



CALIFORNIA HIGH-SPEED RAIL RESOLUTION #HSRA 19-11

Approval of the Request for Proposals for Track and Systems Contract, Term Sheet, and Stipend

Whereas, the California High-Speed Rail Authority (Authority) is responsible for planning, designing, building, and operation of the first high-speed rail system in the nation pursuant to California Public Utilities Code sections 185030 et seq.;

Whereas, the Authority may enter into contracts with private and public entities for the design, construction and operation of high-speed rail trains, including all tasks and segments thereof, pursuant to California Public Utilities Code section 185036;

Whereas, the Authority is engaged in a procurement process leading to the award of the Design-Build-Maintain contract designated as Track and Systems, with a scope of work that includes design and construction of trackwork, railway systems, and electrification, as well as testing and commissioning, maintenance of the underlying civil works and the track and systems work, and construction of necessary maintenance facilities;

Whereas, pursuant to the 2008 voter-approved Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century, chapter 20 (commencing with Section 2704) of Division 3 of the California Streets and Highways Code (the Bond Act), the Board in December 2016 approved the Central Valley Funding Plan in the projected amount of \$7.8 billion for civil works, track, railroad infrastructure, signaling, overhead catenary system, communications systems, positive train control, heavy maintenance facility and stations (Fresno and Kings/Tulare), designating the 119-mile Central Valley Segment of the Phase 1 blended system as a “Usable Segment” eligible for the Bond Act funds as defined in Section 2704.01(g) of the Bond Act;

Whereas, the Director of Finance subsequently approved the Central Valley Funding Plan, which states that the Central Valley Segment “will serve as the foundational backbone for the statewide high-speed rail system and serve as the test track that will be necessary before service can begin on the Silicon Valley to Central Valley Line” and for the segment to be “a fully electrified high-speed rail segment suitable and ready for high-speed train operations....”;

Whereas, the enactment of Section 39719(b)(2) of the California Health and Safety Code expanded this initial 119-mile Central Valley Segment to the current 520-mile Phase 1 blended system, extending from San Francisco to Los Angeles/Anaheim, permitting proceeds from the Greenhouse Gas Reduction Fund to go to the Authority for acquisition, construction, environmental, and other capital costs (including electrification) of Phase 1 of the project;

Whereas, pursuant to California Public Utilities Code section 185033, the Board adopted the 2018 Business Plan at the May 15, 2018 Board meeting and submitted the 2018 Business Plan to the California Legislature on May 25, 2018;

Whereas, the Board accepted an updated Program Baseline budget at the May 21, 2019 Board meeting that includes costs for track and systems work;

Whereas, staff recommends a multi-stage “best value” procurement process that includes a Request for Qualifications, followed by a Request for Proposals, and negotiations with the apparent best value proposer under the authority granted pursuant to Public Utilities Code 185036 to award contracts with private or public entities for the design, construction and operation of high-speed trains, including all tasks and segments thereof; and,

Whereas, the Authority received and reviewed Statements of Qualifications in accordance with Board, Authority, state and federal policies and requirements for procurements and are presenting a recommended list of teams to invite to participate in the Request for Proposals.

Therefore, it is resolved:

1. The Chief Executive Officer (CEO), or designee of the CEO, is hereby authorized to issue a Request for Proposals (RFP) to obtain Proposals from the prequalified shortlisted firms using the Term Sheet presented for Track and Systems. The CEO, or designee of the CEO, is hereby authorized and directed to make any necessary modifications to the RFP during the procurement process.
2. The CEO, or designee of the CEO, is hereby authorized to include a stipend in the amount of \$2 million for each responsive proposal submitted to the Authority by any prequalified shortlisted Proposer that is not awarded the contract, or, in the case of termination of the RFP, proven costs not to exceed \$2 million; all such stipends shall be subject to the appropriate terms and conditions set forth in the RFP and above.

Vote: 9-0

Yes: Mendonca, Richards, Schenk, Curtain, Camacho, Perea, Lowenthal, Ghielmetti, Miller

No: 0

Absent: 0

Date: December 10, 2019

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