



October 19, 2015

Sent via e-mail: gfarra@fs.ed.us

Angeles National Forest and
San Gabriel Mountains National Monument
Attn: Jeff Vail and George Farra
701 N. Santa Anita Avenue
Arcadia, CA 91006

Subject: *CHSRA GI Comments*

Dear United States Forest Service, Mr. Jeff Vail, and Mr. George Farra:

Thank you for soliciting input from stakeholders concerning the above-referenced subject. We greatly appreciate being able to comment and the “light” which the United States Forest Service’s (USFS) public comment period shines on both the substance and style of the California High Speed Rail Authority (CHSRA) and their proposed testing. This letter is our formal submission of background information along with our comments, questions, and concerns regarding the *Project Environmental Document for Preliminary Geophysical/Geotechnical Investigation Plan for Proposed Tunnel Alternatives in Angeles National Forest* (hereinafter referred to as “GI”) dated August 2015 submitted by CHSRA.

We are writing as members of the S.A.F.E. Coalition (Save Angeles Forest for Everyone/SAFE San Fernando Valley) and as leaders of the communities of Kagel Canyon, Lake View Terrace, Sunland-Tujunga, Shadow Hills, Sun Valley and La Tuna Canyon. We are elected leaders of community service organizations in these communities and collectively represent more than 80,000 residents in the Foothills communities within the Northeast San Fernando Valley. We are closely aligned with leaders from Santa Clarita, Acton, Aqua Dulce, San Fernando, Pacoima, Sylmar and Sun Valley who represent another 300,000+ local residents. Like you, we are passionate neighbors and stewards of the open and protected space that our communities border.

We are writing with great concern about three important and interconnected matters:

1. The culture and operating track record of the California High Speed Rail Authority (CHSRA) and, thus, their fitness to conduct the GI testing without a strong combination of an independent, third-party peer review process and strong USFS monitoring and oversight.
2. The inadequate, short-sighted GI proposal submitted by CHSRA for the Palmdale to Burbank Project Section.
3. The potential impacts and damage posed by the proposed geophysical/geotechnical investigation.

Our concerns are mitigated to an extent by the great respect we have for the service and work provided by the United States Forest Service (USFS). We know this process will place major demands on your time and resources. We are very concerned that the USFS' attention not be diverted away from its critical day-to-day responsibilities and urge the USFS to put any and all burdens on CHSRA to fund any incremental work created for the USFS by their activities or shortcomings. We are looking forward to meeting with you on Friday, November 6, 2015, to discuss this matter in person.

Our comments are broken into three sections. First, we have outlined several requests of the USFS. Second, we have explained the reasons behind our special requests. Third, we provide extensive detail on our comments about the GI. We appreciate your consideration and trust that you will exercise great caution and vision as our guardian of the Angeles National Forest (ANF), the San Gabriel Mountains National Monument and present and projected Wilderness Areas.

I. Requests of the United States Forest Service

We have several requests of the United States Forest Service:

1. Take no action on the GI proposal until after we meet on Friday, November 6, 2015, at the earliest, so that we have ample opportunity to discuss the Project and the GI in person. We request that courtesy as we are, by far, the most representative, involved, informed and committed community entity affected by the current high speed rail and GI proposals and the most involved in protecting all impacted communities and sensitive environmental areas. We are very professional in our approach and know the issues and the environment very well.
2. Request CHSRA provide you/USFS with copies of ALL comments (there are hundreds if not thousands of such comments) CHSRA has received related to geophysical and geotechnical issues beginning with the scoping period (fall 2014), once the East Corridor routes were announced in December 2014, and in response to the Strategic Alternatives Analysis (SAA) Report. Additional time following the comment period will be needed to enable the USFS to fully review all public comments related to geophysical and geotechnical conditions in the context of the proposed GI.

3. Take no action on the GI proposal until CHSRA establishes, to the satisfaction of impacted communities, elected officials and the USFS, an independent, third-party professional review panel (ITP) to provide input and review of all CHSRA studies related to water, seismic and tunneling, including this GI. As background, dating back to early 2015, community and elected leaders have requested CHSRA to include representatives of key agencies such as Army Corps of Engineers, LA County Flood Control District, LA Department of Water and Power, California Department of Water Resources, the California University system (experts on hydrology and seismicity), Sierra Club, and international tunneling experts.
4. We are particularly concerned about the “survey/sample size” and the relevance of the data to be obtained. We seek expert opinion as to the predictive ability of as few as 5 test sites when extrapolated over 35-40 mile area encompassing many thousands of acres of land. It appears more sites would need to be drilled to safely and adequately assess local conditions...then the question becomes, when is the point of too much testing, and too much damage, reached?
5. Do not allow CHSRA to begin the GI until CHSRA provides USFS with complete stakeholder lists and extend the comment period to allow time for those not notified to participate in the current public comment period. We will provide under separate cover the USFS with letters/emails from people who did not receive notice of the GI plan and public comment period, meaning CHSRA’s lists are inaccurate and incomplete, and the public comment period should be extended.
6. Do not allow CHSRA to begin the GI during the height of the fire season, nor when “red flag” days are declared or expected. In addition, conducting these studies now, at the height of the current, severe drought seemingly would not allow for seasonal conditions and data, effectively under-reporting the incidence of groundwater. Shouldn’t such data be obtained over a full year period to serve as a benchmark?
7. Do not allow CHSRA to begin the GI until the aforementioned ITP has reviewed the scope of work for the GI and all comments are reviewed and resolved to the satisfaction of the ITP and the USFS.
8. Take no action until CHSRA demonstrates full funding capability for the proposed routes due to the damaging nature of the GI itself. It is premature to allow such damaging testing for a project that lacks funding commitments, entitlements and basic permits. Add to that, growing public and political opposition and this may well end up being a project that is defunded as soon as 2017 when its funding shortfall and deadlines become real.
9. Finally, if and when the proposed GI testing is to commence, because of the CHSRA culture and track record, as well as the extraordinarily damaging nature of the CHSRA testing and proposed operations, we call upon the Forest Service to demand unprecedented precautions, conditions, monitoring and funding assurances from CHSRA prior to, during and after the GI testing.

II. Justification for Requests

We were the first to call for upfront testing of water resources, seismic activity and tunneling impacts because the East Corridor routes through the ANF have received very little time and research to date, compared to existing surface route alternatives. If all these alternatives are to be included in the same EIR/EIS or environmental studies, there must be a level playing field and equitable research and analysis conducted on each alternative. Presently, of the four route alternatives under consideration, SR14 has been studied for nearly 7 years, E2 has been studied since December 2014, and the revised E1 and E3 routes have only been on the table since May/June 2015. Compounding the time crunch is the fact that on June 30/July 1, 2015, CHSRA executed a major changeover of consulting teams and personnel. Much institutional memory was lost and many new consultants remain in "beginner" mode.

However, the CHSRA, true to its culture, its inflexible schedules, and its lack of transparency, has put together a GI plan that is grossly inadequate and in need of both further detail and immediate engagement of the ITP. Such a panel has been proposed since early 2015 by all of S.A.F.E. and all community leaders, is supported by local elected officials since May 2015, and has been discussed publicly with CHSRA since early 2015. To date, CHSRA has not followed through on the ITP, other than providing periodic lip service, thus, we cannot support beginning the GI.

With respect to the final request for extensive oversight and monitoring of the GI, we offer the following rationales:

1. *Lack of Experience*

- a. CHSRA is a loose amalgamation of hired guns, consultants from all over the world who have never worked together, and who have never built a high speed rail system in the United States. When CHSRA says "they" have done this before or "they" have experience, CHSRA is referring to just a few individuals, not their entire team. Please keep in mind "they" are only as good as the people they retain on consulting contracts. These consultants have exhibited no allegiance, ownership, knowledge or passion for our local communities. As an example, CHSRA's newly hired lead engineer for planning and construction works for a Spanish corporation, lived in Europe and was not even part of CHSRA until July 2015. He has just relocated to the United States from Spain, was provided his first on-the-ground briefing by the SAFE Coalition on Thursday, October 8, and probably doesn't even know where the nearest 7-11 or USFS Ranger Station are located. Yet, he too is now rushing on the CHSRA treadmill to disaster.

2. Funding Shortfall, Timeline Pressure and Propensity to Cut Corners

- a. CHSRA is behind schedule, under-funded and rushing to meet impossible deadlines (see attached October 8, 2015 and October 16, 2015 LA Times articles). By law, CHSRA must receive one-third of its funding from federal sources, one-third from private sources, and one-third from state sources. It is a fact discussed publicly by the CHSRA Board of Directors as recently as CHSRA's October 6, 2015 board meeting in Sacramento, and reported in all the major newspapers in California, that CHSRA has a serious funding shortfall. As acknowledged by CHSRA and as widely reported by the press, CHSRA's federal funding will be cut off in 2017. Not a single dollar of private funding has been raised. CHSRA's state funding is limited to the one-time American Reconstruction and Reinvestment Act of 2009 (ARRA) and the California Cap and Trade Program, which earmarks 25% of its funds to CHSRA. It is being widely speculated that CHSRA is so far behind in its planning and operations that it will fail to qualify for the State match portion of the Federal funds by 2017, further hindering its funding and progress. Some are even speculating the high speed rail project will grind to a halt with its funds repurposed to other transportation and public infrastructure projects.
- b. CHSRA is cutting corners, taking short cuts, ignoring public input, refusing transparency and conducting inadequate public outreach, all in an effort to reach critical path funding deadlines. Our own Congressman, Adam Schiff, has accused CHSRA of "reaching their conclusion and working backwards."
 - i. As reported (see attached article from the Palo Alto Weekly), on October 13, 2015, the Palo Alto City Council voted unanimously to demand CHSRA slow down and to implement an effective community outreach program for high speed rail planning in that region.
 - ii. Last week, upon commencement of CHSRA planning in Orange County, Assemblyman Matthew Harper from the 74th Assembly District called for the state to "give up on this unobtainable and ill-conceived fantasy" and to use the high speed rail funds on necessary transportation projects instead (see attached press release).
 - iii. In June 2015, a measure approved by legislative Democrats cut the reporting requirements for CHSRA, requiring spending reports to the Legislature every two years instead twice per year, an obvious attempt to scale back oversight.
 - iv. Statewide, CHSRA has maneuvered legally to avoid oversight by the California Environmental Quality Act (CEQA). In addition, when requested to explain the start date for its environmental studies, CHSRA was non-specific and referred to a "rolling EIR/EIS process," something we've never heard of before. It should be noted that the neighboring environmental review process for the 710 Freeway took four years from the scoping

period to the Draft EIR for a 4-5 mile project. In all of CHSRA's public presentations, they propose to proceed from the scoping period to Draft EIR in less than two years for a 35-40 mile segment!

- v. In the Palmdale to Burbank Project Section, CHSRA rushed to conclude its Strategic Alternatives Analysis (SAA Report) at their July 2015 Board Meeting, despite it including two severely flawed alternatives and two alternatives that had hardly been studied. At that Board meeting, the Board took no action on the Plan, effectively giving staff a "green light," despite hundreds of public written comments and the attendance of about 400 opponents at the downtown LA CHSRA board meeting.
- vi. Perhaps the most egregious example of CHSRA putting the cart before the horse is in Burbank, California. CHSRA's board and staff have "determined" that a station should be located in Burbank. Neither the Burbank City Council, the Burbank Planning Commission, the Burbank Airport Authority nor Burbank residents have ever voted to approve a station in Burbank. The City is just beginning to learn the facts. Their interest in jobs and added tax revenue will soon be dwarfed by their concerns of CHSRA's funding shortfalls and public perception that high speed rail is an end run effort to "expand" the new airport terminal. One Airport Commissioner, Terry Tornek, stated recently that he believed CHSRA's request for an intensive 6-month planning process would be more likely to take a decade to complete! (see attached *Burbank Leader* article dated August 18, 2015). In fact, CHSRA has no claim to any land in Burbank, an EIR has yet to be done for a proposed, new airport terminal, and the Burbank City Council has just turned their attention to this issue in the last 30 days.
- vii. As mentioned previously, CHSRA has not established the ITP prior to submitting the GI plan to the USFS.

III. Background

CHSRA has filed a Special Use Permit application with the USFS to conduct various geophysical/geotechnical tests and investigations (GI) within the ANF. These tests will assist them in determining whether or not it is feasible to tunnel under or through the San Gabriel Mountains.

The GI will test for groundwater, adverse geology, and earthquake faults. The GI would consist of drilling, installing, testing and backfilling core holes at 5 – 8 locations that HSR has identified within the Forest. The depth of the core holes ranges from 200 feet to 2790 feet deep.

CHSRA proposes to conduct its drilling over the course of one year. The drilling of the deepest hole would take over 3 months to complete. This is a highly invasive, extensive, prolonged project that would have significant impacts to the ANF, to the residents who live in and around

it and the millions of people who visit and utilize THEIR protected federal lands. It is a sad to note that much of the high speed rail program approved by voters in 2008 has fundamentally changed and has been allowed to change by the Governor and state legislature. As sure as the public was thrilled by creation of the San Gabriel Mountains Monument in 2014, had voters known in 2008 that high speed rail would pierce the Monument, Angeles National Forest, and densely populated communities such as those in the San Fernando Valley, the high speed rail vote would have, and should have, failed.

We have studied CHSRA's proposal, and there are many concerns that this drilling presents which should be addressed by CHSRA and the USFS prior to any commencement of work.

IV. Issues and Concerns

1. *Impacts to Groundwater – Springs, Streams, and Wells*

- a.** The proposed drilling creates the potential for contamination of the water table during borings. This would negatively impact both humans who ultimately receive this water “downstream” as part of the Greater Los Angeles water supply, and animals which drink from the streams located within the ANF.
- b.** Contamination could occur from the materials used by CHSRA during drilling. The letter to CHSRA from the USFS supervisor indicated that CHSRA would be using materials “approved for use in drinking water systems to prevent contamination of groundwater.” However, CHSRA provided a lengthy list of materials/additives that it will be using during those drillings, along with the Material Safety Data Sheets for those materials. The MSD sheets indicate that many of the materials CHSRA intends to use feature the following warnings:
 - i.** Carcinogenic (cancer causing to humans and other animals)
 - ii.** Toxicity to fish and mammals
 - iii.** Requires environmental precautionary measures to “prevent from entering waterways.”
- c.** We are concerned that the use of such hazardous materials may contaminate the water supply, possibly causing harm to humans and animals, unless proper precautionary measures are in place, and followed with monitoring by independent, third-party independent oversight.
- d.** Contamination could occur from the mixing of waters from a higher level with waters from a lower level. The proposed drilling creates the possibility of merging of groundwater zones, to possible undeterminable negative consequences.
- e.** Depth of boring could cause water at one level to drain to another level, and any residents who have a well at the higher level could then lose or see a drop in their water level.

- f. If it rains (which it will likely do at some point during the year CHSRA plans to complete its tests), the hazardous materials may be spread from the worksite and travel to and contaminate the natural springs/streams which are in proximity to the worksite, some of which are noted on CHSRA maps as lying within the Area of Influence of the core holes.
- g. Contamination from the use of drilling additives, slurry, grouting, and other materials could occur not only below the surface, but also at surface level of the worksite.
- h. The initial test should be on the deepest core hole and review conditions before moving onto others, i.e., do not drill all coring holes concurrently.
- i. In order to establish baseline information prior to testing, CHSRA needs to test the water for quality. Specifically, for protection of the public using groundwater for domestic purposes, at least one domestic groundwater well south or southwest (Kagel Canyon), and one north of the boring sites should be tested for the EPA's National Primary Drinking Water List of Contaminants listed in 40 CFR Part 141. These wells should be tested prior to boring activities once, to establish a baseline, and again one year after completion of the project. For protection of biological species, all discharged waters should be monitored at least per drill site for Hazardous Constituents listed in 40 CFR PART 261, APPENDIX VIII, and Chronic Toxicity. Also an evaluation should be performed of residential well water levels and their ability to provide the required gallons per minute per the Fire Department guidelines. Tests should be continued during the drilling and then on an ongoing basis for one year following the initial test.
- j. The source (City of Los Angeles, Los Angeles County, State of California, etc.) and type of water, i.e, potable, recycled, gray, etc. needs to be identified as well as how it is purchased. Additionally, we need to know how much water will be used before, during and after drilling and any other related testing activities presented in a "per core hole" unit of measurement. We recommend CHSRA, which is a State entity, utilize water it procures directly from the State and not encumber any local City or County of LA water supplies.
- k. CHSRA has calculated that impacts will not occur beyond a 1000 foot "Area of Influence" surrounding the borehole. However, they have no way of knowing for sure that there will not be contamination beyond the Area of Influence. If they hit a groundwater source, contamination could occur before they are able to plug it, and that contamination could spread along with the groundwater. CHSRA's Area of Influence assumes they will be dealing with small fissures and cracks within the bedrock, but CHSRA also acknowledges a natural flow of groundwater that exists in fractures in the bedrock. Water moving within fractures is unpredictable, delicate, and volatile, and CHSRA cannot predict with any certainty the effect of their drilling on the water supply downstream and in surrounding areas.

- l.** The proposed drilling creates the potential for disruption, diversion, or drawdown of the water table or natural spring and/or natural flow of groundwater during borings.
- m.** CHSRA has never acknowledged the private wells that exist within the ANF. Specifically, the wells that exist in Upper Kagel Canyon are not included on Figure 13, some of which are less than two miles “downstream” from the proposed E1-B3 and E1-B2 core hole sites. These property owners are particularly concerned about (1) possible contamination of their water supply, and (2) possible reduction of their water table. (There are other wells in the vicinity of testing and tunneling that are not documented on the material provided by CHSRA.)
- n.** CHSRA prejudices this review by stating, “Based on the information presented in this GI Plan, we do not anticipate any impacts from the proposed exploration program of the existing water wells within private inholdings or other areas of Angeles National Forest.” Yet, CHSRA further states later in the document, “We anticipate that difficult drilling conditions may be encountered.” Clearly, this is a contradiction and only adds to our concerns about this process.

2. *Biological/Wildlife Impacts*

- a.** Wildlife within the forest will be impacted by noise and vibrations generated by the drilling machine, as well as by the hammer and air guns that are used for seismic testing. Impacts may include disruption to mating habits, migration, and/or abandoning the area to avoid the noise/vibration resulting in change of food supply and disruption of the food chain up to apex-level predators.
- b.** Wildlife will be affected by the influx of people and vehicles that will be introduced to their environment and which will be present for many months at each of the core hole locations.
- c.** Wildlife may be impacted by any contamination of their water supply which may occur through CHSRA’s introduction of toxic materials (see contamination concerns above).
- d.** The ANF provides critical habitat and biological corridors for many endangered, threatened, and sensitive species, including the following:

 - i.** Mammals: Nelson’s Bighorn Sheep, mountain lions
 - ii.** Birds: California condors, California Spotted Owls, and the Coastal California Gnatcatcher, and the Prairie Falcon
 - iii.** Amphibians/reptiles, which live in the water which may be impacted by drilling: the Arroyo Toad, Southern Mountain Yellow Legged Frog, California Red Legged Frog, and Santa Ana Suckerfish.
- e.** The permit application states that surface biological surveys should be conducted AFTER the issuance of the permits. Biological Surveys must be completed prior the issuance of permits. The CHRSA representatives spent one day looking at some of

the sites. This is inadequate. Additionally, such surveys should be conducted during the appropriate time frames when biological resources can actually be studied pursuant to established protocols.

- f. Disruption to or diversion of the water supply or a drop in the water table would negatively impact protected California Live Oaks as well as California Sycamores and White Alders.

3. Impacts to Recreational Use in the ANF

- a. The sites proposed by CHSRA disrupt and diminish the enjoyment of recreational opportunities within the ANF when roads are closed or activities are within the site areas.
- b. Hang Gliding: CHSRA specifically notes that its E1-B3 proposed site will cause disruption to the hang-gliders who utilize the Kagel Truck Trail to access hang-gliders peak. More specifics are needed regarding mitigations, enforcement and monitoring.
- c. Hiking and Backpacking: CHSRA's proposed bore sites are within close proximity of various Discovery Trails, Interpretive Trails, and even the Pacific Crest Trail, which is heavily used by hikers, backpackers, etc. The duration of the proposed project and the noise and traffic created by the proposed project will result in significant disruption to the use of such trails, which are a preferred and intended use of National Forest lands.
- d. Equestrian Use: CHSRA's proposed bore sites are within close proximity of trails that are used by equestrians, specifically the Kagel Truck Trail. Horses will be adversely affected by the noise and vibrations generated from the drilling. The duration of the proposed project and the noise, vibration, and traffic created by the proposed project will result in significant disruption to the use of such trails by equestrians, which is a preferred and appropriate use of National Forest lands. CHSRA has not, but must, be informed by equestrian experts such as veterinarians and equestrian organizations such as ETI to thoroughly understand potential issues. No one among CHSRA's consulting team possesses such expertise. Further, the only ANF equestrian access trail point is the fire road next to E2, adjacent to Courtship Ranch. This access point would likely be impacted and blocked due to equipment deliveries, etc. for the GI. Moreover, this fire road has a history of serious mudslides in heavy rain events, closing it down for months at a time.
- e. More information is needed about what noise, vibration, dust, truck traffic volumes, etc. would be created that would impact residents, campers, equestrians, hikers and motorists.

4. Fire Hazard Mitigation and Impacts to Fire Suppression

- a. Causing a Fire: An abundance of caution is necessary as any equipment CHSRA is working with could cause a spark leading to a fire. Considering the drought situation, coupled with the devastating forest fires that have occurred recently in California, this is of particular concern to the surrounding residents. CHSRA itself acknowledges this possibility as they describe bringing in tanker trucks to hold water for potential fire suppression. Because this is the high fire season, shouldn't this activity be postponed until the cooler months of spring? Any activity that requires torches or welding equipment requires a Hot Work Permit. Will the causing of a fire shut down any further testing at that or other core holes? What emergency communications equipment will be used by CHSRA personnel and how will they be monitored and overseen by USFS personnel?
- b. Blocking Fire Fighting Efforts: CHSRA intends to use currently existing roads to access its proposed core hole locations. This includes a number of fire roads, which exist primarily as a means of access for fire equipment to manage forest fires. CHSRA will be bringing in an unknown number of vehicles to each bore site, and acknowledges that these vehicles will block or partially block the fire roads. In the event of a fire, these obstacles could hinder or block fire fighters and their ability to extinguish a fire, not to mention jeopardizing the workers' ability to safely evacuate the area. CHSRA specifically notes that one of its proposed bore sites is a fire fighting staging area. At what point would core hole drilling stop or be required to stop if there was a fire in the vicinity of the ANF? What if evacuations were required? How would CHSRA be able to evacuate quickly and safely?
- c. Damage to Fire Roads: The months of use of the fire roads by heavy industrial trucks, tankers, and equipment will cause wear and tear on the fire roads, particularly during any rain which may occur, negatively impacting intended use of those roads during emergency situations. Road conditions must be monitored so that they will not be compromised in the event they are needed for emergency services.
- d. Communications During an Emergency. In the event of a fire or other emergency, what communications apparatus will CHSRA have to communicate with Fire and Forestry officials? How would operations be suspended immediately?

5. Legal and Technical Concerns

- a. There will be a need for blow-out preventers (BOP) because the drilling mud may not exert sufficient pressure. CHSRA acknowledges the possibility of loss of circulation of the drilling mud, which means that pressure from the well might

cause substances (water or gas) to come to the surface at a rapid rate and spill onto the surface. Each well should require a blow-out preventer.

- b.** If the bore holes are left open, it is likely that the zones will intermingle in the future causing water from different zones to mix. This may become even more problematic when rainfall increases and more water percolates into the mountain.
- c.** When core holes are closed, are they filled or merely capped? It appears from the GI that they are filled solid and then capped with a 10 foot seal. Is this a vertical “plug” or horizontal (“footprint”) seal?
- d.** To what degree of certainty and predictability does drilling 5-8 core holes throughout the forest represent the entire area? Without independent, third-party input into this proposed GI scope of work, how can we be assured CHSRA has even come close to identifying meaningful sites that are also representative of conditions throughout the routes? Further, it seems that timing deadlines and expediency again forced CHSRA to choose sites that are near roads. While this negates the need and complexity of clearing new roads/paths to test sites, it possibly overlooks better and more strategic locations that would prove far better from a scientific standpoint. How were the locations selected if only sites near roads will be tested? What if more sensitive areas are not located near existing roads and therefore will not be tested/studied? What locations would have been tested if road access was not an issue?
- e.** “The drilling equipment, support equipment and drilling methods will be selected in anticipation of resolving field drilling problems efficiently to minimize down time and potential delays in schedule.” These all should be specified now to USFS and should be reviewed by an independent, third-party peer review before permit application is complete and obviously approved. As issues arise, USFS, a third-party and SAFE must be notified and any material changes must be transparent and communicated publicly.
- f.** Who will be legally and fiscally responsible for any damage done to the forest and to the residential wells downstream? Presumably, it will be CHSRA, therefore, it must demonstrate the ability to handle any damage/liability it may cause to wells, by igniting fires, damaging roads, etc. What form will this financial security be provided? Insurance? Bond? Trust Fund? How will residents be protected if their wells are adversely affected?
- g.** How quickly will the core holes be filled when water is reached to avoid diverting water from residential wells downstream?
- h.** In the event that a drop in the water table is determined, how will CHSRA mitigate this for property owners?

6. Seismic Concerns

- a. Pressure associated with fracking has been identified as the cause of hundreds of earthquakes in states that are otherwise not seismically active. The description of the core drilling process provided by CHSRA seems very similar to the fracking process. What assurances do we have that the core drilling will not induce seismic activity? Will seismic monitoring occur at each test site?

7. Project Supervision/Responsibility

- a. Who will be supervising this operation to assure no damage is done to the ANF?
- b. What supervision will USFS provide for the work and how will CHSRA compensate USFS for that work? How will the public be assured that basic services in the Forest and Monument will not be disrupted by all the resources USFS will have to apply to the high speed rail project?
- c. How will the USFS supervise the drillings?
- d. What companies are doing the testing? What is their experience? What are their credentials? Have they ever done testing related to a high speed rail project before in any country and in the United States? Have they ever done such testing in a National Monument or National Forest?

8. Logistics, Scheduling, and Miscellaneous Issues

- a. What impact will gaining access to the two off-road sites have (500-1000 off of established forest roads)? FS-B1 and E3-B1 will need off road access and will require helicopter access. What does that entail, e.g., constructing a helicopter pad or just grading an area?
- b. How many and what type of trucks and drilling and other equipment (generators, etc.) will be used for each test/staging site. Additionally, we would like to know the weight of said equipment and what type of fuel is required, i.e., gasoline, diesel, etc.
- c. If a mud pit is required, what is the expected amount of debris to be excavated and discarded? How will the mud pit be remediated?
- d. Will Little Tujunga Canyon Road be closed at any point? How will it and the other roads be affected by CHSRA's plans? Will there be closures/disruptions/flag men/etc.?
- e. Each test site area needs approximately 2400-3200 square feet (80 x 30 or 80 x 40), or the footprint of a decent-sized house. Will these pads be removed and will natural vegetation be restored after the site is cleared?
- f. E2-B3 requires access through private properties. What if access is denied? Does CHSRA take legal action and if so, what is the anticipated delay? APNs 2581015001

- and 3209015023 are private residences. How will the CHSRA compensate property owners and what is the expected amount of such payment?
- g. What is the typical size and functions of a work crew, i.e., Foreman, Biologist, etc.? Do they all drive up to the site separately or meet somewhere else and then drive up?
 - h. If drilling rates are 30-80 feet per day, how many and which days per week will drilling taking place?
 - i. What is the daily expected start/stop time?
 - j. What are the specific dates proposed for each bore site?
 - k. In the event of rain, fire, flood or seismic events that could impact drilling what happens if any of the above occur? Is work suspended? For how long? Under what conditions may it resume?
 - l. Has this kind of testing ever been done before in ANF? If so, what precautions were implemented in all facets of public/environmental safety?
 - m. The GI states, "Based on past experience with similar GIs and testing in national forests, potential impacts, if any, are not "substantial." This is nonsense and a total misrepresentation of CHSRA's qualifications. How can CHSRA state, "based on past experience," when they have never done this before; they are beginners. What, where, when, how? Whose experience? CHSRA or other entities?

9. *Noticing, Transparency and Other Permit Requirements*

- a. What County agencies/permits are needed? The County Department of Health is mentioned. What specific permit is required and what is the process/timeline/cost of such a permit? Do such permits come with their own comment periods and public input? This should be included in this permit application process so that all are included together.
- b. What other government agencies have been sent notices re: comment period and proposed activity? Has there been any outreach to ensure comments and input by LA Department of Water and Power? LA County Flood Control? Army Corps of Engineers?
- c. Why hasn't CHSRA announced any plans for similar GI testing in the Big Tujunga Wash and along San Fernando Road near existing aquifers and spreading grounds?
- d. The USFS and an independent third-party peer review team must make it a condition that it has the right to approve the subcontractor(s), the equipment, procedures and all matters relating to the testing prior to the start of any boring activities and that SAFE is notified of any and all material changes.
- e. CHSRA must provide information proving that procedures and requirements are well established for these activities in the State of California and have been successfully implemented for similar geophysical/geotechnical investigations. The documentation should include what, where, when, and how.

- f.** A website accessible to the public should be established and updated in real time. Items that should be included but are not limited to: (1) the number of feet drilled per location; (2) what tests were conducted; (3) if readily available, the results of those tests; (4) incident reports (which would include encounters with hazardous materials, safety issues, worker injuries, etc.); (5) status of each core hole, i.e., not started, in progress, being capped, complete, etc.; (6) written communications including reports by and between the ANF and the USFS; (7) any change in wildlife behavior; and (8) any and all other information that relates to the test site(s).
- g.** A 24/7 security detail should be implemented to protect the various worksites.
- h.** Each core hole should be fitted with a blow-out preventers (BOP). Each active site should be assigned a forest service biologist to monitor impacts to environment.
- i.** Decibel level of all equipment, including vehicles while idling and engaged has not been disclosed.
- j.** This application ought to have included a full schedule and timeline of all proposed activities during the GI.
- k.** Once any GI-related permit is written, the public should have the ability to comment on its content and conditions.
- l.** A preliminary investigation needs to be done to ensure that there are no Indian burial grounds or other cultural/archeological and/or historical sites that could be disturbed by the testing.
- m.** A fiscal analysis must be done to calculate the cost to the USFS in terms of time and resources taken away from normal protective and emergency operations.
- n.** CHSRA needs to prepay any anticipated costs that will be advanced by the USFS.
- o.** CHSRA/USFS should hold a public, informational meeting where CHSRA would fully explain the processes and answer questions PRIOR to the close of the comment period. This was a specific request from S.A.F.E. that testing and tunneling impacts needed to be better understood given two of the routes – E1 and E3 are only several months old.
- p.** At the conclusion of drilling and testing, each core hold should be cased or cemented to total depth.
- q.** Biological surveys should be completed prior to the issuance of permits.
- r.** The following reports or programs should be submitted for public inspection prior to any testing:

 - i.** Hazardous Materials Disposal Program.
 - ii.** A Wildlife Impact Report complete with a mitigation or remediation plan.
 - iii.** A list of sites with addresses where similar tests have been conducted and whether or not the public can visit these sites for comparison purposes.
 - iv.** An Emergency Response Plan that would cover any and all potential disasters that could ensue, including floods (including natural or those caused by drilling activities), fire, earthquakes, etc.

- v. An Infrastructure and Flora Remediation Plan on how trails, roads, streets, and flora will be restored after testing is complete.
- s. An analysis should be done to determine the level of noise, vibration, dust, truck traffic, human interaction that would be created that could impact wildlife prior to the testing.
- t. CHSRA must demonstrate ability to handle any damage/liability it may cause to wells, by igniting fires, damaging roads, etc. (insurance, bond, etc.)

V. Conclusion – Government Needs to Protect People and Natural Resources and NOT be a Rubber Stamp for CHSRA

We have made many requests for additional information and many recommendations to make the GI proposal more complete and protective. Quite honestly, as civilians, as residents, we keep finding ourselves in the position of “fact checker,” “watchdog,” and of doing work that CHSRA and other government agencies ought to be doing. Our government representation on this project has been an abject failure. Presently, the CHSRA board of directors lacks a southern California member/representative. We don’t have a board member to appeal to for assistance and intercession. We asked last week when a new board member would be appointed and were given the answer, “no idea.” Our prior board member has announced plans to run for office. But, that may be a good thing as that same board member had to ask a CHSRA staff member/consultant what an SAA Report was at a City of San Fernando City Council meeting.

As a case in point, we were chagrined recently when a ranking LA Department of Water and Power, in a public meeting stated his agency had little concern for the impact of CHSRA on local water supplies. This was stated before these upfront studies were planned; before the EIR/EIS was completed; and by an executive who did not even know until two weeks ago that there were three East Corridor routes. Numerous phone calls to staff of this executive have not been returned for over three weeks.

For nearly a year, local elected officials in the San Fernando Valley have been requested to host an informational meeting for stakeholders about high speed rail. They have refused to do so and have placed the community in the position of organizing the meeting by themselves. One of our state senators is termed out and leaving office shortly. Another state senator promised us he will work behind the scenes but was a big high speed rail supporter. We’ve heard nothing from him since a tour several months ago. Our local Council office canceled a site visit last week and has yet to reschedule the meeting. Further, we have had to badger Council staff to ensure that planning and environmental deputies become aware of and respond to this public comment period. As far as our County Supervisor is concerned, the Supervisor is running for State Senator and his chief of staff is now running for Supervisor. We think you can see getting representation from that office is going to be a challenge.

Messrs. Vail and Farra

October 19, 2015

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For nearly a year now, the Army Corps of Engineers has refused our requests to meet despite ongoing requests from us and both Congressman Schiff and Congressman Cardenas. We've been trying for nearly a month to meet with the LA County Department of Public Works and LA County Flood Control District to no avail, although we think a meeting is going to happen.

We make these points to demonstrate how busy and how distracted our government agencies have been. It's been easy for CHSRA to move into that vacuum and tell our government representatives what they want to hear so they can move on with little interference and encumbrance. They've made going with their flow the politically correct thing to do. This needs to stop and CHSRA needs to be forced to do their job right.

We are taking matters into our own hands – politically, technically, environmentally and, if need be, legally. So far, the USFS has been the best of the government agencies for us to work with. You've listened, you've been accessible and you've been proactive. Mr. Vail's reference to the sensitive nature of this project was one of the first acknowledgements we've received. We had a very positive interaction last Thanksgiving with Mr. Vail's interim predecessor, but then he was gone and we lost contact with the USFS until its recent meetings about the management plan for the new National Monument. The USFS can represent its lands and its stakeholders by continuing the proactive course it began by opening the public comment period. Require CHSRA reply/respond to these concerns point-by-point with specific answers and mitigation measures so that the answers can be evaluated and determined to be acceptable to CHSRA, USFS and S.A.F.E. We must make CHSRA accountable.

We congratulate you all you've done and stand ready to assist you. Based on the foregoing comments, concerns, and questions, we respectfully request that the USFS seriously consider our concerns and implement our recommendations in order to mitigate any ill effects from the geophysical/geotechnical process as submitted by the CHSRA for their Special Use Permit.

Sincerely,

All Members of the S.A.F.E. Coalition Including:

David J. DePinto, President, Shadow Hills Property Owners, Association
Kelly Decker, Vice President, Kagel Canyon Civic Association
Fritz Bronner, Foothills Trails District Neighborhood Council
Mark Seigel, Chairman, Sunland-Tujunga Neighborhood Council
Cindy Cleghorn, Secretary, Sunland-Tujunga Neighborhood Council
Bill Eick, Land Use Chairman, Shadow Hills Property Owners' Association
Sue Mansis, Vice President, Shadow Hills Property Owners' Association
Cindy Bloom, Treasurer, Shadow Hills Property Owners' Association
Gina Cruz, Chairperson, S.A.F.E. Technical/Engineering Committee

Messrs. Vail and Farra

October 19, 2015

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cc: Mr. Jeffrey Vail, Forest Supervisor, USFS, jvail@fs.fed.us
Mr. Daniel Lovato, Deputy Forest Supervisor, USFS dalovato@fs.fed.us
Mr. Justin Seastrand, Environmental Coordinator, USFS, jseastrand@fs.fed.us
All San Fernando Valley Elected Officials
Members of the Press
Sierra Club

Attachments (in chronological order):

1. Burbank Leader Article dated August 15, 2015, entitled, *"State Eyes Land Owned by Bob Hope Airport for High-Speed Rail Project"*
2. LA Times Article dated October 8, 2015 entitled, *"California Bullet Train Project Is Attracting Interest – But No Funding"*
3. Palo Alto Weekly Article dated October 14, 2015 entitled, *"Palo Alto Blasts High-Speed Rail Project for Moving Too Fast"*
4. Assemblyman Harper's Press Release dated October 15, 2015
5. Associated Press Article dated October 15, 2015 entitled, *"Private Firms Question California High-Speed Rail Funding"*
6. LA Times Article dated October 16, 2015 entitled, *"Funding and Subsidies Worry Potential Partners in California's Bullet Train Project"*

S.A.F.E. CONTACT INFORMATION	
<i>Via Mail-Please send to both:</i>	P.O. Box 345, Sunland, CA 91041
	10435 Mary Bell Avenue, Shadow Hills, CA 91040
<i>Via Phone:</i>	(310) 502-7928

Burbank Leader, August 18, 2015

State eyes land owned by Bob Hope Airport for high-speed rail project

Airport commissioner balks at hazy details in initial presentation.



This artist's rendering portrays the high-speed rail trains and a station.

(Courtesy of the California High-Speed Rail Authority / August 18, 2015)

By Chad Garland, chad.garland@latimes.com

California High-Speed Rail Authority officials said this week they plan to propose to Bob Hope Airport officials that the state agency purchase the nearly 60-acre “B6 parcel” — also known as the “Opportunity Site” — north of the airfield’s terminal, an area which is already being marketed for sale.

“You are sitting on something that is an amazing public and private benefit to the future,” said Michelle Boehm, the rail authority’s Southern California regional director. She said transit officials don’t want to lose the “once-in-a-generation opportunity to make something really great — not just great times one, but great times 10.”

Boehm’s pitch capped off an informational presentation in which she updated members of the Burbank-Glendale-Pasadena Airport Authority on the rail project and touted the

promised benefits of high-speed rail, including relief of congestion on the state's roads, rails and short-haul commuter flight routes throughout California.

However, airport commissioners asked her to be a bit more explicit.

“What’s the ask?” said Terry Tornek, one of Pasadena’s commissioners. “Are you asking us to halt our disposition process? Are you asking us to reserve [two proposed station locations]?”

Transportation officials would like the airport authority to change its sales process and enter into an agreement with an option to purchase, Boehm said, in order to accommodate a multiagency planning process that would look at what part of the property could be used for a bullet-train station, as well as other potential public and private uses, such as extension of the Metro Red Line.

“It’s a big ask,” Tornek said.

In her presentation, Boehm noted that the Burbank airport is the only location in Southern California right now with “fairly good air-rail connectivity,” which she said will be getting better. She said the rail authority is seeking to create such “multimodal transportation hubs.”

“The nucleus, if you will, of a thriving economic wave that could roll out across the area 3 miles away from that location, 5 miles away from that location,” Boehm said of the hubs. “A rising tide that can lift all boats here in the northeast part of the San Fernando Valley, as well as in locations like Palmdale and Anaheim.”

Tornek asked if Boehm thought the proposed partnership and the potential sale of portions of the B6 parcel to public agencies would provide comparable proceeds as what might be expected if the airport were to sell the property to a private developer.

The property is next to a roughly 49-acre parcel where city and airport officials say a replacement terminal should be built, and officials hope to use proceeds from the sale to fund the terminal project.

“We could realize potentially more value from the property in the future than the value as it stands right now,” she said.

Boehm suggested that a nine-month “comprehensive planning process” could include discussions with the city of Burbank on zoning and entitlement issues. She also indicated the city of Los Angeles, Los Angeles County and other agencies may also be interested in purchasing portions of the B6 property.

Several airport officials expressed their doubts about the proposal. Tornek said it had been “something of a challenge” for the airport authority to work with just the city of Burbank on the future of the airport. Officials had sought to rezone the B6 parcel in hopes of increasing its value prior to selling it, but they abandoned that proposal earlier this year after it met resistance from the city.

Out of courtesy, Tornek said, officials should probably wait to receive the high-speed rail authority’s proposal in writing, but he expressed concerns that what Boehm was outlining would take longer than nine months — perhaps as long as a decade.

Tornek said the rail authority's proposal was "inspirational ... or aspirational," but he added that "it's also terrifying, frankly, for me."

Los Angeles Times, October 8, 2015

California bullet train project is attracting interest — but not funding



An artist's rendering shows California's high-speed train. The \$68-billion project would connect Los Angeles to San Francisco.

(California High-Speed Rail Authority)



Ralph Vartabedian Contact Reporter

Since its earliest days of planning, California's \$68-billion bullet train project has counted on a massive infusion of private capital to fill any gaps in state and federal funding.

A new sounding of international interest in such investments indicates the money may not arrive any time soon.

A solicitation issued to potential partners this year drew 36 responses from rail, construction and engineering firms around the world, offering what

California High-Speed Rail Authority officials say are encouraging ideas and feedback that will aid future planning.

But the companies didn't signal a readiness to invest their money, according to the rail authority staff and board members.

"They are not bringing their checkbook yet, but they are bringing their ideas, their interest, their commitment to work with us," said rail authority Chief Executive Jeff Morales.

With slim near-term prospects for additional state or federal funding, the project needs billions of dollars in private investment to supplement government funding as it tries to complete its first passenger-carrying segment.

The companies that responded to the state solicitation left the door open to forming partnerships and making investments, but under terms that could be problematic for high-speed rail officials.

Rail authority Chairman Dan Richard said the companies generally want either a revenue guarantee or a record of financially successful operations. A state-backed operating revenue guarantee would be a "nonstarter" under voter-approved financial protections placed on the project, said Michael Rossi, a retired Bank of America vice chairman and a rail board financial expert.

"There is no proposal, there is no commitment to do anything" in the responses, Rossi said at a board meeting this week. "We need to be very, very careful."

Nonetheless, the rail authority said the process will help formulate a plan to finish the project, which ultimately would connect Los Angeles and San Francisco. The agency did not immediately release the 36 responses.

Rail board member Tom Richards said he was surprised by the expressions of interest in joining the project, saying the number of responses showed it is being taken seriously.

Lisa Marie Alley, a spokeswoman for the rail authority, said the responses are "a clear signal from the private sector that they want to participate." Board members saw the responses as a "positive step forward," she said.

The rail authority is continuing to move ahead with available money, announcing Thursday that it had awarded a roughly \$30-million oversight contract to Kansas City, Mo.-based HNTB for 22 miles of construction in the Central Valley.

The state has about \$15 billion in funding: \$9 billion in bond proceeds approved by voters in 2008 and \$3.2 billion in federal grants. Another \$2.5 billion is expected to come from fees paid by businesses for generating greenhouse gases. But the cost of the initial 300-mile operating system from Burbank to Merced is an estimated \$31 billion.

"We still have a funding gap," Richard acknowledged. "We need that other piece that is new money."

Hope had risen that the project would more quickly attract major private investment, after state legislators agreed to allocate an estimated \$500 million annually to high-speed rail design and construction.

As part of the solicitation process, the authority told companies they "would also need to provide financing to support a portion of the capital cost."

Richard said the responses had a "tremendous amount of thinking." But in terms of financial commitments, he added, "I just don't want to get ahead of ourselves in terms of what we are telling the public or ourselves."

Elizabeth Alexis, a co-founder of a Bay Area group critical of the rail authority's planning, said the results of the solicitation are a setback.

She predicted there will be "some serious soul searching on the next step."

ralph.vartabedian@latimes.com

Palo Alto Weekly, October 14, 2015

Palo Alto blasts high-speed rail project for moving too fast

City Council urges more collaborative process for Peninsula segment of controversial rail line

by Gennady Sheyner / Palo Alto Weekly



Courtesy of California High Speed Rail Authority

With plans for California's high-speed rail system accelerating on the Peninsula, Palo Alto officials on Tuesday ramped up their opposition to a process that they argue is moving too fast and in the wrong direction.

In a special meeting devoted exclusively to transportation, the City Council criticized the California High Speed Rail Authority's recent decision to launch an environmental analysis for the Peninsula segment of the proposed rail line — a review that the state agency expects to conclude in 2017.

This schedule, the council argued, would unnecessarily expedite the planning process for the hugely controversial line, precluding any real collaboration between the state agency and the communities on the northern portion of the San Francisco-to-Los Angeles line.

For the council, the discussion was the first full hearing on a project that galvanized a torrent of [opposition in 2009](#), and that culminated in the council adopting a position of "no confidence" in the project and calling for [its termination](#) in 2011.

Back then, the proposed design for the rail system featured four tracks, with Caltrain on the two outside tracks and high-speed rail on the inside, running along a set of elevated tracks. Today, the design is a "blended" approach in which high-speed rail and Caltrain would share the same set of tracks.

Tuesday's conversation indicated that Palo Alto's apprehensions about the \$68-billion rail project remain entrenched. To address these concerns, the council voted 7-0, with Councilwoman Liz Kniss absent and Councilman Eric Filseth recusing himself, to reconstitute its defunct Rail Committee and to lobby the rail authority to commit to "context sensitive solutions" (CSS), a process that involves extensive collaboration with community leaders and other stakeholders.

The council also agreed to pursue the same process in its own plans for the future of the Caltrain corridor.

Elizabeth Alexis, co-founder of the local watchdog group Californians Advocating for Responsible Rail Design, urged the council in her public comments to pursue the CSS process, which is commonly used in highway construction and which emphasizes continuing communication between stakeholders and a "shared vision."

"There's always time to do CSS if you want your project to get to the finish line especially when you deal with a situation like we have here, where there's a lot of complexity and where in order to make all the pieces fit together you may have to change the process," Alexis said.

The proposals to pursue CSS and to recreate the Rail Committee were made by Councilman Pat Burt, a former committee member and one of the founding members of the now-defunct Peninsula Cities Consortium, a coalition of elected officials from various Peninsula cities.

Both groups were dissolved two years ago as the rail authority shifted its plans from the Peninsula to the Central Valley. Now, Burt said, is the time to reconstitute the council's committee and to re-engage other cities.

"I think what they are planning to do is a prescription for failure," Burt said of the rail authority. "It is the sort of process that resulted in the horrendous backlash on the Peninsula previously.

"We need to recognize this is not a four-track system, it's a hybrid 'blended' system, so eventually the impacts aren't so great, but they are making the same process errors.

An 18-month cycle time for this complex of an EIR (Environmental Impact Report) is not realistic."

His colleagues agreed and said they were surprised by the shift in the rail authority's plans. City Manager James Keene said he and city staff were shocked to see the rail project "back on the scene" on the Peninsula while the Central Valley segment remains far from completion.

Councilman Marc Berman agreed, saying, "It's baffling. It really does lead to a lot of distrust from our end, which was something that I thought they were trying to remedy after what happened previously."

The rail authority, which is charged with building the rail line, kicked off the environmental-analysis process last month with a series of community meetings throughout the region (though none in the Midpeninsula area).

At [a meeting in San Francisco](#) last month, the rail authority's Northern California Regional Director Ben Tripousis called the series of meetings the "beginning of the conversation" with the Peninsula communities and stressed that the goal is to make high-speed rail an asset, "not an eyesore," for the cities along the proposed line.

He also told the audience that as a safety measure the rail authority plans to install quad gates at each grade crossing to limit auto access. Eventually, Tripousis said, the agency plans to consider grade separation (an under- or overpass) for the rail line and to work with each community individually to discuss this long-term change.

In Palo Alto, however, grade separation remains a critical priority, whether or not the rail line actually gets built. With Caltrain now embarking on the long-awaited [electrification](#) of the rail corridor, a project that will increase the number trains, council members are advocating for a Caltrain trench and scouring for funding to make the project possible.

On Tuesday night, they discussed several sources of funding, including the [transportation-sales tax](#) that the Santa Clara Valley Transportation Authority plans to put on the November 2016 ballot and various state grant programs that could partially fund the project.

Councilman Tom DuBois recommended talking to other cities, including Redwood City and Mountain View, about forming a joint effort to create a trench along the Caltrain corridor. He pointed to other examples in the state and across the country, including in

San Francisco, Los Angeles and Reno, Nevada, where tunnels and trenches were successfully built.

"I'd really like us to learn from examples of how other cities and areas pulled this thing off," DuBois said. "I think we really need to think big and consider all sources of funding (and) cobble everything together. Should we go for minor changes on Churchill? Sure. But I'd like to see us think big and really think about a Midpeninsula trench that could really impact a lot of people.

"It should be supported by our businesses, by Stanford," DuBois added. "It would really contribute to the vitality of Silicon Valley, which is a big part of the GDP (gross domestic product) of California, which is a big part of the GDP of the country."

According to the city's preliminary estimates, a trench for Caltrain would cost between \$500 million and \$1 billion in the southern half of the city alone. But given the rising demand for Caltrain and future rail improvements, the council agreed that grade separation should be pursued regardless of high-speed rail.

"The challenges remain whether they're coming or not," Burt said, referring to high-speed rail. "It really behooves us to re-engage on this and to begin trying to take the bull by the horns ourselves so that we really are moving as much as possible away from a reactive mode."

Assemblyman Harper Issues Statement Opposing High Speed Rail On Morning of Local Community Meeting

Thursday, October 15, 2015

Madeleine Cooper, (916) 319-2074

HUNTINGTON BEACH, CA – Assemblyman Matthew Harper (R-Huntington Beach) today issued the following statement prior to this evening’s California High Speed Rail Authority’s Community Open House Meeting in Anaheim:

“The plans for High Speed Rail are troubling, and the High Speed Rail Authority has a lot to answer for. Today’s official cost estimate for the project is \$68 billion, but other estimators believe it will cost much more. Of the estimated price tag, \$55 billion remains unfunded.

“Put simply, the High Speed Rail project being now sold to Californians is not the same project voters approved in 2008. Not only has the project’s estimated cost skyrocketed, but current plans include alternate routes that will destroy communities while projected travel times from Los Angeles to San Francisco have been increased significantly.

“Rather than continue to fund the Governor’s High Speed Boondoggle, we should be focused on solving real transportation issues, like the improving the embarrassing state of our roads. It is time for the state to tighten the strings, give up on this unobtainable and ill-conceived fantasy and use these funds on necessary transportation projects instead.”

Assemblyman Matthew Harper represents the 74th Assembly District; he is the former Mayor of the City of Huntington Beach. The 74th Assembly District includes the cities of Huntington Beach, Costa Mesa, Newport Beach, Irvine, Laguna Woods and Laguna Beach.

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ASSOCIATED PRESS

SACRAMENTO, Calif. — Oct 16, 2015, 8:07 PM ET

Private Firms Question California High-Speed Rail Funding

BY **JULIET WILLIAMS AND JUSTIN PRITCHARD**

Businesses that might bid to build a high-speed rail network across California are questioning whether there will be enough government funding to complete the complex and ambitious project.

That picture emerged from documents the companies submitted to the state rail authority overseeing the project, which solicited ideas for how it should approach building a first segment of 300 miles of track by 2022.

Critics have cited the lack of private investors as a major flaw in planning what would be the nation's largest transportation infrastructure project, with a cost estimated at \$68 billion. So the California High-Speed Rail Authority asked firms to suggest how to reduce costs, speed up construction and attract outside money.

In response it received 36 submissions from firms including global construction and engineering giants AECOM, Siemens and Parsons. The rail authority released the documents to The Associated Press under a Public Records Act request.

The authority has planned an "initial operating segment" from Merced to Burbank, with the first service scheduled for 2022. On Friday, authority spokeswoman Lisa Marie Alley said one purpose of the proposals was to see whether the route could be built sooner.

The target date to connect San Francisco with the Los Angeles area is 2029.

One common theme from the documents: Where will the money come from to make that happen?

"The total funding identified is still insufficient" to deliver an initial operating segment, Parsons wrote in its 17-page submission. "This shortfall, as well as the uncertainty around these sources, must be addressed."

The state Legislature agreed last year to provide the first ongoing source of financial support to the project by tapping revenues from the state's greenhouse gas emissions program in which companies buy and sell pollution credits. That amounted to \$750 million over the last two fiscal years, with a promise of 25 percent of "cap and trade" revenues into the future. Voters in 2008 also approved nearly \$10 billion in bonds, and the federal government has committed \$3.5 billion in matching funds.

Because ticket fees are not expected to generate nearly enough revenue to cover debt from construction, "there must be significant government funding," AECOM wrote in its 23-page submission.

One critic of the project doubts it can attract investments from outside government.

"No private investor will hand over the billions they are asking for and then allow the state to own and govern the use of that investment," said William Grindley, a retired international business consultant who has closely followed — and consistently raised doubts about — the project.

In the documents, many firms suggested breaking the project up into smaller contracts, typically in the \$3 billion to \$5 billion range. Anything much larger could scare off even the world's largest construction and financing firms, the respondents said.

"The market cannot absorb a single \$20 billion contract," a group led by ACS Infrastructure Development, Inc. wrote, arguing that the risk to a construction firm would be too high and that "financial institutions would not invest into a project of such unprecedented scale and cost."

Officials with the rail authority called the receipt of 36 responses a sign that the private sector is very interested.

"Two years ago, we were calling them — and now they're calling us," Alley said. "This project is real for a lot of people, more so than before."

The authority plans to interview respondents over the next few months and publicly discuss next steps in the new year, Alley said.

Pritchard reported from Los Angeles. Contact him at <http://twitter.com/lalanewsman>.

Los Angeles Times, October 16, 2015

Funding and subsidies worry potential partners in California's bullet train project



California has begun construction on the first segment of the bullet train, but firms asked to partner on the project have expressed concerns over funding and other issues.

(California High-Speed Rail Authority)



Ralph Vartabedian Contact Reporter

Major construction, equipment and engineering firms around the world, responding to a solicitation to form a partnership with the California high-speed rail project, have raised serious concerns about the state's shortage of funding, the potential need for long-term operating subsidies and whether the project can meet the current construction schedule.

The comments were included in 36 responses sent by the international firms to the California High-Speed Rail Authority after it requested suggestions on how to complete the \$68-billion project. Despite the concerns, many of the companies expressed a willingness to participate in the project.

Construction of the first section of the planned Los Angeles to San Francisco rail line began earlier this year. But the state has only half the \$31 billion needed to complete the initial operating segment between Burbank and Merced.



Comparing high-speed rail fares

The appeal for financial and technical partners drew responses from across Europe, Asia and the U.S. But none of the companies expressed a readiness to invest their own money, and some included reservations about the risks.

The state, which has been counting on private investment as part of its funding plans, disclosed receipt of the responses last week. They were released Friday after Public Records Act requests were filed by The Times and other organizations.

Subsidiaries of the Spanish company Ferrovial SA wrote that most high-speed rail systems around the world require operating subsidies and that the same will probably be true for California's bullet train.

"We believe it is highly unlikely that the [California system] will turn an operating profit within the first 10 years of operation," the company's 37-page

submission said. "More likely, [the system] will require large government subsidies for years to come."

Both German rail producer Siemens and Spanish construction company Sacyr Concesiones expressed similar concerns about whether the initial 300-mile segment between the Central and San Fernando valleys could operate profitably.

Sacyr warned that "it is our opinion that the revenue from ridership may not be sufficient to cover all [operation and maintenance] cost."

As part of the taxpayer protections written in to a voter-approved plan to provide funding to build the line, public subsidies for operation of passenger service were banned. State officials have consistently projected the train will turn a profit as soon as it begins carrying riders. The issue is the subject of a lawsuit scheduled to go to trial next year.

See the most-read stories this hour >>

A number of companies said the state would need to demonstrate a successful operation before they would bring private money to the table.

The state's commitment to provide up to \$500 million a year in greenhouse gas fees to the project until at least 2020 is a crucial source of revenue, several companies noted. But the state needs to clarify how reliable that funding will be in the future, they said.

Some took issue with the feasibility of the state's plan to bring the entire project under one large umbrella partnership, saying such a venture would be too big for any single company to take on.

And a consortium of Fluor and Balfour Beatty expressed concern about the project meeting its construction schedule.

Dan Richard, the rail authority chairman, said in an interview that the outpouring of interest was encouraging and that the cautiousness of the businesses wasn't surprising.

"We got a huge response," Richard said. "You wouldn't have seen all these people put ink to paper if they didn't think this was a real program. That's what I took out of this."



High-speed rail through Central Valley

Richard dismissed the suggestions that public subsidies would be needed once the trains are rolling, asserting that every major high-speed rail system in the world operates without subsidies. That point has been in dispute for years, with critics asserting that most foreign systems are heavily subsidized and supporters arguing that high-speed rail networks operate in the black.

Richard said the state rail authority doesn't expect to attract a private investor until it begins to successfully operate its first segment.

Attracting a partner too early would increase the risk to a private investor and require the state to discount the value of the franchise, he said. So the state will need to build an initial portion of the system on its own, possibly with a pay-as-you-go approach using available state funds.

"I believe we are honing in on an initial operating segment," he said.

Outside groups who monitor the project said the concerns expressed by the international companies mean the state isn't likely to lure a paying partner, at least under the current plan.

"Everybody who is anybody responded to the authority, but the bad news is that everybody is telling them as kindly as possible they are nuts," said Elizabeth Alexis, co-founder of Californians Advocating Responsible Rail Development, a Bay Area watchdog group that has long criticized the state's plan.

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