

Monthly Status Report

June 2026



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**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

Work continues on a Change Control Board (CCB) Charter 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. The CCB is one of several new bodies called for by The Portal Project Implementation Memorandum of Understanding, which was executed by the TJPA, Metropolitan Transportation Commission (MTC), San Francisco County Transportation Authority (SFCTA), Peninsula Corridor Joint Powers Board (Caltrain), California High-Speed Rail Authority (CHSRA), and the City and County of San Francisco (City) in January 2025.

Management Plans

Work continues on the development and completion of the project management plan and key subplans required by good project management practice and the FTA's CIG program. To date, the following subplans 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, Quality 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, Third-Party Agreement Plan, Cost Management Plan, Schedule Management Plan, Change Management Plan, and Requirements Management Plan scheduled for review and issuance this quarter. 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)

The PMIS supports the ongoing monitoring of cost, schedule, risk, right-of-way, contract management, and other key program functions, with performance metrics and key performance indicators (KPIs) regularly reviewed and used as part of the reporting process.

Staff is refining dashboards supporting fiscal year budget monitoring, engineering and design contract management, document control, and contract-level performance reporting. In parallel, the TJPA is planning for the transition of Primavera P6 to an Oracle Cloud infrastructure to improve system efficiency.

The PMIS is being refined to ensure that workflows, reporting tools, user access structures, and management processes are prepared to support the onboarding and administration of multiple engineering and design consultants as well as the future progressive design-build contractor during the 40-CT Civil and Tunnel preconstruction phase.

Schedule Management

The June 2026 Master Schedule update, with a data date of May 31, 2026, reflects a target ready-for-service date of July 16, 2036, approximately one month later than the previous reporting period. The critical path is unchanged and continues through procurement, design, and construction activities for the 10-UR Utility Relocation package, ultimately linking into the 40-CT package, systemwide testing, commissioning, and project completion. The schedule shift is primarily attributable to delays in the planned procurement timeline for the 10-UR engineering and design consultant contract. No activities meeting the program's near-critical path criteria were identified in the current schedule update.

The TJPA continues advancing the schedule quality health check in coordination with the SFCTA to strengthen schedule reliability and performance tracking. The TJPA is also evaluating opportunities to better align design, procurement, and construction timelines with anticipated funding availability and overall program delivery priorities. Additional details are provided in the Project Schedule section.

Cost Management

The FTA-approved project budget is \$8.254 billion, based on the Entry-to-Engineering cost estimate submitted in 2023. Following completion of the NEPA environmental review process, the current project cost estimate is anticipated to be approximately \$7.572 billion, with an estimated remaining cost to complete of \$6.736 billion. The variance-at-completion for the overall control budget remains zero. The control budget continues to be monitored and updated monthly through the PMIS, with commitments, expenditures, and cost-to-complete forecasts tracked at the control account level to support ongoing cost management and reporting.

The FY 2025–26 capital budget is forecast to achieve a positive variance of approximately \$30.7 million, primarily attributable to lower-than-planned expenditures across several program components and the deferral of certain right-of-way activities into FY 2026–27. The FY 2026–27 capital budget was approved by the TJPA Board in June 2026, and development of the detailed time-phased budget, performance dashboards, and reporting metrics is currently underway.

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 contract package-specific risks and program-wide risks, improving the precision of mitigation planning, and reducing uncertainty in cost and schedule forecasts.

Design Management

Revised 60% design documents have been completed for utility relocation and Fourth and King railyards site clearing. The general engineering consultant (GEC) contract was completed on April 30, 2026. The design for these enabling works packages will be progressed by the new engineering and design consultants once onboard. The 30% design for at-grade track and systems has been updated and will be integrated into the 50-TS 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 proposals (RFP) was issued in December 2025. A substantial number of requests for clarification have been received, indicating proposer engagement. To date, seven addenda have been published with responses.

The following three engineering and design consultant contracts will be procured:

- ◆ Utility Relocation Engineering and Design Consultant Services (10-UR contract)
- ◆ Track and Systems Engineering and Design Consultant Services (20-YA and 50-TS contracts)
- ◆ General Engineering Consultant for Building Demolition, Station Fit-out, and Civil and Tunnel Design Services (30-BD, 60-SF, and 40-CT)

The TJPA continues to strategically sequence procurement timelines in alignment with anticipated funding availability. The first procurement for utility relocation engineering and design services is expected to commence in summer 2026.

Right-of-Way

A boundary survey for the full alignment is complete and has been submitted to San Francisco Public Works for review. Appraisals for the first tranche of required property interests have begun (three are complete), 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, in accordance with the California Environmental Quality Act. The TJPA filed the Notice of Determination on March 18, 2026. The FTA is reviewing the second draft of a National Environmental Policy Act (NEPA) Re-evaluation of the 2018 Final Environmental Impact Statement. It is anticipated that the FTA will issue a concurrence letter in June to conclude the NEPA work.

FTA and TJPA staff continued to coordinate on the preparation of a third amendment to the Section 106 Memorandum of Agreement (MOA) regarding cultural resources. This work has been completed and the third amendment was executed on June 18, 2026.

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, 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 June 2026 Master Schedule update, with a data date of May 31, 2026. Activities that commenced or were completed after the data date and prior to report finalization have also been incorporated, where applicable.

The Master Schedule currently includes 1,158 activities, of which 681 are complete, 43 are in progress, 41 are identified on the critical path, and 2 meet the program’s near-critical threshold (defined as total float of 30 or fewer working days) (Figure 2). Compared with the previous reporting period, the significant reduction in near-critical activities primarily reflects the delay experienced on the program’s critical path. As the Master Schedule is not currently constrained by an approved project baseline completion milestone, delays on the critical path result in a corresponding shift to the overall program completion date, thereby increasing float on previously near-critical paths. Consequently, many activities that previously met the near-critical threshold now maintain float values exceeding 30 working days and are no longer classified as near-critical. A summary view of the Master Schedule is presented in Figure 3.

The Master Schedule serves as the primary program-level scheduling tool and provides an integrated view of major program activities, milestones, interfaces, and delivery phases across The Portal. As engineering, design, procurement, preconstruction, and construction activities advance, the schedule framework and level of detail will continue to be refined and expanded. Detailed contractor schedules will be developed and managed at the contract level, with key milestones and summary activities incorporated into the Master Schedule to support program oversight, coordination, and reporting.

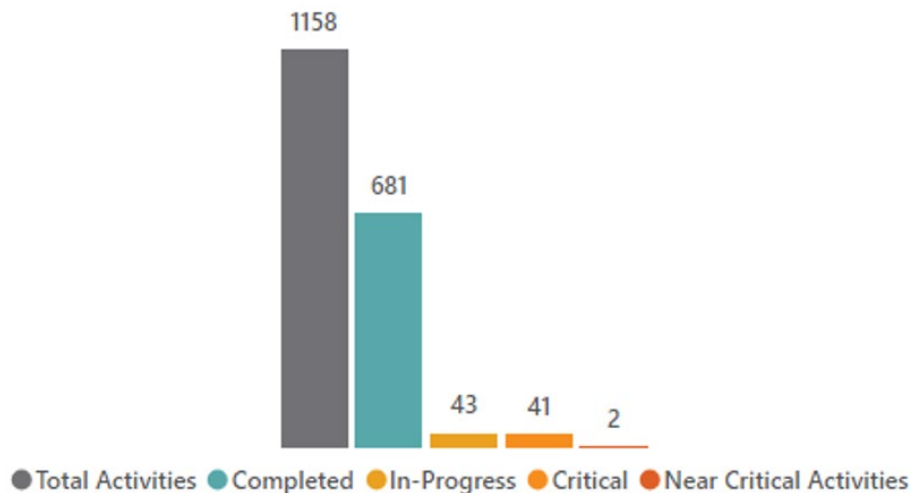


Figure 2. Key Schedule Statistics (Activities)

The June update reflects a target ready-for-service date of July 16, 2036, approximately one month later than the previous reporting period. During this reporting period, schedule refinements were incorporated to better align the Master Schedule with the current delivery strategy, including updates to the 40-CT procurement timeline, revisions to procurement document development logic for the 20-YA and 30-BD packages, and modification of selected interpackage dependencies that were creating artificial near-critical paths. The schedule also continues to incorporate the revised procurement strategy for engineering and design services contracts aligned with major program delivery elements.

The TJPA continues coordinating with the SFCTA through ongoing monthly oversight meetings. As part of this effort, SFCTA reviews the Master Schedule and provides comments focused on schedule quality, logic consistency, and overall schedule health. The TJPA continues addressing these comments and incorporating feedback into ongoing schedule updates and schedule health-check efforts.

Given the identified non-CIG funding gap, the TJPA continues assessing potential adjustments to the FFGA execution timeline and the corresponding impacts on the program schedule, key milestones, and target ready-for-service date.

Progress Summary

	Status	Change from Last Report	Comment
Target FFGA execution	July 2027	None	None.
Target ready for service	July 2036	-21 WD	Procurement activities for the Utility Relocation engineering and design consultant contract shifted to a later timeframe.
Design Progress			
10-UR Utility Relocation	90%	-21 WD	Utility Relocation engineering and design consultant procurement has slipped; design to progress after contract award.
20-YA 4th and King Yard Preparation Package A: Site Clearing	90%	None	No change this month. Design to progress after award of the Track and Systems engineering and design consultant contract.
30-BD Building Demolition	90%	None	No change this month. Design to progress after award of the GEC contract for 30-BD, 40-CT and 60-SF.
40-CT Civil and Tunnel	30%	None	Proposal due date extended to accommodate addenda issuance with no impact to the planned contract award date. Design to progress after award of the 40-CT PDB preconstruction contract and design validation activities.
50-TS Track and Rail Systems	30%	None	No change this month. Design to progress after award of Track and Systems engineering and design consultant contract, track validation study, and subsequent design development activities.
55-YB 4th and King Yard Preparation Package B: At-grade Track and Systems	30%	None	The GEC has completed its scope of work related to 55-YB. This contract package has now been incorporated into the 50-TS Track and Rail Systems package. Further engineering and design work will proceed after award of the Track and Systems engineering and design consultant contract.
60-SF Station Fit-Out: Salesforce Transit Center	30%	None	No change this month. Driven by procurement and appointment of GEC for 30-BD, 40-CT, and 60-SF.

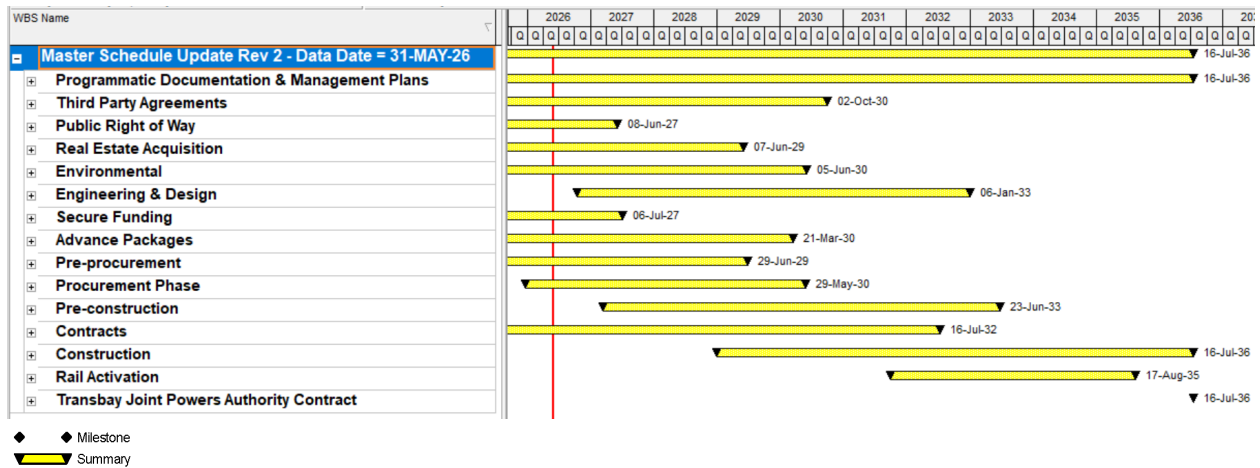


Figure 3. Master Schedule Summary

Key Milestones Six-Month Lookahead*

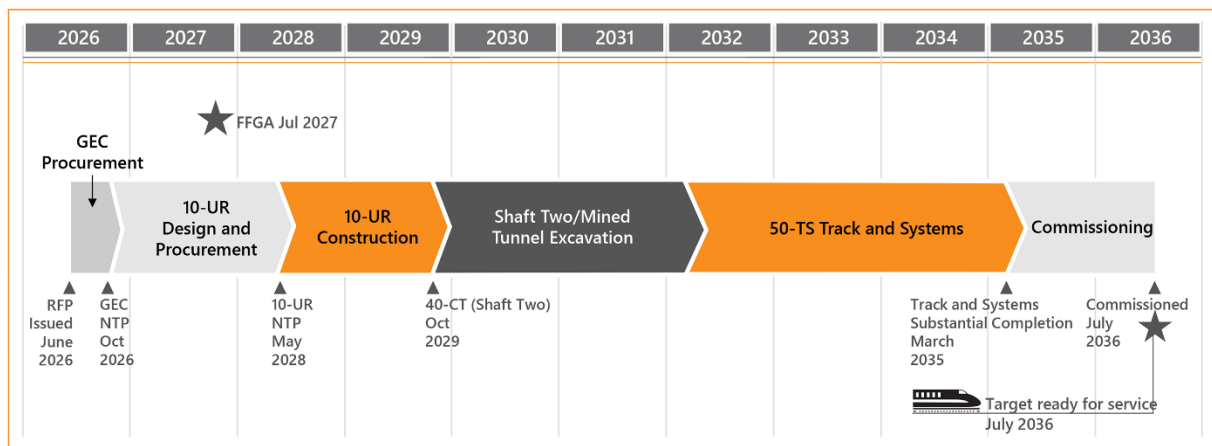
	Milestone Date	June 2026	July 2026	Aug 2026	Sep 2026	Oct 2026	Nov 2026
Execute Third Amendment to Section 106 MOA (complete)	Jun 18, 2026	TJPA Board					
Complete NEPA Re-evaluation	Jul 27, 2026		IPDT				
Complete Record of Survey/Boundary Report and Reviews	Aug 14, 2026			IPDT			
40-CT Proposals Due	Aug 12, 2026			40-CT proposers			
Complete PMP and all subplans	Aug 28, 2026			TJPA Board			
Complete Tranche 1 appraisal process	Sep 1, 2026				IPDT		
Notification of Highest-Scoring Proposer	Sep 25, 2026				TJPA Board		
Issue NODA to Property Owners for Tranche 2	Nov 09, 2026						TJPA Board

*Note: The three engineering and design consultant solicitations are anticipated to be released during Q3-2026, beginning with the Utility Relocation Engineering and Design Consultant RFQ, followed by the other two engineering and design consultant solicitations later in the quarter. Award of the Utility Relocation and Track and Systems engineering and design consultant contracts is anticipated in Q4-2026, followed by the general engineering consultant (GEC) contract award in Q1-2027.

Critical and Near-Critical Path Analysis

The critical path remains consistent with previous reporting periods and continues through procurement and appointment of the 10-UR Utility Relocation designer, followed by design development, procurement, and construction of the 10-UR package. Completion of utility relocation activities enables the commencement of 40-CT Civil and Tunnel construction, ultimately progressing into systemwide testing, commissioning, and project completion. Figure 4 illustrates the current primary critical path. The approximately one-month delay in the forecast project completion date is primarily attributable to extensions in the planned procurement timeline for the 10-UR engineering and design consultant contract.

No schedule paths currently meet the program's near-critical threshold. The additional delay on the critical path has increased float on previously identified near-critical paths, moving them beyond the program threshold of 30 working days. While these paths are no longer classified as near-critical, they continue to be monitored as part of ongoing schedule risk management and program delivery oversight.



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Figure 4. Critical Path Analysis

PROJECT COST

Project Control Budget

The control budget is based on the 2023 cost estimate of \$8.254 billion, inclusive of the completed train box, contingency, and financing costs, and is structured in accordance with the Cost Breakdown Structure (CBS) and Standard Cost Category (SCC) framework. The budget is organized into twenty control accounts across seven primary cost categories—enabling works, construction packages, right-of-way, vehicles, professional services, contingency, and financing—to support cost management, performance monitoring, and change control. Budget allocation is maintained at the lowest level of the CBS to facilitate progressive refinement as the program advances.

The control budget and fiscal year budget continue to be updated monthly and remain fully integrated within the PMIS in coordination with TJPA Finance. Commitments, expenditures, variances, and cost-to-complete forecasts are monitored at the control account level to support ongoing forecasting and reporting activities. The variance-at-completion for the overall control budget remains zero, while the FY 2025–26 fiscal year budget is currently forecast to underrun by approximately \$30.7 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 May 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 \$847 million, inclusive of design and construction of the train box. Commitments are determined based on:

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

Expenditures. Total expenditures to date amount to approximately \$835 million. The change from the previous reporting period includes routine reconciliation adjustments, including the replacement of prior period accruals and approvals with actual invoiced and paid amounts, as well as periodic updates from the financial system related to timing differences and retrospective transaction adjustments. 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 NEPA environmental process is still ongoing. 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
	Construction Subtotal (10-50)	5,112,550	728,519	728,519	4,741,415	371,136
60	Right of Way	351,641	675	303	254,502	97,139
70	Vehicles	59,716	0	0	55,215	4,502
80	Professional Services	1,104,130	117,755	106,191	1,033,476	70,654
	Subtotal (10-80)	1,515,487	118,431	106,494	1,343,193	172,294
90	Unallocated Contingency	1,251,339	0	0	1,794,768	(543,429)
100	Financing	375,410	0	0	375,410	0
	Total	8,254,786	846,950	835,013	8,254,786	0

Figure 5. Cost and Financial Status

Current Fiscal Year Budget Performance

The TJPA Board-approved FY 2025–26 capital budget is approximately \$50.9 million and continues to be monitored with actual costs updated monthly. Actual costs include paid invoices, invoices under review, estimated pending invoices, and TJPA internal costs.

As the fiscal year approaches completion, forecasts have been updated to reflect current expenditure trends and anticipated costs through year-end. Revised forecasts for major program components, including the GEC, Program Management/Construction Management consultant (PMCM), right-of-way, and Caltrain, indicate a projected positive variance of approximately \$30.7 million for FY 2025–26 across all cost categories. Excluding right-of-way, the forecasted variance at completion is approximately \$14.1 million, primarily attributable to lower-than-planned expenditures across PMCM, Caltrain, GEC, and other program components. The remaining variance of approximately \$16.5 million is associated with right-of-way activities, largely due to property acquisitions and relocation assistance originally planned for FY 2025–26 that are now anticipated to occur in FY 2026–27.

Figure 6 presents FY 2025–26 capital budget performance for all cost categories excluding right-of-way, while Figure 7 presents the corresponding performance for right-of-way activities.

The FY 2026–27 capital budget was approved by the TJPA Board in June 2026. Development of the detailed time-phased budget is now underway, including monthly budget allocations across all program cost categories. In parallel, enhancements to budget performance dashboards and reporting metrics are being developed to support budget monitoring and forecasting activities for FY 2026–27.

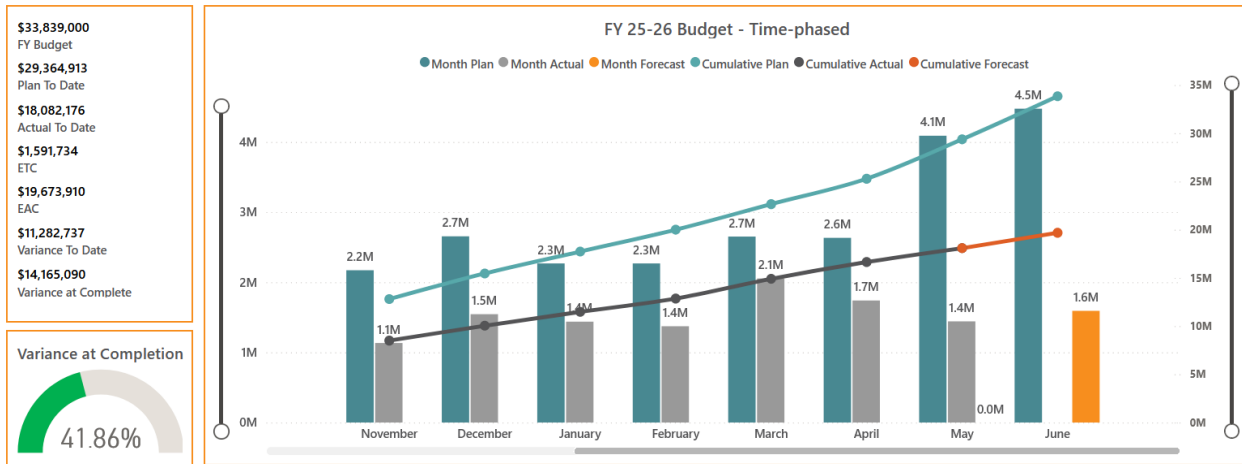


Figure 6. FY 2025-26 Capital Budget Performance (Excluding ROW)

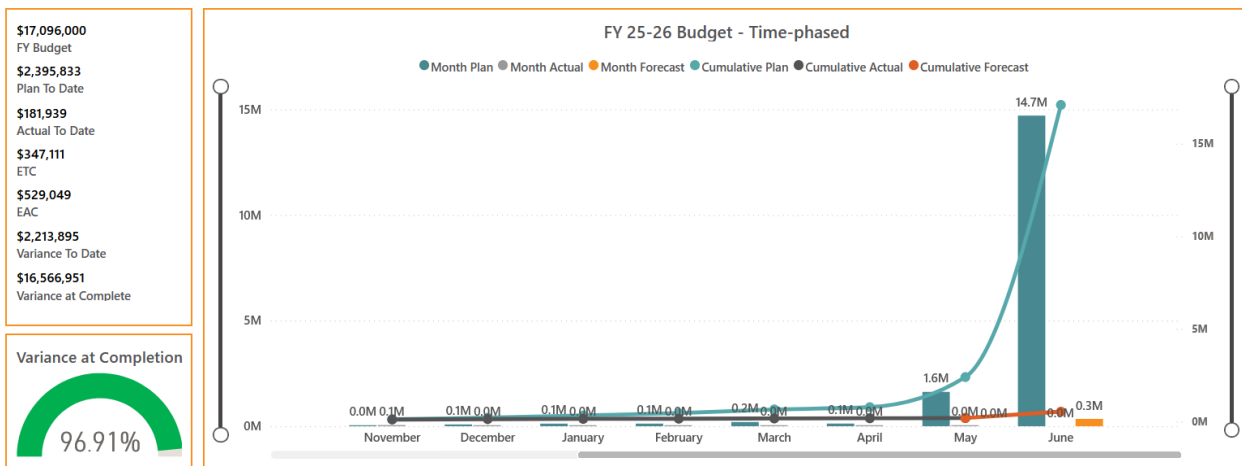


Figure 7. FY 2025-26 Capital Budget Performance (ROW)

RISK AND CONTINGENCY MANAGEMENT

The risk register is updated on a quarterly basis. The most recent updated risk register for Q1-2026 contains 59 risks and 5 opportunities requiring focused management. The IPDT continues to actively manage risks and opportunities through ongoing monitoring and mitigation planning.

Active Risks and Opportunities by Contract Packages

Figure 8 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. This quarter, the IPDT is focusing on revisiting and updating the rail systems risks and near-term program risks, which will be further reflected in the next quarterly update of the risk register.

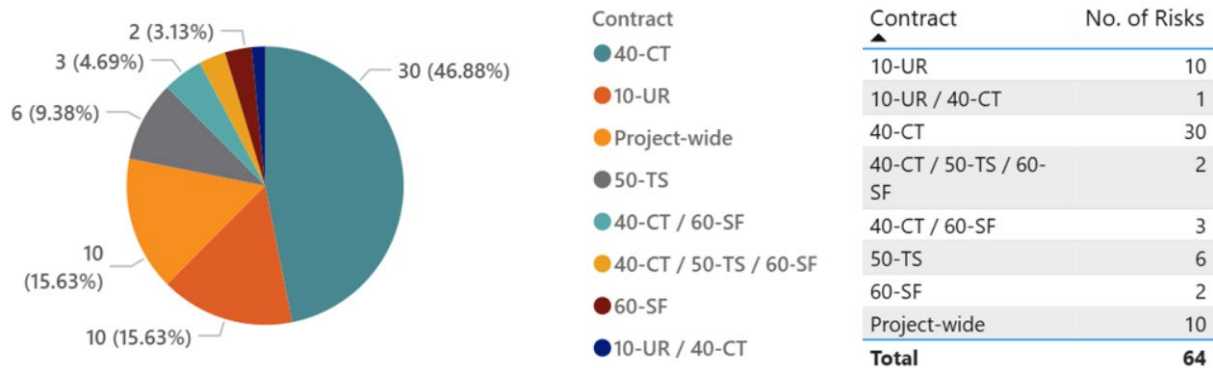


Figure 8. Active Risks and Opportunities by Contract Package

Active Risks– Current vs Post-Mitigated State

Figures 9 and 10 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.”

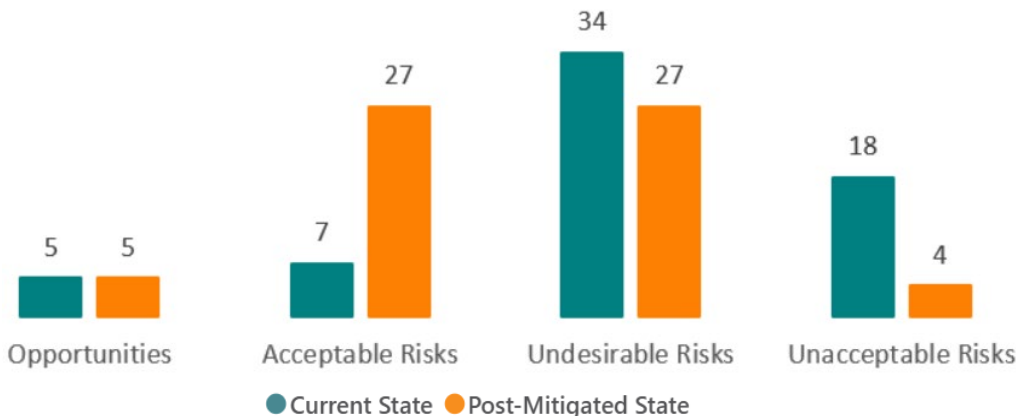


Figure 9. Active Risks and Opportunities by Risk Classification

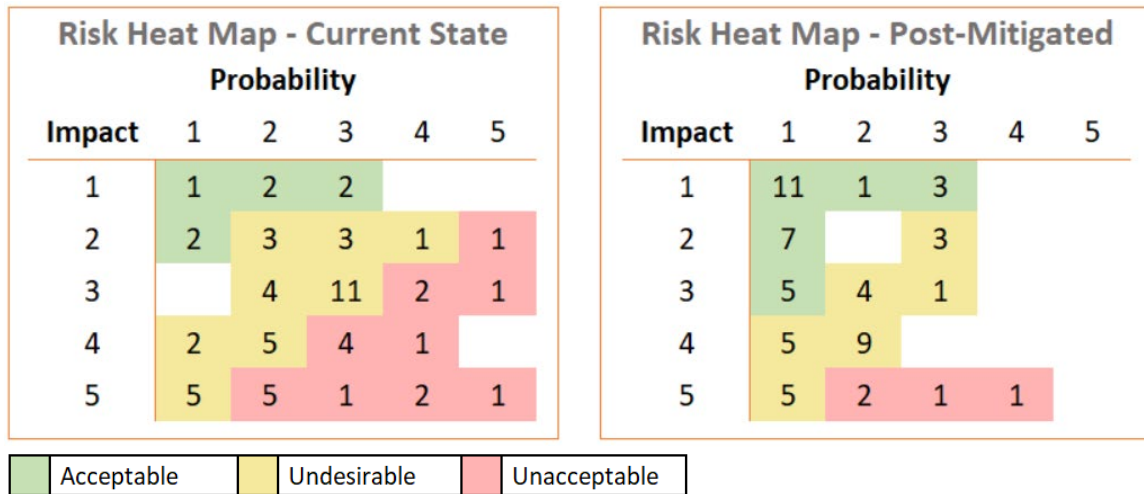


Figure 10. Risk Heat Map – Current State vs Post-Mitigated State, excluding opportunities

As seen in figures 9 and 10, if mitigations are implemented successfully, the number of unacceptable risks would decrease from 18 to 4 and the undesirable risks decrease from 34 to 27. As for acceptable risks, the number increases from 7 to 27. Based on this update, after planned mitigations, 53 percent of the risks in the risk register will still require further mitigation, as they remain unacceptable or undesirable risks. Note that the current state and post-mitigated state heat maps do not represent the same number of risks because after mitigation, one risk was eliminated.

Top Risks

The following top risks are currently considered “unacceptable” with a risk score 15 or higher. Mitigation strategies for these risks have been identified and are being implemented. Risk reduction and mitigation implementation progress are being monitored, updated, and adjusted as appropriate quarterly.

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.

Industry challenges with PDB delivery

Risk: Industry challenges in advancing progressive design-build delivery.

Mitigation strategy: Peer-to-peer learning with other agencies. Ensure an adept IPDT organization and have processes in place before the PDB contractor is onboard.

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.

Staging Area Restrictions and Restrictions to Muck Handling

Risk. Having to muck out through ports in decking and bottlenecks in materials delivery to underground works impacting schedule.

Mitigation Strategy. Verify staging areas currently envisaged and compare with needs. Engage with Caltrain on what yard area can be used and identify other staging areas.

Unanticipated Underground Utilities and Other Obstructions

Risk. Unanticipated underground utilities and other obstructions such as large vaults along Second Street may lead to increased cost and delay.

Mitigation Strategy. Conduct additional potholing, slot trenching, and non-intrusive systematic scanning of utilities; capture findings in the design and cost estimate.

Additional Floating Track Slab to Reduce Noise and Vibration

Risk. Noise and vibration impacts during the operational phase to buildings creates need for additional mitigation work beyond cost estimate.

Mitigation Strategy. Require a noise and vibration study/modeling to understand the worst case. Perform an finite element analysis of vibration transmission from the track, plus additional studies to determine need.

Contingency Management

Schedule Contingency Drawdown and Analysis

The schedule contingency drawdown curves (Figure 11) 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 11) 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 (PDB) Civil and Tunnel contract award
HP 2	Property and right-of-way acquisition complete (possession of properties)
HPF	Secure 100% funding commitment
HP 3	Completion of 4th and King Yard Preparation Package A: Site Clearing
HP 4	Completion of Utility Relocation
HP 5	PDB Civil and Tunnel construction notice-to-proceed (NTP)
HP 6	Construction manager/general contractor (CMGC) #1 - Track and Rail Systems construction NTP
HP 7	CMGC #2 - Station Fit-out construction NTP
HP 8	Cut-and-cover excavation complete
HP 9	Tunnel excavation complete
HP 10	Testing and commissioning complete

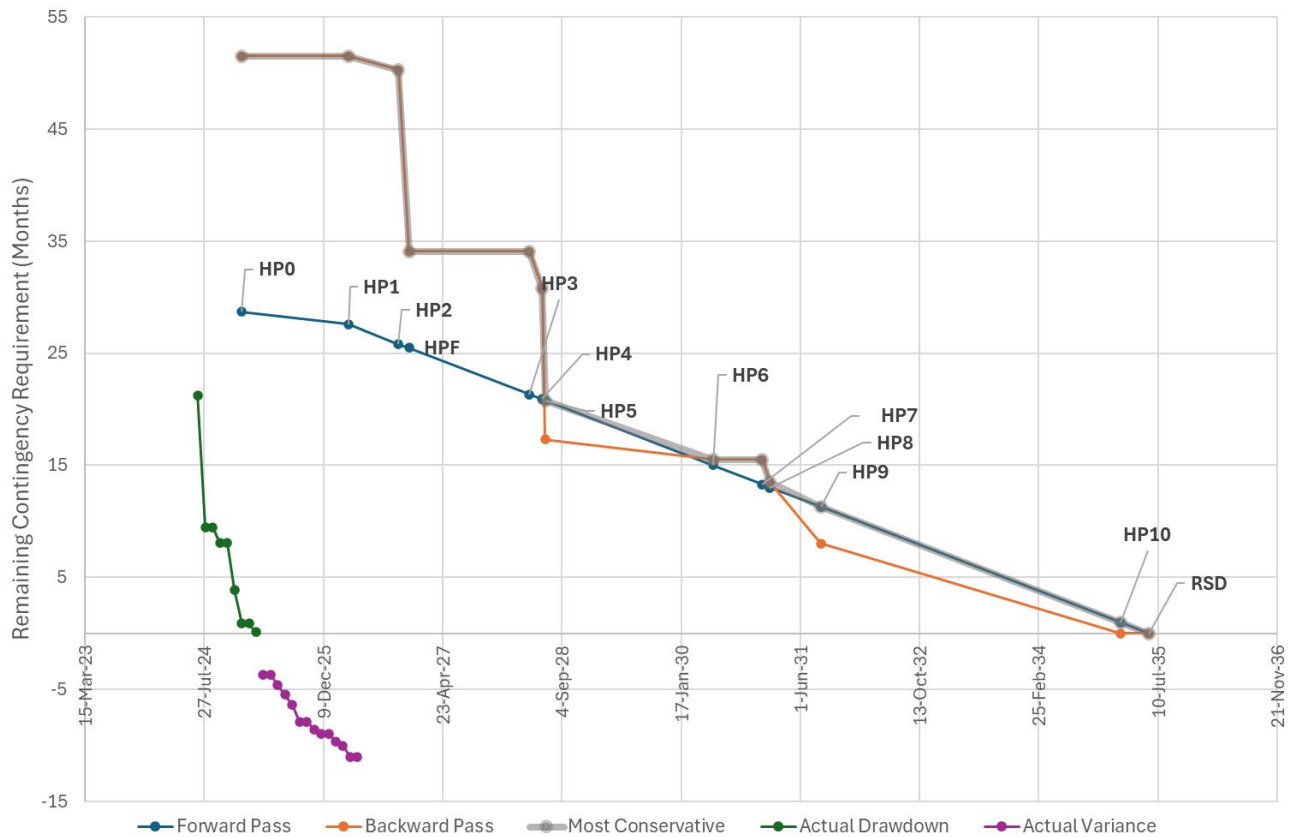


Figure 11. Schedule Contingency Drawdown at Hold Points (see Table 2)

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. These modeled drawdowns reflect anticipated risk exposure and corresponding contingency utilization over time. The drawdown curves in Figure 12 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 12 were added to the QRA results, contributing to the most conservative contingency drawdown curve presented in the figure.



Figure 12. Cost Contingency Drawdown at Hold Points

FINANCE AND GRANTS

Funding for The Portal comprises committed, budgeted, or planned federal, state, and local sources, the FTA Capital Investment Grant, prior investment in the Salesforce Transit Center train box, and additional sources required to secure an FFGA with the FTA. The funding breakdown is shown in Table 3.

Table 3. Funding Plan (as of May 2026)

Funding Source/Category	Est. Amount as of May 2026 (Millions of YOES)
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
Land Sales, Parcel F	TBD
Federal Pipeline	\$3,384
FTA Capital Investment Grant (CIG)	\$3,384
Planned State	\$1,303
Cap and Invest Program – High-Speed Rail Passthrough	\$553
State Transit Intercity Rail Capital Program (TIRCP)	\$750
Other Planned/Potential	\$365
Central SOMA CFD	\$155
Fed-State Partnership / Future Competitive Fed. Grant	\$100
Future Net Tax Increment Bonds & Pay-Go	\$110
Federal Railroad Administration CRISI Grant	\$0
USDOT MEGA Grant Request	\$0
Previous Investments	\$729
2010 Investment in Train Box	\$729
Funding Gap – To be Planned	\$487
July 2025 Project Cost	\$7,572

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 partners and stakeholders to advance this bill in the state legislative process; the bill has cleared the Assembly and is now in the Senate for consideration.

- ◆ Applied for \$750 million from Cycle 8 of the Cap-and-Invest Program's Transit and Intercity Rail Capital Program (TIRCP) on May 18, 2026. Award announcements are expected in September 2026.
- ◆ Tracking new California Air Resources Board rulemaking's impact to funds under Cap&Invest, including TIRCP award.
- ◆ Continued SFCTA allocation process for FY 2026-27 Prop L transportation sales tax funds.
- ◆ Continued to implement the Capital Funding Strategy and Advocacy workplan for 2026 and update the plan to apply for the next three years in coordination with SFCTA. The team has identified and prioritized advancing critical funding sources, including state efforts on the net tax increment extension and TIRCP Cycle 8 along with local funding sources.
- ◆ 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.
- ◆ Continued to actively evaluate available notices of funding opportunities from federal and state agencies on an as-needed basis.

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; the first two tranches are shown in Figure 13.

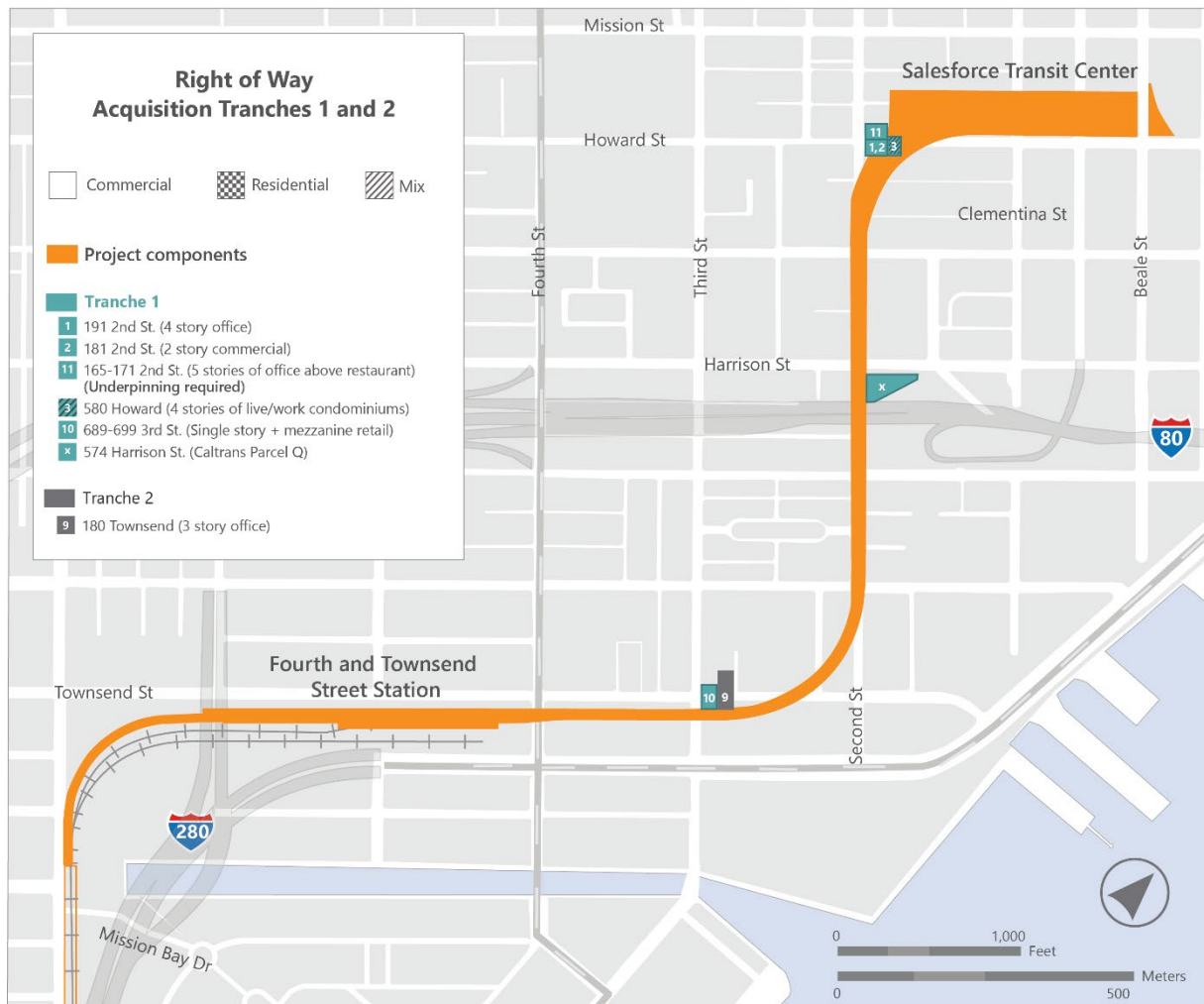


Figure 13. Right-of-Way Acquisition – Tranches 1 and 2

A boundary survey has been completed and is in review with the San Francisco Public Works Department with a Record of Survey draft. 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; three have been completed. The FTA's review and concurrence process is expected to complete by August 2026; the remaining stages for Tranche 1 are expected to be complete by Q1-2027. See the status graphic in Figure 14.

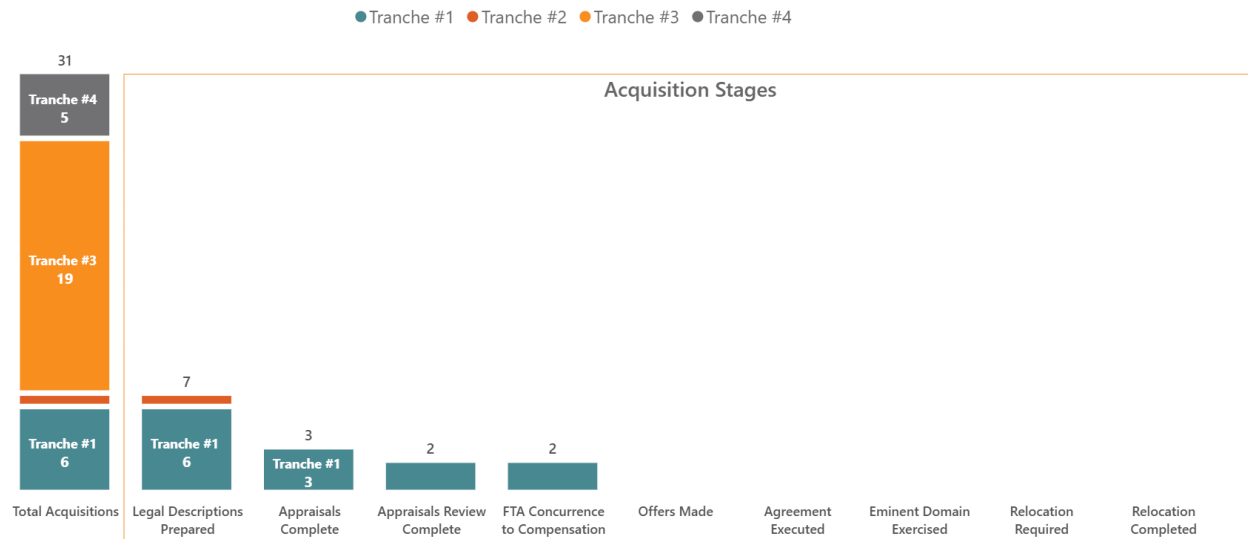
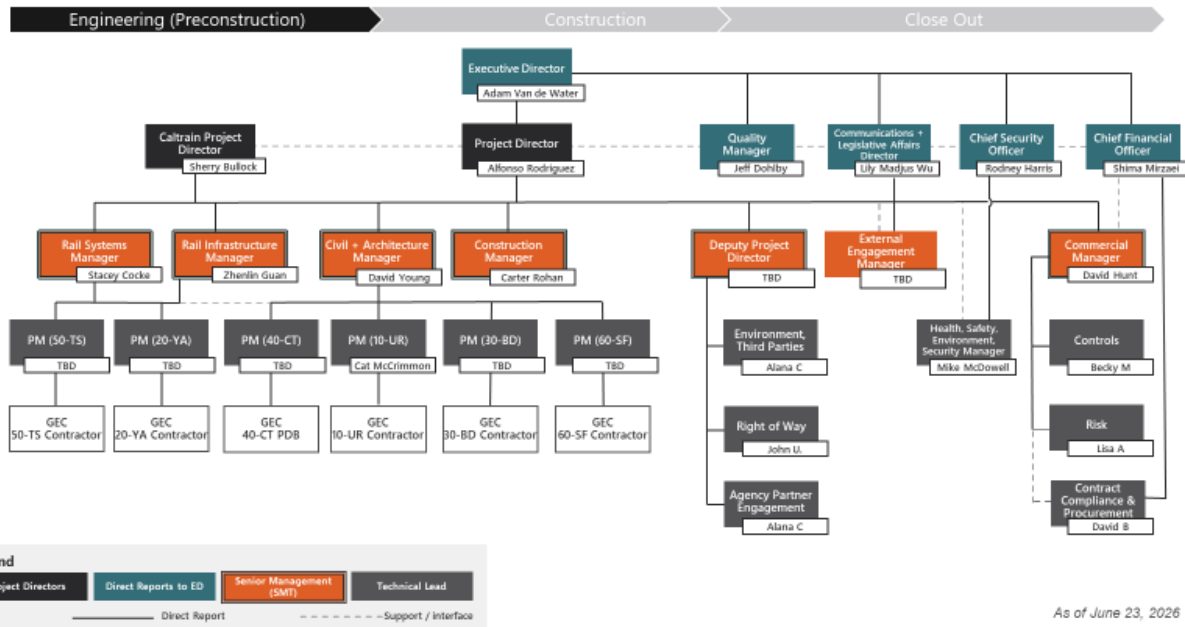


Figure 14. Right-of-Way Acquisition Status

PROJECT STAFFING

IPTD Delivery Team



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 15 shows a summary organizational structure for the IPDT. Work on a full organizational chart is ongoing. Current IPDT staffing levels are shown in Figure 16.

Figure 15. IPDT Staffing for Delivery of The Portal

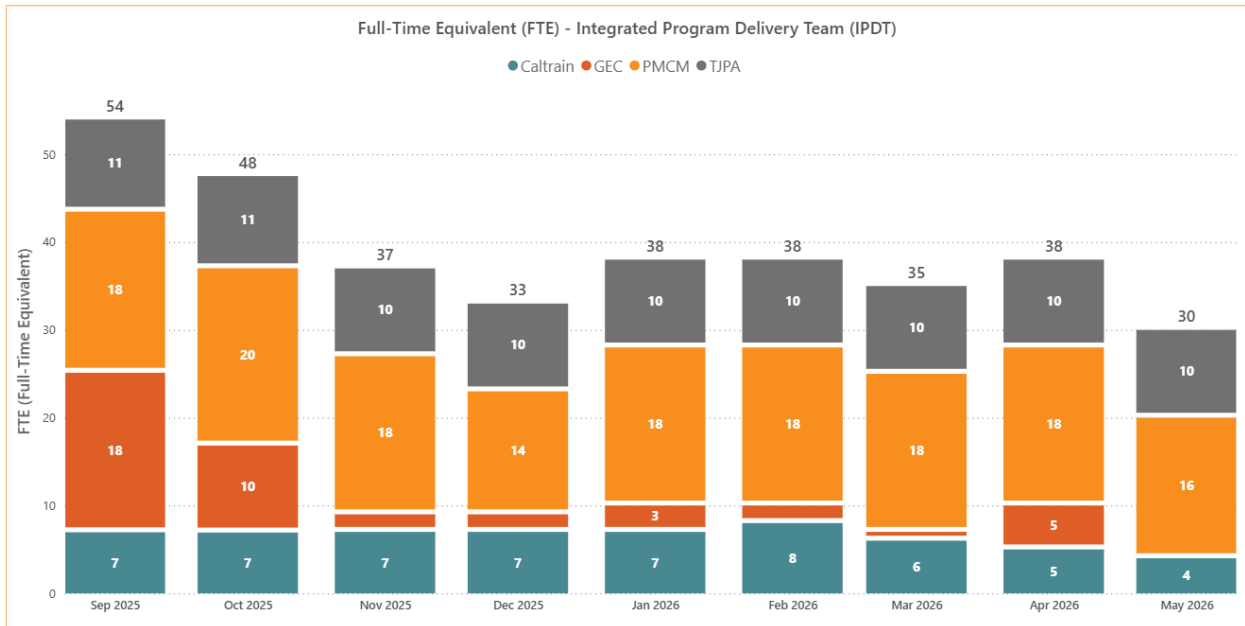


Figure 16. IPDT Staffing Levels

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. The TJPA filed the Notice of Determination on March 18, 2026.

Coordination on the NEPA Re-evaluation of the 2018 Final Environmental Impact Statement continues. The FTA is reviewing a second draft of the re-evaluation and anticipates issuing a concurrence letter in June to conclude the NEPA work.

The Mitigation Monitoring and Reporting Program quarterly report for Q1-2026 was distributed on April 30. The Q2-2026 report will be circulated at the end of July.

The third amendment to the Section 106 MOA regarding cultural resources was executed June 18, 2026. The third amendment extends the MOA termination date from June 2026 to June 18, 2036, removes the Federal Railroad Administration (FRA) as a signatory, and updates the MOA to focus on Phase 2 stipulations. All MOA participants (FTA, TJPA, 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 participated in coordination and the review process.

COMMUNICATION & LEGISLATIVE AFFAIRS

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

Communication

Communications and outreach efforts continue to legislatively extend the term of collection of net tax increment proceeds in the Transbay District (Assembly Bill 2308) and to complete the street vacation process in coordination with the City in preparation for utility relocation construction in 2027.

The communications team is updating its general communications plan to raise further awareness and provide outreach on The Portal in different parts of the San Francisco Bay Area through on-site tours, hosting and participating in Transit Month activities and relevant conferences, appearing at partner events, and attending select community events. In addition, the team is working to develop a right-of-way communications plan in line with expected community outreach and communications needs.

The TJPA led the following tours this month:

- ◆ June 4 – Equity in Infrastructure and BuildIT tour
- ◆ June 6 – San Francisco County Transportation Authority Board Chair Myrna Melgar, Board Member Chyanne Chen, and members of a Chinese delegation
- ◆ June 26 – Girls, Inc of Alameda County through joint event with American Council of Engineering Companies and Women in Transportation Seminar Bay Area chapters as part of Summer in Motion: Girls Summit.

Planning efforts are underway for a September Transit Month pop-up art fair.

Legislative Affairs

Coordination continued with member agencies and other stakeholders, including the Bay Area High-Speed Rail Joint Benefit partners, on advocating for joint benefit project delivery as well as for funding opportunities for The Portal on the state and federal levels, including advocacy on CHSRA “bookend” funding from the state’s Cap-and-Invest program.

Legislative work continues for the TJPA’s sponsored bill, Assembly Bill 2308. It was cleared at the Senate’s Local Government Committee on June 10 and has now been forwarded to the Senate Appropriations Committee. Development of a local implementation plan is underway.

TJPA staff continues tracking the Legislature’s response to the California Air Resources Board ruling on Cap-and-Invest funds’ impacting TIRCP funds and budget trailer bills to the July 1 adopted budget. TJPA staff is coordinating with partners on advocacy next steps.

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
Execution of the third amendment to the Section 106 Memorandum of Agreement	June 2026

TJPA | **THE PORTAL**

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