



U.S. Department
of Transportation

**Federal Railroad
Administration**

1200 New Jersey Avenue, SE
Washington, DC 20590

February 20, 2025

Mr. Ian Choudri
Chief Executive Officer
California High-Speed Rail Authority
770 L Street, Suite 620
Sacramento, CA 95814

Subject: Compliance Review of California High-Speed Rail Authority

Dear Mr. Choudri:

The Federal Railroad Administration (FRA) is notifying you of its intention to initiate a review of the California High-Speed Rail Authority's (CHSRA) compliance under FRA-administrated grants for the California High-Speed Rail Project, including but not limited to the following agreements: **FR-HSR-0118-12** and **69A36524521070FSPCA**.

FRA is initiating this compliance review consistent with the terms and conditions of **FR-HSR-0118-12** and **69A36524521070FSPCA**. As you are aware, FRA recently completed an annual monitoring review on October 23, 2024. The monitoring review identified six areas of interest. In addition, the CHSRA Inspector General published a report on February 3, 2025, that reviewed the Merced-Bakersfield segment of the project and found CHSRA's schedule may not accurately account for current conditions and risks.¹ FRA intends to seek additional information to evaluate CHSRA's performance and ability to perform under the FRA-administered funding agreements, including whether it is complying with the requirements set forth therein. FRA may conduct site visits and review project activities, systems, and documents, including financial records, as appropriate. As required under the terms of the various agreements, FRA expects CHSRA will fully and promptly cooperate with the compliance review.

FRA is further advising CHSRA that the compliance review and resulting findings may result in remedial action up to and including withholding of reimbursement and termination of cooperative agreements. Please be advised that any work completed from the date of this notice forward is at the risk of CHSRA. This notice is effective immediately.

¹ CHSRA Inspector General, *Merced to Bakersfield Segment: The Authority Is Unlikely to Complete the Segment as Currently Envisioned within Its Planned Schedule* (Feb. 3, 2025).

Please confirm receipt of this notice and acknowledge your intent to comply. FRA appreciates your prompt attention and cooperation as it implements this compliance review.

Sincerely,

A handwritten signature in blue ink that reads "Kyle Fields". The signature is written in a cursive style with a light blue shadow effect behind it.

Kyle Fields
Chief Counsel