

# High-Speed Rail Authority takes first step toward buying trains

Allen Young, Sacramento Business Journal, 10-3-14

The California High-Speed Rail Authority took its first formal step Thursday to procure trains, asking rail manufacturers to submit interest letters for an initial order of up to 95 sets of engines and cars. The trains must be capable of transporting passengers from San Francisco to Los Angeles in less than three hours.

The request for "expressions of interest" also allows rail manufacturers to describe how they would develop facilities to house and maintain the trains, which would each have a minimum of 450 seats.

"This is a big moment for our program," Jeff Morales, CEO of the authority, said in a news release. "The manufacturing of trainsets and the establishing of maintenance facilities will mean more jobs, increased economic benefits, and allow for the possible development of a whole new high-speed rail industry here in California."

A representative for Siemens Rail Systems said the German rail manufacturer is "very interested" in making a bid and, if successful, would build all the high-speed rail trains at its existing site in south Sacramento.

"We expect that this will be a very competitive bid with strong interest from around the world. However, we feel confident that with our proven global experience and technology in high-speed rail, we can be a top contender," said Michael Cahill, president of Siemens Rail Systems in the U.S.

The announcement sets an important milestone for a project whose future was much more uncertain just one year ago. In 2014, the agency prevailed in an appeals case that grants access to \$4.7 billion in voter-approved bonds, though plaintiffs in the case have asked the California Supreme Court to review the ruling.

Gov. Jerry Brown also successfully brokered a permanent funding stream for the project. News of an annual funding allocation of \$250 million or more enticed nine major private companies to write letters expressing interest in contributing to the project through building and financing.

The authority also began demolition and construction testing this summer in Fresno.

The expressions of interest are due Oct. 22