

**CEO Brian Kelly Report to the Board of Directors
California High-Speed Rail Authority
Tuesday, July 16, 2019**

Website Update/Compliance with ADA:

Pursuant to state law, the California High Speed Rail Authority, like all state agencies, is required to certify by July 1, 2019, that our website and the documents contained therein are compliant with the Americans with Disability Act (ADA). I am pleased to report that I made such a certification on that date.

- As we previewed for you last month with our new animations, the Authority has launched its new website.
- The new website was unveiled on June 28th - and has a new look and feel, improved navigation, and is mobile friendly.
- As I noted, our website is also now ADA Compliant.
- To make this so, Authority staff went through an extensive process of analyzing website data and worked with both our umbrella Agency, the California State Transportation Agency as well as the Governor's Office, to ensure that all mandated and highly-used documents were remediated – a process to make them ADA compliant - and reposted. Documents that were removed have been archived and can be requested by the public.
- Our website includes documents that fall into the following categories:
 - The documents are legally required to be posted
 - The documents are less than three years' old
 - The documents highlight major decisions or “tell the story” of the program and help educate the public about the project
- On the site, we currently have all Board materials for 2018/2019 and all Board Resolutions going back to 2009; the Transparency & Accountability Page includes a summary of 387 out of the 412 CP change orders to date, with the remainder being incorporated within a week; and other important documents, such as our federal grant documentation and important environmental decisions remain accessible on the site.
- We're not done with this effort. We are still remediating additional documents that will be on our website once that process is completed.
- We're also here to help the public find documents. **The footer of every web page says the following:** *“If you are looking for a particular document not located on the California High-Speed Rail Authority website, you may make a request for the document under the Public Records Act through the Public Records Act page (link to: https://hsr.ca.gov/about/public_records/). If you have any questions about the website or its contents, please contact the Authority at info@hsr.ca.gov. Staff is on hand to respond to requests for information.”*

Program Progress:

Today's action by the Board is another example of important progress the Authority is making on this project. The Board's approval of the Request for Qualifications for the track and systems contract will allow us to move forward toward completing work we need to get done under our federal funding agreement with the Federal Railroad Administration (FRA). Today's action is a significant step forward and I thank the Board for its action.

Other work is progressing. Staff is working on the two reports requested respectively by the Board and the Finance & Audit (F&A) Committee in May, 2019.

1. Central Valley Business Case

The Authority's Financial Advisor, KPMG, will prepare a Business Case Report on the Merced to Bakersfield Early Interim Service plan outlined in the 2019 Project Update Report. KPMG will employ its resources as well as the Early Train Operator, and Authority staff and consultants, to produce an independent assessment and report. The report will include, but not be limited to, the following:

- Executive Summary – Summary of the business case with findings.
- Context and Methodology – Overview of the program, and the guiding principles and methodologies used by KPMG in the study.
- Business Model and Commercial Vision – Summarize the business model for interim service, and evolution into full Valley-to-Valley service.
- Operational Considerations – Summarize the operational characteristics of the project, including ridership, revenues and operating costs.
- Funding and Affordability – Summarize and analyze funding and costs.
- Economic Impact and Other Societal Benefits – Summarize the results of economic impact analysis and other benefits
- Risk Management – Overview of potential risks to costs and schedule and risk mitigation options.

The report is expected to be completed in time for the September Board meeting.

2. Southern California Study and Comparative Analysis

The Authority's Early Train Operator (ETO), Deutsche Bahn, will lead a team for the development of a separate study for operations in the Southern California high-speed rail corridor and provide a side-by-side comparison of the Peninsula, Central Valley, and Southern California sections. The ETO will coordinate with rail operators on these segments, the State Transportation Agency, and Caltrans. The study will be conducted in two phases.

- Interim Report – The ETO will gather information from third parties, develop an assumptions register, outline service concepts for each scenario, and make preliminary conclusions. The interim report will not yet include the full detail on

costs and benefits, which will be developed for the Final Report. The interim report is expected to be completed in time for the September Board meeting.

- Final Report – The final report will involve additional work with third parties and collection and analysis of information to develop calculations for ridership, revenue, capital expenditures, operating costs, greenhouse gas benefits and congestions relief, as well as near-term benefits, the completion date, and any potential for private investment and local matching funds.

Note, while most of the work is focused on Southern California, the scope requires additional work for the Central Valley and the Peninsula as well. Similar to the timeline for the Central Valley and Peninsula studies, this is expected to take approximately 4 additional months and be completed in time to be released concurrent with the Draft 2020 Business Plan in February 2020.

Also at the September Board Meeting, we will bring forward for the Board's consideration the Preferred Alternatives for the Merced-San Jose segment and the San Jose-San Francisco segment. As was discussed at last month's Board meeting, we released the staff recommendations for the State's Preferred Alternatives in the two Northern California sections of the system. Since releasing the recommendations, regional staff has been leading a comprehensive outreach effort to vet those recommendations with communities along the route. Staff will bring the recommendations, along with the feedback received during outreach, to the Board for direction at the September meeting, which we will hold in San Jose.

This work mirrors the work done in Southern California last fall when the Board approved the Preferred Alternatives for the four segments south of Bakersfield extending all the way to Anaheim, and it provides greater definition to the project and guides the staff's work on the environmental review analysis.

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