TRANSBAY PROGRAM | The Portal

Monthly Status Report

August 2026

TJPA | THE PORTAL

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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, capacity and efficiency; 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; advancing right-of-way acquisition; clarifying agency roles and responsibilities; and securing funding commitments to address the non-CIG funding gap toward demonstrating full local share.

Governance

Work continues on a Change Control Board (CCB) Charter to formalize the roles, processes, and procedures for significant and policy level changes as set forth in the governance blueprint. The CCB is a new body that includes representation by its agency partners and offers transparency for its partners: 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). Program change management procedures and workflows including delegations of authorities will be included in the Change Management Plan.

Management Plans

Work continues on the development and completion of the Program Management Plan (PMP) 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
Caltrain Fleet Management
Cost Management
Digital Delivery Management
Document Control and Records Management
Engagement and Community Outreach Management
Quality Management
Real Estate Acquisition Management
Relocation
Requirements Management
Safety and Security Management

Progress continues on the remainder of the subplans, with the Risk and Contingency Management Plan, Third-Party Agreement Plan, Schedule Management Plan, and Change Management Plan. Update of the PMP is scheduled for completion in Q4-2026. 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)

The PMIS continues to support program-wide monitoring and reporting across key functions. Existing operational dashboards provide performance metrics and KPIs for fiscal-year and control budgets, invoicing, schedule management, risk management, and right-of-way management and reporting.

The TJPA is developing additional dashboards to support the FY 2026-27 budget, change management, document control, and earned value management and plans to rollout new functionality before the end of calendar year 2026. The PMIS is also planned to transition from the current AECOM-hosted on-premises environment to Oracle Cloud next month which has the capability to create customized dashboards to better meet SFCTA's reporting requirements.

Schedule Management
The August 2026 Master Schedule update, with a data date of July 31, 2026, reflects a target ready-for-service date of November 17, 2036, approximately three months later than the previous reporting period. The schedule shift is primarily attributable to revisions to the 10-UR engineering and design consultant procurement timeline. The critical path remains unchanged. One schedule path associated with the 20-YA Fourth and King Yard package now meets the program's near-critical criteria, with 18 working days of total float.

The TJPA continues to advance its schedule quality health check and conduct monthly reviews of the critical path and other significant float paths. During this update, the procurement timelines for the three engineering and design consultant contracts were refined, and the procurement schedules were expanded to include more detailed activities. Design development, procurement document preparation, and procurement activities are also being reviewed and streamlined to ensure that schedule logic, sequencing, and durations are realistic and aligned with the current delivery strategy.

In addition, the TJPA is developing schedule scenarios to evaluate potential impacts on key program milestones based on the anticipated timing and availability of funding necessary to advance certain design and construction contracts and to address required local share funding. 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 $7.57 billion. The overall control budget continues to forecast zero variance at completion and is monitored monthly through the PMIS at the control-account level.

The FY 2025–26 budget is expected to close with a positive variance of approximately $31.2 million, primarily due to deferred right-of-way acquisitions and relocation-assistance payments, along with lower-than-planned expenditures for program management/construction management (PMCM) services, Caltrain, and other program activities.

FY 2026-27 tracking began this month. There is a positive variance-to-date of $0.9 million through July 2027 while the variance-at-completion remains zero. The year-end forecast remains aligned with the Board-approved budget and will be updated quarterly as sufficient cost performance data becomes available. The TJPA is also establishing an earned value management framework for professional services contracts, including performance indicators, procedures, and earning rules, with implementation planned for the Q4-2026.

Risk Management
The TJPA is updating the Risk and Contingency Management Plan. The TJPA conducts a risk workshop each quarter, tracking the mitigation of identified risks and identifying new risks. This work is managed through a risk register, published quarterly. The risk register is being expanded with an emphasis on program risks, improving the precision of mitigation planning, and reducing uncertainty in cost and schedule forecasts. Risk management continues to transition from the tracking of risk and risk treatments/mitigations toward more active risk-based project management.

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 released 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. 147 requests for clarification have been received, indicating proposer engagement. To date, nine addenda have been published.

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 and schedule requirements. Development of procurement documents for 10-UR Utility Relocation engineering and design services is underway.

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 (four 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. On August 5, 2026 the TJPA submitted a request for a concurrence with a National Environmental Policy Act (NEPA) Re-evaluation of the 2018 Final Environmental Impact Statement. FTA issued its concurrence letter on August 26, 2026 thus concluding the NEPA re-evaluation with its finding that the changes described in the submitted materials would not result in significant environmental impacts that were not previously evaluated in the SEIS/EIR and subsequent environmental re-evaluations.

The Mitigation Monitoring and Reporting Program (MMRP) annual report for cultural resources was distrbuted on July 30, and the MMRP Q2-2026 report was distributed on July 31.

PROJECT OVERVIEW

Transbay Downtown Rail Extension Project, Phase 2, referred to as “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 August 2026 Master Schedule update, with a data date of July 31, 2026. Activities that commenced or were completed after the data date but before finalization of this report have also been incorporated, where applicable.

The Master Schedule includes 1,177 activities, of which 690 are complete. Of the remaining 487 activities, 42 are in progress, 47 are on the critical path, and 36 meet the near-critical threshold of 30 or fewer working days of total float (Figures 2). The increase in total activities primarily reflects the expanded procurement schedules for the three engineering and design consultant contracts. The near-critical activities are associated with the 20-YA Fourth and King Yard delivery path, which currently maintains 18 working days of total float.

The Master Schedule provides an integrated program-level view of major activities, milestones, interfaces, and delivery phases. As engineering, 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.

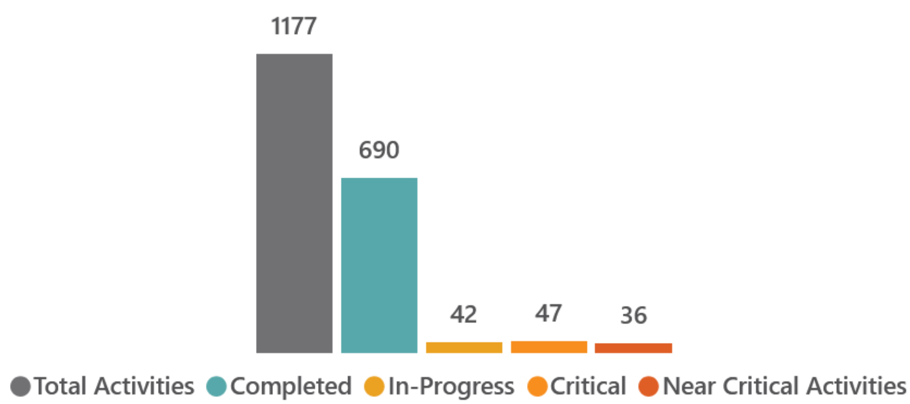


Figure 2. Key Schedule Statistics (Activities)

This update reflects a target ready-for-service date of November 17, 2036, approximately three months later than the previous reporting period, which is primarily due to revisions to the 10-UR engineering and design consultant procurement timeline. During this reporting period, the procurement timelines for the three engineering and design consultant contracts were refined and expanded to include more detail on solicitation, evaluation, negotiation, approval, contract-execution, and notice-to-proceed (NTP) activities.

The schedule logic for 40-CT 30% design validation was also refined. The GEC contract award is no longer a predecessor to the start of the 30% Design Validation and is now linked to the review of the 30% Design Validation submittal. Early-stage and onboarding 40-CT preconstruction-phase submittals will be reviewed by program management staff until the GEC is onboarded.

The TJPA continues coordinating with the SFCTA through monthly schedule reviews and incorporates applicable feedback on schedule quality, logic, and overall schedule health into subsequent updates.

Over the next several schedule updates, the TJPA will continue refining package design interfaces and validating procurement and design timelines based on available funding. The TJPA will also review and refine the timelines and sequencing for FFGA-related prerequisites, including the Program Management Plan and subplans, cost and schedule baselines, rating-package inputs, and other application deliverables, to reflect realistic completion dates.

Progress Summary

Program Milestones

Milestone	Status	Change from Last Report	Comment
Target FFGA execution	July 2027	None	No change in this period.
Target ready for service	November 2036	-64 WD	The forecast shift reflects revisions to the 10-UR engineering and design consultant procurement timeline.

Design Progress

Contract Package	Current Design Status	Upcoming Design Milestone	Change from Last Report	Comment
10-UR Utility Relocation	60% complete	90% design	-64 WD	The forecast shift is due to revisions to the Utility Relocation engineering and design consultant procurement timeline. Design will proceed following contract award.
20-YA 4th and King Yard Preparation: Site Clearing	60% complete	90% design	-100 WD	The Track and Rail Systems engineering and design consultant procurement schedule was revised. Design will proceed following contract award.
30-BD Building Demolition	60% complete	90% design	None	No change this period.
40-CT Civil and Tunnel	30% complete	30% design validation	-13 WD	Design validation will begin after award of the 40-CT PDB preconstruction contract; however, completion is forecast 13 working days later because the required track alignment and tunnel ventilation study has shifted with the revised procurement timeline for the Track and Systems designer .
50-TS Track and Rail Systems, including at-grade track and systems	30% complete	60% design	-100 WD	The procurement schedule for the Track and Rail Systems designer was revised. Following contract award, the consultant will complete the rail and track alignment and ventilation study before advancing the design toward

				60% completion.
60-SF Station Fit-Out: Salesforce Transit Center –	30% complete	30% revised design	None	No change this period. Revised 30% design to proceed following award of the GEC contract.

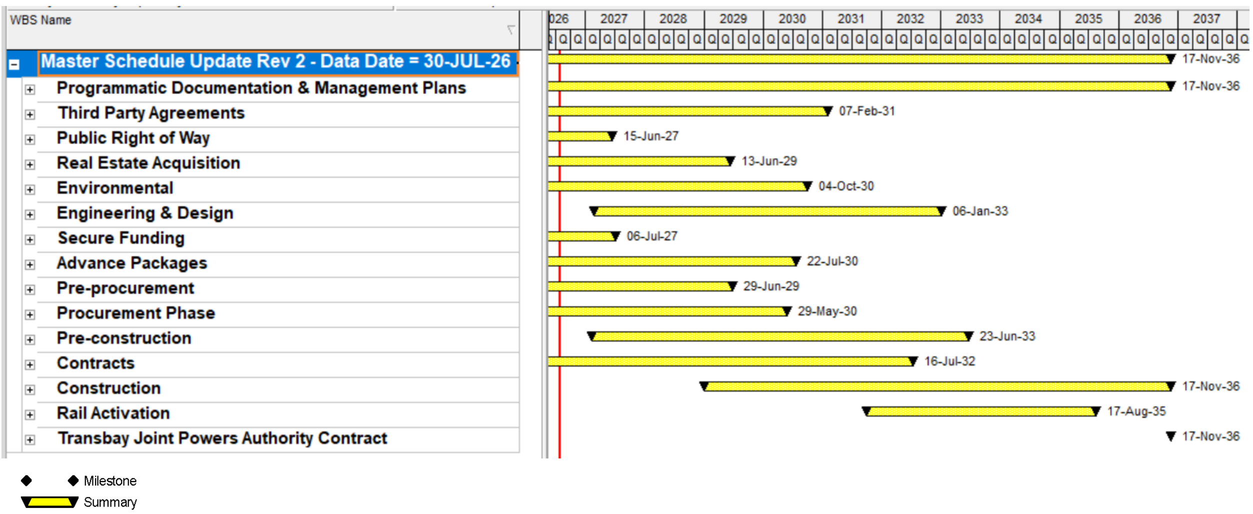


Figure 3. Master Schedule Summary

Key Milestones Six-Month Lookahead*

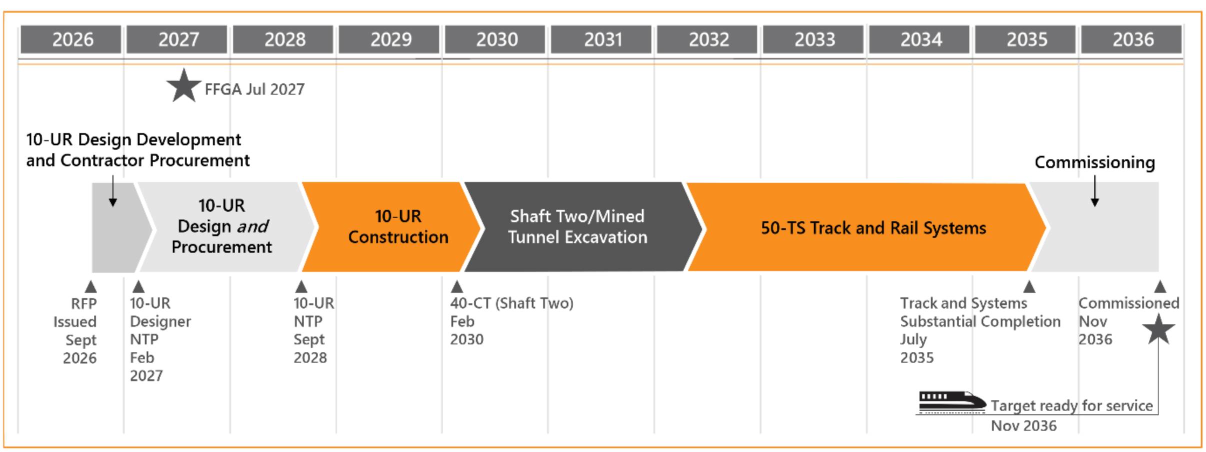
	Milestone Date	Aug 2026	Sep 2026	Oct 2026	Nov 2026	Dec 2026	Jan 2027
Complete Record of Survey/Boundary Report and Reviews	Aug 14, 2026	SFPW					
40-CT proposal due	Sep 25, 2026		40-CT proposer				
Complete PMP and all subplans	Jan 4, 2027						IPDT
Complete Tranche 1 appraisal process	Sept 15, 2026		IPDT				
Environmental Site Assessment Phase 2 complete for Tranche 1	Oct 1, 2026			TJPA			
Notification of Highest-Scoring Proposer – 40-CT PDB	Nov 6, 2026				TJPA		
Issue Notice of Decision to Appraise to property owners for Tranche 2	Nov 9, 2026				TJPA		
Submit Public Street/Easement Vacation Application to SFPW	Dec 7, 2026					IPDT	

*Note: The Utility Relocation engineering and design consultant RFQ is anticipated to be released in Q3-2026, followed by the GEC solicitation in Q4-2026 and the Track and Rail Systems engineering and design consultant solicitation in Q1-2027. Award of the Utility Relocation design contract is anticipated in Q1-2027, followed by the GEC and Track and Rail Systems design contract awards in Q2-2027.

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 engineering and design consultant; completion of the 90%, 100%, and IFB design packages; procurement and appointment of the construction contractor; and execution of the utility relocation work. Completion of the utility relocation activities will enable the 40-CT Civil and Tunnel construction to proceed, ultimately linking to Track and Rail Systems completion, systemwide testing and commissioning, and project completion. Figure 4 illustrates the current critical path. The forecast target ready-for-service date moved 64 working days later, from August 14, 2036, to November 17, 2036, primarily due to revisions to the 10-UR design consultant procurement timeline.

One schedule path now meets the program's near-critical threshold of 30 or fewer working days of total float. The path, which currently has 18 working days of float, proceeds through procurement and appointment of the Track and Rail Systems engineering and design consultant, completion of the 20-YA Fourth and King Yard design, procurement of the construction contractor, and execution of the yard preparation work required to support the related 40-CT Civil and Tunnel construction activities. This path and other significant float paths will continue to be monitored as part of schedule risk management and program oversight.



Note: "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.

Figure 4. Critical Path Analysis

PROJECT COST

Project Control Budget

The $8.254 billion control budget is based on the 2023 cost estimate and includes the completed train box, contingency, and financing costs. It is structured using the Cost Breakdown Structure (CBS) and Standard Cost Category (SCC) framework, with twenty control accounts across seven primary cost categories: enabling works, construction packages, right-of-way, vehicles, professional services, contingency, and financing. Budget allocations are maintained at the lowest CBS level to support cost management, performance monitoring, change control, and progressive refinement.

On August 26, 2026 the Federal Transit Administration completed its review of The Portal environmental re-evaluation package to modify, defer or eliminate seven scope elements. As a result, TJPA staff will update the SCC framework to reflect a reduced control budget reflecting these changes in the next monthly status report.

The control budget and fiscal year budgets remain integrated within the PMIS and are updated in coordination with TJPA Finance. Commitments, expenditures, variances, and cost-to-complete forecasts are monitored at the control-account level. The overall control budget continues to forecast zero variance at completion. FY 2025–26 closed with a positive variance of approximately $31.2 million, including accruals for outstanding vendor invoices. The detailed time-phased budget for FY 2026–27 has been developed, and ongoing monitoring currently indicates no variance at completion.

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 July 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 $867 million, inclusive of design and construction of the train box. The additional commitments from last reporting period reflect the NTPs released for the 2026-27 fiscal year budgets. Commitments are 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 $838 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 program level. Cost reductions from secondary mitigation measures will be formally released from the overall budget in future reporting as the FTA concurred with the 2026 NEPA re-evaluation on August 26, 2026. The unallocated contingency will then be adjusted, and the realized savings will be reflected in an updated project forecast with an indicative value of $7.57 billion, with an estimated remaining cost to complete of $6.734 billion.

Dollars in thousands

SCC	Description	Original Budget	Commitments	Expenditures	Current	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	876	488	254,502	97,139
70	Vehicles	59,716	0	0	55,215	4,502
80	Professional Services	1,104,130	137,641	108,626	1,033,476	70,654
	Subtotal (10-80)	1,515,487	138,516	109,114	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	867,035	837,633	8,254,786	0

Figure 5. Cost and Financial Status

Current Fiscal Year Budget Performance

The TJPA Board-approved FY 2026–27 capital budget totals approximately $112.9 million, including $84.6 million for right-of-way. Excluding right-of-way, the approved budget is approximately $28.3 million. Expenditures through July 2026 total approximately $1.1 million, resulting in a positive variance to date of $0.9 million. The variance is primarily attributable to lower-than-planned expenditures for PMCM services and TJPA personnel and administrative costs, contributing approximately $0.5 million and $0.3 million, respectively. Expenditures in these categories reflect the current pace of work and associated operational requirements. No variance at completion is currently forecast, and the year-end forecast remains aligned with the Board-approved fiscal-year budget.

The TJPA is finalizing an earned value management (EVM) framework for professional services contracts, including performance indicators, measurement procedures, earning rules, and supporting dashboards. Initial implementation is planned for the PMCM and Caltrain contracts, with subsequent expansion to the three engineering and design consultant contracts and the 40-CT preconstruction contractor as they are onboarded.

Reporting on FY 2025-26 will continue through financial year-end close. Although the fiscal year has concluded, several vendor invoices remain outstanding; therefore, accruals have been recorded to reflect anticipated year-end costs. Current expenditures, including recorded accruals, total approximately $19.7 million, resulting in a projected positive variance of approximately $31.2 million across all cost categories.

Figure 6 presents FY 2026–27 capital budget performance excluding right-of-way; Figure 7 presents the corresponding right-of-way performance.

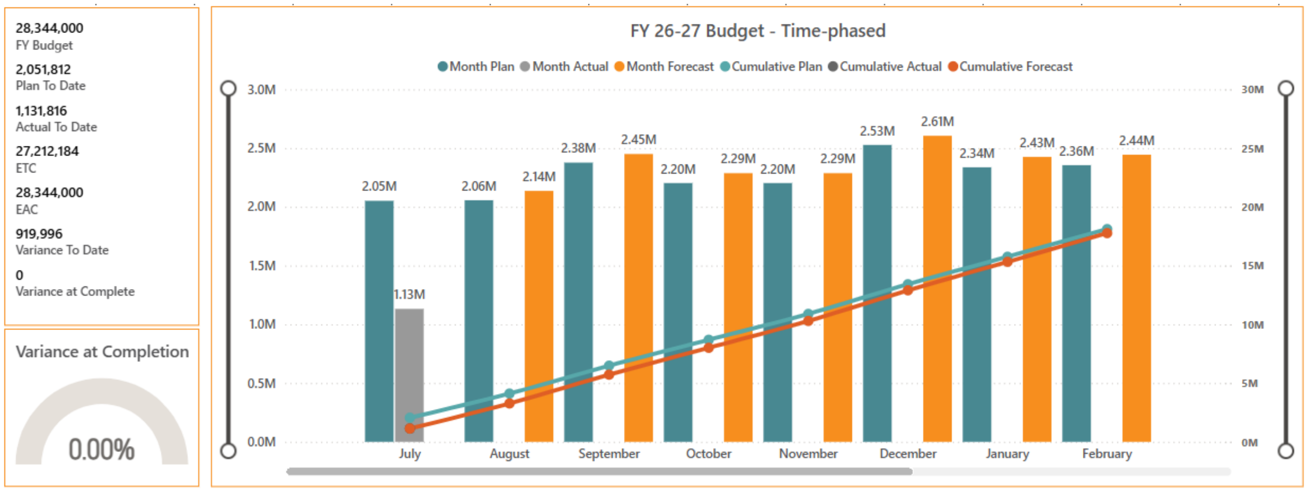


Figure 6. FY 2026-27 Capital Budget Performance (Excluding ROW)

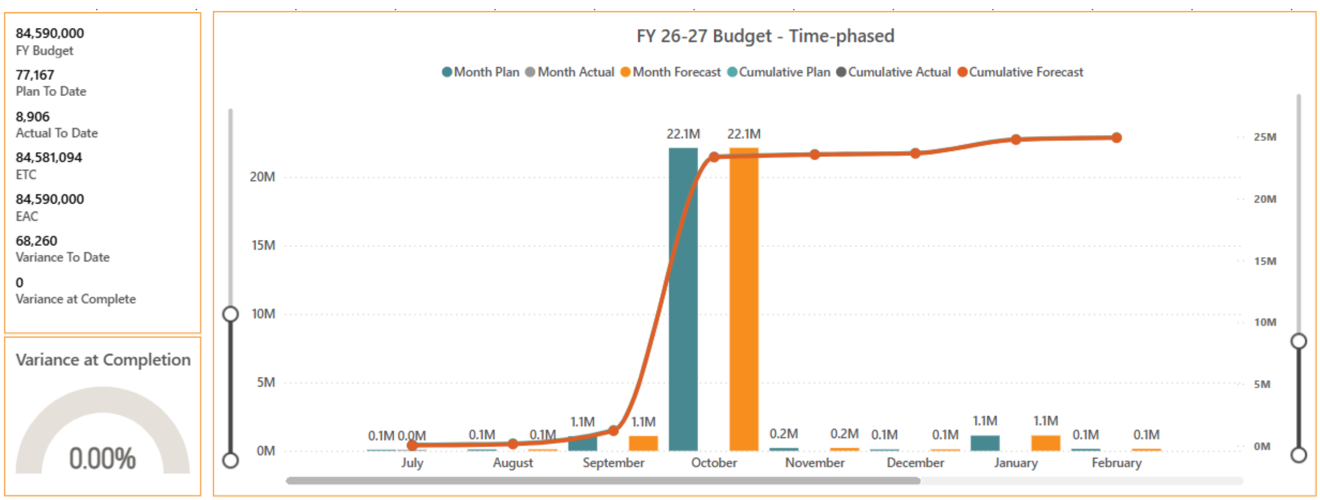


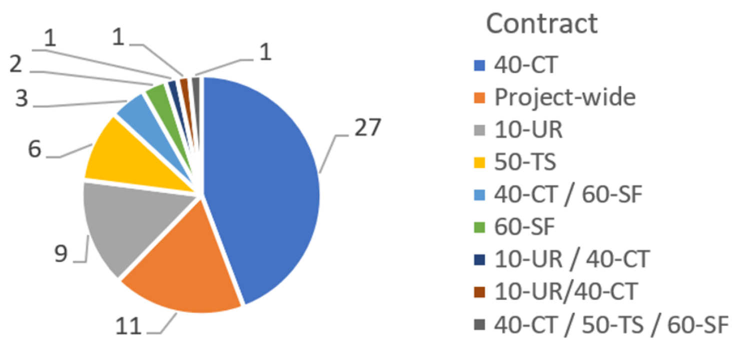
Figure 7. FY 2026-27 Capital Budget Performance (ROW)

RISK AND CONTINGENCY MANAGEMENT

The risk register is updated on a quarterly basis. The most recent updated risk register for Q2-2026 contains 61 risks and 3 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. The IPDT is focusing on revisiting and updating near-term program risks and mitigations, which will be further reflected in the upcoming Q3-2026 update of the risk register.



Contract	No.of Risks	
40-CT	27	44%
Project-wide	11	18%
10-UR	9	15%
50-TS	6	10%
40-CT / 60-SF	3	5%
60-SF	2	3%
10-UR / 40-CT	1	2%
10-UR/40-CT	1	2%
40-CT / 50-TS / 60-SF	1	2%
Total	**61**	

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.”

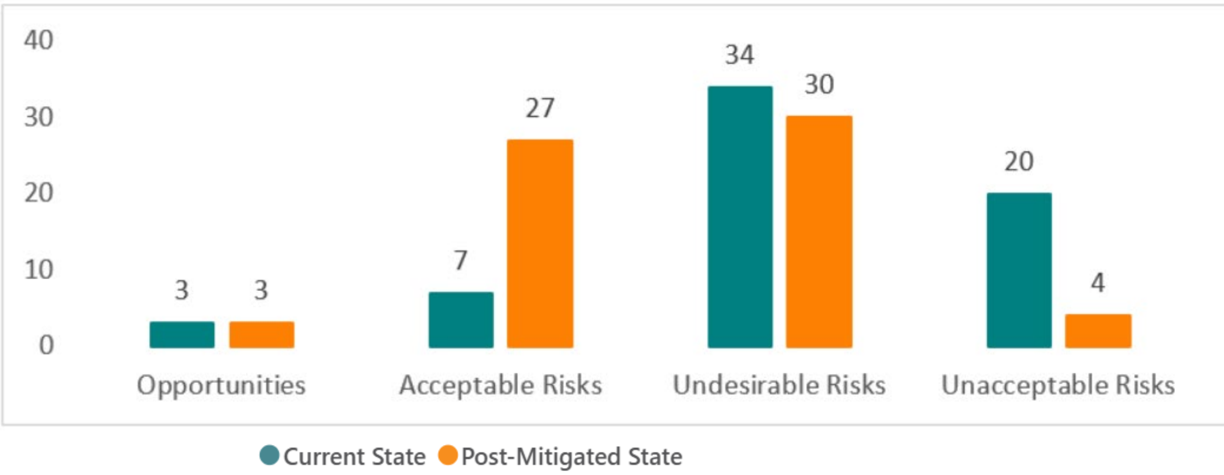


Figure 9. Active Risks and Opportunities by Risk Classification

Risk Heat Map - Current State

Impact \ Probability	1	2	3	4	5
1	1	2	2		
2	2	3	3	1	1
3		4	12	1	2
4	2	5	4	1	
5	4	6	1	2	2

Risk Heat Map - Post-Mitigated

Impact \ Probability	1	2	3	4	5
1	11	1	3		
2	7		3	1	
3	5	4	2		
4	4	9			
5	7	2	1	1	

Acceptable | Undesirable | Unacceptable

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 20 to 4 and the undesirable risks decrease from 34 to 30. As for acceptable risks, the number increases from 7 to 27. Based on this update, after planned mitigations, 56 percent of the risks in the risk register will still require further mitigation, as they remain unacceptable or undesirable risks.

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. Because of recent updates to the CHSRA's business plan, the TJPA will need to recommence conversations with CHSRA regarding its funding commitment to The Portal.

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 onboarded. Ensure prepardness for contractor negotiations and development of its initial scope relative to scope, schedule, cost, and risk allocation.

Delays in Property Acquisition

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

Mitigation Strategy. Develop a practical strategy, through prioritization of early acquisition of critical properties. Align acquisitions and storage needs with the master schedule and phase ROW certification if possible.

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. Conduct spoil disposal study and document plan. Verify staging areas currently envisaged and compare with needs. Engage with Caltrain on the yard areas that 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 Streeet 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 a 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	CMCG #2 - Station Fit-out construction NTP
HP 8	Cut-and-cover excavation complete
HP 9	Tunnel excavation complete
HP 10	Testing and commissioning complete

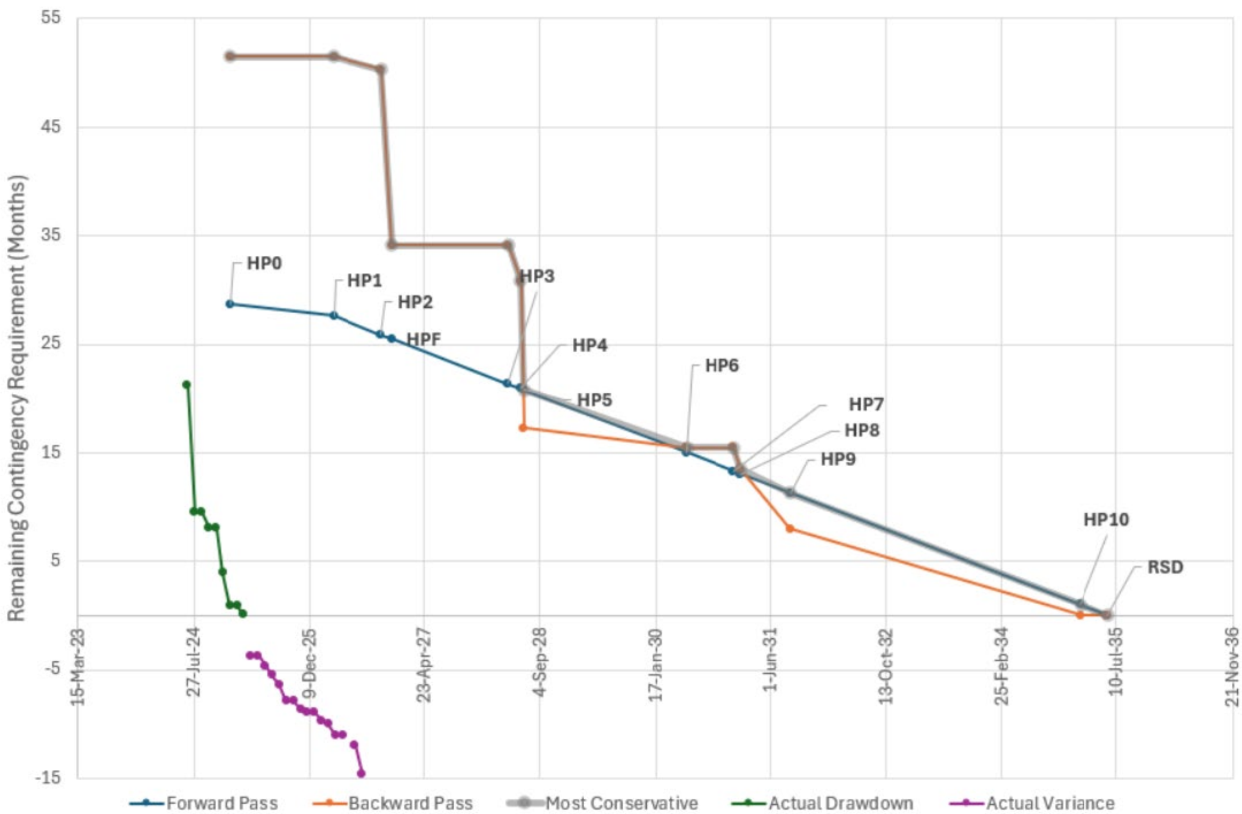
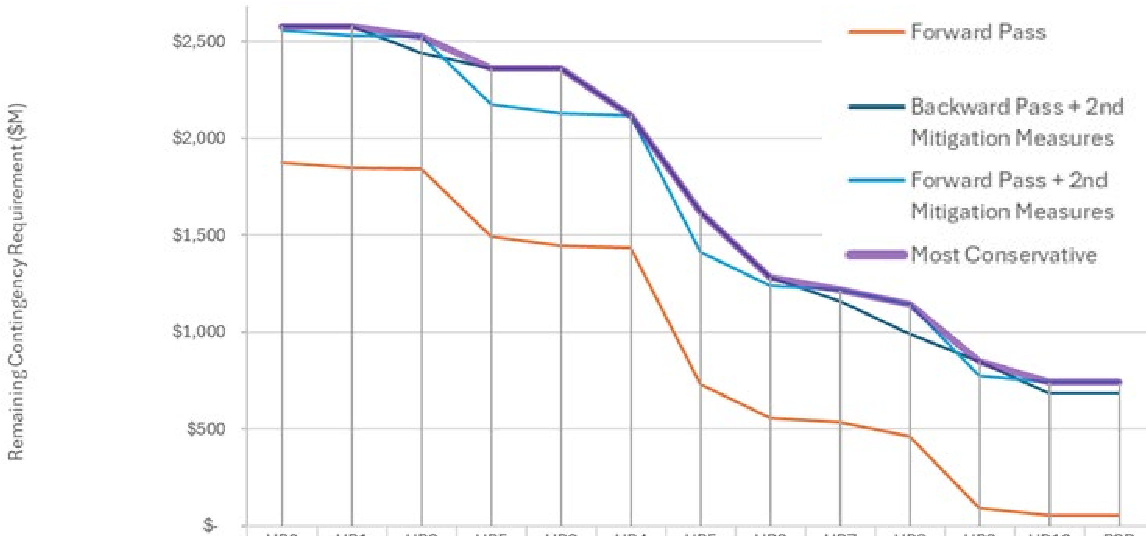


Figure 11. Schedule Contingency Drawdown at Hold Points (see Table 2)

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 have been added to the QRA results, contributing to the most conservative contingency drawdown curve presented in the figure.



	HP0	HP1	HP2	HPF	HP3	HP4	HP5	HP6	HP7	HP8	HP9	HP10	RSD
Forward Pass	$1,873	$1,848	$1,845	$1,493	$1,445	$1,433	$732	$558	$535	$461	$92	$57	$57
Backward Pass + 2nd Mitigation Measures	$2,579	$2,579	$2,442	$2,363	$2,363	$2,118	$1,619	$1,284	$1,159	$989	$848	$683	$683
Forward Pass + 2nd Mitigation Measures	$2,556	$2,531	$2,528	$2,176	$2,128	$2,116	$1,415	$1,241	$1,218	$1,144	$775	$740	$740
Most Conservative	$2,579	$2,579	$2,528	$2,363	$2,363	$2,118	$1,619	$1,284	$1,218	$1,144	$848	$740	$740

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 July 2026)

Funding Source/Category	Est. Amount as of July 2026 (Millions of YOE$)
Committed/Budgeted (non-Capital Investment Grant (CIG))	$1,304
Transit District Sources (CFD, Impact Fees)	$577
MTC Regional Measure 3 (RM 3)	$325
SFCTA Sales Tax (Prop K and Prop L)	$321
State Transit Intercity Rail Capital Program (TIRCP)	$60
Regional Transportation Improvement Program (RTIP) Fund Swap	$18
Partner Agency Contributions	$3
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	$265
Central SOMA CFD	$155
Future Net Tax Increment Bonds & Pay-Go	$110
Previous Investments	$729
2010 Investment in Train Box	$729
Funding Gap – To be Planned	$587
July 2025 Project Cost	$7,572

The TJPA is actively 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. The bill was approved by the legislature on August 26 and is headed to the Governor for his signature.
- 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 budget trailer bills containing transit funding in August before the 2026 legislative session ends on August 31.
- Continued SFCTA allocation process for FY 2026-27 Prop L transportation sales tax funds.

- Continued implementing 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 exploring 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 tranche is shown in Figure 13.

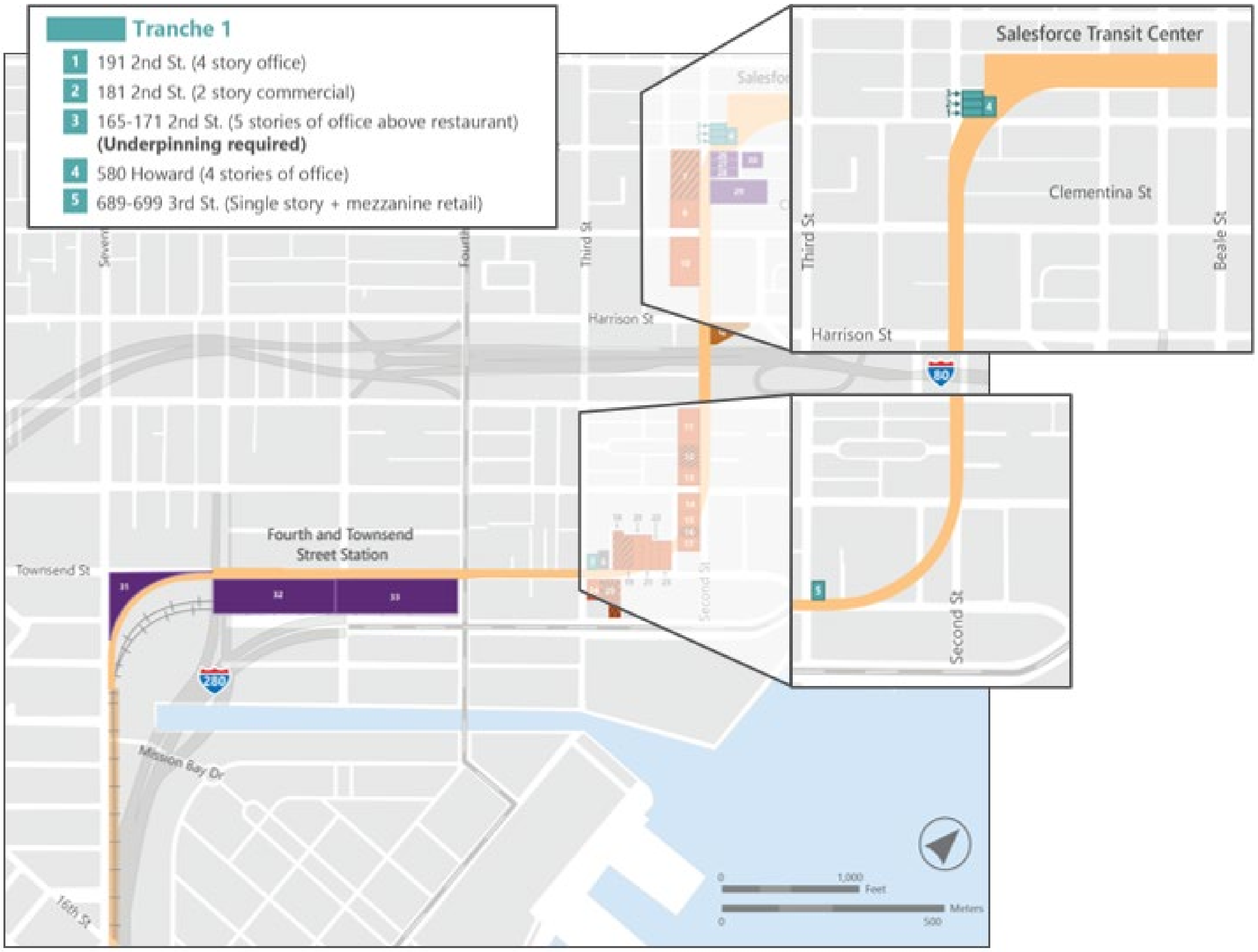


Figure 13. Right-of-Way Acquisition: Tranche 1

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 five parcels (Tranche 1) continues. Appraisals of the required property interests are underway; four have been completed. Following the FTA's review and concurrence, two offers have been tendered and negotiations are underway. One appraisal package awaits the FTA's review and concurrence as to value, and that FTA review process is expected to complete in September 2026; the remaining stages for Tranche 1 are expected to be complete by Q1-2027. See the status graphic in Figure 14.

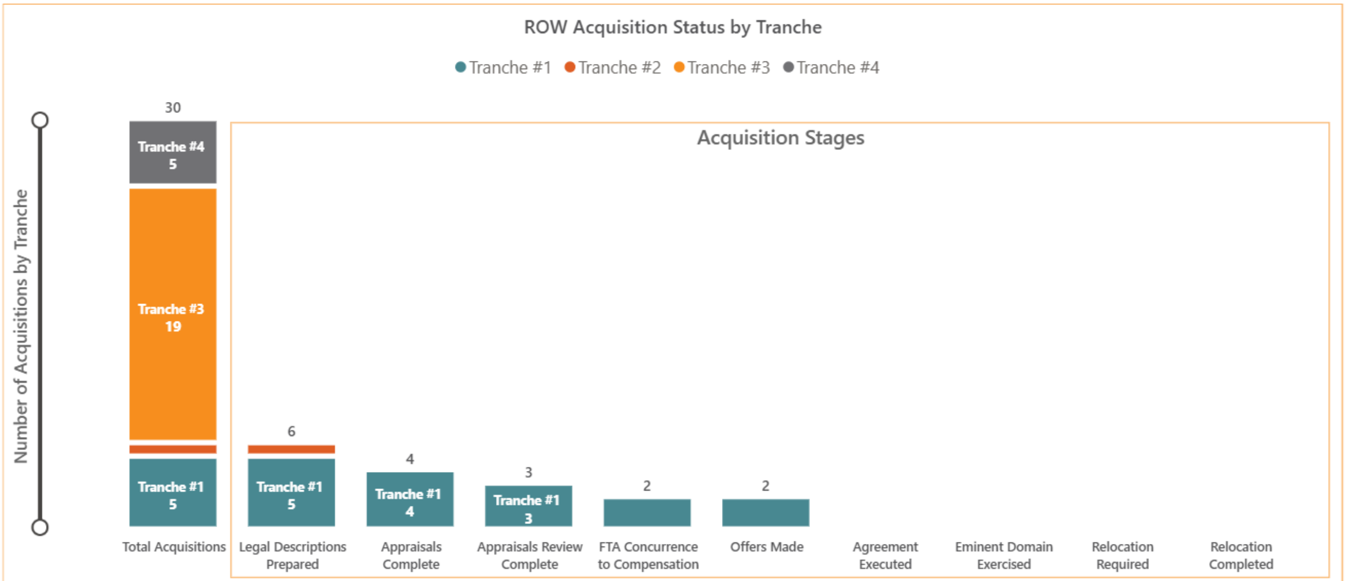


Figure 14. Right-of-Way Acquisition Status

PROJECT STAFFING

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 Portal's engineering and preconstruction phases. Current IPDT staffing levels are shown in Figure 16.

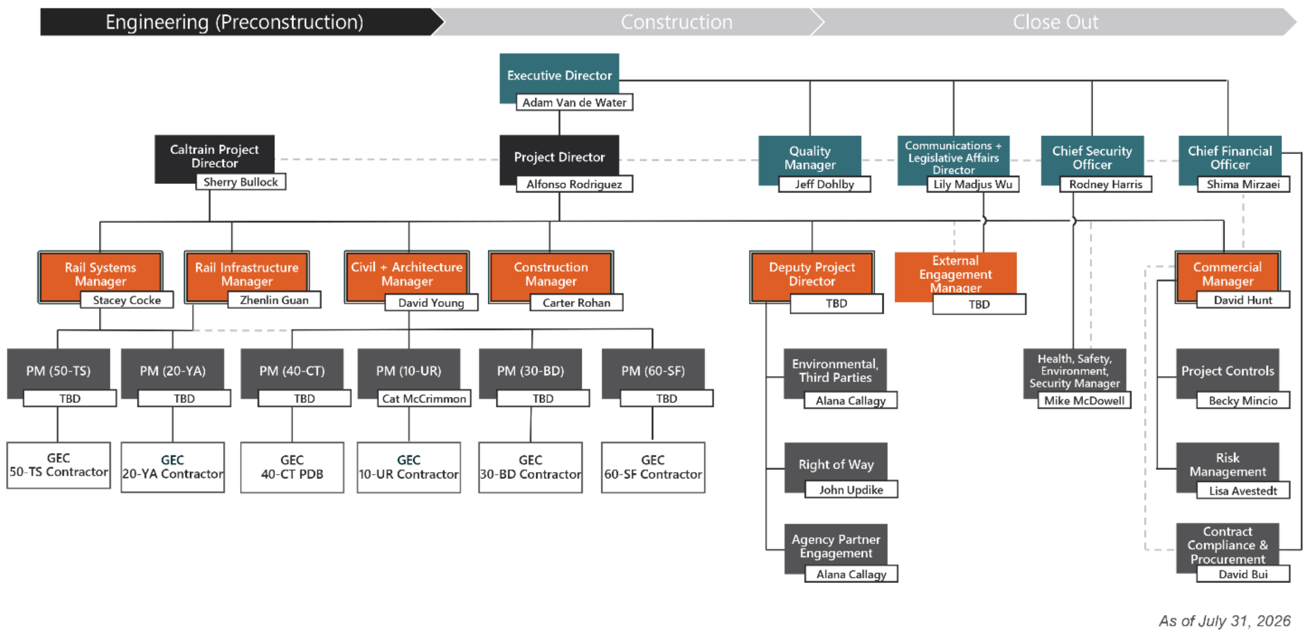
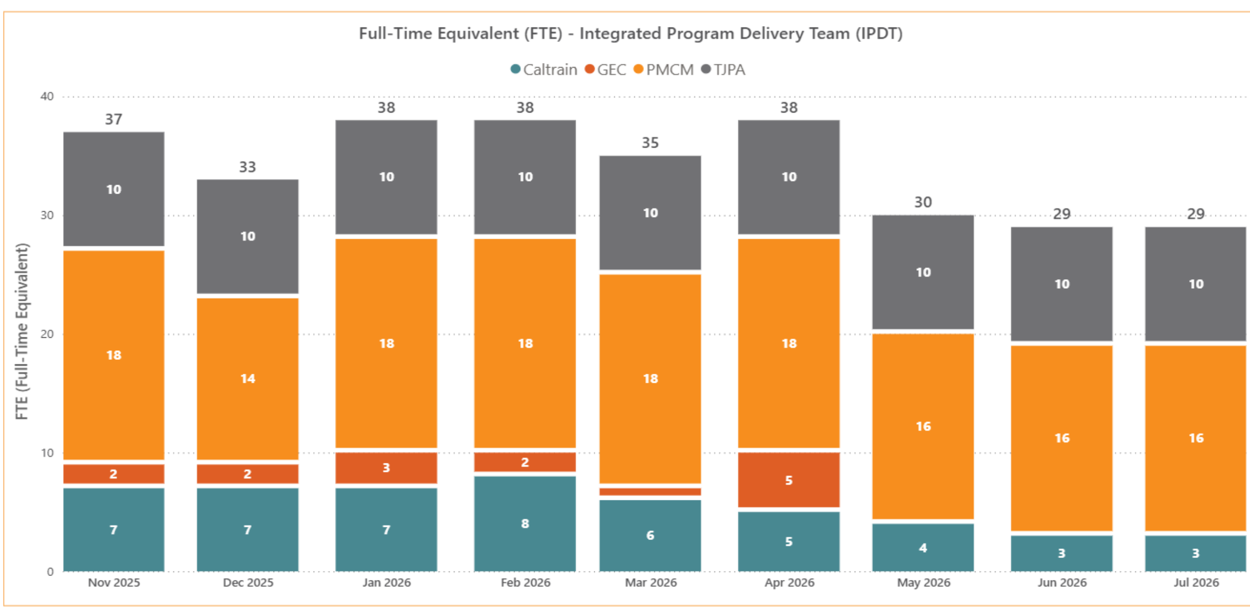


Figure 15. IPDT Staffing for Delivery of The Portal



	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026	Jun 2026	Jul 2026
TJPA	10	10	10	10	10	10	10	10	10
PMCM	18	14	18	18	18	18	16	16	16
GEC	2	2	3	2		5			
Caltrain	7	7	7	8	6	5	4	3	3
Total	37	33	38	38	35	38	30	29	29

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 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.

On August 5, 2026 the TJPA submitted a request for a concurrence with a National Environmental Policy Act (NEPA) Re-evaluation of the 2018 Final Environmental Impact Statement. FTA issued its concurrence letter on August 26, 2026 thus concluding the NEPA re-evaluation with its finding that the changes described in the submitted materials would not result in significant environmental impacts that were not previously evaluated in the SEIS/EIR and subsequent environmental re-evaluations.

The Mitigation Monitoring and Reporting Program (MMRP) quarterly report for Q2-2026 was distributed on July 31.

The MMRP annual report for cultural resources, in compliance with 106 MOA Stipulation IV.C.4, was distributed on July 30.

COMMUNICATION & LEGISLATIVE AFFAIRS

The TJPA's communication 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 developing a right-of-way communications plan in line with expected community outreach and communications needs.

Development of Communication plan for right-of-way program is underway to support upcoming outreach and public engagement.

The TJPA led the following tours this month:

- August 6 – San Francisco Municipal Transportation Agency College Interns
- August 11 – Caltrain Interns
- August 13 – Metropolitan Transportation Commission College Interns
- August 17 – New York Metropolitan Transportation Authority
- August 18 – San Francisco Municipal Transportation Agency
- August 21 – San Francisco Transit Riders

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, which passed the legislature on August 26 and is headed to the Governor for signature. Development of a local implementation plan is underway.

TJPA staff is tracking budget trailer bills containing transit funding before the 2026 legislative session ends on August 31.

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
FTA concurrence with the second NEPA Re-evaluation to the 2018 SEIS 2018 SEIS	August 2026

TJPA | THE PORTAL

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