



CALIFORNIA
High-Speed Rail Authority

Request to Amend Track and Systems Stipend Contracts

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Request to Amend Track and Systems Stipend Contracts

Summary of Request

- This request seeks Board approval to amend the prior Board Resolution HSRA19-11 to authorize adjustment in the stipend amounts for the Track and Systems procurement
- This request would not change the total budget amount for stipends; it would simply provide authorization to adjust the amounts available to individual Proposer teams

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- The Board unanimously approved release of the Track and Systems Request for Proposals to three prequalified Proposers in December 2019 (Resolution #HSRA 19-11)
- The Resolution gave specific authorization to include stipends as part of the Track and Systems procurement as follows:
 - » \$2 million to prequalified Proposers who submit a responsive proposal but are not awarded the contract; and
 - » Up to \$2 million (in proven costs) to prequalified Proposers in the event the procurement is cancelled

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- These amounts are in line with industry standards and the stipends awarded in the civil construction procurements
- Stipends are used to encourage valuable industry participation and competition, and to partially compensate Proposers for enormous costs of preparing a responsive bid to a large and very technical project
- The total Board-approved budget was \$6 million

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- Since the stipend budget and allocation was approved in December 2019, the Track and Systems procurement has met numerous challenges related to the COVID-19 pandemic, including:
 - » The COVID pandemic began in March 2020, just a few months after the Request for Proposals was issued;
 - » Major market and industry shifts surrounding mega projects;
 - » Inflation;
 - » Policy Deliberation in approving electrified system between Merced to Bakersfield;
 - » Delays and changes with the civil construction packages; and
 - » Substantive updates to the Requests for Proposals based on programmatic needs
- Changes have resulted in approximately 24 months worth of extensions to the procurement process
- All proposers have requested increases to the stipend amount at various times during this process

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Current Procurement Status:

- Two active and highly qualified Proposer teams remain in the procurement
- Teams have had more than 30 one-on-one meetings with the Authority on commercial and technical issues
- Teams have asked – and the Authority has answered – more than 1,100 questions related to the contract and technical requirements of the project.
- Teams have provided valuable feedback to the Authority that has informed and improved the contract

Proposals are due on September 21, 2022

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Track and Systems Contract Highlights:

- Track and Switches
- Modern Automatic Train Control (ATC) System
 - » Incorporates functional requirements of Positive Train Control (PTC)
- Communication system
- Early earthquake detection
- Station platforms, canopies and vertical circulation (no buildings)
- Overhead Contact System (OCS)
- High-Voltage sub station and switching stations to support OCS
- Operational Control Center (OCC)
- Maintenance of Way Facilities
- 30-year maintenance responsibilities of constructed civil structures
- 30% Small Business participation goal

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Request:

- Approve the Board Resolution to adjust the stipend amounts available to individual Proposer teams, but not increasing the total budget for stipends. The total budget would remain at \$6 million
- The new authorization would permit the Authority to:
 - » Award \$4 million to a Proposer who submits a responsive proposal but is not awarded the contract, or
 - » Award up to \$3 million (in proven costs) to active Proposers in the event the procurement is cancelled
- This request is based on the duration of this procurement, its complicated and technical nature, and the value the Authority has received from the active engagement of Proposer teams

THANK YOU

Comments and Questions

