



February 12, 2025

To: Ray Sosa, Metro Chief Planning Officer

From: Arthur Sohikian, HDC JPA Executive Director

RE: **Consistent with the Measure M Expenditure Plan, HDC JPA requests the Metro Board consider approving the HDC JPA FY26 Work Program at Metro's May 2025 Board meeting.**

2024 HDC JPA Highlights

- High Speed Rail Project National Environmental Policy Act continues with a goal to achieve a Record of Decision.
- April 2024, HDC JPA completes California TIRCP \$8M master agreement.
- April 2024, HDC JPA obligates \$100,000 FRA Corridor Identification Program Grant to complete the Service Development Plan with Metro as project lead.
- May 2024, Metro Board approves FY2024-2025 HDC JPA Budget Work Plan
- July 2024, HDC JPA Financial and Business Advisory Consultant Team contract begins.
- October 2024, HDC JPA releases Engineering and Design Services RFP
- December 2024, HDC JPA Financial Budget and Model draft is unveiled that assisted in FY26 Budget Work program development
- HDC JPA will consider adopting the Fiscal Year 2025-26 Budget at their upcoming Board of Directors meeting on April 17, 2025.

HDC JPA FY2025-2026 Work Program

The HDC JPA is pleased to report that the coming FY26 fiscal year continues the build out of the organizational structure of the agency by adding the Engineering and Design Support Services consulting team. HDC JPA staff submit a NEPA and Planning FY26 Work Program.

Consequently, as the High Speed Rail Project progresses beyond the environmental phase into preliminary engineering/design and right of way planning, the HDC JPA requires additional staffing and contractors to support the increasing complexity, expertise, and level of effort this project requires. To conduct this work effort, the HDC JPA FY26 Proposed Budget of \$11,937,350 (Attachment A) seeks to establish the organizational management structure for this purpose. As noted in Attachment A, the HDC JPA requests Measure M Funds of \$11,937,350. A summary of the activities that would be conducted with this funding is highlighted below.

Complete NEPA environmental clearance and Obtain Record of Decision

The HDC JPA continues working with the FRA and the California High Speed Rail Authority staff to continue the NEPA environmental clearance, Section 106 analysis as well as obtaining an FRA Record of Decision for the High Speed Rail Project in FY26. The funding in the FY26 Budget reflects the anticipated increased activity.



Metro Staff Assistance

The HDC JPA values its partnership with Metro. It is important to note Metro staff have been critical to the success of project development activities to date. As the project progresses, the HDC JPA will continue to rely on Metro's expertise.

HDC JPA Agency Management

To effectively set up the agency's organizational structure and manage the expanded work program for FY26, it is incumbent and justified to have the appropriate staffing to assist executive management with the additional responsibilities that will be required. Planning is at the forefront of the activities, including financial planning. The HDC JPA will be onboarding staff providing technical expertise to effectively carry out the expanded duties as it pertains to environmental approvals, engineering design, financial planning and right-of-way planning.

Update High Desert Corridor Service Development Plan (SDP)

Metro will continue as lead on the HDC Service Development Plan (SDP) to be submitted to FRA for final consideration in FY26. The current January 2023 SDP requires additional analysis and cost updates due to the alignment, structural, and operational changes made to the Project since January 2023. This budgeted amount will be reimbursed to the HDC JPA through the Federal Railroad Administration Corridor Identification Grant funds.

Engineering and Design Support Services (EDS)

Engineering Design and Related Advisory Services (EDS) will begin in FY26. The EDS firm will support HDC JPA with overseeing the work related to the engineering and design services that will be necessary for FY26.

This work includes conducting advanced conceptual planning and engineering work that includes the following tasks: 1) engineering oversight of the work to be conducted to integrate the HDC JPA High Speed Rail Project into the Palmdale Station with California High Speed Rail Authority and the Victor Valley Station with the Brightline West organization; 2) oversight of the engineering work to be conducted for the Service Development Plan; 3) coordinate with the conceptual engineering work to be conducted by the Environmental Clearance Team; 4) coordinate with the Federal Railroad Administration and State Agencies; 5) coordinate with the Right of Way Project Team on ROW Acquisition Planning; 6) support grant applications and grant agreement compliance; and, 7) provide cost scheduling, control, and estimating functions, as well as other related support services.

The HDC JPA appreciates the continued partnership with Metro to advance the HDC JPA High Speed Rail Project with your guidance and requests the Metro Board consider approving the HDC JPA FY26 Work Program at Metro's May 2025 Board meeting.

Sincerely,

A handwritten signature in blue ink, appearing to read "Arthur V. Sohikian".

Arthur V. Sohikian
Executive Director