overpasses, roadwork. I see much needed employment, taxes
22 back to the community, bettering our value, putting people
23 to work.

24 I think we need to all stop finding something
25 wrong with every part of progress. We have to do better

1 for our valley and work together in moving forward with
2 this project, putting people back to work. Thank you.

3 Thank you, sir.

4 CHAIRPERSON RICHARD: Thank you, sir.

5 Kevin Fabino.

6 Mr. Fabino, I see your card says you're
7 representing the city of Chowchills. I should have moved
8 you up to the public officials portion of public comment.

9 MR. FABINO: That's quite okay.

10 Mr. Chair, we appreciate the opportunity to be
11 here before you.

12 We did submit a letter this morning, and we hope
13 that you will accept that as part of our comments.

14 CHAIRPERSON RICHARD: Okay.

15 MR. FABINO: That being said, Mr. Chairman, we in
16 Chowchilla appreciate the opportunity to be standing
17 before you to have this public discussion. We think it's
18 important and vitally important as we move forward from a
19 public policy as you're about to consider and deliberate
20 independently on tomorrow's event.

21 But we also wish to know that we, at this time,
22 are requesting that you postpone that decision. We think
23 that the idea of the Ys not being included in the
24 discussion today prohibits the city from wholly
25 understanding the project.

1 We don't believe that we have at this time the
2 ability to evaluate independently the environmental
3 analysis in terms of its direct, indirect, or cumulative
4 impacts associated with the lack of the Y discussion as we
5 have today. Chowchilla is uniquely located within your
6 system, and we believe that's critical to not only your
7 project, but the survival and the health and quality of
8 life for our community.

9 We also think as you've heard earlier today there
10 are viable alternatives that should have been considered
11 that, in fact, we believe are environmentally superior and
12 could, in fact, eliminate potentially about eight miles of
13 track along the 99 corridor. That being said, that's also
14 part of our written comment before you.

15 So let me touch on something you maybe haven't
16 heard. We do believe that the mitigation measures that
17 are presently before you in the mitigation measure and
18 monitoring checklist are inadequate. And they're
19 inadequate -- and let me just reference in two ways.

20 The first, you heard from your consultant who
21 eloquently discussed impacts of traffic circulation,
22 aesthetics, safe routes to schools. In the very
23 presentation, you've heard none of that related to the
24 city of Chowchilla. Yet, we have children that cross the
25 railroad. We have children crossing 99. And we have all

1 of the same environmental concerns that weren't addressed
2 in the mitigation.

3 Lastly, if you chose to use a mitigation as you
4 go prospect, which is reasonable and we think that is what
5 will happen if you come through the city of Chowchilla, we
6 just want a better understanding how that would be
7 mediated. Meaning, if you have a technical consultant and
8 we have a technical consultant and they're at odds with
9 how it should be constructed, how is that then mediated
10 with no clear understanding of the analysis and/or
11 mitigation measures in place as a work in place as we go
12 forward?

13 I thank you for your indulgence of the extra
14 time. I think the issues we raised today can be very
15 quickly and responsively managed in allowing you to move
16 forward. Thank you, sir.

17 CHAIRPERSON RICHARD: Thank you, Mr. Fabino. We
18 would hope so, too. We appreciate your presentation this
19 morning.

20 Kole Upton. Mr. Upton, nice to see you again,
21 sir.

22 MR. UPTON: Nice to see you, Mr. Chairman and
23 members of the Board.

24 I appear today in several capacities. One as an
25 individual, but also the director of the Chowchilla Water

1 District and the Grand Avenue Water District and Preserve
2 our Heritage Organization. But also I think I qualify as
3 a consultant the number of hours I've worked. And
4 unfortunately, Mr. Chairman, you haven't decided to pay me
5 yet.

6 I present today -- I'll give it to the young lady
7 over there -- the letter from Chowchilla Water District,
8 which I believe you have, but also a certified transcript
9 of the Coordination Meeting we had between the FRA, your
10 group, and Chowchilla Water District on February 15th of
11 2012.

12 As an individual, probably one of the happiest
13 decisions that you made was to put the Y into the San Jose
14 to Merced group. I felt like it was a stay of execution.
15 The hybrid is a true hybrid in several senses. The fellow
16 from Azteca was pretty happy because they went around him.
17 They worked with him.

18 If you go north of that, I'd say you have
19 practically unanimous opposition to some of the
20 alternatives. So I was happy that they did that. And I
21 have to give a compliment to some folks on your staff I
22 hope that's okay.

23 CHAIRPERSON RICHARD: Yes, sir.

24 MR. UPTON: One, Board Member Tom Richards in the
25 Valley has been very open to discussions, and as has Mr.

1 Kennerley -- Gary Kennerley of Merced to San Jose has been
2 working; Jeff Ambercrombie, we had a good meeting with
3 those two on Monday. Mike Lynch, one of your consultants
4 in the area, has been very good.

5 And I probably owe an apology to Dick Wissel. We
6 had some pretty frank discussions over the past three
7 years, and he's been a gentleman the whole time.

8 So anyway, I'm hoping we can work this out on the
9 Y connection. I think there is a solution there. But
10 it's going to require I think maybe a little bit of a
11 direction from the Board to get us there.

12 So thank you.

13 CHAIRPERSON RICHARD: Thank you, Mr. Upton.

14 I just want to say that even though you've had
15 some pretty strong feelings about this project, you've
16 been a gentleman also. And we appreciate that.

17 Loren Harding, followed by Mark Kyle, followed by
18 Marvin Mackin.

19 Sir, it's nice to meet you. We've been
20 corresponding by e-mail. Nice to see you in person.

21 MR. HARDING: We spoke for 30 seconds on February
22 13th.

23 CHAIRPERSON RICHARD: Yes, sir.

24 MR. HARDING: Anyway, I'm are Loren Harding. I'm
25 a resident of northwest Fresno. My home will be 1.5 miles

1 to the northeast of your Shaw Grade crossing.

2 Hopefully, I won't hear the trains at that point.
3 I've driven extensively late at night every inch of that
4 to see what's between me and the tracks.

5 My comments were contained in a letter -- e-mail
6 I sent to you Sunday and Monday. I made 40 comments back
7 on October 13th on the draft EIR, and I'd like to point
8 out a few things about the responses in the Final EIR.

9 I asked for an intrusion barrier. The intrusion
10 barrier you will build for two miles between Ashland and
11 Clinton separating the UP railroad from the high speed
12 rail to prevent a derailing train hitting the other train.
13 I wanted that for 15 miles through Fresno. No. It will
14 only be for two miles. I think that's unfortunate. Very
15 unfortunate.

16 I wanted an express bypass out to the west of
17 Fresno, between Fresno and Kerman that the high speed rail
18 passenger express trains would run on. That will do us no
19 good. They won't stop in Fresno. That's denied. That
20 won't be done.

21 We're going to have high speed freight trains at
22 some point, as you saw my e-mails. They can run on that,
23 too. That won't happen. They'll be barreling through
24 Fresno.

25 I wanted slower speeds inside the existing cities

1 of the Central Valley as slow as they'll be on the
2 Pennsylvania. No. They'll come through Fresno at 217
3 miles per hour, 20 trains per hour, ten in each direction.
4 Most of those will be express trains, and they'll be going
5 217 miles an hour. The response was that by degrading the
6 performance, the project would not fulfill its intended
7 purpose if you slowed down in the Central Valley.

8 I wanted a listed of hazardous materials on the
9 UP railroad. No.

10 Upgrade the UP tracks through Fresno. No way.

11 Fourteen foot sound walls throughout Fresno. No.

12 I wanted an underpass at Shaw. No. It will be
13 an overpass.

14 So on and so on.

15 I'll leave my letter today with you folks.

16 I just want to say in closing, I have always
17 favored it. I still favor high speed rail. I think we
18 need it in California. This is an isolated valley. It
19 will be great for the Central Valley. It could just be a
20 little bit safer and a little bit quieter if you were to
21 adopt my suggestions through Fresno.

22 But I'm a big fan of it, a supporter, and I hope
23 it goes through. Thank you very much.

24 CHAIRPERSON RICHARD: Thank you very much, Mr.
25 Harding.

1 Mark Kyle followed by Marvin Mackin, followed by
2 Dick Adams.

3 MR. KYLE: Good morning, Chair Richard and Board
4 members.

5 My name is Mark Kyle with Operating Engineers.
6 Governmental attorney with Operating Engineers.

7 Three data points for consideration. Heard a
8 report this morning about home foreclosures here in the
9 United States. There's been over 1.2 actual foreclosures
10 in the United States since the beginning of the great
11 recession. California ranks in the top three of those
12 worst affected by home foreclosures. That's not
13 considering the millions that have gone -- started the
14 home foreclosure process. The Central Valley ranks at the
15 top of those areas within California where people have
16 lost their homes.

17 Second report recently released within the last
18 four weeks by the federal government ranking air quality
19 throughout the United States. Here in California, the
20 worst air quality in the state is here in the Central
21 Valley.

22 Third is a report of the national organization in
23 Texas that ranks traffic problems throughout the
24 United States. Two of the four worst traffic congested
25 areas in the country are here in California. Clearly, we

1 have a lot of problems in this state.

2 We have over 20 million -- 20,000 members here in
3 California; 35,000 total. Thousands of them live here in
4 the Central Valley. They all want to stop the
5 hemorrhaging of homeownership. They want to clean up the
6 air and breathe clean air here in the Central Valley, and
7 they want to improve transportation throughout California.

8 Seventy-five years ago, it was mentioned, the
9 California Golden Gate Bridge was built during the depth
10 of the depression. There were naysayers. There were lots
11 of naysayers. Couldn't be done. It was too difficult.
12 Engineering couldn't be figured out. There wasn't enough
13 money.

14 And there was a dawdling recalcitrant Legislature
15 at that time. We stand ready to work with this Board,
16 commend its efforts, and the Board staff to build this and
17 make California a better place to live. Thank you.

18 CHAIRPERSON RICHARD: Thank you, Mr. Kyle.

19 Next speaker is Marvin Mackin -- excuse me,
20 sir -- and followed by Dick Adams followed by Douglas
21 Thornton.

22 MR. MACKIN: Thank you very much for the
23 opportunity to speak with you today.

24 In '09 -- late '09, early 2010, I was encouraged
25 to go to a meeting on high speed rail in Merced at the

1 senior center there. And during that meeting, the plans
2 for the alignment of the station in Merced were discussed.
3 And at that point, the decision -- the plan was to build
4 an elevated station between R Street and M Street.

5 And what encouraged me to come to that meeting
6 was the fact I got a soil sample notification that they
7 wanted to take soil sampling on my property.

8 I operate a Taco Bell restaurant on Martin Luther
9 King at the corner of 15 Street. And we built that
10 restaurant in 1992, and I just recently remodeled it and
11 renewed the franchise for 20 years.

12 When I'm coming here today to tell you is your
13 notification process is not working. I have not been
14 notified of any of these meetings. I finally heard that
15 there was an environmental -- I mean -- environmental
16 review process going on down here in Fresno today. And I
17 looked online to see what has been going on with the
18 railroad station. To my chagrin, the station had moved
19 from that location to where you have it today, between
20 Martin Luther King and G Street, which includes my
21 property.

22 And I wouldn't have made the damn investment to
23 remodel my restaurant if I had been told by someone --
24 even the City staff -- because I had to go through the
25 planning process to do all this remodeling on this

1 restaurant to get a franchise renewal for it for another
2 20 years.

3 And where did the process break down? How come
4 people in Merced haven't been notified? I don't think
5 there is another businessperson here today that realizes
6 their businesses are going to be taken between the Union
7 Pacific tracks and the freeway. You even got Costco taken
8 out. It's on the plan to take the Costco location and all
9 of the businesses that are between the Union Pacific
10 tracks and the freeway. All of them.

11 Why have you guys decided that, to move that
12 station to that location? If you had left it where it
13 was, you wouldn't effect any -- hardly any business,
14 hardly none. But now you're taking out virtually all of
15 the retail between G Street and R Street. You're actually
16 going further. On the plan is to take the Costco location
17 also. So I'm just -- I can't imagine why you haven't been
18 communicating to the people that own business in Merced.

19 Thank you.

20 CHAIRPERSON RICHARD: Thank you, Mr. Mackin. I
21 can assure you we are going to follow up with the staff on
22 those concerns.

23 Dick Adams, followed by Douglas Thornton,
24 followed by Matt Treber.

25 Mr. Adams?

1 Douglas Thornton?

2 Then Matt Treber.

3 MR. THORNTON: Mr. Chairman, members of the
4 Board, good morning.

5 My name is Doug Thornton. I'm a life-long
6 resident of the Central Valley. I'm also a lawyer. I
7 represent farmers and business owners, both in Madera
8 County and also in Fresno County.

9 I'm also a property owner that's being impacted
10 by high speed rail. And I have a few comments regarding
11 why my clients and myself believe that the EIR/EIS is
12 fatally defective.

13 The first point that we feel there is a
14 substantial problem and that is that the current EIR/EIS
15 is using old technology. It's using technology that was
16 developed in the 80s. And the earlier studies that were
17 done utilizing this old technology essentially eliminated
18 the I-5 corridor because of the trunks and branches.

19 However, the new technology that is being used
20 around the world by high speed rail is AGV technology.
21 The AGV technology essentially allows the cars to be
22 powered themselves and allows for a trunk and branch
23 system.

24 The current EIR/EIS does not discuss that
25 technology, does not adequately address the elimination of

1 the I-5 corridor. And we believe that that is one of the
2 grounds that this is fatally defective. In essence,
3 you're spending a lot of money to build, let's say, a new
4 car, but you're using technology that existed 35 years ago
5 in Detroit. And we feel that's a huge mistake by the
6 Authority.

7 Number two, there is only one route that is being
8 discussed from the San Joaquin River to Fresno. In order
9 to be an effective EIR/EIS, alternative routes have to be
10 discussed, but you only have one route. And
11 interestingly, my client has provided alternative routes
12 both on the Madera side and also on the Fresno side that
13 have been completely dismissed by your staff.

14 On the south side -- and I'll wrap this up
15 quickly, Mr. Chairman.

16 On the south side, there is a route that
17 effectively goes through vacant land. But for some
18 reason, the Authority staff has chosen to align the route
19 so that it displaces businesses and property owners in
20 Golden State Highway in order to preserve a proposed
21 powered shopping center that is not even built. And on
22 the Madera side, we provided an alternative route that
23 saves ag land. Neither one of those routes have been
24 addressed adequately. You just have simply one route
25 that's being looked at in Fresno, and that's not going to

1 be adequate for the EIR/EIS process.

2 We would request that the Authority take some
3 more look at this, take a look at the technology that
4 exists today before making this huge investment by the
5 State of California. Thanks.

6 CHAIRPERSON RICHARD: Thank you, Mr. Thornton.

7 Matt Treber, followed by Marvin Dean, followed by
8 Bill Bowker.

9 MR. TREBER: Thank you, Mr. Chairman and members
10 of the Board.

11 My name is Matt Treber. I'm representing the
12 Madera County Planning Department and the Board of
13 Supervisors as well for Madera County.

14 I just wanted to make you aware for the record of
15 a letter I submitted this morning to your staff, and I
16 will not read it into the record for benefit of the time.

17 I would just simply ask for you and your staff's
18 consideration of that letter prior to acting on the
19 document before you. Thank you.

20 CHAIRPERSON RICHARD: Thank you. And I apologize
21 for not moving you up to the front.

22 Mr. Dean.

23 MR. DEAN: I want to first of all welcome the
24 Board for coming to our Central Valley and hearing the
25 concerns of our people here.

1 I handed out a package. I'm going to be speak
2 briefly to the information that's in that package.

3 I want to say the reason why I'm speaking now on
4 the EIR process is that I live in an environmental justice
5 community. I'm a small business and environmental justice
6 business. I serve on the Air District as the
7 Environmental Justice Task Force.

8 During the draft report, we made several
9 recommendations concerning environmental justice
10 communities throughout the Central Valley. These are
11 typically poor communities, low income, people of color.
12 And my concern -- and what we did is we also submitted a
13 request for mitigation because these communities are going
14 to be impacted. They're voiceless. And we believe that
15 there ought to be efforts on the way to mitigate to make
16 sure those communities are going to be involved in the
17 construction work that's going to come from this project
18 and also the small businesses that are in those
19 communities that maybe second, third, and fourth tier
20 subs.

21 And we believe that more need to be done in order
22 to do outreach to get those communities ready. Because
23 this project is going to be moving so fast that they're
24 going to be not able to be a part of this project if we
25 don't address it.

1 So one of the things we did -- and I want to say
2 this, first of all. I'm not opposed to slowing this
3 project down. I'm not opposed to you not approving this
4 EIR process. I'm only raising the concern, because I'm a
5 strong supporter, like many other people that got here
6 before me and said they will be personally impacted, but
7 they support this project. I'm one of those people. When
8 you come into Bakersfield and go south, my building is
9 impacted. I'll probably lose my property. With that, I'm
10 still a supporter, as long as people are being paid fairly
11 for their equity in their property.

12 But my concern is -- and we've not only put a
13 concern, but we've also put in a recommendation on what we
14 can do. And something that we put forward is called the
15 San Joaquin Valley Construction Academy.

16 I'll summary my closing remarks.

17 It's a job readiness for low income people. So
18 if this is going to be a PLL project, we can create the
19 database of workers ready to be referred to these unions
20 for these apprenticeship programs. So we're reaching out
21 to these unions.

22 And then the other part of it is making sure the
23 second, third tier subs are prepared so we can refer them
24 to the primes and the first tier subs.

25 And I've given you some outlines on that plan

1 I'll be leaving with staff to see how we can work together
2 to see how we can incorporate what we're doing and what
3 you're all doing.

4 So I support the project and appreciate being
5 here.

6 CHAIRPERSON RICHARD: Thank you, Mr. Dean.

7 Bill Bowker, followed by Veronica Stumpf,
8 followed by Ross Browning.

9 MR. BOWKER: Good afternoon, Chairman Richard.
10 And thank you, Board members.

11 I'll be pretty brief. My name is Bill Bowker, a
12 member of LIUNA, my t-shirt says, Laborers International
13 Union of North America Heavy Construction. And we have
14 20,000 plus members in Northern California who are
15 skilled. Most of them are working. A lot of them aren't.
16 We're skilled. We're ready to break ground and work on
17 this project. I want to thank everybody.

18 I actually am from the Merced area. We are
19 looking forward to this. We have supported this project
20 from day one. It seems like many years now.

21 I actually want to compliment you guys. For the
22 last two years, I've been getting more mail, more e-mails,
23 attended more meetings than I actually care to. But I've
24 worked on some pretty big projects starting from the last
25 pipeline. You've got your hands full. This isn't easy.

1 My hats off to you. You've done an excellent job.

2 There's still things to mitigate, I admit, but
3 hopefully we can get this running. I want to make sure
4 that you know that the Laborers' Union supports this
5 project and would like to see the EIR approved and
6 continue to move forward. It's the future. And we want
7 to be a part of it and behind it. Thank you.

8 CHAIRPERSON RICHARD: Thank you, Mr. Bowker.

9 Veronica Stumpf, followed by Ross Browning.

10 MS. STUMPF: Hello. Hi. I'm Veronica Stumpf.
11 I'm a commercial real estate broker for Stumpf and Company
12 Real Estate. And this is regarding the relocation
13 process.

14 I worry that impacted businesses and property
15 owners will decide to shut down their business, will
16 decide to move out of the area.

17 I note that the City Council -- the Fresno City
18 Council will introduce a resolution to prevent this. I
19 note that the Fresno EDC will also be hosting relocating
20 workshops.

21 So I hope that the community can come together to
22 make sure that the negative economic impact does not
23 outweigh the positive economic impact in the long run.
24 Thank you.

25 CHAIRPERSON RICHARD: Thank you, Ms. Stumpf.

1 Ross Browning, followed by Ed Dunkel, followed by
2 Gilberto Montes.

3 MR. BROWNING: Good afternoon, Chairman and Board
4 members.

5 Ross Browning from Laton, California.

6 Sitting in the audience here today, I heard, as I
7 would expect, a lot of pros, a lot of cons, and some
8 cogent comments and some that had absolutely nothing to do
9 with what we're talking about.

10 But I heard no comment -- nobody mentioned
11 anything during the young lady's presentation or any
12 comments about how this -- the current EIR/EIS for this
13 section, how it complies with Proposition 1(a) which is
14 what the state has voted for -- what the voters of this
15 country -- the state have a contract with the State of
16 California in which we said we will give you -- we
17 authorize you to spend X number of dollars. And for that,
18 this is what we want.

19 Well, so far, the X number of dollars, the \$30
20 billion jumped up to 98.5 billion. Then by government
21 fiat, it dropped \$30 billion. And now they say the cost
22 is \$68 billion, but it's actually 68.5.

23 I don't want to pick on little point, but this is
24 not a little point. .5 is more than a half. It's more
25 than half a billion, which means nothing to us. It is

1 \$500 million. So I would like to see that decimal point
2 come back in.

3 So now the range of project is from 68.5 billion
4 to 87 billion. Not bad. More than we asked for. So
5 we're paying more and getting less train.

6 If we look historically at Caltrans and their
7 performance on large construction projects, by their
8 numbers, they exceed their initial estimates by 40
9 percent. So that takes the 68-and-a-half billion dollars
10 and runs it up to \$95.9 billion, up to the range of 117.6,
11 which gets us right back up to the numbers we had before
12 the Governor decided to just chop a hole in it. There are
13 many, many other points, but I think that will do for now.

14 Thank you very much.

15 CHAIRPERSON RICHARD: Thank you, Dr. Browning.

16 Ed Dunkel, followed by Gilberto Montes.

17 MR. DUNKEL: Mr. Chair, members of the Board,
18 good morning.

19 I want to thank you for taking the time to come
20 to our city for your Board meeting. I'm going to bet most
21 of you would like that high speed rail to get here, except
22 for Mr. Richard who is able to walk. But I think it's
23 fair to say it's difficult to get to our city and
24 accommodate travel schedules. High speed rail will
25 greatly improve that.

1 I wholly support this project. I acknowledge my
2 concerned friends who oppose this project, and
3 unfortunately I believe this has become more political
4 than factual.

5 For these friends, I would like to provide a
6 brief history lesson. In 1856, Republican's party founder
7 and platform that federal government render immediate and
8 efficient construction of a transcontinental railroad.
9 This was acted on and put in place by maybe the greatest
10 Republican of all time, Abraham Lincoln.

11 President Lincoln initially signed the project
12 into law, Pacific Railroad Act of 1862. It's interesting
13 to note the proponents labeled the proposed project a
14 "boondoggle" and a "train to nowhere." Does that sound
15 familiar?

16 What the railroad did is link the east coast and
17 west coast with the rapidly growing California. And the
18 project has been labeled the greatest technological feat
19 of the 19th century.

20 In 1956, another great Republican, President
21 Eisenhower, signed into law the Federal Highway Act. This
22 created today's interstate highway system. President
23 Eisenhower considered it one of his most important
24 achievements in his presidency. And I agree. Even during
25 construction, this project was labeled, "The Great Big

1 Highway Bungle." It has challenges and it was addressed.
2 These challenges will happen today and they will be
3 addressed. And this created the best highway system in
4 the world, and it is labeled the greatest public works
5 project in history.

6 The highway system did and does not come free.
7 Since its inception, it's been supported by gasoline tax.
8 So thoughts that the freeways are not subsidized are
9 greatly misnomer.

10 I'd also like to note that the transcontinental
11 railroad federal highway system and high speed rail did
12 and will provide new jobs to the private sector. This
13 differs greatly from the ARRA funding, which has been
14 greatly used by local, State, and federal agencies that
15 not been the ultimate project impact to the private sector
16 as this project will.

17 With that, I give my support to the EIR. I also
18 ask that you continue to work with farmers and business
19 owners to minimize the projects impacts. I look forward
20 to working with you and looking back in my twilight years
21 and seeing one of the greatest projects of the 21st
22 century. Thank you.

23 CHAIRPERSON RICHARD: Thank you, Mr. Dunkel. I
24 hope it's not your twilight years. That has a bad ring to
25 it.

1 Gilberto Montes, followed by Supervisor Perea.

2 MR. MONTES: (In Spanish) Good morning. My name
3 is Gilberto Montes --

4 CHAIRPERSON RICHARD: (In Spanish) One moment,
5 please.

6 Do we have someone who can translate for this
7 gentleman?

8 Okay. Ask him to start again, please.

9 MR. MONTES: Good morning. And my name is
10 Gilberto Montes.

11 Myself and my neighbors need information on the
12 project in Spanish, because my home is on the alignment
13 and is affected by the project. I need assistance or
14 information. I need assistance or information in Spanish.

15 Thank you very much.

16 CHAIRPERSON RICHARD: Thank you.

17 Supervisor Henry Perea, followed by Lee Ann
18 Eager.

19 SUPERVISOR PEREA: Mr. Chairman, members of the
20 Commission, thank you for being in Fresno today. It's
21 good to be an historic two days. The decision you make
22 tomorrow, many folks in years down the road will look back
23 and think of these two days.

24 I think a lot has been said already in terms of
25 all the things in the past that have happened in the

1 country that have brought us where we are today. You will
2 be making that kind of decision tomorrow.

3 This gentleman just made a very good point. This
4 morning we had an hour-and-a-half meeting with your staff.
5 We're talking about the city and county, working with the
6 EDC and the Authority. We're going to increase our
7 communication efforts with the public and with the
8 business owners, the property owners. We're on the ground
9 every day. We're in support 100 percent of what you're
10 doing. We support your decision tomorrow. We ask that
11 you move forward and enjoy your two days in Fresno.

12 CHAIRPERSON RICHARD: Thank you, Supervisor.

13 Lee Ann Eager, followed by Kristen Kawaguchi.

14 MS. EAGER: Good afternoon. I'm Lee Ann Eager,
15 the President and CEO of Economic Development Corporation
16 serving Fresno County.

17 And we want to encourage you to certify the
18 EIR/EIS tomorrow because this lets us move forward.

19 One of the things we've always talked about is we
20 need to get past this process to say the system is
21 starting. This project is starting. And this is the
22 route that it's going to be at so we can get to that next
23 phase where we starting to put people to work.

24 The ECD -- as Supervisor Perea said, the EDC and
25 the County of Fresno and the City of Fresno and your staff

1 met this morning to talk about how we can outreach to
2 those businesses who are on that alignment.

3 I do want to commend Mr. Fellenz. He came to the
4 meeting this morning. And he really emphasized the fact
5 that we're not talking just about a project. We're not
6 just talking about a training. We're talking about
7 people. This is going to affect people's lives. And not
8 just residents, but also the business owners and the
9 people who want to go to work on this project.

10 We are really looking at putting together a
11 communication department here where we're outreaching to
12 those businesses who are on that alignment, those folks
13 who do live on an alignment so they can get all the
14 information they need in order for us to be able to help
15 them.

16 And the second part of that is we also need to
17 put people to work. I was in Washington, D.C. last week
18 really touting this project at the National Transportation
19 Summit and also on the Hill talking about how we can put
20 our local folks to work. So that's one of our goals is to
21 make sure that we get those folks on the alignment where
22 they need to be to help them know what their rights are
23 and to put our local people to work.

24 Thank you so much for all your efforts.

25 CHAIRPERSON RICHARD: Thank you.

1 Kristen Kawaguchi, followed by Fernando
2 Santillan, followed by Matt Severson.

3 MS. KAWAGUCHI: Good morning -- good afternoon,
4 Chairman Richard and Authority Board members. It's good
5 to see you all again here in Fresno.

6 My name is Kristen Kawaguchi. I am 25 years old.
7 I'm a co-founder of a group called Our Train, Young Voters
8 for High Speed Rail.

9 As I mentioned to you all in previous Board
10 meetings, we are a group of young professionals, students,
11 and supporters that believe in progressive change and
12 investment for our future -- our future. And we support
13 high speed rail and believe that high speed rail is key to
14 our future success.

15 This millennial generation that our group
16 represents has traditionally been overlooked when
17 considering legislation; yet, we are the largest American
18 generation since the baby boomers. And we have bright
19 ideas and strong passions that can change the world we
20 live in today.

21 We are unconventional. We don't follow
22 traditional party lines, and we are interested in things
23 like community engagement, climate change, innovative
24 technology, and most overwhelmingly convenience and
25 connectivity, all of which high speed rail will provide.

1 We are willing to pay for smart phones, plane
2 tickets, and hundred of dollars in gas each month. And we
3 are willing to fight and pay for high speed rail.

4 Since we decided to commit our time towards the
5 mobilization of this group of young supporters for high
6 speed rail, we've been overwhelmed with support from our
7 peers, respected elders, and even our families. People
8 are urging us to continue our efforts on behalf of their
9 grandchildren. And we are prepared to continue to grow
10 the voice of young supporters of high speed rail.

11 We are the political future, whether we're merely
12 voting or working as respected politicians, and we are
13 telling you, we will build it. We will pay for it. And
14 we will ride it.

15 As young trend-setters of the nation, we're
16 paying attention to national issues. We're engaged in our
17 community. And we believe that we're all responsible for
18 leaving the world a better place today than it was
19 yesterday.

20 We believe that high speed rail is an investment
21 into our future. And in a time of such economic hardship,
22 we thank you again for investing in us and our future.

23 CHAIRPERSON RICHARD: Thank you.

24 Fernando Santillan, followed by Matt Severson,
25 followed by David Kennedy.

1 MR. SANTILLAN: Good afternoon, Chairman Richard
2 and members of the Board.

3 My name is Fernando Santillan. I'm a 26-year-old
4 resident of Fresno.

5 I just want to give you a little bit more
6 information about what Ms. Kawaguchi just mentioned about
7 our new organization called Our Train, Young Voters for
8 California High Speed Rail.

9 We started Our Train so that our voices -- the
10 voices of young voters in the Central Valley would be
11 heard and so that the decisions that are made regarding
12 high speed rail are made with our needs and our future in
13 mind.

14 We chose the name "Our Train" because, truly,
15 this is our train and our generation's only chance at
16 modern infrastructure that will make us competitive in a
17 world where inter-connectivity is absolutely essential.

18 We are here today because we know what is at
19 stake, and so do many other people in the valley and
20 across California. What is at stake is economic
21 opportunity, cleaner air, and social and cultural
22 integration.

23 Young voters and young professionals can see the
24 big picture very clearly. And we understand that
25 fact-based objective debate with the big picture always in

1 mind is what is going to make this project as successful
2 and beneficial as possible.

3 We are making decisions on our behalf, and we
4 thank you for your continued leadership and commitment in
5 the face of cynicism and doubt.

6 We, the young citizens, want to be part of these
7 decisions. We are asking for your support and for a seat
8 at the table during the process so that our voices are
9 heard. We bring with us a high level of energy and
10 enthusiasm. And we cannot wait to use it to make a better
11 future for all Californians. Thank you.

12 CHAIRPERSON RICHARD: Thank you.

13 Matt Severson, followed by David Kennedy,
14 followed by Kevin Smith.

15 MR. SEVERSON: Good morning, Chair and members of
16 the Board. Good to see you guys in Fresno.

17 My name is Matt Severson. And I'm a 23-year-old
18 resident of Fresno County and also a co-founder of Our
19 Train, Young Voters for California High Speed Rail.

20 So you've already heard about the momentum we're
21 building, and I wanted to give you a little bit more
22 insight as to how we plan to continue getting young voters
23 involved in high speed rail advocacy.

24 We intend to utilize various forms of the media
25 to bridge the informational gap. And we feel the best way

1 to appeal to our audience is by making informational
2 material relatable to the younger demographic.

3 Our generation is based on connectivity and
4 having information at our fingertips, literally. I don't
5 know anyone in my personal network without touch screen
6 smart phones.

7 In order to rally to support the younger
8 generation, we will bring information to them. Because
9 let's face it, there aren't many people, let alone
10 20-something year olds, willing to sit through day-long
11 Board meetings or read through thousand-page environmental
12 review documents. We will reach out to college campuses
13 and young professional organizations. We will host round
14 table discussions and get young leaders -- the future
15 leaders of tomorrow to the table.

16 Utilizing social media technology, our strategy
17 is to translate material into web tools. We will use
18 Twitter, Facebook, and YouTube as a platform to educate
19 and inform, because we believe the best way to reach our
20 audience is by making content interactive, responsive, and
21 engaging.

22 We are also preparing to launch our website,
23 which will be a one-stop source for young voters who
24 support high speed rail.

25 We ask that the Rail Authority stays transparent

1 and keeps its content up to date so we can continue to
2 disburse the facts.

3 We know that the high speed rail system will
4 positively benefit California. We just have to help
5 spread the message that, for the sake of our future, we
6 can't afford not to invest in high speed rail. This is
7 our train, our generation, our future. Thank you.

8 CHAIRPERSON RICHARD: Thank you very much sir.

9 David Kennedy, followed by Kevin Smith, followed
10 by Randy Ghan.

11 MR. KENNEDY: Good morning, Chairman Richard and
12 members of the Board.

13 My name is David Kennedy. I'm a volunteer and a
14 member of Our Train. I've come from New York City to help
15 ensure this project gets off to a good start.

16 My own personal experience, I've lived overseas
17 for several years of my life. And this time has given me
18 plenty of opportunity to experience life with high speed
19 rail. For my friends and I, high speed rail was a major
20 part of our daily lives.

21 In my own experience, I've ridden high speed
22 trains from the UK to Switzerland for family vacations and
23 traveled from Brussels to Madrid with my high school
24 soccer team. Europe's high speed rail system has made
25 their means of transportation easier, safer, and faster

1 and more efficient.

2 Speaking with my friends that live still
3 overseas, none of them would have ever dreamed about
4 giving up their access to high speed rail. To do so would
5 cut short years of progress that has been made connecting
6 countries and cities that at one time seemed difficult to
7 get to or simply out of reach for the ordinary citizen
8 without flying or taking other means of transportation,
9 like automobiles.

10 In the northeast, where I come from, people use
11 public transportation often, especially in New York City.
12 But without upgrading the systems used, it's hard to keep
13 up with the demand for such transportation methods.

14 I came to California because high speed rail is
15 an important investment for the future, especially for
16 young people. I applaud the efforts with the High Speed
17 Rail Authority and the people of California for working to
18 improve the transportation infrastructure in the state and
19 for breaking ground on the first high speed rail project
20 in the country. And I encourage the Board to adopt the
21 final EIR/EIS.

22 Thank you for your efforts.

23 CHAIRPERSON RICHARD: Thank you very much.

24 Kevin Smith, followed by Randy -- I hope I
25 pronounced it properly -- Ghan, followed by Michael

1 Quisley.

2 MR. SMITH: Good afternoon. My name is Kevin
3 Smith, a co-founder of Our Train, Young Voters for
4 California High Speed Rail.

5 I'm also a fourth generation Californian. Like
6 the generation before me, I see the promise of California
7 and the opportunities it has to offer. Whether it was
8 minors in search of gold, dust bowl minors in search of
9 work, or kids in search of ways to harness the power of
10 personal community, each had a similar story. They were
11 people with nothing in search of something. They saw
12 California, and they liked their odds. Entrepreneurship,
13 innovation and creativity, progress, imagination and
14 resourcefulness, these are the qualities that California
15 rewards.

16 But this is no accident. Generations of
17 Californians have sacrificed their time, land, and
18 fortunes to make investments for future generations who
19 still carry on the traditions of this state. Whether it
20 was canals and dams that turned the valley desert into a
21 moving oasis that feeds the nation or public universities
22 that ensure our best and brightest of access to higher
23 education, California has always had an eye toward the
24 future.

25 Public investments made it possible for each new

1 generation armed with vision and a will to succeed to not
2 only take advantage of emerging opportunities, but to
3 create them. However, detractors of this project argue
4 that it, in fact, creates a burden for future generations.
5 They argue that the price tag is simply too high. It's no
6 secret that California's population is growing, but the
7 amount of investment required to build new lanes of
8 freeway and airport runways far exceed the cost of
9 building this project.

10 The question is not if we will be forced to make
11 the payment, but when. They argue California shouldn't be
12 borrowing money in the current economic climate.

13 California will never have enough cash on hand to build
14 this project or any other project of this level of
15 connectivity. Borrowing is a necessity. What better time
16 than now when yields are at historic lows and investors
17 are looking to the safe harbor of municipal bonds. They
18 argue that the project will require operating subsidies.
19 While the business plan shows this will not be the case, I
20 will as how often has a freeway paid for its upkeep. How
21 often has a bridge paid for it widening. The fact that
22 this project generates revenue is a benefit few other
23 projects can claim.

24 And I'll just finish up quickly. But aside from
25 these claims, the project certainly has tangible benefits

1 that other projects do not have, in a world where speed
2 and connectivity are paramount and high speed rail
3 provides unique opportunities for economic growth and
4 prosperity that can't be reflected in a ticket price. It
5 provides an opportunity for new generations of
6 entrepreneurs and innovators to create the prosperity that
7 so many generations and Californians have looked for in
8 the past.

9 CHAIRPERSON RICHARD: Thank you very much.

10 Randy Ghan, followed by Michael Quisley, followed
11 by Annalisa Perea.

12 Did I pronounce your name correctly, sir?

13 MR. GHAN: Ghan. Thank you, Mr. Chairman and
14 Commissioners.

15 My name is Randy Ghan. I'm the Secretary
16 Treasurer of the Fresno Madera Tulare Kings Central Labor
17 Council representing about 60 unions and approximately or
18 a little greater than 85,000 members in our four-county
19 region.

20 I rise today to thank you for your good work on
21 high speed rail. We are in complete support of your work.

22 One of the tragedies of our Central Valley for
23 the last five years or so has been extremely high
24 unemployment rates. Well, we see in this effort, what we
25 see in this progression towards progress in California is

1 jobs, jobs, jobs. We thank you for that.

2 I look very much forward as a part of your
3 environmental impact report to the next machination of
4 that as an economic impact report some years from now.
5 And it will be a glowing report as to how this project
6 will bring economic impacts, jobs, and good wealth to
7 working people in the Central Valley.

8 We thank you for your work. Thank you.

9 CHAIRPERSON RICHARD: Thank you, Mr. Ghan.

10 Michael Quisley, followed by Annalisa Perea.

11 MR. QUISLEY: Thank you, Mr. Chair, Board.

12 My name is Michael Quisley. I'm here
13 representing the California Alliance for Jobs, 2500 union
14 construction contractors and 80,000 union construction
15 workers across central and northern California.

16 I want to applaud this body for the process that
17 it took to get here. This started in 2009 with the
18 scoping and alternative analysis, a draft EIR, and 60 days
19 of public comment. And I think you see the result of that
20 here today is that the majority of this room is continuing
21 to support this EIR. And I urge your approval of this in
22 moving forward with the project next year. Thank you.

23 CHAIRPERSON RICHARD: Thank you.

24 Annalisa Perea.

25 MS. PEREA: Good afternoon, Mr. Chairman and

1 Board members.

2 My name is Annalisa Perea. I am the daughter of
3 Fresno County Supervisor Henry Perea.

4 If there is one thing my father passed down onto
5 me, it's passion and to always stand up for what you
6 believe in, which is why I'm here today.

7 I'm 24 years old. As a local planner, I can
8 understand the social, economic, and environmental
9 benefits of the high speed rail system. And
10 unfortunately, not everyone, even those here today, can
11 understand those.

12 On behalf of young professionals, I'm here to
13 tell you that we fully support you and all of your
14 efforts. We're very appreciative of it. And the
15 supporters and non-supporters alike can rest assured that
16 we are here. We support this project. And we're not
17 going anywhere. So any time you need help from our
18 generation, we're here. Thank you.

19 CHAIRPERSON RICHARD: Thank you. And I'm sure
20 your father is justifiably proud of you.

21 That concludes the number of speakers that we had
22 who provided speaker cards prior to the commencement of
23 the public comment session.

24 We have received seven cards after that. I'm
25 going to exercise my discretion as Chair to allow those

1 persons to speak.

2 But before that, I'm going to offer us a break
3 for about five minutes -- five to seven minutes and then
4 we'll come back. We will conclude the public comments
5 with those that we have. And then the Board will probably
6 break for lunch in closed session right after that, around
7 1:00, just to help people plan their afternoon.

8 Oh, I'm sorry. Vice Chair Schenk has
9 appropriately asked about the general public comment. And
10 the Vice Chair has made a good suggestion, which is what
11 we'll do is we will take a break now. We will come back.
12 We will conclude with the comments on the draft EIR/EIS.
13 We will close that portion of the agenda. Then we will
14 have the general public comments for people who wanted to
15 talk about other items that were before us today. That
16 looks like that's probably about seven or eight also. So
17 all told, that will probably be about 30 minutes of
18 comments both on the EIR and then on general matters. And
19 then we will take a lunch break after that.

20 So we'll recess for a period of about five to
21 seven minutes, give people an opportunity to refresh.

22 (Whereupon a recess was taken from 12:38 PM
23 to 12:55 PM)

24 CHAIRPERSON RICHARD: Ladies and gentlemen, if we
25 could resume, please. If I could ask people to take their

1 seats, the Board will be back in order.

2 We have some more comments still on the items
3 related to the adoption of the EIR/EIS. So Daniel Barber
4 from the San Joaquin Valley Air Pollution Control
5 District, followed by Liz Kolstad, followed by Rose Ann
6 Martinez.

7 MR. BARBER: Mr. Chairman, Dan Barber, San
8 Joaquin Valley Air Pollution Control District. The
9 comments I'm speaking are on behalf of the District.

10 As presented in the final EIR,
11 construction-related impacts on air quality remain
12 significant after implementing all feasible on-site
13 mitigation measures. And this has potential dire
14 consequences of the San Joaquin Valley's ability to
15 achieve healthy air within the San Joaquin Valley and to
16 comply with federal mandates concerning the Federal Clean
17 Air Act.

18 The district has significant concerns regarding
19 the emissions that would occur during the construction of
20 the project.

21 The valley is facing three key deadlines for
22 demonstrating attainment of the health-based federal air
23 quality standards. In 2004 and 2019, the district must
24 demonstrate attainment of two different ambient air
25 quality standards for particulate matter. In 2023, the

1 district must demonstrate attainment of the current
2 federal ambient air quality standard for the eight-hour
3 ozone standard.

4 Construction of the high speed train is scheduled
5 to begin in 2013, and the related significant emissions
6 will continue through the critical periods of
7 demonstrating attainment.

8 In addition to the serious air quality impacts
9 and related health issues for the residents of the San
10 Joaquin Valley, failure to demonstrate attainment with
11 these standards will result in dramatic and potentially
12 devastating consequences in the form of federal sanctions.
13 These sanctions include the de facto ban on industrial
14 development, the loss of billions of dollars in Federal
15 Highway Funds. These significant emissions cannot be
16 improved without be fully mitigated.

17 The district does want to recognize the Authority
18 and its staff for working closely with the district to
19 correct technical issues within the EIR associated with
20 the characterization of criteria pollutant emissions
21 resulting from construction of the project. The technical
22 issues identified in the district's comment letters have
23 been resolved.

24 The Authority has also been working closely with
25 district staff to develop a path towards mitigation that

1 would accomplish a net zero mitigation standard for
2 construction emissions in the Central Valley. The Air
3 District strongly believes that this is the right
4 approach, given the seriousness of the air quality
5 concerns within the San Joaquin Valley.

6 Based on the Authority's commitment to fully
7 mitigate the project's impacts on air quality within the
8 San Joaquin Valley, the air district requests that if the
9 Board is going to approve the project, the approval be
10 conditioned to reflect this commitment. This can be
11 accomplished by amending the current air quality
12 mitigation measure number four in the Final EIR to require
13 full mitigation of construction-related criteria pollutant
14 emissions for the entire project occurring within the San
15 Joaquin Valley.

16 CHAIRPERSON RICHARD: Thank you very much. Did
17 you finish? Thank you very much, Mr. Barber. And I
18 appreciate not only your comments today, but also the work
19 that you've done. And very good to hear that we've made
20 progress working together.

21 MR. BARBER: We've been very pleased with the
22 working relationship. Thank you.

23 CHAIRPERSON RICHARD: Thank you, sir.

24 Ms. Kolstad. Liz Kolstad, followed by Rose Ann
25 Martinez, followed by Bob Brewer.

1 MS. KOLSTAD: Hello. Thank you for allowing me
2 to speak after the fact.

3 I'm a local business owner here in Fresno. I do
4 not support the train in any way, shape, or form. It's
5 putting local businesses that are in its path out of
6 business. Most of those businesses won't be able to
7 relocate or won't want to. So while you say it's bringing
8 in jobs, it will be bringing in outside jobs, it's my
9 understanding we won't be using that many local
10 contractors to do the work. It will be outside union
11 contracts, which of course, saves money. If those people
12 don't move their businesses to other places, then those
13 people that they employ have also lost their jobs as well
14 for a few outside jobs to come in for this rail.

15 My second complaint is that local businesses
16 haven't been advised of this yet. So I hate to say I
17 think the Council has done a very poor job of advising
18 those local businesses. Personally, I think it's because
19 they don't want any railing against it. So you let it go
20 to its fulfillment and then tell these business, okay,
21 you're actually going to be in the path. Sorry about
22 that. What are they going to do about that? There's not
23 going to be anything they can do that about that.

24 The people voted on a much less expensive train,
25 as people have talked about. If you want people's real

1 feeling on this train, I think you need to have a re-vote
2 on it before you go through all this work. I highly,
3 highly doubt that the people would vote on a \$100 billion
4 train, which doesn't also, as far as I know, include the
5 actual trains. We're just talking about tracks and
6 starting the project here.

7 The problems have not been mitigated for this
8 project, and they can't possibly be mitigated with
9 anything short of scratching this project. We don't have
10 the money for it. We don't need the train.

11 I understand that one of the things that's
12 mandatory for the train is that it go 200 miles an hour.
13 Well, if you stop in Fresno and Madera and Merced and
14 Modesto, it can't possibly go up to 200 miles an hour
15 without stopping, because there's not even 200 miles
16 between those places.

17 I heard many government representatives,
18 officials, Bureau workers speak in favor of the train
19 today, but I haven't heard very many business owners. The
20 few business owners I did hear speak against it, I thought
21 they did a good job. And they speak for many other
22 business owners. Please don't think that because you
23 haven't had a lot of business owners here today -- they
24 don't have the luxury of being here as some of these other
25 people do and be able to call it their job.

1 I don't know anybody personally that's being
2 affected by this that is for this train. Even the ones
3 that aren't being affected by it know that we can't afford
4 the train. I think it is a horrible project. And I
5 really encourage you guys to look at this again and try to
6 spend the money elsewhere.

7 CHAIRPERSON RICHARD: Thank you, Ms. Kolstad.

8 Bob Brewer, followed by Andranigian.

9 Mr. Brewer, are you here?

10 Ms. Andranigian, you're up. It's mainly I have
11 to take my glasses off to read this.

12 MS. ANDRANIGIAN: First of all, thank you for
13 extending the comment period. It's very much appreciated.
14 Thank you. We made sure the weather was nice in Fresno
15 this week for you.

16 Good afternoon and welcome to Fresno. Everyone
17 has a back story in the proposed rail, and this is my
18 family's.

19 My name is Shelli Andranigian, and I represent
20 the Andranigian family. We have lived in Laton,
21 California for 50-plus years and have also owned and
22 farmed a 135-acre parcel of land since 1945.

23 This home place is along the Cole Slough of the
24 Kings River and also part of the proposed high speed rail
25 route.

1 My folks have been humanitarians. They helped
2 Kings River Conservation District, KRCD, save the town of
3 Laton in 1969 when our family furnished dirt to build
4 levees to keep this train town from flooding. My dad also
5 farmed and saved the land of his neighbors, the Annui
6 family, in Kingsburg, California, while they were interned
7 during World War II.

8 We have two properties in the proposed highly
9 high speed rail pathway, the aforementioned 135-acre home
10 place, and a 240 acre farm across and adjacent to Highway
11 43 by the Cole Slough of the Kings River. Our land, like
12 many others who farm and dairy in the Central Valley, are
13 rich and fertile ones, providing those for all over the
14 world. Any time is a busy time of year for those in
15 farming.

16 California farms and dairies have the best to
17 offer the world over. I have traveled abroad on both
18 light rail and speed trains, so I should know. California
19 high speed rail is a project that is not only impacting
20 Californians today, tomorrow, next week, next month, next
21 year, and the years following, but for all future
22 generations to come the world over.

23 This is a project that must be done right and has
24 not been thus far.

25 I was born and raised in Fresno County and I

1 remain opposed to the proposed and revised California high
2 speed rail project. Thank you for your time.

3 CHAIRPERSON RICHARD: Thank you.

4 James Bennett, followed by Raquel Garcia.

5 MR. BENNETT: Thank you. My name is James
6 Bennett. Good afternoon, ma'am, gentlemen.

7 I'm here today as a conservative concerned
8 citizen of Fresno County. The citizens of California
9 voted in 2008 and approved Prop. 1A. Prop 1A, high speed
10 rail, as written and presented to the voters, seemed to be
11 a pretty good project. As this project has progressed, it
12 has become a lie to the citizens of California. And that
13 lie mainly lies in the fact that we, as voters, voted on a
14 few million dollars. And this is up to a lot of billion
15 dollars now. This is not what the citizens of California
16 voted on.

17 This project has almost quadrupled in price and
18 has detoured greatly from the original promised routes.
19 Although I believe jobs will be a result with this
20 project, the jobs that are going to be lost are just as
21 great. It will basically replace jobs with jobs. The
22 only problem is, the jobs that are being lost are
23 established jobs that have been in Fresno County and other
24 parts of California for many years. The jobs that will be
25 created are going to mostly be temporary and then we'll be

1 back to a high unemployment rate again.

2 The impact of business lost in Fresno County is
3 going to amount to hundreds of millions of dollars in
4 revenue over the next few years. The loss of businesses
5 and homes and farmland by eminent domain is criminal.

6 I'm going to touch real quick on what Ms. Kolstad
7 said. Yesterday, we had a press conference with
8 approximately 75 business owners right here in Fresno
9 County that are coming along that line. Of those 75, 75
10 were opposed. And we have another 25 that have agreed
11 that they will attend the next press conference in
12 opposition. Thank you.

13 CHAIRPERSON RICHARD: Thank you, Mr. Bennett.
14 Raquel Garcia.

15 MS. MARTINEZ: Excuse me. You skipped me. Rose
16 Ann Martinez. You called my name out twice, but you
17 skipped me twice.

18 CHAIRPERSON RICHARD: I did. I'm very sorry,
19 Ms. Martinez. Excuse me.

20 MS. MARTINEZ: Thank you.

21 CHAIRPERSON RICHARD: Please proceed.

22 MS. MARTINEZ: Thank you. My dad taught me a lot
23 of good things --

24 CHAIRPERSON RICHARD: Excuse me, Ms. Martinez.
25 Could you speak a little louder, please?

1 MS. MARTINEZ: My father taught me a lot of
2 brilliant, smart things in life. He's a purple heart
3 veteran.

4 My business is International Immigration Service
5 on G Street in Fresno, where my father's name sits for
6 defending this beautiful country, America. This is
7 America. I have rights. His name is sitting in a museum
8 for defending his country.

9 I feel somewhat like a soldier that I need to
10 defend what I think is right. I was not informed of this
11 meeting or never ever given any information regarding what
12 was going on in Fresno. The location that I've been at
13 for -- I've been in Fresno for 72 years -- excuse me --
14 since 1972 until now. I love my area on G Street in
15 Fresno. That's home. That's neighborhood.

16 I was not informed. And I want you to know that
17 your engineers did not fully and fairly do an honest study
18 on your project.

19 You need to be informed of this, because I think
20 that you need to have consideration on whose lives that
21 you are effecting. Not just the few that spoke and you're
22 patting your back. That's not right.

23 You can put the locations that is hurting and put
24 like a high -- your engineers can create like a tower type
25 where it's not going to knock down businesses or break up

1 the area where it's going to be affecting people that have
2 been here all their lives.

3 You displaced families and businesses. We were
4 not respected. We have to work with the people and you
5 have to go back and re-think with your engineers. Your
6 engineering is wrong. There could be towers lifted or you
7 can even work with Amtrak. Amtrak is a good -- they have
8 tracks that already have the borders for you. Work around
9 that. Effect less people. Thank you.

10 CHAIRPERSON RICHARD: Thank you, Ms. Martinez.
11 And my apologies again for skipping over your card. I
12 just turned it over too fast. So I'm sorry.

13 MS. MARTINEZ: I accept that.

14 CHAIRPERSON RICHARD: Raquel Garcia. Ms. Garcia.

15 MS. GARCIA: Hello. Good afternoon, Chairman
16 Richard and members of the Board. My name is Raquel
17 Garcia, and I'm the daughter of Rose Ann Martinez. I'm a
18 U.C. Davis graduate. I'm also working on completing my
19 doctorate dissertation.

20 I would just like you guys to know that what made
21 this possible was the hard work of my mother and the
22 values she's instilled through her dedication to her
23 community and the other local business owners are
24 instilling in their children as well to make a
25 difference -- a positive difference in this community,

1 which is not by shutting down families and homes,
2 displacing homes.

3 I just got done with a multi variant statistical
4 research class this morning. And what my professor -- out
5 of all of the statistical analyses that we ran and out of
6 all the knowledge that he taught us, the central message
7 he wanted us to take home with us was to do what's right.
8 And for me, that is speaking and expressing my views and
9 opinions. And for you people that serve as models and
10 examples to us young professionals, I would think that
11 would entail considering the citizens and their livelihood
12 and the families that they are supporting on the income.
13 Also additional jobs that they're providing. Many
14 families depend on my mom. They travel from far away in
15 order to be helped.

16 So what I'm in favor of growth and progress, I'm
17 not in favor of it at the expense of others. And by
18 destroying local businesses that contribute to the
19 community, I just believe there is a failure to recognize
20 the cultural impact. We heard about the sound -- the
21 impact of sound and aesthetics. But what about the impact
22 that it's going to have on the likelihood of the future,
23 sending additional citizens this can make an impact on
24 society to college.

25 And so with that being said, I just know there is

1 more alternatives solutions that need to be considered
2 that probably weren't fully -- that are harmful. In
3 research, we're taught to do no harm. I hope that you
4 would consider the same.

5 CHAIRPERSON RICHARD: Thank you, Ms. Garcia.

6 I have no other comment cards related to the
7 issue of the EIR/EIS. And so with that, that will close
8 the public comment period on the consideration of the
9 EIR/EIS.

10 I will say that after lunch I'm going to ask my
11 colleagues to ask the staff for them to further -- provide
12 further information on any areas that may be of interest
13 to those on the Board as they deliberate on the this
14 matter before voting on it tomorrow. So we will leave it
15 open in that respect.

16 Having said that, we will now move on to the
17 general public comment. And we have several commentators.
18 This is on other items that are on the Board agenda before
19 us.

20 Mr. Guerrero, you were jumping the gun but we're
21 ready to hear your views. He'll be followed by Diana
22 LaCome, followed told by Tate Hill.

23 MR. GUERRERO: Good afternoon. My name is Paul
24 Guerrero. I'm representing APAC and La Raza. The reason
25 I was jumping the gun, I threw away what I had prepared

1 after what I heard what was going on here today.

2 Let me touch a little bit on the disparity study,
3 because we met with our attorneys on the disparity study.
4 And our recommendation is that the data that you have
5 gathered to date is primarily A and E data. And you
6 haven't done any construction work yet. And we would
7 suggest then that you hold off on the disparity study
8 until you get some construction background with high speed
9 rail. Then do the disparity study.

10 And in the interim, set the minimum DBE ten
11 percent goal. And you can modify once you do the
12 disparity study.

13 Because you're going to have a hard time getting
14 figures covering the entire state from various agencies
15 and so forth. You're better off with your own. So it's
16 our recommendation that you wait until you get the
17 construction data and then go ahead and do the disparity
18 study.

19 With regard to the EIR, I've heard everybody at
20 every meeting -- and I'm saying this now because there is
21 no lawyers in the audience anymore. At all the meetings,
22 they always come up to the mike and say, "I never heard
23 this before. What's going on? I just found out about
24 this."

25 The EIR covers the impact on birds, bees,

1 animals, nature, so forth, and the environment. Okay.

2 Bill Clinton signed an Executive Order for
3 environmental justice that covers all federal dollars that
4 come out of the government. That Executive Order was
5 attached to Title 6. It's there today. And it says that
6 you will do an environmental justice study and find out
7 what the impact will be on people, primarily minority and
8 poor people, because the rich people, as you know, can sue
9 on their own. They don't need help. But the poor people
10 do.

11 An environmental justice study calls for getting
12 together with the population of local people at the
13 earliest stages of planning. That's on the first page of
14 the handbook on environmental justice, which is published
15 by Caltrans. And it's one of the best primers on how an
16 environmental justice study works.

17 And I would suggest that you go ahead and accept
18 the EIR portion of that program, but redo the EJ because
19 it hasn't been done. Nobody has got together with people
20 at the earliest places of standing. For some of the
21 people that have spoke here today, nobody has ever gotten
22 together until they heard about this meeting. So I hope
23 that you address that. Thank you.

24 CHAIRPERSON RICHARD: Thank you, Mr. Guerrero.

25 Good afternoon, Ms. LaCome, followed by Tate

1 Hill, followed by Dr. Farhat Siddiqi.

2 MS. LA COME: Good afternoon, Chairman Richard
3 and members of the Board.

4 I'm the President and CEO of APAC, and I've been
5 here in front of you many times always discussing the
6 small and disadvantaged business enterprises.

7 Today, I would like to comment on your
8 recommendations, your changes to the small business
9 program. And I was present at the last meeting on the
10 19th, and I did hear the Board discuss a three percentage
11 disabled veteran business enterprise goal, which we have
12 no problem with.

13 What we have a problem with is the set aside
14 piece of it. Now, we do not have a problem with set aside
15 for DVBEs as long as you have a ten percent set aside for
16 disadvantage business enterprises. And we are not talking
17 about a goal. We're talking about a ten percent set aside
18 DVBE participation on the project as part of the 30
19 percent small business goal.

20 And I would just direct your staff when this is
21 finalized that you take a look at the FRA letter sent to
22 the High Speed Rail on December 15th. And I have handed
23 copies of that to the Board regarding -- look at the DVBE
24 elements they talk about there.

25 And then secondly, look at the final rule that we

1 also have distributed, the file rule on 49 CFR part 26,
2 which was issued February 28th of 2011. And in there,
3 look at 26.39. That section which is fostering small
4 business participation and utilize of in that language in
5 the small business plan.

6 And again like I say, we have no problem with the
7 set aside for DVBES. Just make sure that you include the
8 disadvantaged business enterprises as well. Thank you.

9 CHAIRPERSON RICHARD: Thank you, Ms. LaCome.

10 Tate Hill. I didn't see Mr. Hill. Is he here?

11 Okay. Dr. Farhat Siddiqi. I hope I pronounced
12 your name correctly, sir.

13 MR. SIDDIQI: Mr. Chairman and members of the
14 Board, I was actually very impressed how correctly you
15 pronounced my name.

16 CHAIRPERSON RICHARD: Thank you, sir.

17 MR. SIDDIQI: I happen to live in Orange County
18 and I'm here today. Very interested in high speed train
19 projects. There is large opposition, which you are very
20 aware of.

21 It's still -- train is our future. I want to
22 address the issue of small business participation. We
23 hear every day that small businesses are the engine of
24 economy. And it's good to know that a very good goal for
25 small business participation has been set by the Board.

1 And I just want to emphasize that the goal -- some steps
2 are taken that goal is eventually met. Small businesses
3 have very limited resources, especially in this economy.
4 They are struggling to survive. They don't have resource
5 to go around doing networking with big contractors. So if
6 high speed train staff themselves could make extra effort
7 to reach out to small businesses and so that they get the
8 opportunity eventually to participate in this project,
9 that would be a very good thing. Thanks a lot.

10 CHAIRPERSON RICHARD: Thank you, sir.

11 Marvin Dean. And Mr. Dean, you said you're going
12 to speak to this item, so we're going to indulge that
13 but --

14 MR. DEAN: I'm going to be really brief. I just
15 want to say two things.

16 One, I support -- I want to be associated with
17 Diane and Paul's remark. Speaking now in my head as a
18 Board member with APAC, the national BCA, and the San
19 Joaquin Valley BCA which represent small businesses,
20 DVBEs, and micro businesses, our concern again is that a
21 part of the 30 percent goal there be a break out under the
22 30 percent cap to deal with DVBEs. We know that small
23 business does not include -- may or may not include
24 diversity. That's 100 employees and \$14 million. A lot
25 of our small businesses don't meet that. We want to make

1 sure we're going to be included.

2 So again I support the project, and I support the
3 effort of the Board.

4 CHAIRPERSON RICHARD: Thank you Mr. Dean.

5 Ed McIntyre told me he had to leave. He's hoping
6 in the general comments tomorrow he can speak.

7 And our final speaker has been very patient, Mr.
8 Dan Dolan. That's the final speaker we have in the public
9 comment section. Good afternoon, sir.

10 MR. DOLAN: Thank you, Chairman Richard and Board
11 members, and particularly Mr. Fellenz and Patricia A.
12 Jones.

13 Two weeks ago, I was in Sacramento and gave you a
14 page letter from Louie Canaras and Stewart Title. He
15 expressed desire to offer title insurance for \$300 million
16 for the project. Now, it's probably down to 300 miles.

17 What I wanted to suggest is that that letter that
18 I gave and put into each of the member's hands talked
19 about a title insurance policy and all its endorsements of
20 the Colorado transmission line that was more than 100
21 miles long. And this is a 299-page document that I sent
22 within last week or so to Mr. Fellenz and Ms. Jones. And
23 if you'd like to see it, perhaps you can request it from
24 them and they can forward it to you.

25 But this policy is important because it talks

1 about policy endorsements that you'll want for this scope
2 of project. And I wanted to again see if we can strike
3 some understanding between Stewart Title and myself, Owner
4 of Western States Title Services, to work with the primary
5 contractors, AE Com with their partner, Bender Rosenthal
6 and URRS ARUP doing the Fresno to Palmdale segment, that
7 Stewart Title could participate in the first 29 miles that
8 you're planning upon the re-certification and approval of
9 the Merced-Fresno piece.

10 I'm excited that construction is going to start
11 once FRA gives approval in June and things are going very
12 good, but we urge you to tell the Governor that you really
13 should insure the project for 300 million and that
14 presently the Chicago Title Group is only issuing title
15 reports that have a face amount totaling \$12 million for
16 the whole 130 miles. And I think that's under-insured.

17 CHAIRPERSON RICHARD: Thank you, Mr. Dolan.

18 Okay. With that, we've concluded the general
19 public comment period.

20 At this point, the Board will enter into closed
21 session to discuss matters as identified on the agenda.
22 And we will return from closed session to proceed further
23 through our agenda. My guess is that will probably be in
24 about 90 minutes. We'll look forward to seeing you then.
25 Thank you.

(Whereupon the Authority recessed for lunch
at 01:27 PM)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25

1 But in addition to that, I'd like to ask my colleagues at
2 this point if there are particular matters that you would
3 like the staff to include in their responsive report to
4 the Board tomorrow.

5 So we can start anywhere -- Mr. Hartnett, would
6 you like to start?

7 BOARD MEMBER HARTNETT: Thank you.

8 First of all, it's my general expectation that if
9 there was anything new brought up in the written
10 correspondence or the verbal presentations that had not
11 been previously addressed that's relevant to the
12 consideration, the staff will have thought about that and
13 bring something up to our attention tomorrow before we
14 deliberate on this.

15 Secondly, in listening to the 50 or so people who
16 spoke on the EIR/EIS, I always try to take notes as to the
17 main topics. And 50 is a lot of people. We had heard a
18 lot of some similar things before. But things that were
19 of particular note to me, one was the notice issue of how
20 notice was distributed.

21 Secondly, gross factual inaccuracies in a
22 technical report.

23 Third, any responsibility with respect to
24 historical -- property designated as historical that needs
25 to be treated differently than it may have been in the

1 EIR/EIS.

2 There are others. I think staff probably caught
3 others. But those are three that comes to mind right
4 away.

5 CHAIRPERSON RICHARD: I just want to clarify to
6 make sure that -- I think that it was clear to everybody,
7 but just so we've got it clearly on the record.

8 The way I heard you describing that is there were
9 allegations that people -- there were a number of people
10 who claimed they had not received notice of these
11 proceedings. That was the notice issue that you raised,
12 Mr. Hartnett --

13 BOARD MEMBER HARTNETT: Yes.

14 CHAIRPERSON RICHARD: And then there were people
15 who claimed that the document had factual inaccuracies
16 with respect to the description of their properties --

17 BOARD MEMBER HARTNETT: Yes.

18 CHAIRPERSON RICHARD: -- or the areas around
19 there.

20 And the third was that the document failed to
21 address certain historical ownership or relationship
22 issues.

23 BOARD MEMBER HARTNETT: Yes.

24 CHAIRPERSON RICHARD: And it's that that you're
25 asking the staff to go back through those comments and

1 give us some responses to the validity or other issues
2 that would relate to that.

3 BOARD MEMBER HARTNETT: Yes. And in particular
4 on the notice, I want to make sure that we are informed
5 what the legal requirement was for notice and how we
6 complied with that, as well as any other related notice
7 issues.

8 The historical thing was there was testimony
9 about property that had been designated with a certain
10 historical designation, which there was belief by the
11 persons talking about it that somehow there had to be some
12 approval by some other entity that somehow related to what
13 we're doing in the EIR/EIS. And that may be not germane.
14 I just want to know if we missed something on there or not
15 so we consider that.

16 CHAIRPERSON RICHARD: Okay. Thank you, Mr.
17 Hartnett. I think those were all very pertinent.

18 Vice Chair Schenk.

19 VICE CHAIR RICHARDS: Thank you. Yes. My
20 concerns are very similar.

21 I will day ditto to Mr. Hartnett's concern about
22 notice. We had several people say that they were not
23 adequately notified and so would like to understand what
24 our requirements are and what we actually did do to
25 notice, and particularly with the impact on some small

1 businesses. We had people here testifying or commenting
2 on the impact on their small business that they didn't
3 have notice and could not prepare.

4 I also am interested in hearing more about the
5 issue that was raised by one of the commentators on the
6 Chowchilla, the Y, the issue and the confusion that that
7 is raising. If we could just have some expanded
8 information on that.

9 And let's see. What else was there? I think Mr.
10 Hartnett covered the other issues that I was interested
11 in.

12 CHAIRPERSON RICHARD: Thank you, Ms. Schenk.
13 Other comments?

14 Vice Chair Richards.

15 VICE CHAIR SCHENK: Thank you, Mr. Chairman.

16 Without repeating both the Vice Chair and Member
17 Hartnett, I have both of those on my list.

18 In addition to that, again, just to reiterate
19 just quickly the issue of the Y. If we could get some
20 comment from staff tomorrow about -- it was raised in one
21 instance about how can we work on this when we've got the
22 Y that is not incorporated.

23 Secondly, the adverse impacts specifically on
24 that historic property. There was some discussion with
25 regard -- or comments with regards to I'd like just to

1 have staff's confirmation that with regards to the
2 description of impacts that we've adequately addressed
3 those impacts generally in this document and specifically
4 as necessary.

5 I think I mentioned any -- others have also
6 mentioned notification. I'd just like to be assured that
7 as best staff can respond to us that, in fact,
8 notification has been consistent with the requirements of
9 CEQA.

10 And if people haven't been notified, if you can
11 determine that, if you can identify why.

12 I think that's it, Mr. Chairman.

13 CHAIRPERSON RICHARD: Okay. Mr. Umberg.

14 BOARD MEMBER UMBERG: We've heard repeatedly
15 concerns from the agricultural community. I suppose to
16 ask one last time if there is anything else that we can do
17 to mitigate the concerns that have been raised with
18 respect to livestock, with respect to crops. Whatever
19 else we can do. Maybe we've exhausted the list. I don't
20 know. But take a look at it.

21 And then in terms of notification, all of us have
22 mentioned notification. It's a critical element. We're
23 going to have to make some hard decisions. We've made
24 some hard decisions. And we recognize that while we make
25 hard decisions and we'll have to make hard decisions in

1 the future is that we want to make sure that we do it with
2 as much knowledge as we can before we make those tough
3 calls.

4 VICE CHAIR SCHENK: Mr. Chairman. I'm sorry. I
5 do have a couple of others.

6 CHAIRPERSON RICHARD: Okay. Certainly.

7 VICE CHAIR SCHENK: With regards to air quality,
8 I think it was mentioned at one point this morning. I'd
9 just like to be sure that the implications of the high
10 speed rail project, the implications on air quality in the
11 long term, I think that we've heard and I think we're
12 aware of short-term implications with regards to
13 construction. But the gentleman from the San Joaquin
14 Valley Air Resources Board. I'd like to be assured that
15 the implications of this project on a long-term basis,
16 what are those with regards to air quality.

17 CHAIRPERSON RICHARD: Anything else?

18 VICE CHAIR SCHENK: I think that's fine.

19 CHAIRPERSON RICHARD: Unless there's others, I
20 have one or two items.

21 I appreciate the items that my colleagues have
22 raised. They've covered a number of them. But one of
23 them that -- one thing -- and I've read the EIR documents.
24 I think it's really important that we convince ourselves
25 that in proceeding with this project that we're not only

1 looking at a mobility and conveyance system, but that
2 we're really thinking about the impact on land use, and in
3 particular, around stationary development. Because there
4 is a big difference between doing something that rail
5 roads have historically tended to bring growth with them,
6 but with high speed rail, with SB 375, I think that trying
7 to convince ourselves that we're building something here
8 that will lead to higher densities around the station and
9 actually would address some of those sprawl issues.

10 So if staff could point us to analyses that have
11 been done that give us a sense of whether or not we're
12 really looking at a system here that is growth-inducing as
13 opposed to a tool to address sprawl issues, we would
14 appreciate that being included in the staff report.

15 And the only other thing that -- in terms of
16 mitigations that comes to mind right now is we've heard
17 from a number of businesses who might be affected with the
18 alignment. In some cases, that might force a relocation
19 of those businesses. And I think if staff could just
20 point us to whatever mitigation approaches are being
21 considered to assist with relocation, to assist with
22 compensation, that would be important, particularly as we
23 come into the higher density areas where the businesses
24 are there. So that would be important as well.

25 And I especially want to second the comments that

1 Mr. Umberg made about the agricultural impacts,
2 particularly hearing from the farm bureaus and others.
3 And I know we have these various trade-offs between the
4 alignments and the environmental documents. Some have
5 more impact on ag lands but less impact on sensitive
6 receptors in the communities and others go the other way.

7 But I would second his comment about trying to
8 make sure that we are looking at those impacts and
9 mitigating them or limiting them, mitigating them as much
10 as possible.

11 Any other questions or comments for staff?

12 VICE CHAIR SCHENK: I'm sorry, Mr. Chairman.

13 CHAIRPERSON RICHARD: Sure. Don't apologize.

14 This is the time and place to make sure we're getting all
15 the information we need.

16 VICE CHAIR SCHENK: Also, this morning, Mr.
17 Thornton questioned the document on the basis that we're
18 not utilizing new technology. And I think he referenced
19 AGV technology now. If you could address the implications
20 of what his comments are and how it may or may not effect
21 this document and whether or not we had an obligation to
22 investigate or incorporate into the document this
23 terminology he was talking about. Thank you.

24 CHAIRPERSON RICHARD: Okay. Let me ask you, Mr.
25 McLoughlin, anything about what we just asked you to do

1 that you felt was a little unclear?

2 ENVIRONMENTAL PLANNING INTERIM DEPUTY DIRECTOR

3 MC LOUGHLIN: No. We appreciate your comments from the
4 Board and you, Mr. Chairman. So we will go back and
5 address your comments for tomorrow.

6 CHAIRPERSON RICHARD: Okay. I know that it means
7 you probably won't get a night on the town in Fresno, but
8 you'll have to deal with that. Thank you very much.

9 Madam Vice Chair.

10 VICE CHAIR RICHARDS: I have a question, not on
11 this.

12 CHAIRPERSON RICHARD: Before you do that, let me
13 just thank the staff again and also the legal support them
14 from the attorney general's office. I know there's more
15 work to be done here before the Board can act. But again,
16 I think I speak for my colleagues in saying we appreciate
17 the volume of work that's been done.

18 Madam Vice Chair.

19 VICE CHAIR RICHARDS: And you're right. You do
20 speak for all of us. We greatly appreciate the work that
21 went into it.

22 During public comment, there were two other
23 issues that were raised that I'd like to have -- obviously
24 not by tomorrow, but at some point, some response on the
25 environmental justice study that was raised by a couple of

1 the speakers.

2 CHAIRPERSON RICHARD: Mr. Guerrero.

3 VICE CHAIR RICHARDS: And the insurance issue
4 that was raised.

5 CHAIRPERSON RICHARD: Mr. Dolan's issue on the --
6 right.

7 VICE CHAIR RICHARDS: The title insurance, yes.

8 CHAIRPERSON RICHARD: The title insurance. So
9 we'll direct those comments to Mr. Fellenz and ask him to
10 find an appropriate way to respond to the Board on that.

11 VICE CHAIR RICHARDS: Just expand on that for me.
12 Thank you.

13 CHAIRPERSON RICHARD: Thank you.

14 Okay. With that, I want to thank everybody for
15 their comments on the EIR/EIS. The Board will address
16 this issue tomorrow.

17 Next issue on the agenda is the update on
18 amendments to the small and disadvantaged business
19 enterprise program. Mr. Fellenz.

20 CHIEF COUNSEL FELLEENZ: Mr. Chairman and Board
21 members, we talked about this in terms of the veteran
22 businesses. So we wanted to continue that discussion just
23 to make sure that we're clear from the motion last
24 meeting. And then also I know that there was an interest
25 for some Board members to talk about the minority-owned

1 business program. So Ms. Fonseca is here to answer some
2 questions.

3 CHAIRPERSON RICHARD: Welcome, Ms. Fonseca.

4 And thank you very much for your help before with
5 the gentleman who needed translation. Appreciate that.

6 CHIEF EXECUTIVE OFFICER: Not a problem. Glad to
7 provide that service to the community. And I'll be
8 speaking about that tomorrow under the agenda item 11.

9 But today, I'm here to address the amendment to
10 the small and disadvantaged business program plan that was
11 adopted at the last Board meeting on April 19th with an
12 amendment. And I know that in your binder you have the
13 Board amendment that references the proposed language.

14 As of this morning, I have an additional revision
15 that I'd like to present to you today and ask that you
16 approve the amendment so we can amend the program plan and
17 move forward to the Federal Railroad Administration.

18 The new revision that I'm proposing for the Board
19 consideration is the Small Disadvantaged Business
20 Enterprise Program has incorporated the State Executive
21 Order, Public Contract Code 10115(c), which is the defined
22 three percent disabled veteran code and military and
23 veteran code 999 to include a three percent disabled
24 veteran business enterprise on all enterprise projects.
25 That is the proposed new amendment that I would like to

1 include in the small and disadvantaged business enterprise
2 program.

3 CHAIRPERSON RICHARD: Mr. Umberg.

4 BOARD MEMBER UMBERG: For those that weren't here
5 at the last meeting, that actually I think encapsulates
6 the sense of the amendment from last meeting. So thank
7 you.

8 CHIEF EXECUTIVE OFFICER FONSECA: Thank you for
9 providing some guidance on that too, Member.

10 CHAIRPERSON RICHARD: Comments or questions on
11 this at this point?

12 I mean, we do understand that we're going to be
13 pushing the envelope with the federal department on this,
14 but I commend my colleague, Mr. Umberg, who persistently
15 spokes on behalf of people who have served their country
16 and paid a price for it. And so I just want to thank you
17 for that.

18 Okay. That's an action for us to --

19 CHIEF EXECUTIVE OFFICER FONSECA: That's for
20 information only.

21 CHAIRPERSON RICHARD: That's information. It's
22 just clarification of what was adopted by the Board last
23 time.

24 CHIEF COUNSEL FELLEENZ: There was some discussion
25 about the exact language now we're proposing?

1 CHAIRPERSON RICHARD: Okay. And that language is
2 satisfactory to Mr. Umberg. So that is fine. All right.
3 Did you want to talk about the --

4 CHIEF EXECUTIVE OFFICER FONSECA: Yes. Since Mr.
5 Fellenz mentioned just a moment ago that there is an
6 interest from the disadvantaged business enterprise
7 community, as you heard earlier in the comments, for the
8 Board to consider a ten percent disadvantaged business
9 enterprise participation goal on the Small and
10 Disadvantaged Business Program as we have considered the
11 similar goal for disabled veterans --

12 CHAIRPERSON RICHARD: Right. Now my only
13 question about -- first of all, I want to thank you for
14 your initiative in this regard. And I'm hearing from a
15 number of sources that people are seeing the California
16 High Speed Rail Authority as really leading the industry
17 in terms of what we're doing here. And we know that we
18 have certain limitations in how we do this.

19 My understanding is that what you're proposing
20 though would be distinguished in one sense that it be an
21 aspirational goal. Could you clarify that for me? I just
22 want to make sure we know what we're voting on there.

23 CHIEF EXECUTIVE OFFICER FONSECA: What is being
24 proposed is that the Board consider establishing a ten
25 percent disadvantaged business goal.

1 CHAIRPERSON RICHARD: Goal?

2 CHIEF EXECUTIVE OFFICER FONSECA: It's not
3 aspirational.

4 CHAIRPERSON RICHARD: Right.

5 CHIEF EXECUTIVE OFFICER FONSECA: With the 35
6 percent overall goal that is to ask that the contractors
7 has the authority to make efforts to achieve that ten
8 percent goal.

9 What has been of concern to perhaps Federal
10 Railroad Administration is that it is not a condition of
11 award, which would then make it the ten percent race
12 conscious goal which the Federal Railroad Authority --
13 excuse me -- the Railroad Administration does the
14 authority to direct that upon us.

15 CHAIRPERSON RICHARD: Okay. So if I understand
16 that, then the way this is structured, although it would
17 require DOT approval -- is that correct?

18 CHIEF EXECUTIVE OFFICER FONSECA: It would
19 require the Federal Railroad Administration approval.

20 CHAIRPERSON RICHARD: Right.

21 CHIEF EXECUTIVE OFFICER FONSECA: And US DOT.

22 CHAIRPERSON RICHARD: Okay. And so would require
23 that approval, but it would not be -- it would not be of a
24 nature that -- it would be structured so that we could go
25 forward with this even while we're doing the formal

1 disparity studies; is that correct?

2 CHIEF EXECUTIVE OFFICER FONSECA: It would be
3 structured as a race neutral goal.

4 CHAIRPERSON RICHARD: Right. Which would be
5 permissible at this point --

6 CHIEF EXECUTIVE OFFICER FONSECA: Permissible in
7 the state of California to have a race neutral goal and be
8 acceptable by FRA as well as US DOT.

9 CHAIRPERSON RICHARD: Okay.

10 CHIEF EXECUTIVE OFFICER FONSECA: Absent having
11 the disparity study that would indemnify the ability of
12 disadvantaged business and minority women businesses that
13 could perform on this project. And also absent having a
14 disparity study that would identify any instance of
15 discrimination on the authority on past and future
16 contracts.

17 I do want you to remind you one of the comments
18 earlier I believe was Mr. Guerrero asking the Board to
19 consider not having a disparity study for the point that
20 there is not sufficient information on the Authority's
21 past contracts to establish if there is any inference of
22 discrimination construction because we have not started
23 construction.

24 CHAIRPERSON RICHARD: If I understood his
25 comments correctly, it was not that we not have a

1 disparity study, but that we not have one at this stage
2 until we have more experience with the contractor
3 community on this project.

4 CHIEF EXECUTIVE OFFICER FONSECA: Correct.

5 CHAIRPERSON RICHARD: Did I understand that
6 correctly?

7 CHIEF EXECUTIVE OFFICER FONSECA: That's what I
8 understood as well.

9 CHAIRPERSON RICHARD: So what you're proposing
10 then, Ms. Fonseca, would allow us to move forward with
11 something that is not inconsistent with state law and that
12 would allow us to have a very strong goal for DVBEs and
13 then we could do a disparity -- the Board could decide at
14 some point to do a disparity study at some point in time
15 when we felt the data were going to be relevant to us.

16 CHIEF EXECUTIVE OFFICER FONSECA: Correct.

17 CHAIRPERSON RICHARD: As always, we appreciate
18 your expertise in this. And it was very good.

19 Colleagues, questions? Comments for Ms. Fonseca.
20 Mr. Hartnett.

21 BOARD MEMBER HARTNETT: Is this just an
22 information item for further -- at this particular ten
23 percent --

24 CHAIRPERSON RICHARD: I think it's on the agenda
25 as a potential action item that we could adopt this.

1 BOARD MEMBER HARTNETT: I'm not totally clear, to
2 be honest, because the information in our agenda packet is
3 about three percent on the subject, not the ten percent.
4 So I want to be careful so I know what I'm doing. And it
5 may be just the length of today and I'm not picking it up.

6 VICE CHAIR RICHARDS: No. I'm confused, too.

7 BOARD MEMBER HARTNETT: But I would have rather
8 have something in writing on this that specifically
9 addressed the ten percent issue.

10 And I also heard something that I may have
11 misheard. But you asked whether or not it was an
12 aspirational goal -- or an aspiration or a goal, and I
13 just want to make sure I'm understanding the language that
14 we are using and the impact that we're having.

15 CHAIRPERSON RICHARD: Right. No. That's fair.
16 And I think in asking the question, I probably
17 demonstrated my ignorance in the nuances of the program.
18 So you've caught that very appropriately. Okay.

19 Other questions, members?

20 VICE CHAIR SCHENK: Mr. Chairman, what we're
21 talking about is within the 30 percent goal we've got now
22 a three percent aspirational goal and this would be an
23 additional ten percent.

24 CHAIRPERSON RICHARD: No. I think this is where
25 I'm not sure, but I think that what has been proposed and

1 what was actually adopted by the Board last time with
2 respect to disabled veterans would not be characterized as
3 an aspirational goal, but would be characterized as a set
4 aside within that 30 percent for disabled veteran business
5 enterprises. Did I say that correctly?

6 CHIEF EXECUTIVE OFFICER FONSECA: That's what was
7 presented at the April 19th meeting by the Board Member
8 Umberg to set aside the three percent disabled veteran
9 business goal. The revision that I bring to you today is
10 that there will be a three percent disabled veteran goal,
11 not defining it as aspirational or defining it as a set
12 aside.

13 CHAIRPERSON RICHARD: Right. Okay.

14 VICE CHAIR SCHENK: I'm sorry. I apologize. My
15 ears aren't hearing this correctly.

16 So I mean, I thought what I was reading -- I
17 thought it was a set aside, but then what I'm reading
18 here, I thought -- it looks to me like it says a three
19 percent disabled veteran business enterprise aspirational
20 goal. Is that --

21 CHAIRPERSON RICHARD: Okay. So here's what I'm
22 going to do. I'm going to stop trying to describe the
23 program that is highly technical that I don't understand.
24 And I'm going to allow Ms. Fonseca to directly answer
25 questions from my colleagues without any "help" from me.

1 So Ms. Fonseca.

2 VICE CHAIR SCHENK: May I say, Mr. Chairman, I
3 did ask you, so you were only responding to my questions.

4 CHAIRPERSON RICHARD: Right. But since I was
5 responding inaccurately -- you were asking the wrong
6 person. Let's make that clear.

7 VICE CHAIR RICHARDS: And I might just add that I
8 have the same confusion about the -- within the 30
9 percent.

10 If you wouldn't mind speaking closer to the
11 microphone, it's very difficult for us to hear. And we
12 really want to understand this.

13 BOARD MEMBER UMBERG: Mr. Chair, just to clear up
14 something.

15 I see Board members looking at their packet. And
16 what you're referring to is what was provided several days
17 ago. But that's not what Ms. Fonseca presented here
18 today. In other words, it's a change from what you're
19 reading.

20 VICE CHAIR SCHENK: Okay.

21 CHIEF EXECUTIVE OFFICER FONSECA: Yes. Thank
22 you, Board Member Umberg.

23 I'm presenting a new revised Board memo. I'm not
24 sure the version you're looking at.

25 But what I have today to present is in response

1 to the Board action of April 19th to amend the Small and
2 Disadvantaged Business Program to include a three percent
3 disabled veteran business goal. It was identified
4 originally as a set aside.

5 What I proposed today to the Board, with Board
6 Member Umberg's approval, is the new language, which you
7 don't have in front of you. I'm the only one that has it
8 at this point. I'll repeat it again.

9 It's, "The small and Disadvantaged Business
10 Program has incorporated the State Executive Order Public
11 Contract Code 10115 and Military and Veterans Code 999 to
12 include a three percent disabled veteran business goal on
13 all Authority projects."

14 So that is the new language that has been -- that
15 will be incorporated as the amended language to the Small
16 and Disadvantaged Business Enterprise Program.

17 CHAIRPERSON RICHARD: I've been informed by
18 Ms. Tooth that this language should be in front of us
19 somewhere in the voluminous documents we have.

20 CHIEF EXECUTIVE OFFICER FONSECA: Actually --
21 excuse me, Chairman Richard. The revision that I just
22 read to you occurred earlier this morning. So you do not
23 have --

24 CHAIRPERSON RICHARD: But I think Lisa said she
25 thought it was added to the pile of papers that everybody

1 has.

2 BOARD MEMBER UMBERG: No, it's new. But just to
3 clarify --

4 CHAIRPERSON RICHARD: That's good, because I just
5 want to continue my practice of stating things that are
6 wholly inaccurate on this topic. So --

7 BOARD MEMBER UMBERG: So if I might, Mr. Chair,
8 just to clarify, as I understand -- I can clarify my
9 intent. And I think as to what the Board was voting on
10 last time was to take the State standard for disabled
11 veteran business enterprises and apply it to all
12 contracts.

13 And what Ms. Fonseca has done is she actually
14 pulled out the code sections that embody what the State
15 process, law, and procedure is with respect to disabled
16 veteran business enterprises and now made it part of the
17 small business plan.

18 So in other words, the federal government did not
19 have as a support an -- aggressive is not the right
20 word -- but as supportive a policy as the State government
21 has. So we, as a matter of policy, are saying we are
22 adopting the State standard, not necessarily the federal
23 standard.

24 CHAIRPERSON RICHARD: Well -- and we're asking
25 the federal government to approve that as part of our

1 plan.

2 BOARD MEMBER UMBERG: That's right.

3 CHAIRPERSON RICHARD: Hey, I said something that
4 was accurate. Okay.

5 VICE CHAIR RICHARDS: Is it part of the 30
6 percent or is it over and above?

7 CHIEF EXECUTIVE OFFICER FONSECA: Within the 30
8 percent.

9 VICE CHAIR RICHARDS: Within the 30. So there
10 will be 27 percent left over, if there isn't overlap.
11 Okay.

12 CHAIRPERSON RICHARD: So I think we understand
13 that, with respect to the Disabled Veteran Business
14 Enterprise Program.

15 Now, then there was the issue that as we did
16 that, Ms. Fonseca was also suggesting that the Board
17 establish a ten percent goal within the 30 percent
18 relating to disadvantaged business enterprise as a race
19 neutral goal. Did I say that correctly?

20 CHIEF EXECUTIVE OFFICER FONSECA: Yes.

21 CHAIRPERSON RICHARD: And then the issue is I
22 think Mr. Hartnett is saying prior to acting on that, he
23 wants to see more specificity and elaboration as to what
24 that means and where it comes from.

25 BOARD MEMBER HARTNETT: Yes. That's correct.

1 Wholly accurate description.

2 CHAIRPERSON RICHARD: I should stop there.

3 All right. And so then that would mean that the
4 only thing the Board could act on today would be the --
5 and it doesn't need to act on the disabled veteran
6 language, because basically you're coming back and saying
7 this is how the staff is including the language to
8 manifest the Board's decision from the last meeting; is
9 that correct?

10 CHIEF EXECUTIVE OFFICER FONSECA: Very well said.

11 CHAIRPERSON RICHARD: Okay. Two or two.

12 VICE CHAIR RICHARDS: You're getting it.

13 CHAIRPERSON RICHARD: I think it was three for
14 three, actually.

15 After ten strike-outs.

16 Okay. So Ms. Fonseca, then it sounds as though
17 the sense of the Board would be if we could have on the
18 next agenda a further modification of the Small Business
19 Enterprise Program to address that issue with the DVBE
20 goal and if staff could include some descriptive material
21 in there.

22 Now, let me just ask this question: What's your
23 timing in terms of submitting our program to the federal
24 government for their review?

25 CHIEF EXECUTIVE OFFICER FONSECA: We don't have

1 any date specific time to submit the program plan. The
2 Federal Railroad Administration has been -- we've been
3 sharing our drafts with them. They are very familiar with
4 our action of today and they are at least looking at the
5 program while we continue to receive your formal approval.

6 CHAIRPERSON RICHARD: So if we add updates or
7 whatever, that just goes into that process?

8 CHIEF EXECUTIVE OFFICER FONSECA: Right.

9 CHAIRPERSON RICHARD: So by putting this over to
10 the next meeting, we're not in any way disrupting the
11 process?

12 CHIEF EXECUTIVE OFFICER FONSECA: No. We're not
13 in terms of Federal Railroad Administration's approval.

14 The only thing that may be of an impact is
15 advising the short list of firms that here is the formal
16 plan and what activities they must engage in to meet the
17 new proposed disabled veteran goal identified in the
18 program and of course the disadvantaged business
19 enterprise ten percent goal.

20 CHAIRPERSON RICHARD: So whatever the Board is
21 going to do on this, it should do quickly so the short
22 list of bidders can have this in their minds as they
23 prepare their bids?

24 CHIEF EXECUTIVE OFFICER FONSECA: Right.

25 CHAIRPERSON RICHARD: Mr. Umberg.

1 BOARD MEMBER UMBERG: Just a quick question.

2 I think with respect to the contract, the
3 construction contract that will be pending soon, we
4 required them to commit to whatever small business plan we
5 come up with.

6 CHAIRPERSON RICHARD: Right.

7 BOARD MEMBER UMBERG: So I suppose just to
8 emphasize the point they're going to be committing -- it's
9 not really big, but it needs to be done. But in any
10 event, we do need to act relatively quickly.

11 CHAIRPERSON RICHARD: Right. That's a sharper
12 articulation of what I was trying to explore with
13 Ms. Fonseca. All right.

14 Any other questions or comments on this? Stop me
15 before I screw up again. Okay.

16 CHIEF EXECUTIVE OFFICER FONSECA: And Chairman
17 Richard, could I suggest that I also address the disparity
18 study at the next Board meeting along with the
19 consideration of the DVBE ten percent goal?

20 CHAIRPERSON RICHARD: Yes. Absolutely.

21 And what I'm hearing in that is you're suggesting
22 you would come back to the Board with suggestions on the
23 timing of the disparity study.

24 CHIEF EXECUTIVE OFFICER FONSECA: We'll provide
25 information that you could consider, given the comment of

1 not holding a disparity study, completing one prior to
2 considering the ten percent race neutral goal.

3 CHAIRPERSON RICHARD: Right. That would be good.
4 Thank you very much. We appreciate your work. We really
5 do

6 CHIEF EXECUTIVE OFFICER FONSECA: Thank you.

7 CHAIRPERSON RICHARD: Okay. The next item on the
8 agenda is the Operations Committee PMO Report. Mr. Van
9 Winkle, good afternoon.

10 PROJECT MANAGER HANS VAN WINKLE: Good afternoon,
11 Mr. Chairman and members of the Board.

12 Let me get started. And if you'll turn to the
13 material we provided for you, which is the full report.
14 I'll be referring to that throughout my presentation.

15 Just as a matter of procedure, in the past, the
16 way we've done this is we've had an Operations
17 Subcommittee of the full Board. And we typically
18 presented to them, and that's presented then to the full
19 Board later on. So this is a bit different. So we're not
20 providing you the full Board information that you want.
21 We'll certainly make those adjustments.

22 Second thing I will say before I get started in
23 substance is that it clearly in the last few months, the
24 priority of the staff and the Board have been toward the
25 business plan implementation of the many questions and

1 critiques of our work. And certainly today the other
2 priority I think has been certainly this first NEPA
3 EIR/EIS document that we've been considering today. Let
4 me say I thought it was a very good hearing in terms of
5 getting more information.

6 But there are a lot of other things ongoing. And
7 it's really my purpose today not to recover any of those
8 for you, but rather to go over some other important items.

9 And to that end, the quarterly report then we
10 prepare that based on each monthly report from our
11 sub-consultants from our own team. We consolidated the
12 quarterly report and you're seeing it in front of you
13 today. The report goes through the end of March, so by
14 now it's a bit dated, so I'll give you a verbal update of
15 other items of importance on the report.

16 So let me start off by saying that certainly have
17 talked a little bit about the procurement process and
18 where we are and what's ongoing. As you know, as a result
19 of the RFQ, we've selected five design and build firms to
20 bid on our first construction package. They were -- we
21 had meetings with them individually in the quarter. We
22 sat down with each one of them. Got their comments. Made
23 I would say relatively minor adjustments to the terms
24 sheet. And then based on that, completed our work and
25 issued the RFP in the end of March. So they've had just a

1 little over four weeks now.

2 We've set up a process to listen to their issues
3 and RFI process. I would say that's really in the
4 beginning portion. I would say we have a little over 30
5 comments so far. Most of them tend to be of an
6 exploratory nature, amplifications and clarifications, so
7 they fully understand that.

8 We are very concerned about making sure we have
9 good design builders, well-informed participants in the
10 process. To that end, in two weeks from now on the 14th
11 and 15th of May, we will be conducting a mandatory one on
12 one sessions with them.

13 We want to make sure that once they had a chance
14 to digest this document that we're fully informed as to
15 what their issues are.

16 To that end also we had a meeting just last week
17 with AGC who gave us an industry-wide perspective on some
18 issues.

19 So we are being very aggressive about making sure
20 we understand what impact this document has. We want to
21 make sure we have great bidders that are fully informed
22 and get a very responsive bid. To that end we'll continue
23 to pursue dialogue and information on that.

24 In addition, we know that there will always be
25 changes. So over time, we'll be issuing addendums to the

1 contract. The first addendum has been prepared. I would
2 say mostly administrative and minor issues, really
3 clarification in many cases. No major issues. That is
4 currently at FRA. We prepared the document. FRA is
5 reviewing that, and we're prepared to send that out in the
6 not too distant future.

7 Again, nothing of substance. But if there are
8 those issues, we'll certainly inform you as that goes out.

9 So I think in terms of procurement that things
10 are moving along pretty well. We're pleased with the
11 process, and we'll have to continue to monitor that to
12 make sure we get responsive bids. Those bids are due in
13 September. So a lot of work.

14 I would say at the same time in terms of
15 procurement, we are beginning to produce the RFQ for
16 Packages 2, 3, and 4. And later on in my report, I'll
17 talk about procurement packages for our construction
18 manager. Those are all activities ongoing in the
19 procurement process.

20 The next item I would draw your attention to in
21 terms of accomplishments -- and by the way, I'm not going
22 to cover every item. I'll try to give you some highlights
23 here to go over everything. It would be a rather lengthy
24 day, and I know we all have spent a lot of time here. And
25 we can handle any questions that you have later on.

1 In terms of right-of-way, I would tell you any
2 project manager worth his salt worries about two things
3 early on in a project: Right-of-way and agreements, third
4 party and so forth. And I, like any good project manager,
5 worry about those continually.

6 I will tell you that in terms of the
7 right-of-way, you will see the accomplishments. We have a
8 lot of work to do. I will tell you the long pole in the
9 tents. We just received our initial funding in January.
10 We've been doing preliminary right-of-way work and
11 recently began the notification process.

12 There is a lot of work to do here, as you well
13 know. You've heard from respondents today. We have over
14 400 packages to deal withAnd its first construction
15 package. And we will have over a thousand total once we
16 get the additional packages. So it's very critical that
17 we move onward as quickly as possible.

18 I think the next issue -- and I bring it up later
19 on -- is that we'll certainly have to consider funding.
20 We will not be able to go out with offers until we have
21 funding available to us. We will not have to have the
22 cash on hand immediately, but in terms of an authorization
23 process, we will need that.

24 So some of the requirements we have to move
25 forward on real estate is as we move through the appraisal

1 process is to have funding available to make those offers.
2 So that could -- if we're not successful in getting the
3 funding on hand, that could impose some additional delays.
4 That's something that I worry about. I know, Mr.
5 Chairman, you've dealt with that issue as well.

6 So let me go on now. The next issue I'd like to
7 cover is environmental. If you would take a look at the
8 environmental milestone sheet that you have in front of
9 you. It's a rather complex document, and I think many of
10 you have dealt with them in the past.

11 Let me just explain it just for a second in case
12 you're not totally familiar with it. Along the top and
13 horizontal axis, we placed the significant milestones
14 that we have to perform to achieve a NOD and ROD. If you
15 look to the third column from the right, the NOD and ROD,
16 that really is the business end of what we have to do.
17 All the other activities lead you to that date.

18 And as you look down that column, the nod rod,
19 you'll see if you look at the -- on the vertical axis,
20 we list each of our ten segments where we are doing
21 environmental work, environmental processes.

22 If you look down that line, you'll see that we've
23 listed that the Merced-Fresno, we've got the NOD/ROD
24 scheduled for June 12th. So that is what we're dealing
25 with today in this particular meeting.

1 And then once the Board has considered and given
2 us a certification, that document will then go to FRA
3 where the administrator will make the final determination
4 for the ROD. That, of course, then is the final document
5 that allows us to continue our work.

6 If you look down that column, then you'll see how
7 the program unfolds. I think it's a good document to show
8 you the total amount of work that's required to move
9 forward a program of this nature.

10 Immediately following the Merced-Fresno document,
11 you'll see the next item that we will be moving forward
12 with is the Fresno-Bakersfield document. And right now,
13 we're projecting that for January 13. So once we've
14 completed this document, some of our attention will shift
15 to that particular document.

16 As you know, that was a document that we had
17 previously published. That document has been pulled for
18 some additional work. And our expectation is by the end
19 of June we will have administrative draft ready to go for
20 publication. The draft for that particular segment is
21 complete, and it's currently with our federal partners.
22 And they're looking at that. So we'll be presenting that
23 at some point to you also to move the forward program. As
24 you know, that segment then allows us to do the additional
25 construction packages 2, 3, and 4, which take us south to

1 Bakersfield.

2 In terms of the program then, the next package we
3 won't see anything until -- we won't see anything until
4 2013. And there we're looking at a number of packages
5 that would be going out in the -- you'll see that the
6 Palmdale/Los Angeles is due on October 13th, and we'd
7 follow that up with San Jose and Merced in December of
8 '13. So those are the way we move the program forward
9 with the overall documentation.

10 Now, I will tell you that this particular matrix
11 is a work in progress. And we've already had some
12 conversations with FRA. You've seen the amount of work
13 that's involved in front of you in simply one document.
14 Those documents receive incredible scrutiny at the federal
15 level as well.

16 And quite frankly, they told us that our schedule
17 that I presented to you today is too aggressive. They've
18 told us that they can really only handle one issue. If
19 you look at the matrix, each one of those matrix items
20 have documentation very similar to this: The check
21 points, the administrative graphs, and so forth. So we're
22 going to have to come back to you.

23 What I'm telling you is this is a work in
24 progress, is that the FRA has asked us to rationalize this
25 program to allow them to deal with one particular document

1 at a time so they can pace out their work. They have a
2 limitation on staff. They have a limitation on issues.
3 So the programs shown right in front of you is very
4 aggressive. It's based on what our multiple teams can
5 produce. It's not a program that FRA and the
6 administrative record can implement. So we'll have to
7 come back to you with additional dates.

8 The other general comment I would make is the
9 Phase 2 sections are pretty -- they're sort of guesses at
10 this point. We really don't know and don't have
11 particular guidance in where we want to go.

12 We are moving forward with those environmental
13 documents, because we think they're important to maintain
14 momentum. And they will also at some point allow us to
15 have that, Mr. Chairman, you talked about right-of-way
16 acquisition. So once we have all those documentation,
17 even though we don't expect funding any time soon, that
18 would certainly secure the right-of-way for us.

19 So that's really a description of the program.
20 Again, I haven't had a chance to brief you in quite some
21 time now. That's a quick summary.

22 In terms of some of the individual sections, let
23 me simply point out that at the last meeting -- I'll go
24 down from north to south now -- San Francisco to San Jose,
25 that particular segment, as you know, has been held in

1 abeyance while we discussed the blended approach.

2 Last meeting, you gave us guidance to continue to
3 study only the blended approach, and we will certainly do
4 that. There are a number of issues we'll have to come
5 back and get some additional guidance from you on.

6 The segment -- a lot of questions about who will
7 take the lead on the environmental documentation for the
8 blended approach. What our role is within the Authority.
9 We're looking to have one, possibly two slots, as you
10 know, on the existing alignment. So we'll have to discuss
11 exactly how we're going to do that in concert with our
12 partners on the peninsula.

13 I've already mentioned two main sections, Fresno
14 Bakersfield and Merced-Bakersfield. I mentioned
15 Palmdale-Los Angeles. It's important that we move that
16 document forward. We will need that document to allow us
17 to do some of the early works that we've negotiated in the
18 MOU that we negotiated. So that section is important.

19 And I will also tell you that the Los
20 Angeles-Anaheim based on the guidance we have from you,
21 Mr. Chairman, is that our primary goal will be to start
22 working with those elements to find out how we can come up
23 with an early electrification program. It's a very
24 complex sector. As you know, it's one of the most heavily
25 used freight systems to be able to put a high speed rail

1 on that kind of a system that contains well over 300 uses
2 throughout the day by largely container type of freight
3 trains. It's going to be a challenge for us.

4 And we'll be working with our partners to come
5 back to you in the not too distant future to come with a
6 plan to move forward with that segment, given the guidance
7 we have in the Business Plan. I think that's all I have
8 to say, unless there are questions. It's really complex.
9 A lot of work that has to be accomplished. And all those
10 things were going on while we focus on the main issues in
11 front of us today.

12 Let me move on, just a couple of items and I'll
13 finish here. I think it's important to talk about
14 program-wide planning. You'll see that on page 4. Just
15 highlight that for you just for a second.

16 Given the new emphasis in the business plan on
17 the blended approach, we have a lot of work to do to
18 discuss some of the technical issues to know how we're
19 going to work with our regional partners. So you'll see
20 in the coming months a lot more work that has to be done
21 for us to integrate with our regional transit systems.

22 And to that end, the next item, which talks about
23 the annual work program, is based on the guidance we now
24 have from the Business Plan, we will have to make some
25 adjustments to our annual work plan to accommodate that.

1 So that's all in the planning process, and we are
2 currently doing that.

3 Each one of our regional contractors and the PMT
4 itself has submitted initial work plan for next fiscal
5 year, and we will have to adjust to that blended approach
6 in terms of our analysis and what we do.

7 Let me finally then turn to the last two pages,
8 which are issues. And I think I mentioned many of those.
9 The right-of-way I've mentioned is an area that's going to
10 need a lot of concern, a lot of work, a lot of priority to
11 that started. So I already mentioned that.

12 In terms of environmental, a number of issues in
13 the sheet there. I will say that the biological opinion
14 that we need two of those to achieve a final ROD/NOD. We
15 have secured the NMFS, National Marine and Fishery System.
16 We have secured that. But we do have one more biological
17 opinion from the Fish and Wildlife Service that has to be
18 secured. We are projecting to get that in early June,
19 which will facilitate a June ROD at the federal level. So
20 that appears to be going well.

21 My other concern in terms of bringing home this
22 ROD at the federal level is the third bullet down, Section
23 106, consultation, cultural resources, that's going to be
24 pretty tight to get that. We've had some additional
25 administrative requests to continue to analyze that. And

1 Camp Pashayan is a complex area and we have quite a bit of
2 work to do. We're going to be working hard to get that
3 particular permit.

4 But once we have those two biological opinions
5 and we have the Section 106, then in fact we'll have
6 documented everything we need -- everything we need to get
7 the ROD. And again, that allows us to move on with the
8 real estate and get going with our construction program.

9 The two other points I'd like to make before I
10 turn it over to the PMO. And that's the next bullet talks
11 a little bit about funding for construction management.
12 In order for us to manage what goes on, as you know, the
13 first contract -- first construction contract is we
14 estimate in the 1.5 to \$2 billion range. We're going to
15 need eyes and ears on the ground to monitor that. And our
16 intent is to hire a construction management firm to do
17 that.

18 We would like to have the construction management
19 firm on the team no later than August of this year. The
20 reason we want them is it's important that they help us
21 evaluate the submittals by our five design builders.

22 We are looking for funding to do that. We'll be
23 coming back to you later on with a proposal in terms of
24 the construction management package to do that. I would
25 say also given our emphasize on small business,

1 construction management is an excellent way to bring on
2 small business teams. So we would expect to have our
3 local partners small businesses, particularly here in the
4 Fresno area would be ideal. They had have the area
5 offices to allow us to manage that.

6 As we get additional construction packages, then
7 we'll need additional construction management services.
8 That is really is our plan on how we'll monitor and how
9 we'll track and manage that physical construction on the
10 ground. That's oncoming. And again, we will need to have
11 some money to get that contract started.

12 I think we could probably do that in two phases:
13 Bring a construction manager on initially. We don't need
14 the whole team on the ground since we won't start
15 construction until the beginning of next year. I'll need
16 enough money to get a small team started to help us to do
17 the evaluation and then we can bring on a full team on the
18 ground later. That's a key point.

19 And then my last point to make with you today is
20 the final bullet on railroad agreements. I think that's
21 an area I have a lot of concern with right now, Mr.
22 Chairman. We've been negotiation with railroads for a
23 long time. There's still a lot of issues on the table.
24 They have concerns about -- well, let me just simply say
25 they have many, many concerns. I know you met with them

1 initially. I would encourage us as a team to continue to
2 talk to our railroad partners. They will have a big
3 impact on our success or failure.

4 As you know, given the alignment you've just
5 chosen, we are very close to both BNSF and UP in many
6 cases. And we will have to have their cooperation in
7 order for the project to succeed.

8 So it's another area of emphasis that we'll need
9 to make in the coming months and get that squared away.

10 Mr. Chairman, I've gone through this pretty
11 quickly. There is a lot here. Normally, I would do this
12 before a small or Operations Committee, but I have
13 presented this to the full Board.

14 Having said that, unless you have any
15 questions -- or I can turn it over to the PMO and you can
16 hear their report and then we can have questions after, at
17 your pleasure, sir.

18 CHAIRPERSON RICHARD: Before I turn to Mr.
19 Hartnett for questions, I just want to correct one little
20 thing you said. You were talking about the railroad
21 agreements, and you said given the alignments we've just
22 chosen. We haven't chosen any alignments yet. The Board
23 is going to act on that tomorrow.

24 VICE CHAIR RICHARDS: Maybe.

25 CHAIRPERSON RICHARD: The Board is going to

1 consider that for action tomorrow.

2 PROJECT MANAGER HANS VAN WINKLE: That's correct.

3 Excuse me.

4 CHAIRPERSON RICHARD: Mr. Hartnett.

5 BOARD MEMBER HARTNETT: On the construction
6 management services contract, what's the process for
7 getting construction management firms to hire them? Do
8 you need lead time? What's the process?

9 PROJECT MANAGER HANS VAN WINKLE: Right. It will
10 be a Request for Qualifications. It's not a low bid.
11 It's a professional services type of contract. We will go
12 out with an RFQ. We think in about 60 days they should be
13 able to respond to that, and then we'll have an evaluation
14 process.

15 Again, we are looking for a good participation by
16 small business. We think this is an ideal type of
17 contract for them. We also think it's an ideal contract
18 for local businesses. Fairly simple process. Not too
19 difficult.

20 BOARD MEMBER HARTNETT: Construction management
21 services I'm familiar with on projects usually you have
22 one construction management company for the project. If
23 we are talking about a billion dollar or so project, how
24 do you expect a small business to do that?

25 PROJECT MANAGER HANS VAN WINKLE: Well, we think

1 there would be some partnering in this. We believe that
2 and we discussed an option would have been to bring in a
3 much larger firm and manage the construction today. That
4 would have made it easier administratively because we
5 would have had one firm reporting to us.

6 But we thought that it would be important to
7 allow many firms. So by breaking up into smaller
8 packages, we have more opportunities for smaller
9 businesses. And we expect in all likelihood there would
10 be a partnering between a number of small businesses or a
11 small business and a larger size of business. So that
12 really led us to the decision process.

13 I think administratively it would be easier to
14 have one firm and do all that, and allows the uniformity,
15 consistency, and so forth. But we felt it's important
16 that we allow more opportunities for both small businesses
17 and local businesses. So we've chosen this particular
18 method.

19 Certainly, there are other ways we can do this.
20 We discussed this with Mr. Fellenz in terms of options.
21 But this is the course we're recommending.

22 BOARD MEMBER HARTNETT: That's why I asked.

23 CHAIRPERSON RICHARD: Okay. Vice Chair Richards.

24 VICE CHAIR SCHENK: Yes, Mr. Van Winkle.

25 Question with regard to construction manager. What sort

1 of liability, if any, does the construction manager have
2 and to whom?

3 PROJECT MANAGER HANS VAN WINKLE: I don't have
4 that answer at my fingertips.

5 Tom, can you help me out?

6 Yes, I think it would be just errors and
7 omission. There are certainly no design liability.
8 They're doing administrative reporting. So I think there
9 is errors and omissions.

10 VICE CHAIR SCHENK: So there would be some policy
11 that you will move forward within the procurement process
12 for construction manager that will be consistent with the
13 industry?

14 CHIEF COUNSEL FELLEENZ: Yes.

15 VICE CHAIR SCHENK: Okay.

16 CHAIRPERSON RICHARD: Other questions?

17 Madam Vice Chair.

18 VICE CHAIR RICHARDS: Thank you. Mr. Van Winkle,
19 there was quite a lot of work.

20 PROJECT MANAGER HANS VAN WINKLE: Yes, there is.
21 We are fortunate to have a very good staff that does all
22 this.

23 VICE CHAIR RICHARDS: It's all listed under
24 accomplishments and starts page 2 all the way through to
25 page 5. As we get to page 4 and 5, they are less

1 accomplishments as they are sort of challenges or ongoing
2 work.

3 PROJECT MANAGER HANS VAN WINKLE: Yes.

4 VICE CHAIR RICHARDS: Just in terms of reporting
5 to us -- and I know we'll have a Committee to do this. I
6 would like for myself anyway to know what are the goals
7 and time lines and then the accomplishments then. Have
8 they met those goals or not? So that I have some ability
9 to measure what's going on and in what time frame.

10 PROJECT MANAGER HANS VAN WINKLE: Yeah. I think
11 certainly that's a good suggestion. And the way we've
12 structured this format was accomplishments. And then
13 pages five and six were some -- we call them key issues we
14 wanted to inform you these are our risk areas, areas of
15 work.

16 I think you're referring to is really a project
17 schedule. We can certainly do that. We have a master
18 schedule that we track. We have a schedule that is in
19 Primavera format. It basically tracks each area that we
20 need to accomplish and tells us if we are ahead or behind.
21 So we can certainly do that to let you know exactly that.

22 The schedule itself is -- we do it in number of
23 tiers. Tier 1 is sort of an executive management level
24 and we can break it down to almost week by week.

25 VICE CHAIR RICHARDS: And this was a quarterly

1 report which I think is a good chunk of time. I'm used to
2 quarterly reports.

3 What is it that you wanted to accomplish in the
4 quarter? What is it that you did? What is it that we
5 didn't get fully accomplished? And what are the ones that
6 we didn't at all?

7 PROJECT MANAGER HANS VAN WINKLE: Understand. We
8 can certainly do that.

9 CHAIRPERSON RICHARD: Other questions?

10 You know, it occurs to me that people don't
11 really appreciate what goes into building a project of
12 this magnitude. So you've just given us a very small
13 slice of the level of work that you do.

14 PROJECT MANAGER HANS VAN WINKLE: Yes.

15 CHAIRPERSON RICHARD: Thank you.

16 And as I think the Board members know from the
17 correspondence they received, I would like to reconstitute
18 an Operations Committee so that we'll have ongoing Board
19 level interaction with your team that then can report back
20 up to the full Board itself. So I think that will be an
21 important item of governance going forward. Thank you.
22 We appreciate that. Okay.

23 Next.

24 MR. ASHLEY: All right. Good afternoon, I think,
25 still, Mr. Chairman and members of the Board. My name is

1 Mark Ashley with the Program Management Oversight
2 Consultant, the PMO. And as we usually do, Hans goes
3 first, and then I pick up after Hans and comment on his
4 report. And then kind of give you a synopsis of PMO
5 accomplishments, our comments on the PMT's accomplishments
6 I guess you could say, and also our take on key issues.

7 So hopefully you have my report in your packet
8 now. I'm going to do the same thing Hans did, just sort
9 of run through it and pick out kind of the more salient
10 items in here.

11 One of our typical main tasks that we do is
12 something we call "progress audits" that we do monthly.
13 We are monitoring and auditing the PMT's management of the
14 regional consultants and also the PMT's major activities
15 they're doing, like the environmental management and the
16 engineering management. So we've been continuing to do
17 that and reporting on it.

18 We also review the PMT monthly progress reports,
19 and we do written comments on those and those get posted
20 to the website. And then we also review the invoice
21 packages and make comments on those and go through the
22 approval process on the PMT's invoices.

23 Right now, one of the big things that's going --
24 you don't see it?

25 CHAIRPERSON RICHARD: Yeah, Mr. Ashley, you know,

1 I had gone through Mr. Van Winkel's report in the Board
2 package, but let me just ask --

3 BOARD CLERK MOORE: It was after you received
4 your packages, but I laid it down in front of you when you
5 came in this morning. But we can get you another packet
6 right now.

7 CHAIRPERSON RICHARD: Hold on, Mr. Ashley. We'd
8 like to follow along. I think most of us are pretty
9 diligent about trying to review the materials before the
10 meeting, but it wasn't familiar.

11 MR. ASHLEY: I did not bring the extra copies.

12 CHAIRPERSON RICHARD: Mr. Ashley, I'm going to
13 assume that we don't have this document. I did see this
14 before, but I think it got lost in the stack of materials.

15 Okay. We are with you now, Mr. Ashley.

16 MR. ASHLEY: I just covered that first bullet and
17 was just about to move onto the second one, the FY 11-12
18 annual work programs. The whole team, all the regional
19 consultants, the PMT, and the PMO have been really busy
20 putting together the annual work programs for the next
21 fiscal year. That will outline our Scope of Work and our
22 budgets and schedules and all of our goals for next year.
23 So the PMO is assisting the Authority with the
24 implementation of that whole process, taking in all the
25 submittals, reviewing them all, providing comments and

1 getting them back to everybody.

2 We did -- we have now received the one from the
3 PMT. And so I think our comments on that are due next
4 week. And so we're starting a process that will probably
5 go right up until probably the end of June to get this
6 done.

7 The next couple of items -- another major thing
8 that we've been doing is reviewing and commenting on major
9 deliverables of the program management team. One of the
10 big things that they put out in terms of guidance are
11 called technical memos. Got a list here of technical
12 memos we've been working on since December. By the way,
13 the one that was mentioned in public comment we haven't
14 seen yet. We're trying to track that down now.

15 And then there is a number of other deliverables
16 down below the tech memos that were also involved in
17 reviewing. I'm going to skip onto the next page now.

18 Third bullet down, Hans just got done talking
19 about the construction management consultant. We're
20 oversighting that process and reviewing it.

21 One thing that we've mentioned to Mr. Fellenz and
22 Mr. Van Art before that was for the Authority to consider
23 hiring an in-house kind of director of construction type
24 person. We think with the magnitude and quantity of
25 construction that's about to start and probably go on for

1 some time it makes sense for the Authority to have an
2 in-house person for that.

3 The design build RFQ/RFP that also Hans talked
4 about that's in progress due in September, we've been
5 reviewing. We're still in the process of doing reviews on
6 that. Really trying to quantify the risks to the
7 Authority and make sure staff is aware of the risks that
8 are kind of inherent in the way these design build
9 contracts were being rolled out.

10 You heard earlier in the environmental discussion
11 about things that need to be mitigated and whatnot. And
12 you know, at some point, all those details are going to
13 have to be incorporated into these design build contracts,
14 either when they're submitted or through negotiations.

15 Risk management is another thing I know the Board
16 has been very interested in over the years. We continue
17 to monitor that on a monthly basis. There is a master
18 risk register that identifies all the risks. It's
19 maintained by the PMT and it covers each section
20 individually, including the program's goal. Right now,
21 there are 25 risks just from Merced to Bakersfield that
22 are prioritized as either high or very high. So quite a
23 few potential risks going on.

24 Moving on to page 3, I'm going to skip down to
25 the third and fourth bullets. Another thing we've been

1 doing is some cost estimating review. We reviewed some
2 PMT cost studies for the grade steps in Fresno, whether to
3 go over or under. And then also the cost for the revised
4 business plan for the numbers that went into the 168.5
5 billion. We just kind of did an overview of that so far.

6 On value engineering, we've participated in a
7 couple value engineering sessions on the sections in the
8 valley. And early comment on that is really we think they
9 should be done earlier and more often. They seem to be
10 very valuable exercise to go through.

11 I think, you know, I read through Hans' report on
12 all the PMT accomplishments. I really such am in
13 concurrence with all those accomplishments. We've been
14 monitoring those, so we're aware of them.

15 The one thing I do note, the good news is we're
16 about to get the NOD and ROD out, it looks like. The bad
17 news is it's nine months behind schedule. And we're just
18 fortunate that there is good enough flow built into the
19 construction schedule so that we can still get the
20 construction done in time. But I think for Fresno to
21 Bakersfield, that one is going to be really tight. So
22 it's really imperative that the pressure be kept on
23 getting that environmental document done.

24 So now moving on into key issues, Hans hit on
25 several of these. The agreements with the railroads he

1 mentioned. There's also a lot of other third-party
2 agreements the Authority is going to need to secure one
3 way or the other. And you know, I think it's something
4 like 100 and something agreements on the list. There's a
5 lot of work to do on that.

6 Right-of-way, Hans mentioned. That is just now
7 getting started and could end up being -- is definitely on
8 the critical path. The BO and SHPO concurrence for the
9 environmental to get the NOD and ROD out, we still need to
10 do for Merced to Fresno.

11 And then Hans mentioned the agreements with the
12 railroads, which I agree are extremely critical items.
13 And there's some sticky issues with those.

14 But the other thing is getting railroad approval
15 for any place that we cross their right-of-way. And I
16 think the UP has recently agreed to at least start even in
17 lieu of the agreement at least start reviewing the plans.
18 But those reviews have got to get completed and get worked
19 out so they don't affect the alignments or the scope of
20 the design build contracts.

21 Environmental reviews, Hans mentioned the concern
22 about capacity and all the reviewers. And that is an
23 issue. Originally, there was a concern about Fresno to
24 Bakersfield possibly being impacted schedule-wise by that.
25 That looks like it's been pulled back in, back on

1 schedule, at least as we speak. But certainly it's going
2 to be an issue for future environmental documents. Just
3 you can see the sheer mass of these things. And you can
4 imagine how time-consuming they are to review and go
5 through review cycles and revisions and whatnot.

6 And then last by not least I think is an issue is
7 Authority staffing. I know you're all aware of this.
8 It's been going on for a long time. But there are areas I
9 think where more horsepower is definitely needed. I
10 mentioned the construction area, I think is a key area.

11 The other thing is fiscal. There's just a lot of
12 fiscal challenges and budget challenges and, you know,
13 encumbering funds and a lot of really technical detail
14 things about State financing that I think the Authority
15 can use a little bit more horsepower in terms of being
16 able to deal with those issues.

17 And that concludes my report.

18 CHAIRPERSON RICHARD: Thank you, Mr. Ashley.

19 I have some questions, but I'll turn to my
20 colleagues first.

21 Vice Chair Richards.

22 VICE CHAIR SCHENK: Thank you.

23 Mr. Ashley, have we or have you or anybody as far
24 as you know have you developed a critical path for these
25 multiple numbers of agreements we need and when they

1 become critical to DGS slowing down or stopping our
2 progress?

3 MR. ASHLEY: The PMO does not have a critical
4 path schedule for all the agreements. I'm not sure --
5 Hans, maybe you can answer if that's in our master
6 schedule. That's all in our master schedule.

7 PROJECT MANAGER VAN WINKLE: Yes.

8 VICE CHAIR SCHENK: All of these agreements are
9 identified? We know all of the agreements that we do need
10 so I'm --

11 CHIEF COUNSEL FELLEENZ: We're having weekly
12 meetings to go through the agreements at this point to
13 see. We have a matrix showing the progress we've made for
14 agreements.

15 Right now, there's twelve -- for the first
16 construction package, there's twelve agreements. I think
17 we're on schedule to have all of those available for the
18 design build teams, except for I think two of them were
19 struggling.

20 PROJECT MANAGER VAN WINKLE: The railroads --

21 CHIEF COUNSEL FELLEENZ: The railroads were
22 mainly -- AT&T is another one. The railroads are
23 difficult right now. We are meeting weekly -- meeting
24 with the project management team and we're going through
25 that.

1 CHAIRPERSON RICHARD: Other questions?

2 I just had a couple, which is any interaction
3 between your role and the PMOs role -- I mean, I just want
4 to make sure I'm reading between the lines here. I think
5 you've identified in a professional way areas where you
6 see risks and so forth.

7 What I'd like to ask you to do is step back from
8 the words on the page and tell us what are the several
9 things that you think should be of greatest concern to us
10 right now in terms of looking over the program, the PMO,
11 and so forth.

12 I'm sure I can kind of draw it out of this
13 document, but I'd really like to hear you say it.

14 MR. ASHLEY: Well, I think, you know, most of
15 it's been discussed. The railroad agreements I think are
16 huge. Getting those hammered out -- and Mr. Fellenz can
17 probably comment better on what the status of that is than
18 I could right now.

19 I know there was issues with indemnification
20 language and whatnot that we're making it kind of a
21 protracted kind of negotiation. But that's a big one.

22 Right-of-way I think is going to be -- is on the
23 critical path. It's dicey right now, whether or not
24 that's going to eventually holdup our construction or, you
25 know, impact our schedule.

1 The other one I think is just the design build
2 contracts and making sure that in terms of risks there are
3 a lot of things, a lot of tasks that are right now part of
4 the scope of the design build team as the RFP is currently
5 written. And those things have a certain amount of risk
6 associated with them that the design builders are going to
7 have to try to monetize. So I think we need to -- that's
8 one of the things that I mentioned that I think we need to
9 make sure staff is aware of all of those risks and that
10 they feel that the risk has been appropriately allocated
11 between the Authority and the design build team.

12 You know, there is a reality of it right now that
13 there is only so much the Authority can do at this point.
14 Some of those things just are going to have to be handled
15 by the design builders and, you know, we may not have a
16 lot of choice. But I think that's another issues in my
17 mind.

18 Just making sure that when we get the bids and we
19 complete the negotiations that we have a pretty solid idea
20 of what the scope and price of the project is going to be
21 and that we don't end up getting into construction and
22 running into a lot of unforeseens and cost overrun type
23 items.

24 CHAIRPERSON RICHARD: I've recused myself from
25 issues related to the design build because of a prior

1 relationship. But I would just ask a general question,
2 which is: Is there a mechanism by which the Board will
3 have presented to it the issues of the risk allocation?

4 What I'm just hearing from your last answer is
5 that there are cost implications to the project associated
6 with the risk allocation decisions. And I'll just leave
7 it at that for the suggestion to my colleagues that that's
8 probably an area for further inquiry before the
9 organization receives those bids to make sure there is a
10 very clear sense of what some of those choices are.

11 I'm hearing you saying that in some cases there
12 won't be choices because there really are issues that will
13 have to be moved to the design build side. But there's
14 probably some things at the margin and probably some
15 choices that --

16 PROJECT MANAGER VAN WINKLE: Mr. Chairman, if I
17 can respond to that. I think you're entirely correct.
18 The way we've handled that in terms of keeping you
19 informed is that you'll recall we gave you the term sheet.
20 That had the majority of the issues and the risk
21 allocation issues in that.

22 That term sheet was developed jointly between the
23 PMT, the PMO participated in that, the Authority. We had
24 the Attorney General's office. It was really a team
25 approach. And we made our best judgment, given the

1 circumstances at hand, the various constraints, the time
2 lines, and so forth that what a proper risk allocation
3 would be.

4 CHIEF COUNSEL FELLEENZ: And DGS.

5 PROJECT MANAGER VAN WINKLE: DGS and FRA
6 participated as well. We gave our best professional
7 judgements as to the appropriate risk allocations in that
8 regard.

9 We know this is a key issue for our design
10 builders. And certainly the extent to which they feel
11 that these risks issues are more allocated to them than
12 they would like, they will certainly raise the price for
13 that.

14 So there is always this balance to the extent to
15 which risk is allocated to one party vice another.

16 The way we're going to handle that is again I
17 mentioned we have a series of meetings with the design
18 builders, week after next on Monday and Tuesday. Those
19 are mandatory meetings. And we've heard the background
20 there are some questions. We know that they would like to
21 discuss -- many of them would like to discuss that. So
22 our intent is that after we've heard from the design
23 builders, we will then sit down with a similar team, make
24 another decision at that point I think it would be
25 appropriate at a future Board meeting to come back to you

1 and tell you what we heard, if we need to make any
2 adjustments in that risk allocation process and what the
3 implications of staying as we are.

4 So we do have that in mind to come back and tell
5 you exactly. Again, after we've heard from the design
6 builders and heard from them directly as to what their
7 risk allocation issues are.

8 CHAIRPERSON RICHARD: Okay. I appreciate that
9 answer. And I know it's late in the day. But I just will
10 make two comments on it.

11 First of all, because I recused myself from this,
12 I had stepped out of the room so I did not see or
13 participate in the discussion of that term sheet, nor will
14 I in the future.

15 But I will just make one comment from the
16 standpoint of governance of the Board, which is
17 independent of anything having to do with the RFP itself.
18 And that is -- and I don't mean this to be -- sound overly
19 negative, but the words and phrases you've just used
20 implied that the staff had sat down with the PMO, PMT, the
21 PMO, the staff had sat down to look at what is the
22 appropriate balance of risk and cost. And I'm suggesting
23 that there are policy issues inherent in those decisions
24 that I think need to come to the Board, not as an
25 informational item, but as a decisional item.

1 And so I would simply suggest to my colleagues
2 who will be dealing with that issue that after whatever
3 meetings occur with the short list of bidders, if there
4 are adjustments to be made there, I think that you need to
5 drive into the schedule enough time to have the Board
6 deliberate and determine those issues based on
7 recommendations that you would bring forward.

8 But it does seem to me just as a matter of
9 general policy that there are probably choices there. We
10 can go X or Y, and these are the implications. And I
11 think that rises to a level above simply advising the
12 Board after the fact. But in fact, this is where public
13 dollars get spent and risk to tax payers gets decided. So
14 that was my comment on that.

15 PROJECT MANAGER VAN WINKEL: I think we're in
16 agreement, Mr. Chairman. That was the intent with the
17 term sheet that we presented to the Authority. And I
18 think the next round would be a similar fashion whereby we
19 analyze that and give you a recommendation on any
20 adjustments to the current RFP.

21 CHAIRPERSON RICHARD: I'm just saying it's a
22 recommendation, but I think it ought to be recommendations
23 among -- this is our recommendation, but your choices are
24 A, B, or C. Because it's easy a lot of times especially
25 on busy days to sit up here and say, okay, it's a staff

1 recommendation and we give a lot of deference to the
2 staff. But I think these issues that we're talking about
3 here, particularly with the design build contract of this
4 magnitude, we're really in some unknown territory in terms
5 of the nature of risk allocation, risk shifting, what
6 residual risks are with the public, what are the costs
7 associated to the public of putting certain risks on the
8 design build contractors, as opposed to keeping them here.
9 It's pretty complex, but you know, we do have people on
10 this Board, Vice Chair Richards who's involved in
11 development, other members, Ms. Schenk being who serves on
12 many corporate boards who have to deal with these kinds of
13 decisions in the normal course of their lives. And I
14 think this is one of the reasons why members sit up here.

15 I didn't mean to be lecturing. I want to be sure
16 we had a clear sense of what the governance process was.

17 BOARD MEMBER HARTNETT: Mr. Chair, I think you
18 make some good points.

19 I think what would be helpful to me is to receive
20 back again the term sheet that was previously provided to
21 us with the summary page that articulates the principles
22 of risk that are evident that rise from the term sheet.

23 By that I mean, the term sheet is lengthy. It's
24 got a lot of details. But I think there's principles that
25 we have to be able to grasp as to how risk is allocated in

1 principle. And I think that would be helpful.

2 And then particularly then if there are any
3 fundamental shifts in risk that should be reflected in a
4 principle. So that it's -- it doesn't get lost in the
5 detail forest, which I think it easily could have in some
6 of these documents. At least for me it would be easier to
7 understand if it was presented that way.

8 CHAIRPERSON RICHARD: I think that goes to the
9 heart of what I was trying to get to. But that's very
10 good.

11 Vice Chair Schenk.

12 VICE CHAIR RICHARDS: You did get to the heart of
13 some of our responsibility here. We now have a new Audit
14 and Finance Committee that you've appointed. And as many
15 corporations and entry point for risk management is
16 through that Committee. So that we ought to -- that
17 doesn't in any way take away from what we do, but at least
18 at a starting point this ought to be reviewed in depth
19 really drilling down with that Committee. And they, in
20 turn, also then can come to the Board with their
21 concurrence, recommendation, what have you.

22 CHAIRPERSON RICHARD: I think that's well said.
23 I agree with that.

24 Okay. Any other questions from colleagues?
25 Gentlemen? Mr. Ashley, did you have any other points you

1 wanted to make?

2 MR. ASHLEY: No. That was it.

3 CHAIRPERSON RICHARD: Thank you very much.

4 Mr. Van Winkle, thank you very much. I know
5 everybody is working very hard.

6 Colleagues, any other matters before us before we
7 adjourn for the day?

8 A long day, a very important day for the
9 Authority. It's been my experience that people trying to
10 build things wake up every morning and try to see how they
11 can move six inches forward. I think we did that today.

12 VICE CHAIR RICHARDS: Or not six inches
13 backwards.

14 CHAIRPERSON RICHARD: Thank you. Thank my
15 colleagues. Thank our transcriber for your patience
16 today. We appreciate that. Thank you, staff.

17 We're adjourned. 9:00 tomorrow.

18 (Whereupon the High Speed Rail Authority Board
19 meeting recessed at 5:18 PM)

20

21

22

23

24

25

