



CALIFORNIA
High-Speed Rail Authority

CALIFORNIA HIGH-SPEED RAIL: Sustainability Services Pre-Bid

December 5, 2022

WELCOME AND AGENDA

- Moderator
 - » Alice Rodriguez, Deputy Director of External Affairs
- HSR Project Overview
 - » Meg Cederoth, Director of Planning and Sustainability
- Small Business Program Overview
 - » Ashley Mistler, Small Business Advocate
- Procurement Overview
 - » Meg Cederoth, Director of Planning and Sustainability
- Organizational Conflicts of Interest Overview
 - » Tawnya Southern, Attorney IV

PROCUREMENT PROCESS DETAILS

- **Sustainability Services Webpage**

» <https://hsr.ca.gov/business-opportunities/contractors/sustainability-services/>

Or go to: www.hsr.ca.gov, then [Business Opportunities](#), then, [Contractors](#) then [Sustainability Services](#)

This webpage will include:

- Pre-Bid Video
 - PowerPoint
 - Registrant List
 - Responses to Questions
 - Request for Qualification Updates
- **Submit questions to Sustain@hsr.ca.gov**
 - **Questions due by December 12, 2022**



CALIFORNIA HIGH-SPEED RAIL: Project Overview

Meg Cederoth

Director of Planning and Sustainability



CONNECTING CALIFORNIA

Program Highlights

- **Mission:**
 - » To initiate the construction of a high-speed train system that utilizes an alignment and technology capable of sustained speeds of 200 miles per hour or greater.
- **Phase 1**
 - » 494 Miles
 - » San Francisco to Los Angeles/Anaheim
- **Phase 2**
 - » After Phase 1 - Extends 300 Miles
 - » Connections to Sacramento and San Diego

**Travels at approximately 200 mph
Up to 24 Stations**





Central Valley Initial Operating Segment

- 171 Miles
- 100% environmentally cleared
- 119 miles under construction
- 52 miles starting advanced design (pre-construction work)
- Design for Central Valley Stations
- Track and Systems contract bids in 2022
- Train procurement in 2023

Goal: Initial operations by 2030



Bay Area Valley to Valley Segment

- 159 Miles
- 100% environmentally cleared
- Eligible to begin advanced design in 2022/2023
- Corridor electrification underway on 51 miles through Caltrain Electrification Project
- Segment construction is unfunded

Goal: Advance design work in 2023; identify “shared corridor” early capital investments; develop funding plan options



Southern California Complete Phase 1

- 164 Miles
- 92 miles (56%) environmentally cleared in 2022 (remainder in 2023/24)
- Some advanced design could begin in 2023
- LA Union Station Phase A fully funded, clearing environmental in 2022
- Segment construction is unfunded

Goal: Complete all environmental; begin advanced design in 2023; identify “shared corridor” early capital investments; develop segment funding plan options

Program Update

Highlights

- **9,360+ Construction Jobs Created Since Construction Began**
 - 1,000+ Construction Workers Dispatched to Sites Daily
 - 34 Active Construction Sites
- **739 Small Businesses Employed**
 - 237 are Disadvantaged Business Enterprises
 - 90 Disabled Veteran Business Enterprises
- **Leading In Sustainability**
 - Run on 100% Renewable Energy
 - Currently Using Tier IV Equipment on Construction
 - Will Reduce VMT by taking 400k cars off the road annually





CALIFORNIA HIGH-SPEED RAIL: Small Business Program

Ashley Mistler, Small Business Advocate
Process & Program Development Branch
sbprogram@hsr.ca.gov



SMALL BUSINESS PROGRAM



- 30% Goal for Small Business Participation
 - » 10% Disadvantaged Business Enterprises (DBE)
 - » 3% Disabled Veteran Business Enterprises (DVBE)

Commitment to Diversity

Small Business Certification Overview

Certifications That Count Toward the Overall Goal:

- **California Department of General Services**
 - Small & Micro Businesses (SB / MB)
 - Disabled Veteran Business Enterprises (DVBE)
 - Small Business for Public Works (SB-PW)
- **California Unified Certification Program**
 - Disadvantaged Business Enterprises (DBE)
- **US Small Business Administration**
 - 8(a) Disadvantaged Business Program
 - Service Disabled Veteran-Owned SB (SDVSOB)



Small Business Teams

Exclusivity

- » There is no prohibition against Subconsultants/Subcontractors being exclusive to one Offeror, however, exclusivity is strongly discouraged for SB/DBE/DVBE Subconsultants/Subcontractors



CONNECT HSR

High-Speed Rail Vendor Registry

Free Online Tool to Connect with Business Opportunities

Open to All Businesses, Large & Small

- **List Your Business:**
 - Type of Business
 - Services Offered or Supplies Sold
 - Service Counties
 - Certifications
- **Learn About:**
 - Future Contracting Opportunities
 - Trainings/Workshops
- **Register At:**
 - www.connecthsr.com





CALIFORNIA HIGH-SPEED RAIL: Sustainability Services

Meg Cederoth

Director of Planning and Sustainability



Agenda

- Authority Sustainability Program
- Sustainability Services
 - » Contract details
 - » Scope
 - » Procurement Timeline



Authority Sustainability Program



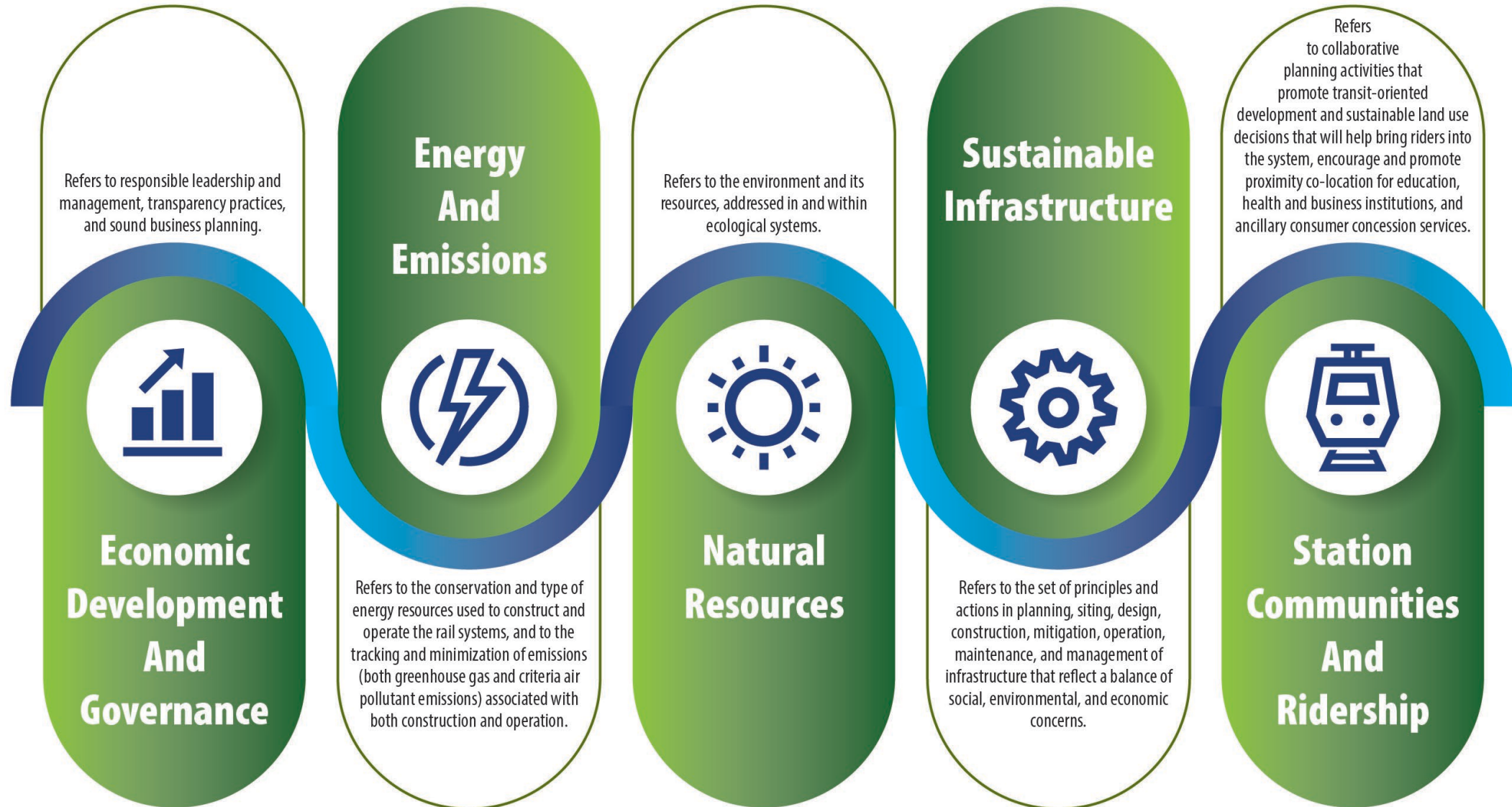
Sustainability Policy

The Authority will deliver a sustainable high-speed rail system for California **that serves as a model for sustainable rail infrastructure.** The Authority has developed and will continue to implement sustainability practices that inform and effect the planning, siting, designing, construction, mitigation, operation and maintenance of the high-speed rail system.

POLI-1007 – Sustainability Policy, 2020-04-02



Using a Framework to Keep our Sustainability Approach Organized



Public-Policy Leading Sustainability Commitments

2008 Board Adopts 100% Renewable Energy for operations

2011 Incorporation in ARB Scoping Plan due to GHG emissions reductions

2012 New and leading-edge construction policies:

- » Net-Zero direct GHG emissions for Construction
- » Net-Zero Air Quality emissions for Construction
- » Proactive construction requirements, including requiring Tier 4 vehicles & 100% recycling requirements

2014 First infrastructure project to require disclosure on major materials, informed AB 262 Buy Clean California Act

- » EMMA developed to track and monitor program & contractor progress

2017 Incorporation in ARB Scoping Plan update

2019 Further strengthened construction policies:

- » Requiring Track and Systems contractor to meet performance targets for embodied energy (concrete and steel)
- » Requiring zero emissions fleet vehicles (25% of on road fleet)
- » Specific target for direct GHG emissions in construction tied to a bonus/penalty

2020 Climate Adaptation Plan

2021 100% zero emissions on-road fleets for future construction contracts

2022 Embodied carbon and supply chain commitments

Contract Background

Supporting Core Authority Activities



Sustainability Services for the California High-Speed Rail Authority

- The California High-Speed Rail Authority (Authority) is issuing this RFQ to receive Statements of Qualifications (SOQs) from qualified firms (Offerors) for Sustainability Services.
- The purpose of this RFQ is to award one contract to the successful Offeror (Consultant) to provide technical support, guidance, and administrative support on a range of sustainability topics related to sustainable high-speed rail infrastructure delivery and operations including technical plans and studies.
- The proposed contract replaces existing sustainability services.
- Sustainability Services previously performed by the Authority's Rail Delivery Partner
- These services:
 - » Support crucial activity in maintaining sustainability compliance
 - » Support climate adaptation implementation and analysis
 - » Perform oversight work of design and construction activities for sustainability compliance

Sustainability Services



The Sustainability Services Contract Overview

- Contract Budget: \$11.7 million
- Contract Schedule: Three years
 - » 2023 - 2026
 - » Plus, two one-year extension options



Sustainability Services Provide Essential Technical Skill Sets

These services support the range of activities the Authority undertakes related to sustainability and fill critical gaps in the team.

- Renewable energy planning, financial analysis, battery storage, cost estimating, and tariff review to support the implementation of the Authority's intention to run the system entirely on renewable energy
- Climate change modelling and risk analysis as well as adaptation design and planning
- Modelling air quality compliance and confirming contractor compliance with air quality and equipment requirements
- Assembling air quality data into quarterly reports to regional and state level stakeholders
- Analyzing ridership and operations data to project greenhouse gas emissions reductions benefits associated with the system
- Reviewing innovation, technical advances, and emerging protocols to determine appropriate carbon offset techniques to meet the Authority's carbon-neutral construction goal
- Assembling data to support the Authority's annual sustainability report and conforming that report to global standards

Sustainability Scope of Services: Tasks

These are the tasks this consultant, or group of consultants, will deliver.

1. Project Management

- » Standard contract management activity: development of a project management plan, and monitoring progress against the PMP, including contract items and deliverables, budget, schedule, human resources, and quality of work produced by the project team.

2. Renewable Energy

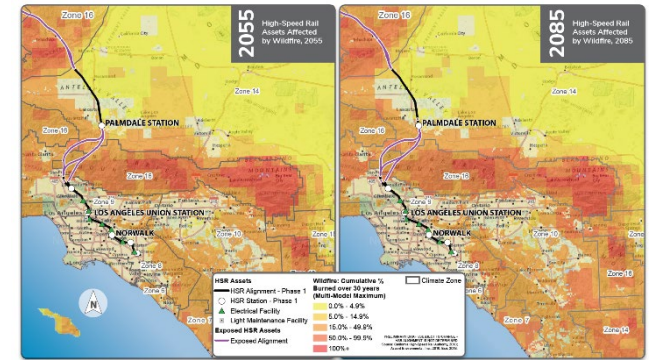
- » Maintain and refine a physics-based model of the high-speed rail system and complete concept engineering on behind the meter solar generation and battery storage systems.
- » Develop renewable energy cost projections by incorporating real time demand information from the Authority's rail operations model. Expand and refine system energy modeling to validate renewable energy and storage resource requirements based on the model's outputs.
- » Develop detailed guidelines for energy management and renewable energy procurement. Includes developing procurement cost and scope documents and providing technical support through the procurement process for renewable energy resources; and related activities.

3. Climate Change Adaptation

- » Provide climate change analyses and adaptation reviews to define the HSR system vulnerabilities and adaptation approaches on a case-by-case basis.
- » Review and revise as necessary design criteria related to building resilience and avoiding climate change risks.
- » Conduct a Preliminary Hazard Analysis and engineering review to identify hazards presented by climate change, as necessary.
- » Continue the analysis and assessment of climate resilience risks, impacts, and opportunities as part of station site planning activities; and related activities.

4. Sustainability Planning and Strategy

- » Advance the Program's Envision application by working with the various internal Authority teams and the Program's contractors to implement sustainability principles from the Institute of Sustainable Infrastructure.
- » Review the Authority's sustainable infrastructure principles within its Sustainability Policy and identify and execute implementation measures in coordination with Authority disciplines and branches, as well as with State agency partners; and related activities.



Sustainability Scope of Services, Continued

5. Sustainability Reporting

- » Develop a calendar year (CY) 2024, CY 2025, and CY2026 Sustainability Report consistent with past Authority reports and in conformance with the Global Reporting Initiative standard; Develop a response to the Global Real Estate Sustainability Benchmark (GRESB) infrastructure survey for 2023 and 2024; Conduct an updated materiality assessment with internal and external stakeholders in CY 2025; Revise Authority Annual Sustainability Report to reflect updated Global Reporting Initiative (GRI) framework and requirements; Refine agency sustainability implementation plan to revise and update quantitative targets considering 2024 Business Plan and baselining exercises; Conduct quantitative and qualitative target review and updates as necessary; Develop quarterly reports appropriate for review by Authority executives that focuses on progress against key Authority sustainability commitments and related activities.

6. Air Quality Monitoring and Reporting

- » Analyze and report Business Plan ridership forecast to determine greenhouse gas emissions results; Revise greenhouse gas quantification methodology and coordinate with the Air Resources Board (ARB) in compliance with the 2018 ARB Quantification Methodology for the California High-Speed Rail Authority High-Speed Rail Project, California Climate Investments Greenhouse Reduction Fund; Provide reporting to ARB and other relevant agencies; Develop and review the Voluntary Emissions Reduction Agreement (VERA) data collection and reporting. Create a carbon management framework to achieve measurable outcomes, including reduction of embodied carbon or carbon intensity of materials.; Refine and manage the strategy for carbon management across construction delivery and construction packages; Refine baseline whole carbon analysis; and related activities.

7. Carbon Offsetting

- » Develop and maintain the quantification methodology and develop the form for documenting tree planting locations and type in coordination with the Environmental Mitigation; Management Application (EMMA) sustainability content developer. Work with grantees to obtain the necessary information to correctly document offsets; Research additional Carbon Offsetting opportunities, may include but not limited to forest management, agricultural gas capture and landfill gas capture, as well as other carbon sequestration techniques; and related activities

8. Environmental Monitoring and Management (EMMA) and Reporting Management

- » Review and confirm data submittals; Revise the forms and reporting structure of the sustainability content included in EMMA. This includes documentation of an extensive and detailed set of contractor requirements.



**422,000 MT
Carbon Sequestered
and Avoided**

The Selection Process Focuses on Qualifications

Evaluation will be done by technical committee.

- This is a qualifications-based procurement. The actual contract amount will be negotiated, and a recommendation presented to the CEO for consideration to award.
- Evaluation will be a two-step process:
 - » Review of SOQs
 - » Discussions
- Pre-award reviews will be conducted concurrently with negotiations prior to execution.
- Environmental, social, and governance (ESG) efforts, which may include any environmental sustainability efforts, socio-economic equity policies, and governance policies, are incorporated as a pass/fail requirement in the Request for Qualifications.
 - » Offerors shall provide information on their ESG efforts which may include any efforts, policies, or reports.
 - » **Offerors must demonstrate that they have set environmental targets for their firms, specifically related to carbon emissions and climate risk evaluation**
- Small business, Disadvantaged Business Enterprise (DBE), and Disabled Veteran Business Enterprise (DVBE) utilization goals are also included in the requirements.
- 30% Small Business utilization goal, inclusive of 10% DBE utilization goal, and 3% DVBE utilization goal.



CALIFORNIA HIGH-SPEED RAIL: Organizational Conflicts of Interest Overview

Tawnya Southern
Attorney IV



ORGANIZATIONAL CONFLICTS OF INTEREST

- All entities desiring to enter into an Authority contract must comply with its Organizational Conflict of Interest (OCOI) Policy.
- Why is the OCOI Policy necessary?
 - » Our federal grants require it;
 - » Ensures compliance with state and federal procurement laws and regs; and
 - » Ensures a fair and transparent procurement process, maximizing competition and minimizing exposure to bid protests
- U.S. Supreme Court recognizes that such policies are "...directed not only at dishonor, but also at conduct that tempts dishonor. This broad prescription embodies a recognition of the fact that an impairment or impartial judgment can occur in even the most well-meaning men when their personal economic interests are affected by the business they transact on behalf of the Government." (*United States v. Mississippi Valley Co.* (1961) 364 U.S. 520, 549, 81 S.Ct. 294, 5 L.Ed.2d 268, emphasis added)

OCOI POLICY DEFINITION

An “Organizational Conflict of Interest” is defined as:

“...a circumstance arising out of a Contractor’s existing or past activities, business or financial interests, familial relationships, contractual relationships, and/or organizational structure (i.e., parent entities, subsidiaries, Affiliates, etc.) that results or would result in:

- **impairment or potential impairment of a Contractor’s ability to render impartial assistance or advice to the Authority or of its objectivity in performing work for Authority**
- **an unfair competitive advantage for any Contractor bidding or proposing on an Authority procurement, or**
- **a perception or appearance of impropriety with respect to any of the Authority’s procurements or contracts or a perception or appearance of unfair competitive advantage with respect to a procurement by the Authority (regardless of whether any such perception is accurate).”**

ORGANIZATIONAL CONFLICTS OF INTEREST

- Two general situations in which an organizational conflict of interest will be found to exist for a contractor:
 - » 1. A contractor has an unfair competitive advantage
 - Example: A contractor has inside or non-public information about a procurement
 - Example: A contractor provides services related to a procurement and then bids on it
 - » 2. A contractor's objectivity in performing its contractual obligations for the Authority would be compromised such that it could not provide impartial assistance
 - Example: A contractor on Contract A is in a position to oversee its own work on Contract B and mitigation is not possible
- Courts are very deferential to public agency decisions on OCOIs unless the agency acted in an arbitrary or capricious manner, abused its discretion, or acted illegally

OCOI POLICY FLEXIBILITY

- The Policy states that “the Authority recognizes that its goals must be balanced against the need to not unnecessarily restrict the pool of potential proposers or bidders available to participate in Authority procurements and contracts.”
- If a potential conflict is recognized, the Policy requires consideration of numerous factors to determine whether the contractor may participate in the contract and whether mitigation or safeguards may be implemented to permit participation.
- Such safeguards are commonly applied to allow participation and include measures like ethical walls and release of work product.
- Contractors are generally not “conflicted” out simply because they’ve done prior work on the Project.
- The vast majority of OCOI determinations find that a contractor may participate in the desired procurement and/or contract.

HOW TO REQUEST AN OCOI DETERMINATION

- Requests for Organizational Conflict of Interest determinations should be submitted to the Authority's Chief Counsel, Alicia Fowler, at Legal@hsr.ca.gov, referencing the RFQ(s) of interest
- The Authority's OCOI determination process includes the following steps:
 - » After the request is received, an investigation and analysis, including potential mitigation options, is performed by the attorneys
 - » The requestor will often be asked for additional information and/or documents necessary for the OCOI determination
 - » The Chief Counsel makes the final determination and informs the requestor by letter, which discusses the relevant facts and applicable Policy provisions
 - » A requestor who does not agree with an OCOI determination may contact the Chief Counsel to raise additional relevant facts and information

QUESTIONS AND RESOURCES

- Questions regarding these procurements can be emailed to:
 - » Sustain@hsr.ca.gov
- Responses to questions, Registrant List, Prebid Video and PowerPoint, and Request for Qualifications updates will be posted soon

<https://hsr.ca.gov/business-opportunities/contractors/sustainability-services/>



Business Opportunities

California's high-speed rail program offers numerous contracting opportunities across a broad spectrum of services and materials. The Authority also maintains a 30 percent small business participation goal, and those businesses are playing a major role in building the program.



GENERAL INFO

[Community Benefits Agreement](#)
[Cal eProcure](#)
[National Competitive Bid Recovery Act Reporting](#)
[Organizational Conflict Of Interest Policy](#)
[Unsolicited Proposal Procedures](#)



SMALL BUSINESS PROGRAM

[Overview](#)
[Get Connected](#)
[ConnectHSR – Vendor Registration](#)
[ConnectHSR – Vendor Search](#)
[Policy & Program Plan](#)
[Business Advisory Council](#)
[Info Center](#)
[Newsletter](#)
[Small Business Assistance Form](#)



CONTRACTORS

[Contracts Out for Bid](#)
[Construction Management Services for Rail Design-Build-Maintain Contracts](#)
[Design-Build Construction Packages](#)
[Design Services for Central Valley Stations](#)
[Design Services for Locally Generated Alternative](#)
[Design Services for Merced to Madera](#)
[Environmental Services for Merced to Fresno](#)
[Program Delivery Support](#)
[Rail Systems Engineering Services](#)
[Track & Systems](#)