



TJPA Board of Directors The Portal Monthly Report

December 11, 2025



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**San Francisco
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1 EXECUTIVE SUMMARY

This report provides an update of the Transbay Joint Powers Authority's progress toward requesting a Federal Transit Administration (FTA) Capital Investment Grants (CIG) Full Funding Grant Agreement (FFGA) for The Portal. Reporting on overall project advancement includes updates on schedule performance, the financial plan, risk management, outreach and engagement, and specific project activities during the reporting period as well as key performance metrics for The Portal.

Highlights this month include:

- ◆ Project priority funded tasks to secure an FFGA, including progress on completing critical third-party agreements, adjusting the funding plan, and updating management plans for project delivery.
- ◆ Ongoing local, regional, and state funding advocacy with the passage of State Cap-and-Invest legislation.
- ◆ Completing procurement documents to release requests for proposals (RFP) for the 40-CT Civil and Tunnel progressive design-build (PDB) and General Engineering Consultant contracts.
- ◆ Continued progress on acquisition of Tranche 1 right-of-way (ROW) parcels and securing funding for utility relocation.

About The Portal

The Portal will connect Caltrain's regional rail system and the California High-Speed Rail Authority's future statewide system to the multimodal Salesforce Transit Center in downtown San Francisco. The project is an essential part of a long-term strategy to create seamless connections among local, regional, and statewide transportation systems and connect rail to important locations throughout the Northern California Megaregion.



Visit <https://www.tjpa.org/portaldtx> for more information.

Figure 1. Project Alignment

2 PROJECT PRIORITIES

The Integrated Program Delivery Team (IPDT) is focused on advancing durable, funded work aligned with the following project priorities. Priorities were established to advance the project to a state of readiness to request an FTA CIG FFGA. The Portal was admitted to the Engineering phase of the FTA New Starts CIG Program on May 3, 2024, the second of three required CIG Program phases. Engineering focuses on advancing engineering to develop a stable cost estimate, schedule, and Revenue Service Date; implementing further risk mitigation; securing full local funding share; and completing required documentation for an updated project rating and readiness assessment to begin negotiation of an FFGA. Obtaining an FFGA is the final step in securing the federal share of The Portal's funding.

Utility Relocation (10-UR)

Successful delivery of a complex, large transit project begins with a focus on risk identification and mitigation. The 10-UR contract for utility relocation along Townsend Street is identified as a priority for the program to enable the 40-CT contractor to proceed with construction at the south end of the alignment. The TJPA is presently securing full funding for this scope of work and will proceed with completing design and procurement and begin utility relocation.

Right-of-Way

Acquiring all rights-of-way necessary to deliver The Portal is another top priority. Tranche 1 appraisals are currently underway, and requests for Consent for the Notice of Street Vacation have been sent to adjacent property owners. Securing subsurface easements (from property owners along the alignment), which ultimately will come from the City and County of San Francisco, is necessary to begin utility relocation and civil and tunnel construction within public streets.

Onboarding 40-CT Contractor

Procurement of the 40-CT Civil and Tunnel Construction PDB contract is underway. The 40-CT contractor will evaluate, possibly modify, and adopt design of the civil and tunnel scope from its current 30% developed stage. The contractor will incorporate its preferred (delivery) means and method including risk mitigation measures to develop an updated construction cost and schedule, all subject to TJPA approvals.

40-CT is the largest of The Portal's six construction contracts, as it includes underground construction of the tunnel, including delivery of the Fourth and Townsend Street Station. Several of the project's identified risks to be mitigated are associated with this contract's scope. Through the Preconstruction phase of this PDB contract, updated construction contingency will be developed and allocated appropriately to manage cost.

Securing Full Local Funding

The TJPA is updating its capital funding plan to demonstrate and secure funding commitments for all non-CIG funding required for The Portal. The funding plan section of this report provides an update on its progress and advocacy.

FTA Capital Investment Grant Readiness

Several tasks in the IPDT's workplan must be completed before requesting an FFGA from the FTA. They include updating all management plans for delivery of The Portal, preparing documentation to conduct FTA risk and readiness assessments, obtaining all critical third-party agreements, obtaining commitments for all non-CIG funding (local share), and submitting documentation to request a new project rating. The Portal received an overall CIG project rating of "medium-high" in 2024. Current grant guidelines require a minimum rating of "medium" to be considered for an FFGA award.

3 SCHEDULE UPDATES

This update is based on the October 2025 Master Schedule update with a data date of September 2025. Initiated or completed activities after the data date and before the time of report submission are also noted.

3.1 Recent milestones achieved

Revised 60% Design for 10-UR

The draft 10-UR Basis of Design Amendment was received end of September, ^{Error! Bookmark not defined.} with the final anticipated in late October¹.

Revised 30% Design for At-grade Track and Systems (55-YB)

The revised draft 30% design deliverable for the At-grade Track and Systems (55-YB) contract was received at the end of September.

Right of Way

Appraisals of all Tranche 1 ROW parcels commenced in September. Reviews of those appraisals are now underway. Notices of partial underground street vacation have been mailed to owners abutting the alignment, which begins the street vacation process necessary to secure an underground easement from the City and County of San Francisco in 2026.

Release of Construction Counsel RFP

A Construction Counsel RFP was released in September with a projected award date in the first quarter of 2026. Onboarding of the new construction counsel will allow continuing support to the 40-CT procurement and development of procurement documents for the two Construction Manager/General Contractor procurements: Track and Rail Systems (50-TS) and Station Fit-Out (60-SF).

3.2 Upcoming milestones

Design Updates

Pending onboarding of next General Engineering Consultant (GEC), currently limited design progression except for Revised 30% 4KYB.

Revised 30% Design for At-grade Track and Systems (55-YB)

Review and comment resolution continues on the revised draft 30% design deliverable for the at-grade track and systems (55-YB) in preparation for a Final revised draft 30% design deliverable anticipated to be submitted in Q1 2026. Beyond 30% design, all future at-grade track and systems work in the 4th and King Railyard will now be combined with the 50-TS Track and Rail Systems Package.

Release of 40-CT RFP

The release of the 40-CT RFP is scheduled for mid-December, which will lead to the award of the 40-CT contract in the fourth quarter of 2026. The onboarding of the PDB contractor is an essential step in mitigating risk and maintaining The Portal's overall schedule and the Ready for Service date.

¹ Following the data date cut off, we have since received this deliverable.

Release of General Engineering Consultant (GEC) RFP

The release of the GEC RFP is scheduled for the fourth quarter 2025, with a projected award date in the second quarter of 2026, following which design work will restart. Early priorities for the new GEC will include utility relocation design completion and 4th and King Yard site clearing design.

Updates to Management Plans

The Portal's management plans are being updated as part of the Engineering phase of the CIG process. The Real Estate Acquisition Management Plan has been updated. The following plans have been issued: Document Control and Records Management Plan, Engagement and Community Outreach Management Plan, Real Estate Acquisition Management Plan, updated Relocation Plan, Digital Delivery Management Plan, and the Safety and Security Management Plan. Work continues on the Project Controls Management Plan, Quality Management Plan, among others.²

Environmental

The TJPA continues coordinating with FTA and FRA for Amendment 3 to the Section 106 Memorandum of Agreement (MOA) for the Transbay Program before the MOA expires in June 2026. In October, on behalf of FTA, the TJPA sent out a notification of proposed third amendment to the MOA. The letter invited parties or previous participants in the development of the MOA and subsequent amendments to participate in the development of a third amendment to the MOA; this includes FTA, FRA, TJPA, the State Historic Preservation Officer, the City and County of San Francisco (through the Planning Department), Caltrain, Caltrans, and nine tribal representatives. On November 18, the FTA and TJPA hosted a virtual meeting for invited parties and previous participants of the MOA regarding the amendment. All agencies were in attendance. Follow up meetings and coordination is ongoing.

The TJPA's cultural resources consultant continues to prepare draft components of an Archaeological Research Design and Treatment Plan (ARDTP) for Phase 2 of the Transbay Program to satisfy Section 106 MOA Section IV.B. A draft ARDTP will be circulated to MOA signatory agencies for review this winter.

Integrated Program Delivery Team (IPDT) Framework

Work continues on the IPDT organization chart, with roles and responsibilities refined and rolled out in facilitated partnering sessions.

The Portal Change Control Board

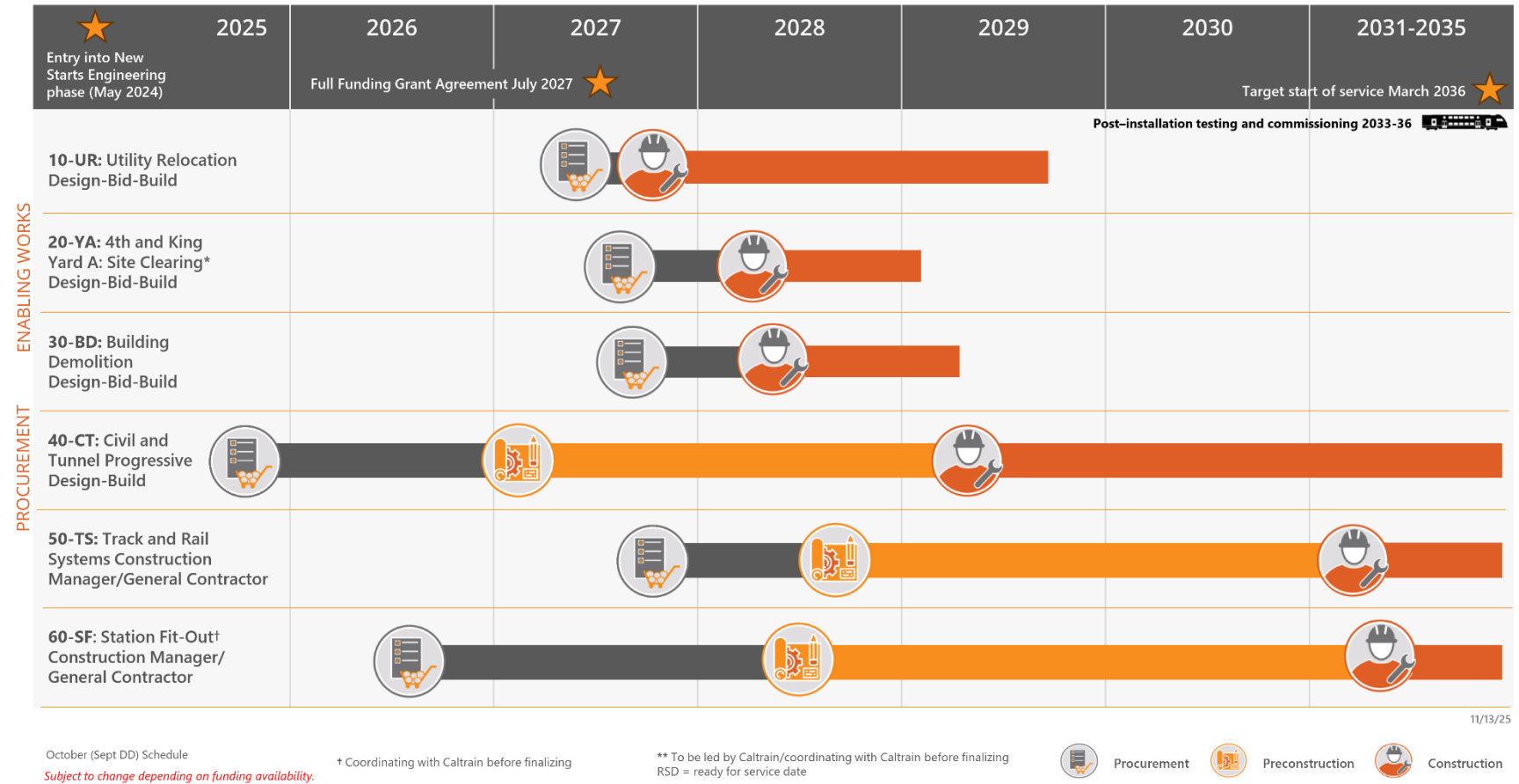
Work with the IPDT and the MOU agency partners for the development of the Change Control Board (CCB) Charter commenced in late September. The work will continue through the end of 2025, targeting completion of an approved CCB charter in early 2026.

Right-of-Way

The boundary survey field work is complete, and final drawings are anticipated to be completed by the end of 2025.

² Following the data date cut off, the Document Control and Records Management, Engagement and Community Outreach, Digital Delivery, and Safety and Security Management Plans have been issued.

Overall Schedule (As of November 2025)



4 FINANCIAL PLAN UPDATES

The Portal funding is comprised of committed, budgeted, or planned federal, state, and local sources, the Capital Investment Grant, prior investment in the Salesforce Transit Center train box, and additional sources required to secure an FFGA with the FTA. The most recent project cost estimate reflects \$683 million in cost mitigation, resulting in an indicative total project cost of \$7.572 billion, as presented to the TJPA Board in July 2025.

The funding breakdown is shown below:

Funding Source/Category	Est. Amount as of Sept 2025 (Millions of YOE\$)
Committed/Budgeted (non-Capital Investment Grant (CIG))	\$1,304
Transit District Sources (CFD, Impact Fees)	\$577
MTC Regional Measure 3 (RM 3)	\$325
SFCTA Sales Tax (Prop K and Prop L)	\$321
State Transit Intercity Rail Capital Program (TIRCP)	\$60
Regional Transportation Improvement Program (RTIP) Fund Swap	\$18
Partner Agency Contributions	\$3
Federal Pipeline	\$3,384
FTA Capital Investment Grant (CIG)	\$3,384
Planned State	\$1,053
Cap and Invest Program – High-Speed Rail Passthrough	\$553
State Transit Intercity Rail Capital Program (TIRCP)	\$500
Other Planned/Potential	\$365
Central SOMA CFD	\$155
Future Competitive Federal Grant	\$100
Future Net Tax Increment Bonds	\$110
Previous Investments	\$729
2010 Investment in Train Box	\$729
Funding Gap – To be Planned	\$737
July 2025 Project Cost	\$7,572

Fed-State Partnership Grant

TJPA has decided not to apply for funding under the Fed-State program at this time. The current Administration has clearly stated its opposition to federal funding for the California High-Speed Rail (CHSR) program and any projects associated with it. This position was underscored in the Federal Railroad Administration's August 26 letter withdrawing TJPA's recent CRISI grant selection on the basis that "the project is primarily intended to advance the failing California High Speed Rail Project... and as such is inconsistent with this Administration's policy objectives." Given this stated position, we believe that resubmitting our current Fed-State application or preparing a new application for a future round—which is both resource-intensive and costly—would not be an effective use of public resources at this time.

This decision, however, does not diminish our commitment to seeking federal funding opportunities where we believe there is a realistic path to success. While The Portal is indeed a component of the broader CHSR project, it also delivers significant independent economic, mobility, and societal benefits that align with many of the policy priorities articulated by the current Secretary of Transportation. It enhances multimodal connectivity by integrating the newly electrified Caltrain commuter service with a modern, centralized transit hub; improves transportation safety and system resilience through underground rail alignment and station placement; expands access to employment opportunities and reduces commute burdens for working families; and leverages substantial local investment through innovative financing supported by the private sector.

TJPA will continue to pursue federal funding opportunities that advance these objectives and support the transformative benefits that The Portal project provides.

Capital Funding Strategy and Advocacy Working Group

We have reconvened the Capital Funding Strategy and Advocacy Group with TJPA serving as lead and SFCTA providing support, in coordination with each agency's respective advocacy consultants. The intra-agency team will develop an updated 2026 Funding Strategy that identifies opportunities across federal, state, regional, and local sources and the workplan for 2026 in closing the funding gap.

Regional Prioritization through MTC MAP Level 1

TJPA and Caltrain is continuing to address the Metropolitan Transportation Commission's (MTC) required condition for The Portal's Major Project Advancement Policy Level 1 placement, to maintain MTC's Level 1 support for discretionary funding to advance the project.

Advocacy and Engagement

To help shape the state component of this strategy, the TJPA advocacy team conducted a Sacramento Advocacy in early November to inform the 2026 state advocacy strategy, with the goal of closing the \$1.053 billion state funding gap, which includes a \$553 million apportionment from the California High-Speed Rail Authority (CHSRA) and \$500 million in TIRCP funds as endorsed by the MTC.

Expanded Coalition Building Strategy

We are steadfastly working to update an expanded coalition strategy by collating a packet supporting The Portal's advancement to maintain momentum into 2026.

5 OPPORTUNITIES AND RISKS

Project risks are contained in The Portal's risk register, and the IPDT manages tasks towards meeting cost and schedule objectives while reducing or retiring risks. This section highlights The Portal's top risks and opportunities for mitigation. These are the top post-mitigated risks, as opposed to current state top risks.

Delays in Property Acquisition

Delays to property acquisition will cause a subsequent delay to the start of construction. Ongoing mitigations include starting property appraisals in the third quarter of 2025 and aligning construction sequencing to decouple direct schedule impacts where possible.

Delay in Acquisition of Capital Funding

Delays to the identification and acquisition of capital funding will cause a delay to execution of the FFGA, currently scheduled for July 2027. Mitigations include the continued work of the TJPA's advocates and refinement of the project's funding plan.

Increased Cost Escalation

There is the possibility of demand outstripping supply, driving up materials prices and labor costs in a way that exceeds the project's escalation base case.

Contract Off-Ramp Risks

Lack of performance or inability to negotiate a satisfactory construction cost may result in off-ramping a selected contractor and acquiring another to execute construction. The largest risk of this type is related to 40-CT.

Risk Mitigation Opportunities

IPDT is working on risk mitigation in various disciplines while design activity is paused due to the GEC reprocurement. Quarterly Risk Management Committee meetings continue to track progress on mitigating existing risks and identify emerging risks.

The capital funding task group reconvened in December to begin work on an updated funding and advocacy strategy for 2026-2027. The group's work will help inform risk assessment and further mitigations associated with capital funding availability.

The top 10-UR risks are being mitigated through on-going and intensive coordination with third parties and agencies having jurisdiction to lower the risks. These include City entities as well as the numerous private utilities affected by the project.

Working with construction counsel and agency partners, the TJPA has incorporated a number of risk management strategies into the 40-CT draft contract and general requirements. The focus has been to allocate risk to the party best able to manage the risk. After contract award, as additional risks are identified by both parties, there will be risks retained by the TJPA and risks allocated to the contractor. Each party will work to mitigate risk, often collaboratively. In addition, the IPDT is making provisions for shared risks when specific circumstances are met. Proceeding with the 10-UR construction contract is intended to mitigate some potential interface risks and ensure the smooth execution of the 40-CT construction contract.

Since the last report, in collaboration with IPDT partner review, certain elements of the 40-CT 30% design phase pricing proposal have been modified to provide additional protection to TJPA when negotiating the initial and subsequent design and pre-construction phases of the contract.

Recent Activity

The Q3 risk memorandum was drafted and is under management review since November. The update of the Risk and Contingency Management Plan was also drafted, and is undergoing management review. As part of ongoing review and updates of the existing risk register updates are being developed to:

- Long lead items procurement risks
- Constructon interfaces with existing facilities/ structures

6 OUTREACH AND ENGAGEMENT

For this reporting period, we conducted the following:

- ◆ Behind-the-scenes tours for:
- ◆ a small German legislative delegation and California High-Speed Rail Authority executive team.
- ◆ members of the local sf.citi organization, founded in 2012 to empower the San Francisco tech community to have a voice in tech policy decisions and collaborate with government leaders on solving local issues and representatives from community benefit districts located in and around the Salesforce Transit Center along with downtown/south of market area.
- ◆ Urban Land Institute 2025 conference attendees in early November.
- ◆ Presentations to SaveMUNI and Friends of the Downtown Rail Extension stakeholder groups.

7 40-CT CIVIL AND TUNNEL CONTRACT

The Preconstruction phase of this PDB contract will include advancement of design using the contractors' means and methods and other design considerations to review design, develop more cost-effective alternatives, and implement an open-book approach for developing cost estimates and pricing methodologies for construction, with the engagement of the IPMT in a highly collaborative environment. Preconstruction will proceed in two distinct phases.

First Phase, 30% Design Validation (12 months)

In the 30% design validation phase of 40-CT preconstruction services, the TJPA will engage the contractor to update the reference design prepared by the TJPA with the requirement that the 40-CT contractor will update the design, suggest optimizations to improve schedule, reduce costs, and reduce risk. The contractor will conduct constructability reviews, prepare various management and controls procedures, and prepare an initial Opinion of Probable Construction Cost.

During this phase, the TJPA and contractor will align expectations and understanding of the scope and collaborate on a "cost model" that will specify the requirements for developing the final design and construction cost through a collaborative open-book process. The contractor will develop their preferred approach, which the parameters of the 40-CT contract and general requirements for efficient work sequencing, packaging, and phasing, taking into consideration the particulars of the project and stakeholder requirements, all subject to TJPA approvals. The TJPA and the contractor will advance risk identification, mitigation, allocation, and management to effectively address risk in construction.

Second Phase, 60% Design and Final Design and Construction Pricing (18 months)

In the 60% design phase, the contractor will advance the design, resolving open issues with the TJPA and stakeholders and solidify the construction phasing and packaging. Subcontractor bid packages will be identified for TJPA approval. The contractor will advance permitting and, collaboratively with the TJPA, continue risk identification and mitigation. The contractor and the TJPA will commence jointly estimating the construction cost on a rolling basis as design proceeds. The contractor and the TJPA will identify candidate early works packages or long-lead time materials acquisitions.

During this phase, the contractor will prepare the proposal for final design and construction guaranteed maximum price (GMP). The TJPA will prepare an independent cost estimate based on the agreed-upon designs and sequencing. The TJPA will engage in negotiation with the contractor to finalize the GMP. If negotiations are successful, a contract amendment for final design and construction will be presented to the TJPA Board for approval.

