

TRANSBAY PROGRAM | The Portal

# Monthly Status Report

March 2026



This report was supported by the San Francisco County Transportation Authority through a grant of Prop L transportation sales tax funds



**San Francisco  
County Transportation  
Authority**

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## PROJECT STATUS

### Progress Overview

The Portal continues to advance through the Engineering phase of the Federal Transit Administration's (FTA) Capital Investment Grants (CIG) program. The project's Integrated Program Delivery Team (IPDT) continues to focus on expanding program management capability and capacity, refining cost and schedule forecasts, completing essential durable design, managing project risks through active mitigation planning, advancing procurements including general engineering services and construction contracts, right of way acquisition, and securing funding commitments to address the non-CIG funding gap toward demonstrating full local share.

### Project Governance

The Transbay Joint Powers Authority (TJPA) and its partner agencies—the Metropolitan Transportation Commission, San Francisco County Transportation Authority (SFCTA), Peninsula Corridor Joint Powers Board (Caltrain), California High-Speed Rail Authority (CHSRA), and City and County of San Francisco (City)—executed The Portal Project Implementation Memorandum of Understanding (Implementation MOU) in January 2025, a successor agreement to the original San Francisco Peninsula Rail Program MOU of June 2020 by the same agencies. The Implementation MOU calls for the creation of several new bodies during a later phase of the project. One of those bodies, the IPDT, composed of staff from the TJPA, Caltrain, the TJPA's program management/construction management (PMCM) consultant, and the general engineering consultant (GEC), is responsible for day-to-day project delivery and manages all engagement with the FTA and its Project Management Oversight Contractor (PMOC), while working closely with the Integrated Program Management Team (IPMT)—a framework among the six partner agencies under The Implementation MOU that guides shared oversight and decision-making. The TJPA has developed an IPDT framework that defines decision-making roles, escalation ladders, and project accountability. The IPDT is presently developing its organization chart for the program and in support of the 40-CT contract. In parallel, a Change Control Board Charter is being developed to formalize the processes, procedures, and delegation of authority for change management, ensuring consistent escalation and review across agencies based on the magnitude and impact of changes.

### Management Plans

Work continues on the development and completion of 16 key project management plans required by good project management practice and the FTA's CIG program. To date, the following eight plans have been issued: Before and After Study Management Plan, Digital Delivery Management Plan, Document Control and Records Management Plan, Engagement and Community Outreach Management Plan, Real Estate Acquisition Management Plan, Relocation Plan, Safety and Security Management Plan, and Caltrain Fleet Management Plan.

Progress continues on the remainder of the plans, with the Risk and Contingency Management Plan, Quality Management Plan, Third-Party Agreement Plan, Cost Management Plan, Configuration Management Plan, and Requirements Management Plan scheduled for review and issuance in the second quarter of calendar year 2026. The TJPA is actively monitoring timelines for completion of these plans to ensure alignment with FTA requirements and The Portal's Master Schedule.

### Project Management Information System (PMIS)

Since going live in January 2026, the PMIS continues to support integrated performance reporting for The Portal. The dashboard remains embedded within monthly reporting, with key performance indicators

(KPIs) drawn directly from the system to provide visibility across cost, schedule, risk and contracts performance. The system is updated on a monthly basis to maintain data accuracy and consistency.

Progress continues on expanding user access, including evaluation of additional license requirements for the upcoming fiscal year to enable broader team utilization beyond the current core user group. Focused development is underway to enhance change management oversight, including initial deployment of dedicated dashboards and reporting tools covering the change register, trend register, and associated performance reporting. These efforts are being coordinated with the IPMT as part of the ongoing Change Control Charter development. Further enhancements are also being developed to incorporate performance tracking for the GEC and document control-related metrics. In parallel, coordination is underway with the City to support monthly oversight meetings and to define performance reporting requirements for integration into the PMIS. Future phases will continue to build on this foundation, including integration of contract-specific performance KPIs as the 40-CT contractor is onboarded for preconstruction.

### **Schedule Management**

The Master Schedule update with a data date of February 28, 2026, reflects a target revenue service date (RSD) of May 15, 2036, a nine-working-day delay from the previous reporting period. This shift continues to be driven by ongoing slippage in the procurement of the GEC, which remains on the critical path; the critical path identified in the prior update is sustained and continues to run through GEC procurement, followed by the design, procurement, and construction of the 10-UR Utility Relocation package, and subsequent systemwide integrated testing and commissioning. The 40-CT Civil and Tunnel procurement, design, and construction activities no longer meet the program's definition of near-critical; notwithstanding this, this path continues to be closely monitored due to its significance, and float availability is reported to maintain visibility of potential schedule sensitivity. Given the identified non-CIG funding gap, the TJPA continues to evaluate alternative schedule scenarios, including potential adjustments to the FFGA execution date and the associated impacts on the target RSD. See the Project Schedule section for further details.

### **Cost Management**

The FTA approved project budget remains unchanged at \$8.255 billion, consistent with the Entry-to-Engineering cost estimate submitted to FTA in 2023. The approved budget includes \$728.5 million for the completed trainbox in the Salesforce Transit Center and \$103 million in project development and engineering phases cost already spent. To maintain alignment with the FTA approved budget, the cost reductions derived from scope changes, and right of way cost adjustments have temporarily been moved to unallocated contingency until completion of the environmental process assessing scope changes. Following approval, the additional unallocated contingency will be removed, and the realized cost reduction will be reflected in an updated project cost estimate of \$7.572 billion with a remaining cost to complete of \$6.738 billion.

The control budget is fully integrated into the PMIS and is actively monitored and updated on a monthly basis. Commitments, expenditures, and cost-to-complete forecasts are tracked at the control account level to support ongoing cost performance monitoring and reporting.

The fiscal year budget is likewise monitored monthly against actual expenditures and updated forecasts. Forecasts for key components, including the GEC, PMCM, and Caltrain, have been updated for the remainder of the fiscal year. Based on these updates, the program is currently forecasting a positive variance of approximately \$13.5 million for FY 2025-26, primarily reflecting anticipated underruns; detailed

breakdowns are provided in the Project Cost section. The variance at completion for the overall control budget remains zero. In parallel, development of the FY 2026–27 budget is ongoing, with continued coordination to align projected expenditures with program needs.

### **Risk Management**

The TJPA is updating the Risk and Contingency Management Plan. The TJPA conducts a risk workshop each quarter, statusing the mitigation of identified risks and identifying new risks. This work is managed through a risk register, published quarterly. The risk register is being reorganized with an emphasis on identifying more contract package-specific risks, improving the precision of mitigation planning, and reducing uncertainty in cost and schedule forecasts. Risk mitigation actions continue unabated through the reorganization process.

### **Design Management**

Design progress has been steady across the three enabling works packages (10-UR Utility Relocation, 30-BD Building Demolition, and 20-YA Fourth and King Yard Preparation Package A: Site Clearing) with revised 60% design documents completed for utility relocation and Fourth and King railyard site clearing. Further design advancement for these enabling works packages will be progressed by the new GEC once onboard. The 30% design for at-grade track and systems has been updated and will be integrated into the 50-TS Track and Rail Systems package and developed through the 60%, 90%, and 100% design stages.

### **Procurement Management**

The 40-CT Civil and Tunnel progressive design-build (PDB) Request for Proposal (RFP) was issued in December 2025. Initial requests for clarification have been received, indicating proposer engagement. Procurement of the GEC is anticipated to begin in the spring. A contract for construction counsel was awarded in March; the new construction counsel will support preparation of procurement documents for upcoming construction packages. The TJPA continues to strategically sequence procurement timelines in alignment with anticipated funding availability.

### **Right-of-Way**

A boundary survey contract was recently awarded, and fieldwork for the full alignment survey is nearly complete, with final deliverables expected by the end of April 2026. Appraisals for the first tranche of required property interests have begun, and the partial street vacation process is underway to secure tunnel easements and enable utility relocations. These efforts reduce early construction risk and support readiness for enabling works and major civil package procurement.

### **Environmental**

On March 12, 2026, the TJPA Board adopted a second addendum to the 2018 Final Supplemental Environmental Impact Report, which evaluates potential impacts associated with secondary mitigations and other minor design changes to the environmentally cleared design for The Portal, in accordance with the California Environmental Quality Act. The first draft of a National Environmental Policy Act (NEPA) Re-evaluation of the 2018 Final Environmental Impact Statement was circulated to the FTA for review in mid-February. FTA comments on the first draft were received on March 25.

FTA and TJPA staff continue to coordinate on the preparation of a third amendment to the Section 106 Memorandum of Agreement (MOA) regarding cultural resources. A revised draft of the amendment along with a comment matrix was sent to the FTA in February.

## PROJECT OVERVIEW

The Portal will connect Caltrain’s 77-mile 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 will be constructed principally underground along Townsend and Second streets and includes cut-and-cover and mined tunnel, at-grade trackwork, build-out of the below-grade train station at the Salesforce Transit Center, and a new underground station at Fourth and Townsend streets. The total project length is 2.2 miles; see Figure 1.

The Portal is the second phase of the Transbay Program and an essential part of the Bay Area’s long-term transportation strategy to create seamless connections among local, regional, and statewide transportation systems and connect rail to important locations throughout the Northern California Megaregion. The first phase of the Program was completed in 2018 with the opening of the multimodal Salesforce Transit Center in downtown San Francisco. When complete, the Program will ultimately connect eight Bay Area counties and the State of California through eleven transit systems, including Caltrain and high-speed rail between San Francisco and Southern California.



Figure 1. The Portal Alignment and Major Components

The project is in the Engineering phase of the FTA CIG’s New Starts program. Table 1 lists the six major construction contracts that will be procured for The Portal. Among these are three early works construction packages that will facilitate tunnel construction.

**Table 1. The Portal Contract Packages**

Contract Package	Abbreviation	Delivery
Utility Relocation	10-UR	DBB
4th and King Yard Preparation Package A: Site Clearing	20-YA	DBB
Building Demolition	30-BD	DBB
Civil and Tunnel	40-CT	PDB
Track and Rail Systems	50-TS	CMGC
Station Fit-Out: Salesforce Transit Center	60-SF	CMGC
CMGC= construction manager/general contractor DBB = design, bid, build PDB = progressive design-build		

**10-UR:** Temporary and permanent advance utility relocations on Townsend Street between Third and Sixth streets to facilitate construction of the cut-and-cover portions of the tunnel.

**20-YA:** The relocation or removal of structures, utilities, and storage tracks along the northern and western portions of the 4th and King railyards.

**30-BD:** Demolition of seven buildings to facilitate construction of the cut-and-cover portions of the tunnel and a ventilation and emergency egress structure.

**40-CT:** Completion of the design and construction of the cut-and-cover structures, mined tunnel, ventilation structures, and Fourth and Townsend Street Station and fit-out, and limited temporary and permanent utility relocations/support-in-place.

**50-TS:** Installation of trackwork through the tunnel, stations, u-wall, and all associated rail systems. Modifications and additions to at-grade trackwork and associated systems in the railyards to facilitate u-wall construction, rail operations, and connection to The Portal’s below-grade trackwork and systems.

**60-SF:** Fit-out of the below-grade structural box at the Salesforce Transit Center with facilities for rail operations, customer service, and ancillary support.

## PROJECT SCHEDULE

### Master Schedule Update

Schedule reporting is based on the March 2026 Master Schedule update, with a data date of February 28, 2026. Activities initiated or completed after the data date and prior to report submission are also identified.

The Master Schedule currently includes 1,148 activities, of which 664 are complete, 42 are in progress, 39 are on the critical path, and 1 is near-critical (defined as activities with a total float of 30 or fewer working days) (Figure 2). A summary view of the Master Schedule is provided in Figure 3. Activities span programmatic documentation, management plans, agreements, and work related to right-of-way acquisition, environmental clearance, engineering and design, funding, procurement, preconstruction, construction, and rail activation. As preconstruction and construction contracts are awarded and detailed contractor schedules are developed, the overall scheduling framework and number of activities will expand; however, the Master Schedule will continue to function as a program-level control document. Detailed contractor schedules will be managed at the contract level, with the Master Schedule incorporating rolled-up work breakdown structure activities and key milestones. Contract-specific performance tracking, including KPIs, will be maintained separately and used to inform program-level reporting.

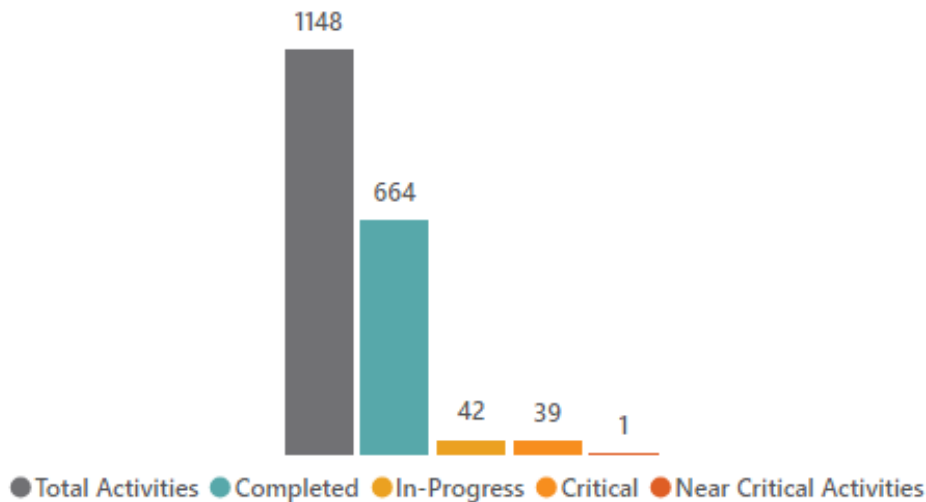


Figure 2. Key Schedule Statistics (Activities)

The March schedule update reflects a target RSD of May 15, 2036, representing a nine-working-day delay compared to the previous update. This shift continues to be driven by ongoing delays in GEC procurement, which remains on the critical path. Resulting impacts continue to flow through downstream activities, including the 10-UR Utility Relocation package, 20-YA (4th and King Yard Preparation), 30-BD (Building Demolition), 50-TS (Track and Rail Systems), and 60-SF (Station Finishes), primarily affecting design and subsequent procurement and construction phases.

The 40-CT Civil and Tunnel procurement and design path no longer meets the program’s near-critical threshold, with float increasing to approximately 33 working days (previously 25 days). The reduction in near-critical activities reflects float created as a result of delays along the primary critical path. However, the 40-CT path continues to be monitored closely, given its significance to the project.

Procurement activities for 40-CT are ongoing, including the issuance of addenda and engagement with shortlisted proposers. The second addendum to the 2018 Final Supplemental Environmental Impact Report (CEQA Addendum) was adopted by the TJPA Board on March 12, 2026; milestones for the NEPA Re-evaluation and Section 106 MOA amendment remain unchanged. Completion of the Tranche 1 appraisal process has shifted from April to June 2026, with no impact to the critical path. The GEC notice-to-proceed and mobilization milestone has shifted from July to August 2026 due to delay in release of the GEC procurement documents.

### Progress Summary

	Status	Change from Last Report	Comment
Target FFGA execution	July 2027	None	None
Target start of revenue service	May 2036	9 WD	Schedule impacts driven by delay to start of GEC procurement.
<b>Design Progress</b>			
10-UR Utility Relocation	90%	9 WD	Start of 90% design package following award of the new GEC contract. Schedule impacts driven by delay to start of GEC procurement.
20-YA 4th and King Yard Preparation Package A: Site Clearing	90%	9 WD	Comment resolution for 60% design complete. Start of 90% design package following award of new GEC contract. Schedule impacts driven by delay to start of GEC procurement.
30-BD Building Demolition	90%	9 WD	Start of 90% design package following award of new GEC contract. Schedule impacts driven by delay to start of GEC procurement.
40-CT Civil and Tunnel	30%	None	30% design validation will continue following award of the 40-CT PDB contract.
50-TS Track and Rail Systems	30%	9 WD	50-TS and 55-YB packages have been combined. Start of 60% design package following completion of the track validation study and award of the new GEC contract. Schedule impacts driven by delay to start of GEC procurement.

	Status	Change from Last Report	Comment
55-YB 4th and King Yard Preparation Package B: At-grade Track and Systems	30%	None	Revised 30% design package to be completed within existing GEC contract capacity. Once 30% design is complete, further design will be combined with 50-TS package.
60-SF Station Fit-Out: Salesforce Transit Center	30%	9 WD	Revision of 30% design package following award of new GEC contract. Schedule impacts driven by delay to start of GEC procurement.

WD = working day

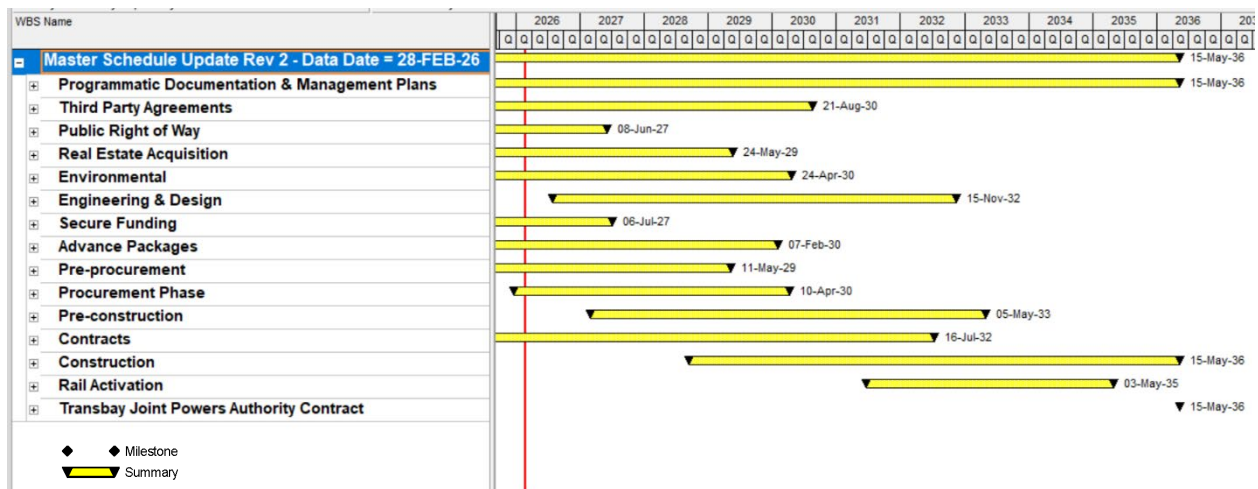


Figure 3. Master Schedule Summary

### Key Milestones Six-month Lookahead

	Milestone Date	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026
Complete Record of Survey/Boundary	April 15, 2026			IPDT				
Release GEC Request for Proposals	March 2, 2026		TJPA					
Award Construction Legal Counsel Services contract	March 12, 2026 (A)		TJPA					
Adopt CEQA Addendum	March 12, 2026 (A)		TJPA					
Complete Tranche 1 appraisal process	June 1, 2026					IPDT		
Complete NEPA Re-evaluation	May 8, 2026				TJPA			
Execute Third Amendment to Section 106 MOA	June 2026					TJPA		

	Milestone Date	Feb 2026	Mar 2026	Apr 2026	May 2026	June 2026	July 2026	Aug 2026
Issue GEC Notice-to-Proceed and Mobilization	August 3, 2026							TJPA

"A" following the milestone date denotes actual and completed.

### Critical and Near Critical Path Analysis

The critical path identified in the previous reporting period remains unchanged this month and continues to originate with the procurement of the GEC, progressing through the development, procurement, and construction of the 10-UR Utility Relocation package. Following the relocation of PG&E utilities, "shaft two" activities under the 40-CT contract can proceed, ultimately tying into the 50-TS Track and Rail Systems path through to project completion.<sup>1</sup> Figure 4 shows the current critical path.

In parallel, the previously identified "near-critical" path that runs through the procurement, design, and start of construction for the 40-CT contract no longer meets the program's near-critical threshold, with current float increasing to 33 working days (previously 25 working days). Notwithstanding this, the path continues to be monitored closely due to its importance to downstream construction sequencing and overall program delivery. The observed increase in float is attributable not to schedule recovery on the 40-CT procurement path but rather to continued delays along the primary critical path. As the program schedule is not currently constrained by a fixed project completion date, delays on the critical path have shifted the overall completion milestone, thereby generating additional float across non-critical paths. This dynamic has resulted in previously near-critical activities moving outside the defined threshold while maintaining their relevance for ongoing schedule risk monitoring.

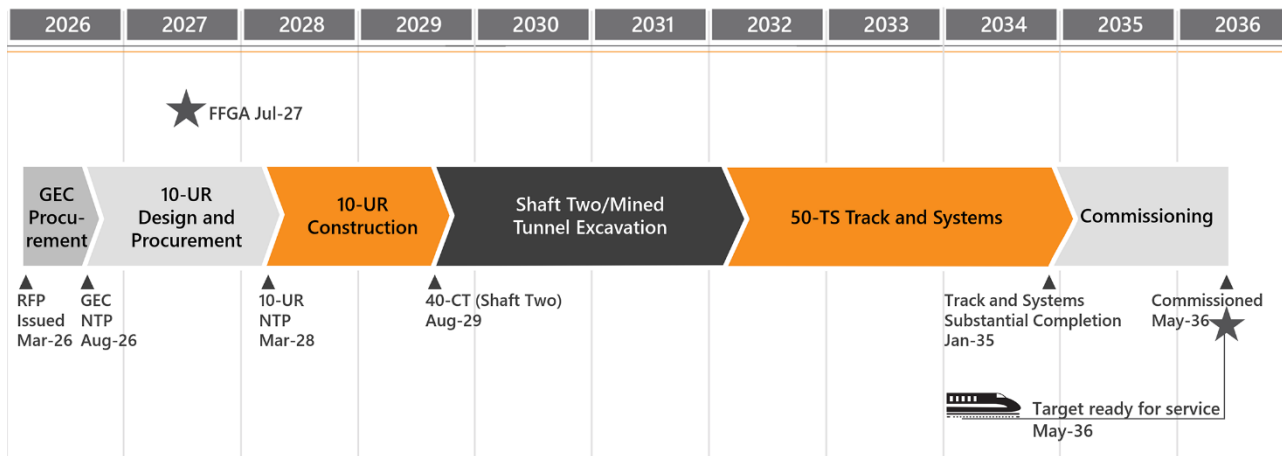


Figure 4. Critical Path Analysis

<sup>1</sup> "Shaft two" refers to the shaft at Third and Townsend streets that will be used as access for mining operations and will eventually become one of the ventilation structures for the tunnel.

## PROJECT COST

### Project Control Budget

The control budget continues to be grounded in the 2023 cost estimate totaling \$8.254 billion, inclusive of the cost of the constructed train box, contingency, and financing costs, and is organized using the Cost Breakdown Structure (CBS) and Standard Cost Category (SCC) framework. Twenty control accounts have been established across seven primary cost categories—enabling works, construction packages, right-of-way, vehicles, professional services, contingency, and financing—to facilitate disciplined cost allocation, change management, and performance oversight. Budget allocation is assigned at the lowest level of the CBS to allow for incremental refinement as scope definition progresses. Both the control budget and the associated fiscal year budget continue to be updated on a monthly cycle and are fully integrated into the PMIS in coordination with TJPA Finance staff. Commitments, expenditures, variances, and cost-to-complete projections are monitored at the control account level to support ongoing cost control and transparent reporting.

The variance at completion for the overall control budget remains zero. For the current fiscal year, updated forecasts for key components—including the GEC, PMCM, and Caltrain—reflect refined expectations for the remaining period and indicate a positive variance (underrun) of approximately \$13.5 million.

### Project Cost Status and Analysis

Figure 5 presents a snapshot of the budget in SCC format, showing the original budget, commitments, expenditures-to-date, current forecast, and variance-at-completion as of February 2026. The information is organized to reflect cost performance at the SCC code level, consistent with FTA reporting standards.

**Original Budget** represents the 2023 cost estimate submitted to FTA at Entry-to-Engineering.

**Commitments.** Total commitments currently stand at approximately \$850 million, inclusive of design and construction of the train box. Commitments are determined based on:

- ◆ Vendor budgets authorized through NTPs, requests for services, and similar instruments.
- ◆ Non-contract expenditures, such as TJPA salaries, benefits, and related internal costs.

**Expenditures.** Total expenditures to date amount to approximately \$835 million. Expenditures are based on:

- a. Paid vendor invoices.
- b. Accruals for vendor invoices under review.
- c. Accruals for estimated vendor costs not yet invoiced.
- d. Paid internal expenses, including TJPA salaries, benefits, and related costs.

**Current Forecast.** The forecast remains unchanged at \$8.254 billion, inclusive of contingency and financing, with no overall variance-at-completion at the project level. While cost reductions from secondary mitigation measures have been identified, they have not yet been formally released from the overall budget of \$8.254 billion, as the environmental process is still ongoing. The TJPA Board will

consider adoption of an addendum to the Transbay Program 2018 Final Supplemental Environmental Impact Report at its March 2026 meeting followed by FTA’s review of the corresponding National Environmental Policy Act (NEPA) re-evaluation in May 2026. Savings identified from secondary mitigations have been moved to SCC 90 (unallocated contingency) pending completion of the environmental process and receipt of all approvals, the unallocated contingency will be adjusted, and the realized savings will be reflected in an updated project forecast with an indicative value of \$7.57 billion.

Dollars in thousands						
SCC Code	Description	Original Budget	Commitments	Expenditures	Current Forecast	Variance
10	Guideway & Track Elements	2,486,895	0	0	2,195,772	291,123
20	Stations, Stops, Terminals, Intermodal	1,453,760	728,519	728,519	1,355,910	97,850
30	Support Facilities: Yards, Shops, Admin. Bldgs	34,427	0	0	58,238	(23,811)
40	Sitework & Special Conditions	843,698	0	0	837,771	5,927
50	Systems	293,770	0	0	293,723	47
	<b>Construction Subtotal (10-50)</b>	<b>5,112,550</b>	<b>728,519</b>	<b>728,519</b>	<b>4,741,415</b>	<b>371,136</b>
60	Right of Way	351,641	662	294	254,502	97,139
70	Vehicles	59,716	0	0	55,215	4,502
80	Professional Services	1,104,130	121,776	106,675	1,033,476	70,654
	<b>Subtotal (10-80)</b>	<b>1,515,487</b>	<b>122,438</b>	<b>106,969</b>	<b>1,343,193</b>	<b>172,294</b>
90	Unallocated Contingency	1,251,339	0	0	1,794,768	(543,429)
100	Financing	375,410	0	0	375,410	0
	<b>Total</b>	<b>8,254,786</b>	<b>850,957</b>	<b>835,488</b>	<b>8,254,786</b>	<b>0</b>

Figure 5. Cost and Financial Status

### Current Fiscal Year Budget Performance

The FY 2025–26 capital budget remains at the revised level of approximately \$50.9 million and is monitored and updated on a monthly basis. Actual costs reflect paid invoices, invoices under review, estimated invoices pending submission, and TJPA internal costs.

As part of this reporting period, revised forecasts have been completed for key components, including the GEC, PMCM, and Caltrain. These updates indicate anticipated underruns for these components and result in a projected positive variance of approximately \$13.5 million for the current fiscal year. Forecasting for the remaining components is ongoing, with particular focus on right-of-way costs, where projections continue to be refined based on the best available information. Figure 6 shows the FY 2025–26 capital budget performance. In parallel, the process to develop and compile the FY 2026–27 capital budget is underway.

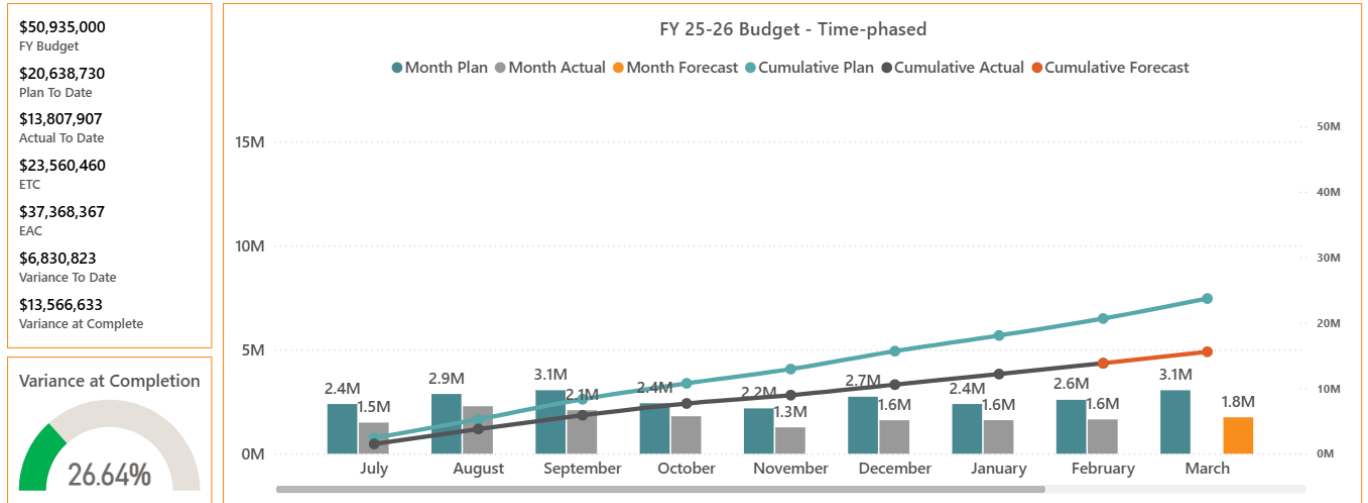


Figure 6. FY 2025-26 Capital Budget Performance

## RISK AND CONTINGENCY MANAGEMENT

### Summary of Recent Activity

In February and March, the IPDT started reviewing allocation of existing mitigations/actions to assigned (action) owners. Staff continued to manage active risks and opportunities, as described in the following sections.

### Active Risks and Opportunities by Contract Packages

The risk register is updated on a quarterly basis. The most recent updated risk register for Q4-2025 contains 63 risks and 5 opportunities requiring focused management. The IPDT continues to actively manage risks and opportunities through ongoing monitoring and mitigation planning. Figure 7 summarizes the current distribution of active risks by contract package; the current focus is on the 10-UR and 40-CT contract packages because these will be the first contracts executed with contractors. In the first quarter of 2026, the IPDT focused on revisiting and updating the rail systems risks, which will be reflected in the next quarterly update of the risk register.

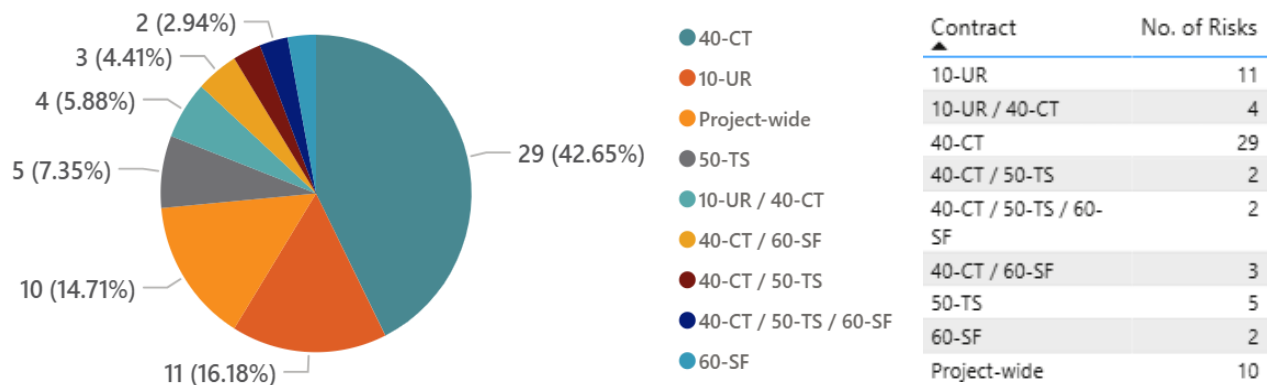


Figure 7. Active Risks and Opportunities by Contract Package

### Active Risks– Current vs Post-Mitigated State

Figures 8 and 9 compare risks in their current and post-mitigated state and collectively reflect how the risk response strategies are expected to reduce the number and severity of higher scored risks, moving unacceptable and undesirable risks into lower classifications and improving The Portal’s overall risk profile.

In accordance with the scoring methodology, scores for “acceptable risks” range between 1 and 3, “undesirable risks” range from 4 to 9, and any risk with a score of 10 or above is considered “unacceptable.”



Figure 8. Active Risks and Opportunities by Risk Classification

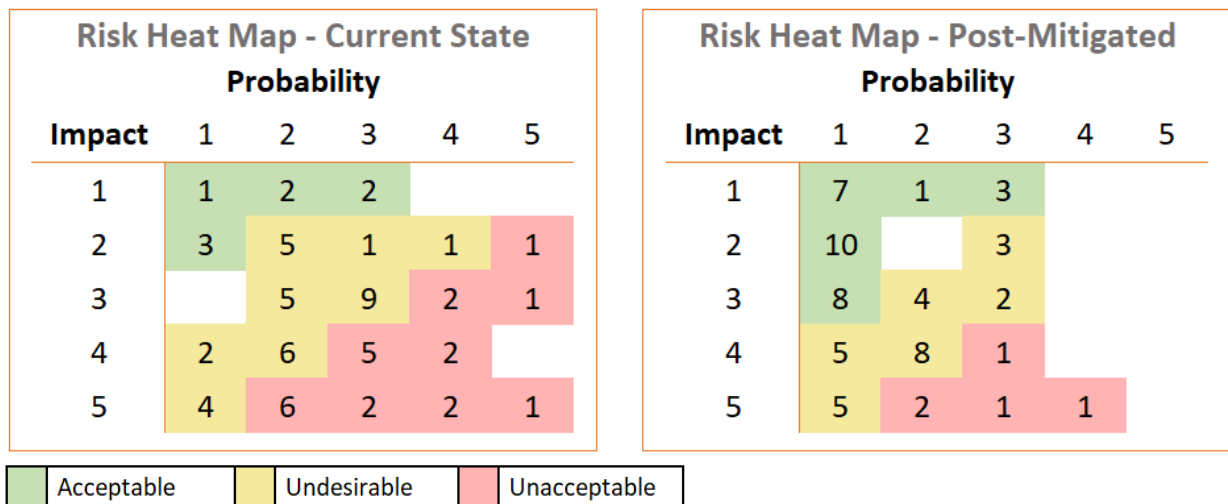


Figure 9. Risk Heat Map – Current State vs Post-Mitigated State excluding opportunities

As seen in figures 8 and 9, if mitigations are implemented successfully, the number of unacceptable risks would decrease from 22 to 5 and the undesirable risks decrease from 33 to 27. As for acceptable risks, the number increases from 8 to 29. Based on this update, after planned mitigations, 52 percent of the risks in the risk register will still require further consideration as unacceptable and undesirable risks. Please note that the current state and post mitigated state heat maps do not represent the same number of risks since 2 risks are eliminated in the post-mitigated state.

## Top Risks with Mitigation Strategies

The following four top post-mitigated risks remain categorized as “unacceptable”:

### Delays in Property Acquisition

**Risk.** Delays in property acquisition may delay the start of construction activities.

**Mitigation Strategy.** The TJPA will reassess and adjust the timelines for property appraisals and acquisitions, with priority given to parcels located within the critical trench areas that drive construction sequencing. Appraisals for these critical properties will be initiated earlier than originally planned to ensure acquisition is completed before the contractor is ready to mobilize. In parallel, construction sequencing is being reviewed to decouple activities where feasible, further reducing the potential schedule impact of any acquisition delays.

### Delay in Acquisition of Capital Funding

**Risk.** Delays in securing capital funding for local match may delay execution of the FFGA, currently planned for July 2027.

**Mitigation Strategy.** The TJPA will continue advancing funding advocacy efforts and ongoing coordination with federal, state, and regional partners. The project funding plan is being refined to close the remaining funding gap and align funding commitments with the FFGA timeline. Progress on funding commitments will be closely monitored to ensure timely readiness for FFGA execution.

### Increased Cost Escalation

**Risk.** Market demand may outpace supply, resulting in increased materials prices and labor costs that exceed the project’s baseline escalation assumptions.

**Mitigation Strategy.** The TJPA will monitor market trends and escalation indices closely, updating cost forecasts as needed to reflect current conditions. Early engagement with industry and contractors during procurement will support more accurate cost estimates. Additionally, value engineering and alternative delivery approaches will be explored to mitigate cost pressures and maintain alignment with the approved budget.

### Contract Off-Ramp Risks

**Risk.** If the contractor selected under the PDB approach is unable to deliver a construction cost estimate, project schedule, contract terms, or risk profile that align with the approved budget or project requirements, the TJPA may need to off-ramp the contractor and procure a replacement. This risk is most significant for the 40-CT Civil and Tunnel package.

**Mitigation Strategy.** The PDB Preconstruction phase includes staged reviews at key design and cost milestones (i.e., 30% and 60%) to provide early visibility into cost trends, schedule alignment, and risk distribution. These checkpoints, along with close engagement throughout the development process, allow the TJPA to evaluate whether the project is on track to reach a satisfactory contract agreement. If needed, an early decision can be made to transition away from the PDB contractor, minimizing time lost. In parallel, the TJPA may initiate preparatory work on alternative procurement documents to support a

competitive procurement in the open market, ensuring continuity and mitigating impacts to the overall project schedule.

## Contingency Management

### Schedule Contingency Drawdown and Analysis

The schedule contingency drawdown curves were developed in accordance with FTA Oversight Procedure 40 (OP40) guidance. The forward-pass and backward-pass curves were generated using the schedule update employed for the quantitative risk analysis, with a data date of December 2024, and reflect how contingency was expected to be consumed as The Portal advances through key milestones, referred to as “hold points”; see Table 2. The actual drawdown curve (Figure 10) shows that the project has fully exhausted the available schedule contingency and has progressed into negative reserve, having consumed approximately 144 workdays beyond the maximum modeled contingency. No additional contingency was drawn down in the most recent schedule update, meaning that the negative position remains unchanged from the prior period. This variance demonstrates that contingency was depleted earlier than forecast in both modeled scenarios, reinforcing the need for continued schedule risk monitoring and mitigation.

**Table 2. Hold Points**

Hold Point	Milestone
HP 0	FTA risk review
HP 1	Progressive design-build Civil and Tunnel contract award
HP 2	Property and right-of-way acquisition complete (possession of properties)
HPF	Completion of 4th and King Yard Preparation Package A: Site Clearing
HP 3	Completion of Utility Relocation
HP 4	PDB Civil and Tunnel construction notice-to-proceed (NTP)
HP 5	Construction manager/general contractor (CMGC) #1 - Track and Rail Systems construction NTP
HP 6	CMGC #2 - Station Fit-out construction NTP
HP 7	Cut-and-cover excavation complete
HP 8	Tunnel excavation complete
HP 9	Station Fit-out complete
HP 10	Testing and commissioning complete

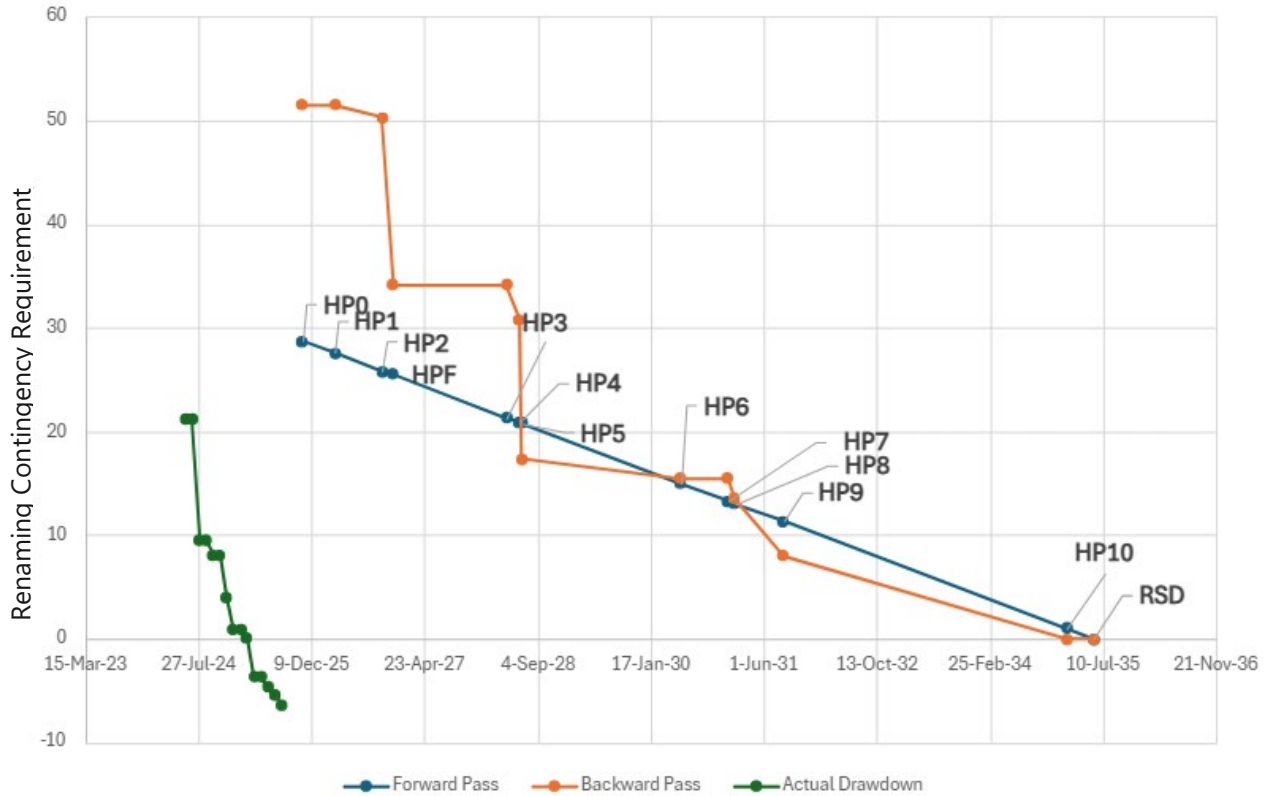


Figure 10. Schedule Contingency Drawdown at Hold Points (see Table 2)

**Cost Contingency Drawdown and Analysis**

The cost contingency drawdown curves were developed in accordance with FTA OP40 guidance and are based on the quantitative risk analysis (QRA) completed in May 2025 plus the variance attributed to secondary mitigation measures; see Project Cost Status and Analysis. The forward-pass and backward-pass curves illustrate how the project’s cost contingency is forecast to be consumed over successive hold points (see Table 2), as The Portal advances (Figure 11). These modeled drawdowns reflect anticipated risk exposure and corresponding contingency utilization over time. The drawdown curves in Figure 11 show that no cost contingency has been used to date, and the full reserve remains intact as of the latest reporting period. This alignment with the modeled maximum reserve indicates that no cost impacts requiring contingency drawdown have yet materialized, underscoring the importance of continued monitoring as major procurement and construction activities progress.

The savings resulting from the secondary mitigation measures referenced in Figure 11 were added to the QRA results, contributing to the most conservative contingency drawdown curve presented in the figure.



Figure 11. Cost Contingency Drawdown at Hold Points

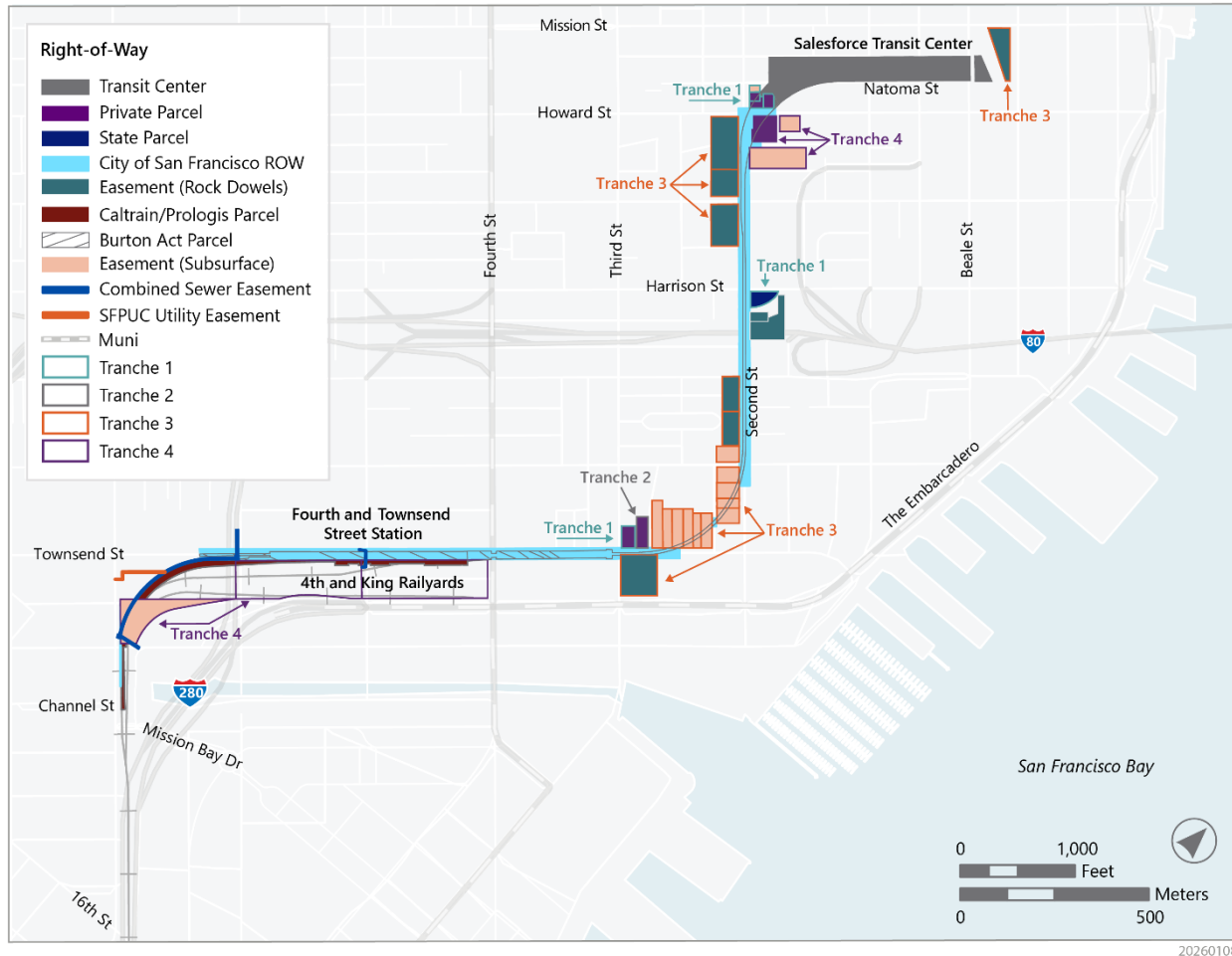
## FINANCE AND GRANTS

The TJPA has been working to update its funding strategy and advocacy to close The Portal's funding gap. This period, TJPA staff:

- ◆ Continued work with State Assembly Member Haney on advancing AB 2308, a legislative bill to extend the net tax increment generated by Transbay development of neighborhood state-transferred parcels by 25 years from the currently scheduled sunset year of 2050. Staff is continuing to work with its partners and stakeholders to advance this bill in the state legislative process.
- ◆ Began preparing an application for Cycle 8 of the Cap-and-Invest Program's Transit and Intercity Rail Capital Program (TIRCP) due in May 2026.  
Continued work with the Metropolitan Transportation Commission to update its TIRCP endorsement for the TJPA to align with its TIRCP Cycle 8 application submittal in May.
- ◆ Began SFCTA allocation process for FY 2026-27 Prop L transportation sales tax funds.
- ◆ Continued to develop the Capital Funding Strategy and Advocacy workplan for 2026 and the next three years in coordination with SFCTA. Focus is to prioritize development of critical funding sources, including focus on state efforts on the net tax increment extension and TIRCP Cycle 8.
- ◆ Continued discussions with CHSRA on opportunities to better partner and collaborate on delivery of The Portal as it relates to planning, design, engineering, and funding advocacy.
- ◆ Continued to track available funding for The Portal from the Central South of Market expenditure plan coordinated through the City's Interagency Plan Implementation Committee (IPIC). IPIC is responsible for overseeing the implementation of various area plans across the City, as outlined in the City's Administrative Code.

## REAL ESTATE

Real estate acquisition for The Portal includes property acquisition, permanent subsurface easements, temporary construction easements, and interests that would allow the TJPA to permanently install rock dowels in the subsurface of additional properties. Acquisitions are divided into four tranches, as shown in Figure 12.



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**Figure 12. Right-of-Way Acquisition by Tranche**

A boundary survey contract has been awarded, and fieldwork for the full alignment survey is nearly complete, with final deliverables expected by end of April 2026. The partial street vacation process is underway to secure tunnel easements and enable utility relocations.

The acquisition process for six parcels (Tranche 1) continues. Appraisals of the required property interests are underway. The FTA's review and concurrence process is expected to complete in early Q2-2026; the remaining stages for Tranche 1 are expected to be complete by Q1-2027. See the status graphic in Figure 13.

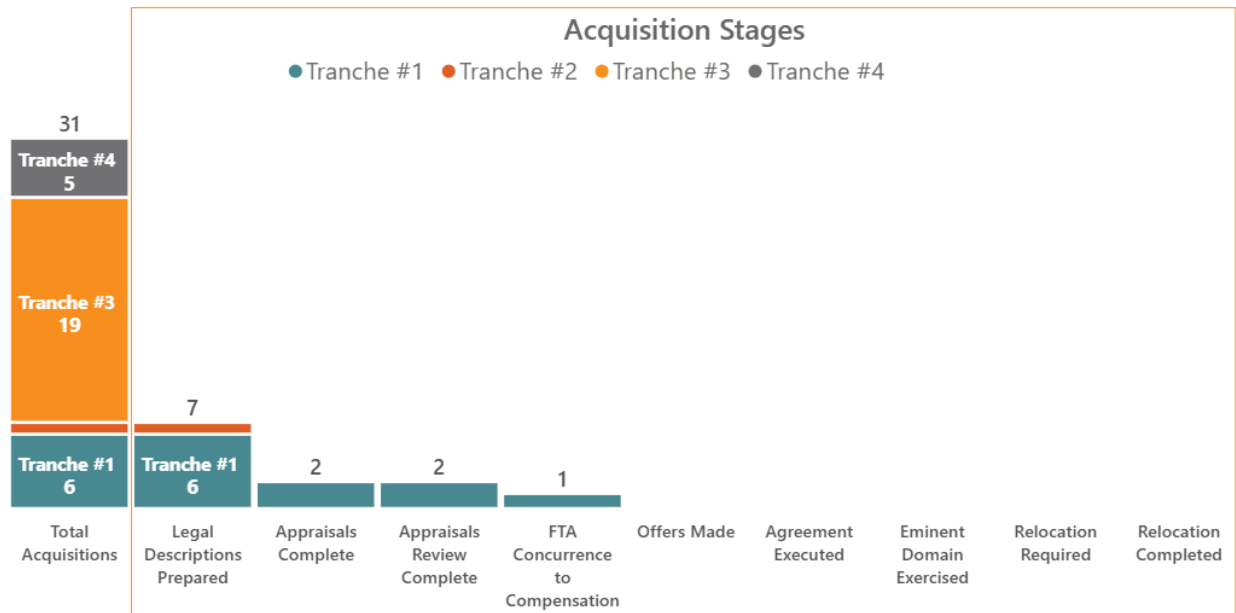
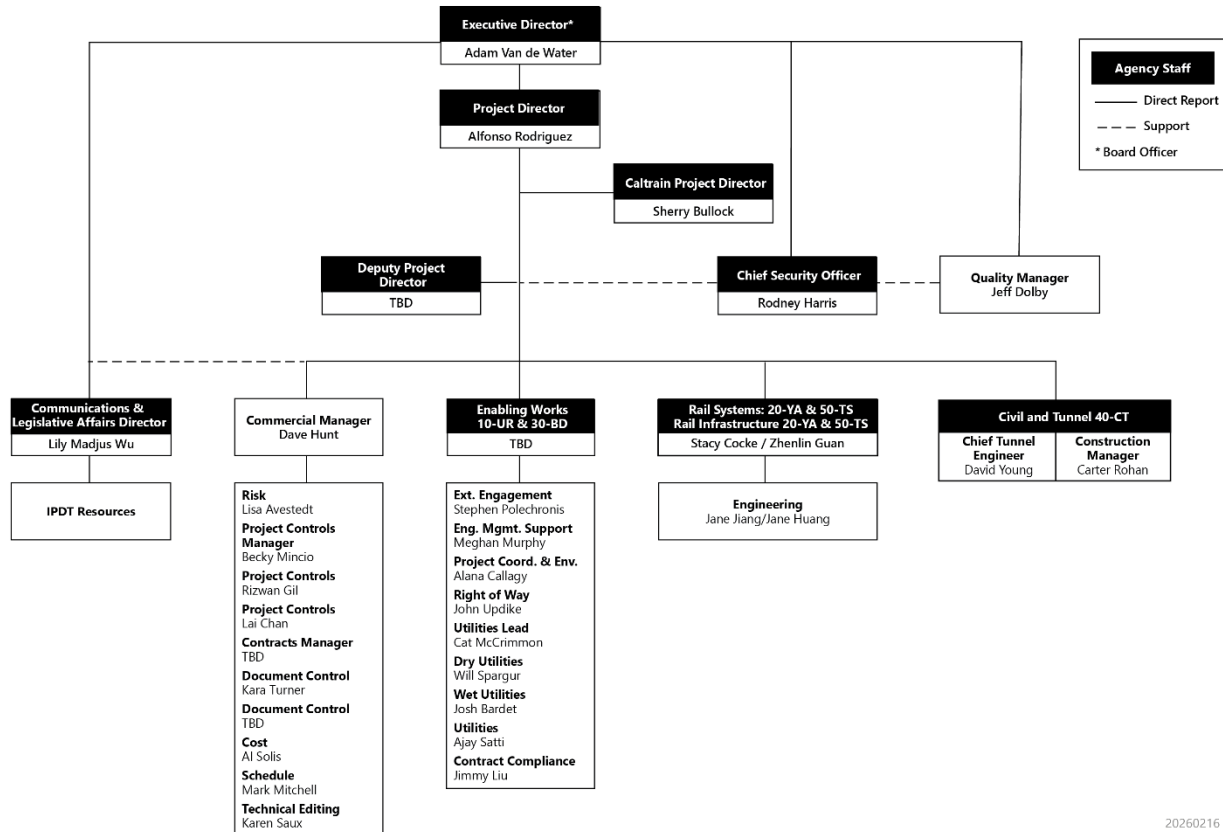


Figure 13. Right-of-Way Acquisition Status

## PROJECT STAFFING

The IPDT led by the TJPA oversees the day-to-day decision-making on the infrastructure delivery aspects of The Portal, including design, procurement, and construction. Caltrain, as the primary rail operator, has specific management responsibilities within the IPDT for rail-related systems, infrastructure, and integration. Figure 14 shows a summary organizational structure for the IPDT. Work on a full organizational chart is ongoing. Current IPDT staffing levels are shown in Figure 15.



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Figure 14. IPDT Staffing for Delivery of The Portal

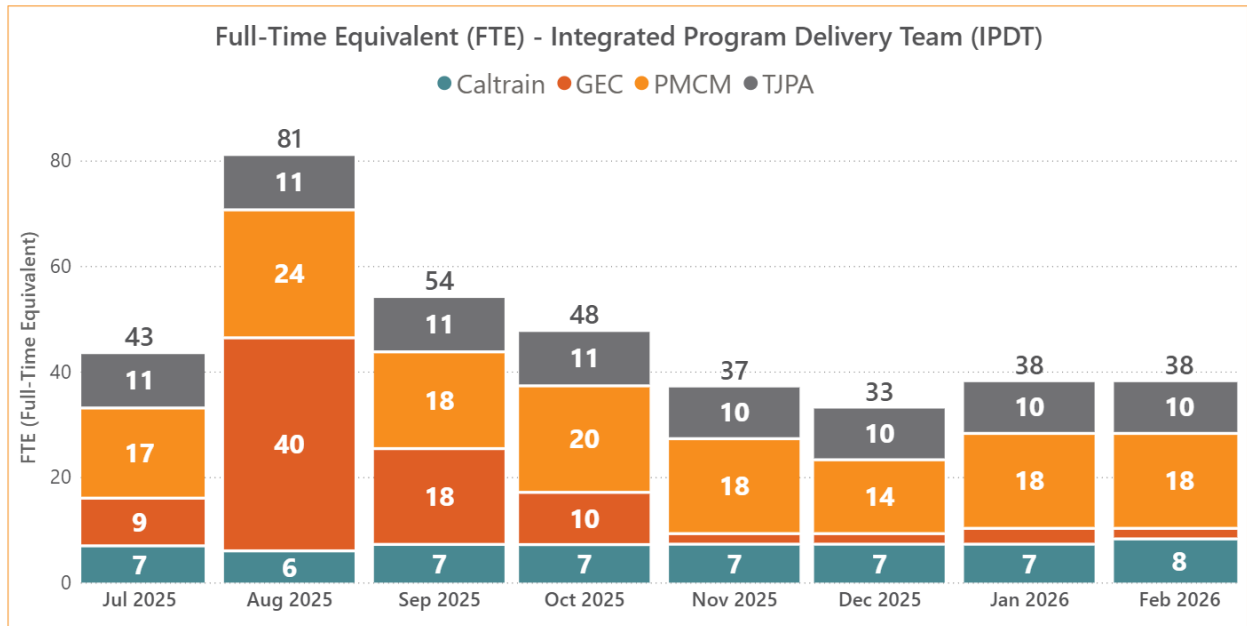


Figure 15. IPDT Staffing Levels

## ENVIRONMENTAL

On March 12, 2026, the TJPA Board adopted a second addendum to the 2018 Final Supplemental Environmental Impact Report, which evaluates potential impacts associated with secondary mitigations and other minor design changes to the environmentally cleared design for The Portal, in accordance with the California Environmental Quality Act. On March 25, the FTA provided comments on first draft of a National Environmental Policy Act (NEPA) Re-evaluation of the 2018 Final Environmental Impact Statement. TJPA anticipates sending a final draft mid April.

The Mitigation Monitoring and Reporting Program quarterly report for Q4-2025 was distributed on January 30.

FTA and TJPA staff held meetings in November and December for the preparation of a third amendment to the Section 106 Memorandum of Agreement (MOA) regarding cultural resources. The third amendment would extend the MOA termination date from June 2026 to June 2038 and update the MOA to focus on Phase 2 stipulations. To date, all MOA participants (FTA, TJPA, Federal Railroad Administration (FRA), the State Historic Preservation Officer, Caltrans, Caltrain, and the City), and tribal representatives of the Indian Canyon Mutsun Band of Costanoan and the Costanoan Rumsen Carmel Tribe have participated in coordination. The first draft of the amendment was with MOA participants for a 30-day review that concluded January 20, 2026. Comments were received electronically from the FRA, Caltrans, and the Indian Canyon Band of Costanoan Ohlone People. The City confirmed that they have no comments on the draft. Comments made by the Costanoan Rumsen Carmel Tribe during the December meeting were also received during the process. On February 25, the TJPA sent FTA a revised draft of the third amendment consolidating the comments and included a comment matrix. FTA is anticipated to respond to the proposed edits by late March.

## COMMUNITY & GOVERNMENT RELATIONS

TJPA outreach efforts continue to focus on securing required matching funds to begin negotiations of a Full Funding Grant Agreement and to secure necessary approvals to initiate preconstruction or enabling works.

Communications and outreach efforts continue to legislatively extend the term of collection of net tax increment proceeds in the Transbay District and to complete the street vacation process in coordination with the City and County of San Francisco in preparation for utility relocation construction in 2027.

The TJPA communications team is also working to update its general communications plan that includes further awareness and outreach on The Portal to different parts of the San Francisco Bay Area through on-site tours, participation in Transit Month activities and relevant conferences, appearance at partner events, and attendance at select community events.

Coordination continued with member agencies and other stakeholders, including the Bay Area High-Speed Rail Joint Benefit partners, on advocating for The Portal funding opportunities on the state and federal levels, including advocacy on CHSRA bookend funding from the state's Cap-and-Invest program.

## CHRONOLOGY OF EVENTS

TJPA certification of the SEIS/EIR and adoption of CEQA findings	December 2018
FTA Amended Record of Decision (ROD)	July 2019
Entry to Project Development	December 2021
Entry to Engineering	May 2024
TJPA adoption of first CEQA Addendum to the 2018 SEIR	January 2023
FTA concurrence with the first NEPA Re-evaluation to the 2018 SEIS	June 2023
Release of RFQ for PDB Civil and Tunnel Construction	October 2023
Board Approval of the Governance Blueprint for The Portal	August 2023
Execution of The Portal Project Implementation Memorandum of Understanding	January 2025
Board approval of the delivery approach for The Portal	July 2022
Board approval to combine the 50-TS and 55-YB contract packages	September 2025
Release of RFP for PDB Civil and Tunnel Construction	December 2025
TJPA adoption of second CEQA Addendum to the 2018 SEIR	March 2026

**TJPA** | **THE PORTAL**

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