



CALIFORNIA
High-Speed Rail Authority

Approval to Award and Execute Track and Systems Construction Contract (TSCC)

Edward Fenn

Chief of Construction

June 1, 2026

Purpose

- Staff recommends that the Board authorize the CEO to award and execute Contract No. HSR25-89 for the Track and Systems Construction Contract (TSCC) to KSWH JV in the amount of a Not to Exceed \$3.5 billion.
- Staff further recommends that the Board authorize the CEO to issue Notices to Proceed (NTPs) for Package 1B and Package 2.
 - » Package 1B: Design development to obtain deliverables for OEM procurement, and estimating services for Packages 5, 6, and 7, as well as Preconstruction/Program Management Work; Time and Materials / Not-to-Exceed Price - \$118,110,340.00.
 - » Package 2: Civil, track, and OCS construction within CP 4; Lump Sum Price - \$260,843,101.00.
- Total \$378.9 million committed to start the track laying phase as contemplated in the Authority's Business Plan, 2026 Goals, and also to stay on schedule for achieving our federal ARRA commitments.

Background

- On November 20, 2025, the Board approved issuance of the Request for Proposals (RFP) for the Track and Systems Construction Contract, which included:
 - » Nine (9) packages, with focus starting on CP4
 - » Prior to issuing any Notice to Proceed for each package, staff will seek Board approval
 - » Scope includes construction, integration, and testing of the track, overhead contact system (OCS), and related civil works on the 119-mile First Construction Section;
 - » It also includes design and construction services for high-speed rail systems, including traction power, train control, and communications systems

Summary of Contract

- **Contract Term:** Begins upon Contract execution and extends until Final Acceptance of all Work, with certain obligations, such as warranty obligations, extending beyond Final Acceptance.
- **Total Contract Value:** Not-to-Exceed \$3.5 billion
- Work will be divided into 9 separate Packages, of which two (2) are requested to begin after Board approval.
- Each Package will be authorized through a Notice to Proceed.
 - Partnering, collaboration, open book process, in-depth communication, motivation for innovation, and progressive project development, as a means for managing cost and schedule.
 - This contract was competitively procured with two proposals received.

Summary of TSCC Packages

NTP Package	Scope of Work / TSCC Contractor's Responsibility
1B	Design development to obtain deliverables for OEM procurement, and estimating services for Packages 5, 6, and 7, as well as Preconstruction/Program Management Work.
2	Construction of all track system, OCS and associated civil works for CP 4.
3	Construction of all track system, OCS and associated civil works for CP 2-3.
4	Construction of all track system, OCS and associated civil works for CP 1.
5	Mobilization of the TSCC Contractor's detailed design activities and personnel for traction power, train control, telecommunications, and SCADA systems for CP 1-4.
6	Procurement, manufacture, installation, construction, integration, testing, and commissioning of all train control, telecommunications, and SCADA systems for CP 1-4.
7	Procurement, manufacture, installation, construction, integration, testing, and commissioning of all traction power systems for CP 1-4.
8	Procurement of long lead items, construction, testing, and commissioning of all track work, OCS, traction power, train control system, telecommunication systems and SCADA systems for the Merced Extension.
9	Procurement of long lead items, construction, testing, and commissioning of all track work, OCS, traction power, train control system, telecommunication systems and SCADA systems for the Bakersfield Extension.

Package 1B

- Request consideration to provide approval to issue a Notice to Proceed for Package 1B as follows:

Scope	Design development to obtain deliverables for OEM procurement, and estimating services for Packages 5, 6, and 7, as well as Preconstruction/Program Management Work.
Price	Time and Materials / Not-to-Exceed: \$118,110,340.00
Anticipated Milestones	<u>NTP Issuance:</u> June 2, 2026 <u>Systems Provider(s) Subcontract(s) Award:</u> June 1, 2027 <u>Preliminary Design for Systems Completion:</u> June 30, 2027

Package 2

- Request consideration to provide approval to issue a Notice to Proceed for Package 2 as follows:

Scope	Civil, track, and OCS construction within CP 4.
Price	Lump Sum: \$260,843,101.00
Anticipated Milestones	<u>NTP Issuance</u> : June 2, 2026 <u>Commence Laying Track</u> : On or before November 30, 2026 <u>Package 2 Track Completion</u> : June 14, 2027 <u>Package 2 Overhead Contact System Completion</u> : October 18, 2027

Request for Proposals Procurement Overview

- Managed by the Authority as a one-step procurement process.
 - » The Technical Proposal and Price Proposal were evaluated in accordance with the requirements of the RFP to determine which Proposer provides the best value to successfully deliver the Work.
- Small Business Commitment Goal
 - » 25 percent, inclusive of a 3 percent carveout for Microbusiness, as well as a 10 percent DBE goal and a 3 percent DVBE goal.
 - Applied across the total contract value.

Summary of Proposals, Responsiveness, and Results

- The Authority issued a Request for Proposals on November 26, 2025.
- Two proposals were received on April 9, 2026: 1) Kiewit, Stacy Witbeck, and Herzog – A Joint Venture (KSWH JV); and 2) California High Speed Partners (CHSP).
- An OCOI check was performed by Authority Legal.
- A responsiveness check was completed for both proposals, with the assistance of Authority Legal.
 - KSWH JV was deemed as responsive.
 - CHSP was deemed as non-responsive due to failing to meet all requirements of the RFP.
 - A Notice of Proposed Award (NOPA) was posted on April 29, 2026.
- A timely protest was received from CHSP on May 5, 2026. The Authority issued a response on May 13, 2026, and the protest is pending resolution.

Procurement Schedule

Activity	Date
RFP Release on Cal eProcure	Wednesday, November 26, 2025
Proposals Due	Thursday, April 9, 2026
NOPA Released	Wednesday, April 29, 2026
Board Meeting (Approval of Contract)	Monday, June 1, 2026
Contract Execution	Monday, June 1, 2026
NTPs Issued for Package 1B and Package 2	Tuesday, June 2, 2026

Next Steps and Conclusion

- Action

- » This is an action item, and upon Board approval, staff recommends approval of the associated resolution, which would, in summary:

- Authorize the CEO or designee to execute the contract with KSWH JV for HSR25-89, Track and Systems Construction Contract, for a total contract value Not-to-Exceed \$3.5 billion.
 - Authorize the CEO or designee to issue a NTP for Package 1B for a Time and Materials / Not-to-Exceed price of \$118,110,340.00.
 - Authorize the CEO or designee to issue a NTP for Package 2 for a Lump Sum price of \$260,843,101.00.

Questions?