



California High-Speed Rail **BRIEFING: December 6, 2023, Board Meeting** **AGENDA ITEM #4**

TO: Board Chair Richards and Board Members
FROM: Brian Kelly, Chief Executive Officer
DATE: December 6, 2023
RE: Construction Update

Summary

This Information Item is presented to update the Board of Directors on Program Delivery activities throughout the Central Valley segment of construction.

Background

This presentation reflects the Authority's commitment to brief the Board on program progress. The CEO, COO, and Deputy COO will present a program update with a PowerPoint presentation to the Board. This presentation expands on the monthly Central Valley Status Report to provide a broader picture of program activities and current project challenges. This Program Update aims to give the Board a look at where program activities are and what is on the horizon as construction advances, the Authority strives for full project definition, and we look toward advancing design and Track and Systems procurement.

Discussion

This informational item provides an update on major activities across the Program, including achievements and goals relative to environmental clearance, right-of-way (ROW) delivery, construction on the 119 miles in the Central Valley, and detailed information on the status of third-party utility relocations for CP 1 and CP 2-3. The presentation will include further information on the following topics:

1. Achieving Construction Management

In the Central Valley, the Program has made significant progress in our commitments to improve construction project management. The primary areas in which the Program expects to improve construction management by the end of 2023 include:

- a. Instituting a complete project definition.
 - ✓ Cross Creek Viaduct is the only major commercial issue that remains outstanding and is currently in arbitration. All other major commercial issues have been resolved.
- b. Completing Right-of-Way (ROW) acquisitions.
 - ✓ The improvements made in ROW planning, forecasting, and management increased capacity and productivity and helped surpass the 98% project goal by December 2023.

- c. Focusing efforts on finalizing third-party designs
 - ✓ The Director of Real Property, Dennis Kim, is the executive in charge of leading Third-Party relationship strategies, including increased engagement of third-party executives and workshops focused on process improvements with AT&T, PG&E, and railroads.
- d. Updating design and construction activities to finalize project schedules.
 - ✓ Working with Design-Build (DB) contractors to re-sequence work and mitigate schedule impacts.
 - ✓ Revised Baseline Schedules (RBSs) have been submitted by the contractors for Construction Package (CP) 1 and CP 2-3. The RBS for CP 2-3 is under review and CP 1 has been approved.

2. Central Valley Station Design Update

The station design contract was executed in March 2023 and awarded to Foster + Partners and Arup (F+P Arup) for the first phase of station designs. The preliminary designs for the four Central Valley stations have started, and the concept designs were submitted to the Authority in November 2023. The Fresno Historic Depot seismic retrofit design also commenced and is expected to be completed in December 2024. Outreach and coordination efforts with local agencies and stakeholders will remain ongoing as the design of stations advances.

3. Environmental Update

Environmental work continues to advance in the Central Valley and other regions where the high-speed rail system will be built. The environmental team is actively supporting the issuance of permitting amendments and agency approvals required for the substantial completion of CP 4. The team is also advancing work in other areas of the system and is in the process of completing the Palmdale to Burbank Administrative Final Environmental Impact Report/Environmental Impact Statement (EIR/EIS), with the Final EIR/EIS expected in early 2024.

4. Right-of-Way Progress

The new management approach to Right-of-Way (ROW) processes has significantly contributed to increased ROW acquisition and improved schedule forecasting. Currently, 98% (2,258) of parcels have now been delivered to the design-builder, and the remaining parcels now stands at just over 2% (37).

5. Construction Progress

In the Central Valley, third-party requirements are largely identified, bringing the project scope into greater focus and stabilizing the ROW footprint. To obtain a full project definition, the Authority is advancing efforts to finalize the scope and schedule. Negotiations are underway that will finalize new scope into the contracts, and the potential for re-sequencing work to mitigate schedule impacts. Progress and remaining challenges in each of the construction packages (CPs) in the Central Valley will be detailed, including the following:

- a. CP 1: The Revised Baseline Schedule has been accepted, and all major commercial issues previously reported have now been resolved. The primary risks have been identified and mitigated; however, risks remain that include delays with third-party approvals and design approval.
- b. CP 2-3: The primary risk areas are ROW acquisitions for utility relocations, delays with third-party design reviews and approvals, and obtaining an agreement from DFJV on the Revised Baseline Schedule. The Authority is proactively managing these risks and working collaboratively with the respective parties to advance a resolution.
- c. CP 4: All structures are now complete, including the delivery of all right-of-way parcels. There is only 400 feet of guideway that remains in progress due to outstanding land conveyance issues with Canal 9-22. Mitigation efforts include the evaluation of various options to identify a path

forward and working closely with the North Kern Water Storage District (NKWSD) to reach a mutual agreement to advance the completion of work in this area.

Additional key performance indicators for each construction package will be provided in the presentation.

6. Enhancing Construction Quality

The Authority is committed to building the nation’s first high-speed rail system with a robust focus on quality to ensure its efficiency, reliability, and safety. To that end, a paradigm shift has been implemented to enhance construction quality. This paradigm shift includes the implementation of a new construction quality model that requires a more proactive approach to inspection and acceptance of work. This has helped prevent issues from compounding and ensure sufficient objective and independent evidence is documented, organized, and accessible.

Additional information on actions being taken to advance the Authority’s commitment to best-in-the-nation quality will be provided in the presentation.

7. Milestone Achievements

The Authority continues to reach important milestones that support the advancement of the project. The final part of the presentation provides a recap of some of the most notable milestones that the Authority has achieved so far in 2023. This includes reaching a new weekly record of 1,612 construction workers in the month of November 2023 and delivery 100% of parcels to the design-builder need for CP4.

More details about these and other significant milestones will be shared in the presentation.

Legal Approval

This is an informational item, and by itself, does not raise any legal concerns.

Budget and Fiscal Impact

This is an informational item, and by itself, does not have a budget or fiscal impact.

REVIEWER INFORMATION	SIGNATURE
Reviewer Name and Title: Brian Annis Chief Financial Officer	Signature verifying budget analysis: Signed 11/28/23
Reviewer Name and Title: Alicia Fowler Chief Council	Signature verifying legal analysis: Signed 11/28/23

Recommendations

This is an informational item.