



Resolution #HSRA 13-21

Approval of Contingency Fund for Construction Package 1

Whereas, in its August 2013 Resolution 13-20 the High-Speed Rail Authority established policies and procedures pertaining to the establishment and use of contingencies on Construction, Design-Build, and Design-Build-Operate contracts.

Whereas, as part of Resolution 13-20, the High-Speed Rail Authority adopted a risk-based approach in determining appropriate levels of contingency.

Whereas, the High-Speed Rail Authority Audit and Finance Committee, in its advisory committee role, received risk-informed contingency assessment reports and recommended contingency estimates for Construction Package 1 from Authority staff.

Whereas, at the September 10, 2013 regular Board Meeting, the Authority Audit and Finance Committee reported its recommendation for Board approval for CP 1 contingency in the amount of \$160,000,000.

Therefore be it resolved:

1. The Board received the Audit and Finance Committee's recommendation for Board approval of CP 1 contract contingency in the amount of \$160,000,000 based upon Authority staff's risk-informed contingency assessment reports and recommended contingency estimates for Construction Package 1.
2. The Board approves CP 1 contract contingency in the amount of \$160,000,000.
3. The Board authorizes the CEO to manage the Audit and Finance Committee's approved CP 1 contract contingency balance, with required reporting to the Audit and Finance Committee at its regular meetings or upon request, and for the Audit and Finance Committee to provide recurring notification to the Board on contingency trending information.

Vote: 8-0

Date: 9/10/13