



San Benito County Board of Supervisors

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May 21, 2019

The Honorable Gavin Newsom
Governor, State of California
1303 10th Street, Suite 1173
Sacramento, CA 95814

Re: In support of abandoning and reducing the original scope of the California High Speed Rail Project.

Dear Governor Newsom:

California voters approved "Safe, Reliable High-Speed Passenger Train Bond Act for the 21st Century," with a 53% passage rate. California High-Speed Rail project was supposed to link San Francisco to the Los Angeles, with approximately 800 miles of track eventually extending to Sacramento and San Diego linking the State's largest cities and providing 24 stations.

In 2008, California voters authorized \$9.95 billion in general obligation bonds of which \$7.5 billion allocated to the system's planning and construction. In 2010, the California High-Speed Rail Authority (CHSRA) received \$2.6 billion in funding with the American Recovery and Reinvestment Act to begin planning and construction. Then in 2011, the CHSRA received an additional \$929 million in federal grant funding, totaling \$3.5 billion of federal support. CHSRA also attained 25% of California's cap-and-trade program. The CHSRA has secured \$12.7 billion in funding and has projected an additional \$15.6 billion in funding. Current funding is expected to fund the first segment system between Madera to north Bakersfield and between San Francisco to Gilroy, and not San Francisco to Los Angeles segment.

The November 2018, State Auditors report indicates that the CHSRA must improve its contract management to control soaring costs improper. Currently, \$3.5 billion are at risk if construction deadlines are not meet by December 2022, Federal grant will be lost. Construction over the next three years must move quickly. Cost overruns of three active Central Valley construction projects have resulted in \$600 million in cost overruns. Additional funding in the amount of \$1.6 billion is estimated to complete the project. CHSRA failed to acquire sufficient land, plan the relocations of utilities, engage critical stakeholders, nor obtain agreements, yet they expect to begging construction in Central Valley in October 2019.

In the State-of-the-State address, a new proposal represents a significant retreat from the State's initial vision, commitment, and frustrates the purpose for which federal funding was awarded. The Governor stated:

Let's be real. The project, as currently planned, would cost too much and take too long. There's been too little oversight and not enough transparency. Right now, there isn't a path to get from Sacramento to San Diego, let alone from San Francisco to LA. I wish there were. However, we do have the capacity to complete a high-speed rail/ink between Merced and Bakersfield.

Given the glaring contrast from the original intent of the high-speed rail project, the Federal Railroad Administration (FRA) has determined that CHSRA has failed to comply with the terms of the 2011 federal grant funding Agreement and has failed to make reasonable progress on the high-speed rail project. The FRA has found that CHSRA will not complete the project by the end of the Agreement's performance period in 2022.

The California High-Speed Rail project is expected to pass through San Benito County there are currently two proposed routes and the community and key stakeholders have not been engaged in the planning process. Both proposed routes are expected to run through Pacheco Pass near Casa de Fruta, but one proposal would cross Frazier Lake Road and then Bloomfield Road and the other along Frazier Lake Road and State Route 25. The San Jose to Pacheco Pass Corridor is projected to course from Diridon Station through San Benito County and into the Pacheco Pass to nine miles northeast of Los Banos. Environmental Mitigation is expected to be completed in 2020.

The State of California's High-Speed Rail Project has wasted billions of dollars with minimal progress. Given the undisputed facts, the County of San Benito requests immediate abandonment of the high-speed rail project and requires that any remaining State funds available from the project are redirected to local transportation programs that will provide direct benefit to our residents here in San Benito County and throughout the State.

Sincerely,

Mark Medina,
Chair of the Board of Supervisors
San Benito County

cc: Congressman Jimmy Panetta
Senator Anna Caballero
Assemblymember Robert Rivas
Brian Kelly, CEO California High-Speed Rail Authority
Senate President pro Tempore Toni Atkins