

Spanish-led builders poised to win high-speed rail contract for second segment

By Tim Sheehan

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An artist's concept of the California high-speed rail train.

SPECIAL TO THE BEE

- If you go
 - **What:** California High-Speed Rail Authority board meeting
 - **When:** 9 a.m. Tuesday ; (finance & audit committee meeting at 8 a.m.)
 - **Where:** Byron Sher Auditorium in the second floor of the California EPA building. 1001 I St., Sacramento
 - **Watch online:** The board meeting is open to the public and will be [webcast live](#)
 - **Details:** The board's agenda and staff reports are available [online \(click on the "January" button\)](#)

The [California High-Speed Rail Authority](#) is poised Tuesday to award a contract to a construction team headed by a Spanish firm to design and build a stretch of the bullet-train route from Fresno to the Tulare-Kern county line.

The authority's board of directors, meeting in Sacramento, will consider a recommendation for awarding the contract to [Dragados/Flatiron/Shimmick](#), a consortium that submitted the low bid of \$1.23 billion for the 65-mile segment of the rail route. The team is comprised of [Dragados USA Inc.](#), a subsidiary of Spain's [Grupo ACS](#) and Dragados S.A.; [Flatiron West Inc.](#) of the Southern California city of San Marcos; and [Shimmick Construction Co.](#) of Oakland.

The Dragados/Flatiron/Shimmick bid was the lowest of three proposals submitted to the rail agency in late October, and came in well under engineers' forecast that the project would cost between \$1.5 billion and \$2 billion. It was deemed the "apparent best value" bid in December after all three proposals were evaluated on technical merit and cost. The second-lowest bid came in at \$1.7 billion.

The [segment south of Fresno](#) is the second of four planned construction contracts to build a high-speed rail backbone through the San Joaquin Valley for what is proposed as a system of electric-powered passenger trains connecting San Francisco and Los Angeles. The first contract, a \$1 billion deal for a [29-mile section between Fresno and Madera](#), was awarded in 2013. Still to come are a third contract to [extend the route southward](#) to the northwestern fringe of Bakersfield and a final contract that will cover the installation of steel tracks for the entire Madera-Bakersfield stretch.

The board's meeting will happen one week after Gov. Jerry Brown and a cadre of federal and state dignitaries [signed pieces of steel rails](#) — a symbolic groundbreaking — in Fresno to celebrate the state's readiness for construction on what they hope will become the first high-speed (over 150 mph) train service in the U.S. The top operating speed of trains on the system is planned to be 220 mph, fast enough to make the trip from San Francisco to Los Angeles in under three hours by the time the system is supposed to be completed in the late 2020s.

The rail authority has about \$6 billion available for construction in the Valley: a little more than \$3 billion in federal stimulus and rail transportation funds from the [Federal Railroad Administration](#), to be matched by a little less than \$3 billion from Proposition 1A, the high-speed rail bond measure approved by California voters in 2008. A spending report to be presented Tuesday to the rail board's finance & audit committee notes that through the end of November, the authority had spent less than \$355 million, or about 6% of its construction allocation.

When the federal government announced in 2010 that it was pledging money to California's high-speed rail efforts, it was expected that construction would start by 2012 and the grants came with strings requiring that the funds be exhausted by September 2017. Progress has been slowed by a combination of factors, including a raft of lawsuits by project opponents and the slow pace of buying the land needed for right of way within the Fresno-Madera construction segment.

A report being submitted to the authority's board on Tuesday shows that as of mid-December, the agency had acquired 103 of the 523 pieces of property it needs for the Fresno-Madera contract, and had won approval from the [state Public Works Board](#) to begin the process of eminent domain, or condemnation, against 90 property owners in that 29-mile segment. For the 65-mile construction section south of Fresno, the rail authority has made formal written offers for 154 of the 538 parcels it needs, and asked the state Public Works Board for 35 resolutions declaring a need to condemn properties.

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