

To the California High Speed Rail Authority:

After reviewing the Revised Draft 2020 Business Plan, I support the California's high speed rail project. It is no coincidence that many advanced economies around the world have high speed rail. Out of all transportation solutions, it is the most efficient for transporting people and building connections than compared to highways or airports. I can vision California's high-speed rail being a "Northeast Corridor" of the west coast. I also understand as America's first fully high-speed rail project not everything starts off perfectly. I have a few concerns that I feel were not adequately addressed enough.

One of the biggest sources of delay for the project was acquiring right-of-way with necessary parcels to start construction. The pandemic as mentioned in the Business Plan slowed down the eminent domain process. However, even before the pandemic, the Authority was slow to acquire the necessary parcels. Even now, how can the Authority still not have acquired all the parcels needed by the end of 2021? I believe the Authority should request some fast-track process or mandatory arbitration from the Legislature for eminent domain. Future work should not take as long as it has in the Central Valley and will not become any easier if the work were to continue into denser areas.

One part of the business plan I appreciate is its honesty where the Authority states that "the primary challenge to delivering the full system is funding" (p. 47). I do not feel the Authority has been aggressive enough in procuring funding which, I understand, is difficult like in any business. I believe I can suggest a few strategies. Currently, the federal government, as I understand, granted about \$3.4 billion. The Authority should get the federal government to match what the Authority has spent as typical for large infrastructure projects. Estimating from your chart (Exhibit 5.0), that means the federal government could contribute as least \$17 billion. The Authority should definitely take advantage of the new Administration.

Another suggestion is to possibly issue revenue bonds to pay for the project. Since the revenue bonds must be paid back with interest, I can understand why the Authority does not want to use them now. However, could revenue bonds instead be used to "plug the gap" so to speak like for connecting more profitable segments together like between Los Angeles and San Francisco or even for the Valley-to-Valley segment?

Another concern I have is the slow construction process. Now I understand that it is not economical to try build everything simultaneously, and it takes time for concrete to harden. As I checked your construction process, it seems many of the viaducts and even simple overpasses take an unusually long time even before the pandemic to complete. For example, from BuildHSR.com, the San Joaquin River Viaduct and Pergola has been under construction since at least April 2016. Since the land for such structures has already acquired by the Authority, why are the design-build contractors taking so long? What mechanisms does the Authority have the make sure the contractors build in a timely manner? I also do not understand why the Authority is covering many of the increases in cost of the projects if the point of the design-build contract is push to risk of cost overruns onto the contractor.

I have a particular concerning contractor, Dragados-Flatiron JV, for Construction Package 2-3. They are scheduled to finish around the same time as for Construction Package 1 which is December 2023 (p. 43). However, from BuildHSR.com, Dragados-Flatiron JV has yet to begin on about half of the grade separations compared to where the contractor for Construction Package 1 has at least started or completed all their grade separations. Even though the Authority has yet to acquire every parcel it needs, is the timeline for DFJV realistic, and are they on track to meet it? Why have they been so slow?

Even though I have been critical of some aspects of the Authority and the Business Plan, I think that as the project develops, it will become more popular and garner more support possibly even from the LA Times. I appreciate the Authority's active Twitter account showing off the progress of the project. To that end, I think the Authority should return to monthly construction updates. I cannot figure out your schedule for posting construction updates, but it has been too infrequent. Even though your process has been slow, I am still interested in updates, and I am sure I am not the only one.

The last thing I want to mention is more technical and is a small issue. Your Table of Contents of your Business Plan is broken, and the PDF reader thinks the CEO's Letter is a chapter that contains the entire Business Plan. I am guessing that the authors are mixing up the sub-headings and headings (e.g., Heading 1, Heading 2).

Sincerely,

A handwritten signature in black ink that reads "Marcell Fulop". The signature is written in a cursive, flowing style.

Marcell Fulop