



Attachment A

March 13, 2024

To: Mr. Ray Sosa, Metro Chief Planning Officer

From: Arthur Sohikian, HDC JPA Executive Director

RE: HDC JPA requests May 2024 Metro Board consideration and approval of the HDC JPA FY2024-25 Work Program for the High Speed Rail Project identified in the Measure M Expenditure Plan.

2023 HDC JPA Highlights

- High Speed Rail Project National Environmental Policy Act completion is estimated to be late-2024/early 2025, including Record of Decision.
- Jan 2023, Metro Board allocates \$8.5M Measure M match for HDC JPA grant requests.
- Dec 2023, HDC JPA receives California TIRCP \$8M allocation.
- Dec 2023, HDC JPA receives \$500,000 FRA Corridor Identification Program Grant.
- HDC JPA will consider adopting the Fiscal Year 2025 (FY25) Budget at their April 11, 2024 Board of Directors meeting.

HDC JPA FY2024-2025 Work Program

The HDC JPA is pleased to report the coming fiscal year is the year of establishing the organizational structure of the agency by setting up the financial advising, program management, right-of-way planning, and procurement functions that are necessary for conducting the upcoming phases of engineering and design and right-of way acquisition.

Consequently, as the High Speed Rail Project progresses beyond the environmental phase into preliminary engineering/design and right of way planning in FY25, 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 FY25 Proposed Budget of \$6,174,000 (Attachment A) seeks to establish the organizational management structure for this purpose. As noted in Attachment, after accounting for the \$1,800,000 cash reserves on hand, the amount that the HDC JPA will need from the Measure M Funds is \$4,374,000. 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 staff to complete the NEPA environmental clearance, Section 106 analysis as well as obtain a FRA Record of Decision for the High Speed Rail Project in FY25.

Metro Regional Rail Program Staff Assistance

The HDC JPA values its partnership with Metro in developing and implementing the high-speed rail project. Metro's Regional Rail staff has 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. Therefore, the HDC JPA is including a budget line item to fund the Metro staff support that will be provided on this project. For FY25, this will consist of assisting with development of the statement of work for the preliminary engineering, proposal evaluations, and other tasks.



HDC JPA Agency Management

To effectively set up the agency's organizational structure and manage the expanded work program for FY25, it is incumbent and justified to have the appropriate staffing to assist executive management with the additional responsibilities that will be required. This is the reason the HDC JPA will be onboarding staff to provide the technical expertise to effectively carry out the expanded duties as it pertains to project management, engineering, design, 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 FY2025. The current January 2023 SDP requires additional analysis and cost updates due to the alignment, structural, and operational changes made to the Project since Jan 2023. This budgeted amount will be reimbursed to the HDC JPA through the Federal Railroad Administration Corridor Identification Grant funds awarded in December 2023.

Selection of Financial Advisory Firm

The HDC JPA Board of Directors will consider authorizing the selection of a financial advisory (FA) firm at their April 11, 2024 Board meeting. Once the FA firm is onboarded, it will support HDC JPA executive management to conduct the ongoing financial planning and analysis, grants management, assess project delivery options, and organizational management analysis to support project development into the preliminary engineering and design phase (30% level of design).

Program Management Support and Construction Management Support Services (PMC)

Depending on the pace of environmental approval, the HDC JPA will seek to authorize the selection of the Program Management Support and Construction Management Support Services (PMC) contractor at either the October 10, 2024 or the January 9, 2025 Board of Directors meeting. The PMC firm will support HDC JPA executive management with overseeing the work related to the phases of Engineering and Design, Construction, Transition to Operational Control, and Closeout. This work includes development of statements of work, procurement administration, grant compliance, third party management including utility relocation, right-of-way acquisition/relocation plans and implementation and other related.

For FY25, the PMC contractor is expected to perform work at a level of effort that will be commensurate with transitioning from the environmental phase into the Preliminary Engineering phase of the project. This consists of developing the Preliminary Engineering and Design (PE) statement of work for the Request for Proposal and preparing a right-of-way acquisition and relocation plan. The budgeted amount of \$1.035 million is estimated for a six to seven-month work period during FY 25. The estimate is based on a previous look ahead that will be revised to reflect the updated Service Development Plan assumptions and costs.

The HDC JPA appreciates the continued partnership with Metro to advance the HDC JPA High Speed Rail Project with your guidance and the Metro Board consideration of the HDC JPA FY25 Work Program. Sincerely,

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

Arthur V. Sohikian
Executive Director