January 15, 2010

California High Speed Rail Authority
ATTN: Mehdi Morshed, Executive Director
925 L Street Suite 1425
Sacramento CA 95814

RE: California High Speed Rail,
Response to RFEI

Dear Mr. Morshed:

Please find enclosed Madera County’s response to the Request for Expressions of Interest for the Heavy Maintenance Facility (HMF) as recently posted by the California High Speed Rail Authority. The County feels confident that all of the sites available for the HMF along the various routes designated within the County fit the Authority’s needs. Over the past few years, the County has been able to work in unison with both the City of Madera and the City of Chowchilla to put our collective interests forward as California’s High Speed Rail project has moved forward. A Joint Powers Agreement is currently being drafted by staff that will enable all three jurisdictions to work collaboratively in the development and on-going support of the HMF, should the Authority choose a site within Madera County. Staff is also preparing documentation to bring before our Board of Supervisors initiating both General Plan updates and zoning changes necessary to accommodate the proposed facility. Should you have any questions regarding any of the County’s Expressions of Interests for the HMF, feel free to contact me. (559-661-6333)

Sincerely,

Rayburn Beach
RMA Director
Madera County

cc: Madera County Board of Supervisors
Madera City Council
Chowchilla City Council
Expression of Interest: Heavy Maintenance Facility
Madera County, A-2 Alignment
Gordon Shaw Properties Site
Attached Documents

1. Regional Location Map with A-2 Alignment
2. Conceptual Site Map
3. Conceptual Site Design Diagram
4. Utility Map
5. Access & Circulation Map
6. Grant Deed
7. Legal description
8. Assessor's parcel map
9. County Loop Road Cost Estimate
10. Owner's Commitment Letter with Authority for HMF
Site Description
Site description

The site lies within one parcel totaling 451 acres (see attached Grant Deed, legal description and assessor’s parcel map). The parcel is situated adjacent to State Route 99 and the Union Pacific Railroad (UPRR) main line (both form the western boundary). The Ave. 20/22 ½ and the Ave. 18 ½ State Route 99 interchanges lie immediately to the north and south of the site (respectively). Both interchanges provide easy access to the site within 3 +/- minutes via Ave. 19 and Road 24. The subject parcel is currently planted in wine grapes. The land adjacent is vacant or planted with crops. Within a one mile radius, there are restaurants, motels, a Pilot Truck Center, trucking companies, food processing and other industrial plants.

All utilities required for development, including sewer, water, storm drainage, roads, electrical and natural gas are either on site or available to bring to the site within the time necessary to deliver a fully improved site to the California High Speed Rail Authority.

The majority of the subject site is currently designated in the County General Plan as Agricultural Exclusive and is zoned Agricultural. County staff is currently preparing documentation to bring before the Board of Supervisors initiating both General Plan updates and zoning changes necessary (heavy industrial) to accommodate the proposed facility.
Local Labor Force
Central Location

The proposed HMF site is located in a central location considering regional labor force centers. The site is located within the Madera-Chowchilla Metro area and approximately ½ hour away from the Fresno Metro and the Merced Metro areas. Due to the site’s location, commute times are reasonable, from 5 to 10 minutes in the local metro area to 30 to 45 minutes regionally. The Fresno Metro area represents the largest draw, with the largest labor force numbers in all labor force categories.

### Labor Force: Heavy Maintenance Facility

<table>
<thead>
<tr>
<th>Labor Force: Heavy Maintenance Facility</th>
<th>Madera-Chowchilla Metro Area</th>
<th>Fresno Metro Area</th>
<th>Merced Metro Area</th>
<th>Total Workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>civilian Labor Force</td>
<td>67,500</td>
<td>442,400</td>
<td>107,400</td>
<td>617,300</td>
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</tbody>
</table>

### Labor Force Oriented Towards HMF Services

<table>
<thead>
<tr>
<th>Labor Force</th>
<th>Madera-Chowchilla Metro Area</th>
<th>Fresno Metro Area</th>
<th>Merced Metro Area</th>
<th>Total Workforce</th>
</tr>
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<tbody>
<tr>
<td>Construction</td>
<td>1,500</td>
<td>14,800</td>
<td>1,800</td>
<td>18,100</td>
</tr>
<tr>
<td>Building, Development &amp; General &amp; Heavy Construction</td>
<td>Not Identified</td>
<td>5,600</td>
<td>Not Identified</td>
<td>5,600</td>
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<tr>
<td>Specialty Trade Contractors</td>
<td>Not Identified</td>
<td>9,200</td>
<td>Not Identified</td>
<td>9,200</td>
</tr>
<tr>
<td>Manufacturing: Durable Goods</td>
<td>2,400</td>
<td>8,600</td>
<td>1,700</td>
<td>12,700</td>
</tr>
<tr>
<td>Professional, Scientific &amp; Technical Services</td>
<td>2,800</td>
<td>11,000</td>
<td>4,100</td>
<td>17,900</td>
</tr>
</tbody>
</table>

*Data from California Employment Development Department

Labor force categories identified as potentially important to the HMF include construction, durable goods manufacturing, and professional, scientific and technical services.
Local Economic Benefits

Not unlike many other San Joaquin Valley communities impacted by the recession, the Madera-Chowchilla Metro area faces an unemployment rate of 15%. The proposed HMF site is located near several disadvantaged, low income communities in the metro area. These include Fairmead (four miles to the north of the site), Parksdale (7 miles to the south), Parkswood (7 miles to the south), and Chukchanse (8 miles to the west). All four communities face staggering unemployment and poverty rates.

The economic benefits resulting from the HMF would have exponential effects, including potential industrial spin-off businesses. Both Fairmead and Chukchanse have been specially identified as “Lowest Target Income Group” communities (Lowest Targeted Income Group households have incomes that are at 50 percent or less of the adjusted area median family income) that would benefit the most from potential economic activity created by the HMF. Fairmead in particular has been the focus of County community revitalization efforts, involving numerous State grant projects. Additionally, the Valley floor region of Madera County offers 7,721.26 acres of vacant, industrially designated property that may provide “breathing room” for industrial spin-off businesses resulting from the HMF.
Constructability
Construction Access

The property designated for the HMF has ample right of way access for construction needs. Access may be gained from Avenue 19, Road 23, and an abandoned rail spur to the northeast (UPRR Raymond Spur). No utilities exist on the portion of the site designated for the HMF. Electrical and gas lines do exist along the UPRR right of way on the western boundary of the parcel, but these lines will not interfere with the proposed site of the facility.
Displacements
Properties Displaced

The Heavy Maintenance Facility and Right of Way Maintenance facility together will impact (1) property, totaling 451 acres. The property is currently in agricultural production for wine grapes. No residential, commercial, or industrial structures currently exist on the parcel. The parcel is designated in the Madera County General Plan as Agricultural Exclusive. The parcel includes valuable farmland, including both Prime and Unique farmland as designated by the State Department of Conservation. The map on the following page highlights acres of farmland potentially affected.
Expression of Interest: Heavy Maintenance Facility

Madera County, A-2 Alignment

Gordon Shaw Properties Site

Legend

- HMF Parcel
- A2 - UPRR Alignment
- Parcels

Important Farmland

LABELS

- Farmland of Local Importance
- Prime Farmland
- Unique Farmland
- Grazing Land
- Urban and Built Up Land
- Other Land

172 acres
Prime Farmland

266 acres
Unique Farmland

HWY 99

AVE 18 1/2

0 0.125 0.25 0.5 0.75 1 Mile
Traffic Effects
Existing Level of Service (LOS)

The project site will be served by two separate interchanges, including Avenue 20 1/2 and SR 99 to the north and Avenue 18 1/2 and SR 99 to the south. Avenue 20 1/2, Avenue 18 1/2 and Road 22 are the main County roads serving the site in route to SR 99. Both the interchanges and the road segments currently operate at acceptable LOS. The poorest LOS was recorded in July of 2007 at the Avenue 18 1/2 and SR 99 interchange, with a LOS "C" (LOS D is the lowest LOS allowed by the General Plan).

The HMF has the potential to generate as many as 3,000 trips (2 trips per each job, 1,500 jobs) per day. It is expected that most employees will utilize both interchanges for those traveling north to Chowchilla and Merced and south to Madera and Fresno. Trips are expected to be distributed roughly 50% through Avenue 18 1/2 and SR 99 to the south (Fresno and Madera represent the largest population and labor force areas) and 40% to the north.

Circulation Improvements

Road system improvements will be targeted to accommodate an acceptable LOS for the project (LOS D or better). Both interchanges (SR 99 and Avenue 18 1/2, SR99 and Avenue 20 1/2) will need capacity improvements. Additionally, County road improvements will be necessary to provide ample access to the site (see the attached cost estimate). The table below highlights the improvements necessary. The attached access and circulation map shows the improvements noted below. Please note that the County loop road will only need to be a two lane facility for the HMF. Additional development in the area may require capacity improvements as noted on the map.

<table>
<thead>
<tr>
<th>Item</th>
<th>Improvements needed</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Avenue 18 1/2 and SR 99 Interchange</td>
<td>Right turn lanes for northbound and southbound ramps, two traffic signals</td>
<td>3-5 million</td>
</tr>
<tr>
<td>Avenue 20 1/2 and SR 99 Interchange</td>
<td>Left turn and right turn lanes for northbound and southbound ramps, two traffic signals</td>
<td>3-5 million</td>
</tr>
<tr>
<td>County Loop Road</td>
<td>4.5 miles of two lane road with paved shoulders, four traffic signals</td>
<td>8.7 million</td>
</tr>
<tr>
<td><strong>Total cost:</strong></td>
<td></td>
<td><strong>14.7-18.7 million</strong></td>
</tr>
</tbody>
</table>
Environmental
Wetland Avoidance

No wetlands exist on the potential HMF site. A riparian area exists along Berenda Creek along the northern boundary of the site. The riparian habitat, along with the creek itself will have to be bridged by the A-2 alignment, should it be the final route chosen by the Authority. The proposed site itself will not impact this riparian area.

Phase 1 Environmental Site Assessment

A phase 1 environmental analysis has been conducted on the potential site. The analysis did not reveal any underground storage tanks and/or hazardous materials onsite. The phase 1 analysis is available upon request of the property owner.
Economic Incentives
Expression of Interest: Heavy Maintenance Facility
Madera County, A-2 Alignment  Gordon Shaw Properties Site

Letter of Intent
The California High Speed Rail Authority (CHSRA) and the Property owner will enter into the following agreement as a way of facilitating a private/public partnership to construct the Heavy Maintenance Facility and all necessary infrastructure. The letter is attached.

County Efforts
A Joint Powers Agreement is currently being drafted by staff that will enable all three jurisdictions to work collaboratively in the development and on-going support of the HMF, should the Authority choose a site within Madera County.
Regional Location Map with A-2 Alignment
Conceptual Site Map
Conceptual Site Design Diagram
SITE PLAN NOTES:
1. SITE CONSISTS OF PARCEL UNDER ONE OWNERSHIP AND CAN BE IDENTIFIED AS MAGNA COUNTY AS R.N. 025-100-007 & 07.
2. TOTAL PARCEL SIZE IS 40.64 ACRES
3. CURRENT WIND RATED ZONING:
   A. EXISTING GENERAL PLAN
      AC (AGRICULTURAL EXCLUSIVE)
      17 (LIGHT INDUSTRIAL)
      05 (OPEN SPACE)
   B. EXISTING ZONING
      A-5 (RESIDENTIAL RURAL, EXCLUSIVE = 40 AC, MIN)
      05 (OPEN SPACE)
4. SOIL QUALITY THAT IS TYPICAL IN THE AREA ARE CLAYEY SANDS WITH SOME CLAY. THE SOIL FEATURES ARE GOOD TO MODERATE QUALITY FOR ERECTION, BUT POOR DRAINING.
5. THERE ARE NO KNOWN UNDERGROUND STORAGE TANKS AND/OR HAZARDOUS MATERIALS ON THE SITE.
6. THE SITE IS NOT IN A WETLAND AREA.
7. AREA OF DISTURBED FARMLAND = 1.5 ACRES
8. THE BOUNDARY OF THE PARCEL WAS DRAFTED FROM THE PROPERTY DEED AND ASSESSOR'S PARCEL MAPS AND NOT BY BOUNDARY SURVEY.
Utility Map
Access & Circulation Map
Grant Deed
Recording Requested By
STATE TITLE SERVICES

MADERA COUNTY RECORDER

Mail: Tax statements to
SAME AS ABOVE

*************************************************************************************************
SPACE ABOVE FOR RECORDER'S USE

GRANT DEED

THE UNDERSIGNED GRANTOR(S) DECLARE(S)

DOCUMENTARY TRANSFER TAX IS $ NOT OF PUBLIC RECORD

(☐) COMPUTED ON FULL VALUE OF PROPERTY CONVEYED OR

(☐) COMPUTED ON FULL VALUE LESS VALUE OF LIENS AND ENCUMBRANCES

REMAINING AT TIME OF SALE

☐ UNSPECIFIED AREA  ☑ CITY OF MADERA, AND

FOR A VALUABLE CONSIDERATION, RECEIPT OF WHICH IS HEREBY ACKNOWLEDGED.

MERIAN FINANCIAL CORPORATION, A CALIFORNIA CORPORATION

HEREBY GRANTS TO

GORDON W. SHAW PROPERTIES, INC., A CALIFORNIA CORPORATION

THE FOLLOWING DESCRIBED REAL PROPERTY IN THE COUNTY OF MADERA, STATE OF

CALIFORNIA

SEE LEGAL DESCRIPTION ATTACHED HERETO AND MADE A PART HEREOF AS EXHIBIT

'A'

APN #: 029-196-007 AND 029-195-021

DATE: DECEMBER 4, 2003

PLEASE SEE PAGE TWO FOR GRANTOR'S SIGNATURE.
Legal Description
EXHIBIT A

The land referred to in this Report is described as follows:

All that certain real property situated in the City of Berenda, County of Madera, State of California, described as follows:

PARCEL 1:

Beginning at the Northeast corner of Section 29, Township 10 South, Range 17 East, Mount Diablo Base and Meridian; thence along the North line of said Section 29, North 89°20' West 1054.17 feet; thence along the Southerly right of way line of the Southern Pacific Railroad Company's Raymond Branch, South 67°36' West 3377.20 feet to the beginning of a curve to the right of radius 2133.68 feet, which curve is tangent to last mentioned course; thence along the arc of said curve, 1070.33 feet to a point on said curve at which tangent to said curve bears North 83°39' 1/2 West; thence leaving said right of way line, South 45°46' 1/2 West 72.08 feet to a point on the West line of said Section 29, which point is South 0°50' 1/2 West 1533.50 feet from the Northwest corner of said Section 29; thence continuing South 45°46' 1/2 West 304.81 feet; thence along the Northeastery right of way line of the Southern Pacific Railroad, South 44°13 1/2 East 304.30 feet to a point on the West line of said Section 29 which point is South 0°50' 1/2 West 1564.21 feet from the Northwest corner of said Section 29; thence continuing South 44°13 1/2 East 4705.10 feet; thence along the South line of said Section 29, South 89°58' East 2009.65 feet to the Southeast corner of said Section 29; thence along the East line of said Section 29 and the center line of a forty foot road easement, North 0°05' 1/2 West 5275.30 feet to the point of beginning.

PARCEL 2:

Beginning at point which bears North 89°20' West 1309.60 feet from the Northeast corner of Section 29, Township 10 South, Range 17 East, Mount Diablo Base and Meridian; thence along the Northerly right of way line of the Southern Pacific Railroad Co., South 67°36' West 1072.60 feet; thence along the Northeasterly line of Berenda Township, North 44°13 1/2 West 592.90 feet; thence along the North line of said Section 29, South 89°20' West 1405.30 feet to the point of beginning.

PARCEL 3:

All those portions lying Southerly of the centerline of Berenda Creek of Blocks C, D, 7 and 8 in the town of Berenda, according to map thereof filed in the office of the County Recorder of Fresno County, on January 16, 1888 in Book 3 of Maps, page 60.

Together with the abandoned streets in said portion, said streets having been abandoned by an order of the Board of Supervisors of Madera County, dated October 22, 1951 and recorded October 24, 1951 in Book 529 of Official Records, page 490, Madera County Records.
EXCEPTING THEREFROM that portion of the Southern Pacific Railroad known as Raymond Spur, as disclosed on Assessors Map No. 29-I9, Beroada, County of Madera, California 1955.

ALSO EXCEPTING THEREFROM an undivided 1/2 interest in all oil, gas, minerals and other hydrocarbon substances in and under herein described property granted to Southern Pacific Company, a Corporation, by Deed recorded November 23, 1966 in Book 975, page 329, as Document No. 15095 of Official Records.

PARCEL 4:

That portion of Section 29, Township 10 South, Range 17 East, Mount Diablo Base and Meridian, according to the Official Plat thereof, lying with a strip or tract of land 100 feet wide, lying equally on each side of the located line of the San Joaquin Valley and Yosemite Railroad Company's Railroad, where the same is located through Sections 14, 20, 21, 23, 28, 29 and 30 in Township 10 South, Range 17 East, more particularly described as follows:

Commencing from the same at a point on the centerline of the said railroad, thence said centerline intersects the Western boundary line of that portion of the land of Henry Miller and Charles Lux, as described in deed recorded April 14, 1866, in Book 48 at Page 199 of Deeds, in said Section 30 lying Easterly of the land of the Central Pacific Railroad and running thence Easterly and Northeasternly along said centerline of said San Joaquin Valley and Yosemite Railroad and embracing a strip of land 500 feet wide on each side of said centerline, continuously to the Easterly boundary line of said Section 14, a distance of 25,835.00 feet, more or less.

EXCEPTING THEREFROM all right, title and interest in and to all coal, hydrocarbons, geothermal resources, precious metals ores, industrial-grade silicates and carbonates, fissionable minerals, and gravel, aggregates, and all other minerals of every kind and character, metallic or otherwise, whether or not presently known to science or industry, now known to exist or hereafter discovered upon, within or underlying the subsurface of said land regardless of the depth below the surface at which any such substance may be found; however, its successors and assigns, shall not have the right for any purpose whatsoever to enter upon, into or through the surface or the first 500 feet of the subsurface as reserved in Deed by Topeka Partners, Inc., a California Corporation recorded July 21, 1993 as Document No. 9319039, Madera County Records.

APN: 029-190-021 029-190-007
ARB: None
Assessor’s Parcel Map
County Loop Road Cost Estimate
HEAVY MAINTENANCE FACILITY LOOP

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>HMF Loop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Length (Miles):</td>
<td>4.25</td>
</tr>
<tr>
<td>Cost Estimate Preparation Date:</td>
<td>12/16/2009</td>
</tr>
<tr>
<td>Program Type (RRR or TIF)</td>
<td>OTHER</td>
</tr>
</tbody>
</table>

PROJECT DESCRIPTION:

Limits: Ave 18 1/2 to Ave 20 1/2

Proposed Improvements: 2 lane Road with paved shoulders. Structural section based on an assumed R value of 30 with a Traffic Index of 8, which resulted in a structural section of 0.30' of Asphalt Concrete (AC) and 1.0' of Class II Aggregate Base (AB).

SUMMARY OF PROJECT COST ESTIMATE

| I. CONSTRUCTION COST | $ 6,014,951 |
| II. RIGHT OF WAY - ACQUISITION COST | $ 902,243 |
| III. RIGHT OF WAY - UTILITY RELOCATION COST | $ 601,495 |
| IV. RESOURCE COSTS | $ 1,082,691 |
| V. ENVIRONMENTAL MITIGATION COSTS | $ 142,500 |

TOTAL PROJECT CAPITAL OUTLAY COSTS

$ 8,743,881

Prepared by:
H. Mitch Hemaidan, Development Services
Madera County Road Department

(Date)

Reviewed by:
Johannes Hoeverts, Road Commissioner
Madera County Road Department

(Date)
### HEAVY MAINTENANCE FACILTY LOOP

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>HMF Loop</th>
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<tbody>
<tr>
<td>Project Length (Miles):</td>
<td>4.25</td>
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<tr>
<td>Program Type (RRR or TIF):</td>
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## I. CONSTRUCTION COST

### Section 1 - Earthwork

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Item Cost</th>
<th>Section Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Roadway Excavation</td>
<td>24,933</td>
<td>YD^3</td>
<td>$15</td>
<td>$374,000</td>
<td></td>
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<tr>
<td>Imported Borrow</td>
<td></td>
<td>YD^3</td>
<td>$15</td>
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<td>$0</td>
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<tr>
<td>Clearing &amp; Grubbing</td>
<td>1</td>
<td>LS</td>
<td>$125,000</td>
<td>$125,000</td>
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<tr>
<td>Develop Water Supply</td>
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<td>LS</td>
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<td>$0</td>
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<tr>
<td>Recycle Exist AC</td>
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<td>YD^3</td>
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<tr>
<td>Pavement Removal</td>
<td>3,500</td>
<td>YD^2</td>
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<td>$70,000</td>
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Subtotal Earthwork: $569,000

### Section 2 - Structural Section

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Item Cost</th>
<th>Section Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>PCC Pavt (____ Depth)</td>
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<td></td>
<td></td>
<td>$0</td>
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<tr>
<td>PCC Pavt (____ Depth)</td>
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<tr>
<td>Asphalt Concrete</td>
<td>20,196</td>
<td>Tons</td>
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<td>$1,514,700</td>
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<tr>
<td>Lean Concrete Base</td>
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<tr>
<td>Cement-Treated Base</td>
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<tr>
<td>Aggregate Base</td>
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<td>Tons</td>
<td>$24</td>
<td>$1,486,426</td>
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<tr>
<td>Treated Permeable Base</td>
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<td>Tons</td>
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<tr>
<td>Aggregate Subbase</td>
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<td>Tons</td>
<td></td>
<td>$0</td>
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</tr>
<tr>
<td>Pvc Reinf Fabric</td>
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<td></td>
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<td>$0</td>
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<tr>
<td>Minor Conc (Curb +SW)</td>
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<td></td>
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<td>$0</td>
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Subtotal Structural Section: $3,001,126

### Section 3 - Drainage

<table>
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<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Item Cost</th>
<th>Section Cost</th>
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</thead>
<tbody>
<tr>
<td>Large Drainage Facilities</td>
<td>3,000</td>
<td>SF</td>
<td>$125</td>
<td>$375,000</td>
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<tr>
<td>Storm Drains</td>
<td>2,400</td>
<td>LF</td>
<td>$85</td>
<td>$204,000</td>
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<tr>
<td>Irrigation Well</td>
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<td>Project Drainage</td>
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<td></td>
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<td></td>
<td>$0</td>
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<tr>
<td>(X-Drains, overside, etc.)</td>
<td></td>
<td></td>
<td></td>
<td></td>
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<tr>
<td>Irrigation Standpipe</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Relocate Irrigation Canal</td>
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</table>

Subtotal Drainage Section: $579,000
## HEAVY MAINTENANCE FACILITY LOOP

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<th>Project Name:</th>
<th>HMF Loop</th>
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<tr>
<td>Project Length (Miles):</td>
<td>4.25</td>
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<tr>
<td>Program Type (RRR or TIF)</td>
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</table>

### Section 4 - Specialty Items

<table>
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<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Item Cost</th>
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</thead>
<tbody>
<tr>
<td>Retaining Walls</td>
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<td></td>
<td>$0</td>
</tr>
<tr>
<td>Noise Barriers</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Barriers and Guardrails</td>
<td></td>
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<td></td>
<td>$0</td>
</tr>
<tr>
<td>Equipment/Animal Passes</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Highway Planting</td>
<td></td>
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<td>$0</td>
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<tr>
<td>Replacement Planting</td>
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<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Irrigation Modification</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Relocate Private Irrigation</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Erosion Control</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Slope Protection</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Water Pollution Control</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
<tr>
<td>Hazardous Waste</td>
<td></td>
<td></td>
<td></td>
<td>$0</td>
</tr>
</tbody>
</table>

Subtotal Specialty Items: $0

### Section 5 - Traffic Items

<table>
<thead>
<tr>
<th>Item</th>
<th>Quantity</th>
<th>Unit</th>
<th>Unit Price</th>
<th>Item Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lighting</td>
<td></td>
<td>LS</td>
<td>$12,500</td>
<td>$0</td>
</tr>
<tr>
<td>Traffic Delineation</td>
<td>1</td>
<td>LS</td>
<td>$12,500</td>
<td>$12,500</td>
</tr>
<tr>
<td>Traffic Signals</td>
<td>4</td>
<td>EA</td>
<td>$170,000</td>
<td>$680,000</td>
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<tr>
<td>Overhead Sign Structures</td>
<td>1</td>
<td>LS</td>
<td>$18,500</td>
<td>$18,500</td>
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<tr>
<td>Roadside Signs</td>
<td>1</td>
<td>LS</td>
<td>$6,340</td>
<td>$6,340</td>
</tr>
<tr>
<td>Traffic Control Systems</td>
<td></td>
<td>LS</td>
<td></td>
<td>$0</td>
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<tr>
<td>Traffic Management Plan</td>
<td></td>
<td>LS</td>
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<td>$0</td>
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</tbody>
</table>

Subtotal Traffic Items: $717,340

TOTAL SECTIONS 1 thru 5: $4,866,466
# HEAVY MAINTENANCE FACILITY LOOP

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>HMF Loop</th>
</tr>
</thead>
<tbody>
<tr>
<td>Project Length (Miles):</td>
<td>4.25</td>
</tr>
<tr>
<td>Program Type (RRR or TIF):</td>
<td>OTHER</td>
</tr>
</tbody>
</table>

## Section 6 - Minor Items

$$\frac{4,866,466}{(\text{Subtotal Sections 1 thru 5})} \times 0.03 = \frac{145,994}{(3 \text{ to } 10\%)}$$

**TOTAL SECTION 6 MINOR ITEMS:** $145,994

## Section 7 - Mobilization

$$\frac{5,012,460}{(\text{Subtotal Sections 1 thru 6})} \times 0.05 = \frac{250,623}{(5 \text{ to } 10\%)}$$

**TOTAL SECTION 7 MOBILIZATION ITEMS:** $250,623

## Section 8 - Additions

### Supplemental Work

$$\frac{5,012,460}{(\text{Subtotal Sections 1 thru 6})} \times 0.05 = \frac{250,623}{(5 \text{ to } 10\%)}$$

### Contingencies

$$\frac{5,012,460}{(\text{Subtotal Sections 1 thru 6})} \times 0.10 = \frac{501,246}{(10 \text{ to } 25\%)}$$

**TOTAL SECTION 8 ADDITIONS:** $751,869

## Section 9 - Structures

<table>
<thead>
<tr>
<th>STRUCTURE</th>
<th>No. 1</th>
<th>No. 2</th>
<th>No. 3</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Area (Sq. Ft.)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cost Per Sq. Ft.</td>
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<td></td>
</tr>
<tr>
<td>Subtotal Cost for Structure</td>
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<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>10% Mobilization</td>
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<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>25% Contingency</td>
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<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>Total Cost for Structure</td>
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<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>

**TOTAL SECTION 9 STRUCTURES:** $0

**TOTAL CONSTRUCTION COST SECTIONS 1-9:** $6,014,951
HEAVY MAINTENANCE FACILITY LOOP

Project Name: HMF Loop
Project Length (Miles): 4.25
Program Type (RRR or TIF): OTHER

II. **RIGHT OF WAY - ACQUISITION COST**

Right of Way - Acquisition

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.15}{\text{Construction Cost} \times (10 \text{ to } 50\%)} = \$902,243
\]

TOTAL RIGHT OF WAY - ACQUISITION COST: $902,243

III. **RIGHT OF WAY - UTILITY COST**

Right of Way - Utility

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.10}{\text{Construction Cost} \times (5 \text{ to } 25\%)} = \$601,495
\]

TOTAL RIGHT OF WAY - UTILITY COST: $601,495

IV. **RESOURCE COSTS**

Engineering Cost (PS&E)

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.05}{\text{Construction Cost} \times (5 \text{ to } 25\%)} = \$300,748
\]

Right of Way Support Cost

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.05}{\text{Construction Cost} \times (5 \text{ to } 25\%)} = \$300,748
\]

Environmental Support (PA&ED)

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.05}{\text{Construction Cost} \times (5 \text{ to } 25\%)} = \$300,748
\]

Construction Support Cost

\[
\text{Item Cost} = \frac{\$6,014,951 \times 0.03}{\text{Construction Cost} \times (2 \text{ to } 25\%)} = \$180,449
\]

TOTAL RESOURCE COSTS: $1,082,691
HEAVY MAINTENANCE FACILTY LOOP

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>HMF Loop</th>
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<tbody>
<tr>
<td>Project Length (Miles):</td>
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</tr>
<tr>
<td>Program Type (RRR or TIF):</td>
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</tr>
</tbody>
</table>

V. ENVIRONMENTAL MITIGATION COST

**TOTAL ENVIRONMENTAL MITIGATION COSTS** $142,500
Owner’s Commitment Letter with Authority for HMF
January 13, 2010

This Letter by Gordon Shaw Properties, Inc., a California corporation or its successors or assigns ("Gordon Shaw") is to be submitted to the California High Speed Rail Authority (the "Authority").

1. Gordon Shaw is the owner of real property in Madera composed of approximately 475 acres. A site composed of approximately 154 of those acres has been proposed as a site for a Heavy Maintenance Facility for the Authority ("Facility") with additional acreage for future expansion of the Facility as shown on the site plan attached hereto.

2. Gordon Shaw will enter into an Agreement pursuant to which Gordon Shaw will commit the 154 acre site for the Facility, will commit to enter into options to provide the additional acreage set forth in the site plan and will commit to deliver the site to the Authority if it is selected subject to the terms and conditions agreed upon for that delivery by Gordon Shaw and the Authority.

3. Gordon Shaw will commit the property for the Facility for a period of one year, from January 15, 2010 to January 14, 2011. During that period, Gordon Shaw will not seek to sell or transfer the subject property to anyone other than the Authority.

4. If the site is selected for the Facility, Gordon Shaw will deliver to the Authority a site ready for the construction of the Facility under one of the following options:

   a. Gordon Shaw will enter into a long term ground lease with the Authority for the Facility;

   b. Gordon Shaw will construct the Facility and lease the Facility to the Authority;

   c. Gordon Shaw will construct the Facility and lease it to the Authority with an option to purchase at a price and on terms agreed to by Gordon Shaw and the Authority;
d. Gordon Shaw will construct the Facility and sell it to the Authority at completion; or

e. Gordon Shaw will sell to the Authority the 154 acres ready for development and will enter into an option with the Authority to purchase the additional acreage identified in the site plan.

5. The option selected shall be negotiated by Gordon Shaw and the Authority with all terms to be agreeable to all three parties.

6. This letter is not a binding obligation to sell or lease the subject property. The parties will enter into an integrated written agreement that sets forth all the terms of the agreement (the “Agreement”).

7. Nothing herein shall affect the current operation of the property by Gordon Shaw.

GORDON W. SHAW PROPERTIES, INC.

BY: WILLIAM BARKETT, PRESIDENT