



CALIFORNIA
High-Speed Rail Authority

Draft Revised 2018 Business Plan

Brian P. Kelly, Chief Executive Officer

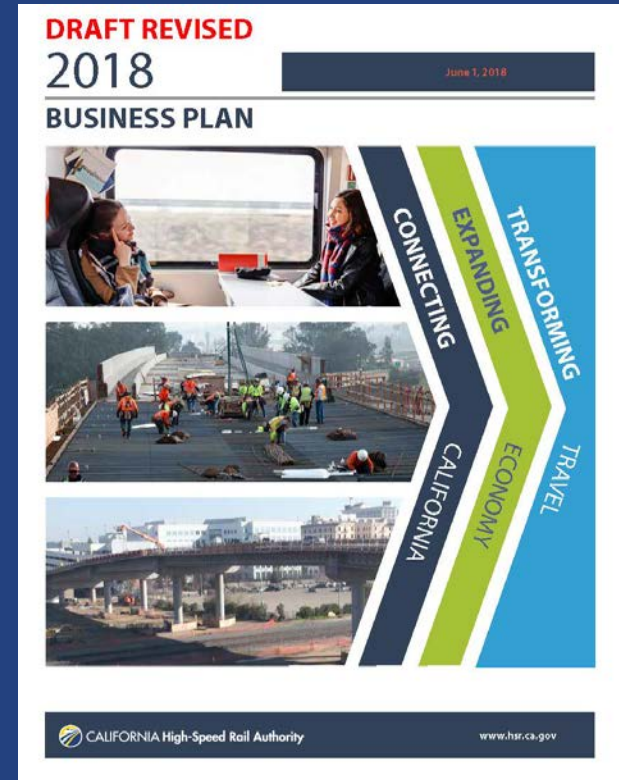
2018 Business Plan

Tuesday, May 15, 2018



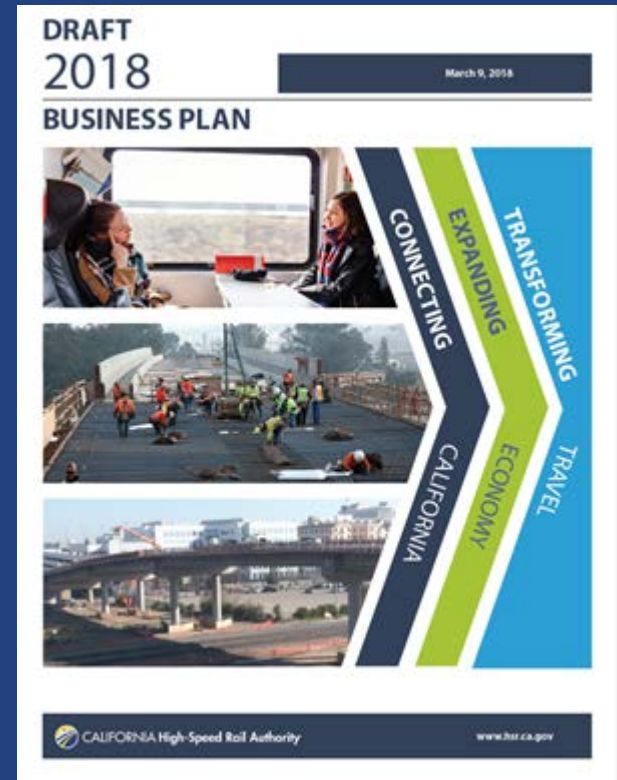
DRAFT REVISED 2018 BUSINESS PLAN

- Required by PUC Section 185033
- Comment period concluded May 7
- The Draft Revised 2018 Business Plan is shaped and informed by public comment and legislative review
- Three documents have been provided for Board consideration:
 - » Staff Recommended Edits
 - » Errata Sheet
 - » Draft Revised 2018 Business Plan showing proposed edits



BACKGROUND: Draft 2018 Business Plan

- Issued March 9, 2018
- Board of Directors received comments at two public meetings:
 - » March 20 Board Meeting (Sacramento)
 - » April 17 Board Meeting (Los Angeles)
- Received comments during three legislative hearings
- Citizens, stakeholders and agencies submitted more than 500 comments
 - » Some comments are addressed in revised draft plan
 - » Other comments have been or will be addressed through other means



DRAFT REVISED 2018 BUSINESS PLAN: Key Aspects

- The Draft Revised 2018 Business Plan remains focused on three key principles:
 - » Initiate high-speed rail service in California as soon as possible
 - » Make strategic, concurrent investments that will be linked over time and provide mobility, economic and environmental benefits at the earliest possible time
 - » Position ourselves to construct additional segments as funding becomes available

DRAFT REVISED 2018 BUSINESS PLAN: Implementation

- **Maintains the following implementation strategy:**
 - » Meet commitments to federal partners by completing 119 miles under construction and environmental clearances for Phase 1 (Merced/San Francisco to Los Angeles/Anaheim) by 2022
 - » Extend Silicon Valley to Central Valley Line to San Francisco and Bakersfield (connecting to Merced remains a high priority)
 - » Invest funds to develop 224 miles of high-speed rail ready infrastructure on two lines, one in the Central Valley and one in the Silicon Valley/Bay Area for operations by 2026-27
 - » Complete project development work for Pacheco Pass tunnels and the extension to Merced
 - » Invest remaining Proposition 1A Bookend funds in Southern California along the Burbank to Anaheim Corridor
 - » Leverage state funding to access other federal, state and private sector funding opportunities

DRAFT REVISED 2018 BUSINESS PLAN: Challenges

- Discusses the program's challenges
- Notes that costs have increased and outlines ways to address these costs going forward including:
 - » Incorporating construction experience and lessons learned
 - » Taking steps to ensure that risks are identified early and mitigation strategies are pursued
 - » Instituting organizational improvements to enhance the Authority's capacity as a project delivery organization
- Outlines strategies to seek additional funding to complete the program

DRAFT REVISED 2018 BUSINESS PLAN: Discussion

- Recommended changes in the revised draft plan focus on the following topics:
 - » Funding and Financing – more clarity on the need for additional funding to deliver the system and on the timing of when financing would be required
 - » Early Train Operator – expanded discussion of the ETO's role and the timing of their future input
 - » Merced – reiterated the commitment to Merced as a high priority and the proposed evaluation of an extension for early service in the Central Valley
 - » San Francisco to Los Angeles Trip Times – based on comments from the Peer Review Group and others, trip times were corrected and forecasts were updated
 - » Tunneling – expanded discussion on past, current and future engagement of international experts

NEXT STEPS

- **Today's Board meeting will focus on the following:**
 - » The Board will consider comments from the public on the proposed changes to the Draft 2018 Business Plan
 - » Consider proposed staff recommended edits and provide additional clarification or changes
 - » Propose any additional language to be included in the revised plan
- **Between now and June 1:**
 - » Staff will incorporate the Board's direction
 - » Prepare a final 2018 Business Plan
- **On or before June 1, 2018:** Submit to the Legislature

THANK YOU

Brian P. Kelly, Chief Executive Officer

Headquarters

California High-Speed Rail Authority

770 L Street, Suite 800

Sacramento, CA 95814

www.hsr.ca.gov



facebook.com/CaliforniaHighSpeedRail



twitter.com/cahsra



youtube.com/user/CAHighSpeedRail