TRANSBAY PROGRAM | The Portal

# Monthly Status Report

**October 2026**




TJPA | THEPORTAL

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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

Significant progress was made on the Risk and Contingency Management Plan and Change Management Plan, which are undergoing final internal review. Development of the Third-Party Agreement Plan Schedule Management Plan, and the PMP continued. The PMP update is scheduled for completion in Q1-2027. 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 oversight and reporting through operational dashboards covering fiscal-year and project budgets, contracts, invoicing, schedule, risk, and right-of-way management. These dashboards provide performance metrics and KPIs to inform management decisions and monitor program delivery.

The TJPA continues to advance PMIS capabilities for change management, document control, and earned value reporting, with additional functionality scheduled for deployment before year-end 2026. Earned

value reporting will initially support professional services contracts, with dedicated performance dashboards planned for the forthcoming 10-UR engineering and design and 40-CT progressive design-build (PDB) preconstruction contracts.

**Schedule Management**
The October 2026 Master Schedule update, with a data date of September 30, 2026, forecasts a target ready-for-service date of December 1, 2036, an 8-working-day shift from the September forecast. The critical path remains unchanged, driven by procurement of the 10-UR designer and subsequent utility relocation works. The 20-YA Fourth and King Yard Preparation package remains the sole near-critical path, with 26 working days of total float.

The TJPA continues to strengthen schedule quality through monthly reviews of the critical path, significant float paths, and key delivery interfaces. The October update incorporates current procurement information, standardized activity, and WBS descriptions aligned with contract package codes, and targeted reviews of high-float activities to validate logic and sequencing. Full Funding Grant Agreement (FFGA) negotiation durations have been refined, while a broader FFGA schedule review remains underway.

The TJPA also continues to evaluate schedule scenarios addressing the timing and availability of funding for key design and construction contracts, including required local share funding. These assessments inform program delivery planning and the evaluation of potential impacts on key milestones. Additional details are provided in the Project Schedule section.

**Cost Management**
The project budget remains $8.255 billion, based on the 2023 capital cost estimate submitted at Entry into Engineering. The  2025 updated cost estimate is approximately $7.572 billion, including revised contingency requirements utilizing FTA risk based methodology. The approximately $683 million difference has been retained in unallocated contingency.The FY 2026–27 Board-approved budget has a positive variance-to-date (underrun) of 3.19% through September 2026 while the variance-at-completion forecast remains zero. The year-end forecast remains aligned with the 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 and reporting planned to begin with the November 2026 Monthly Status Report.

**Risk Management**
The TJPA continues to update the Risk and Contingency Management Plan. The next revision of the plan will include updates to the risk management organization and flow charts and expanded sections on the quantitative risk assessments, contingency management, and reporting.

The risk review workshop for Q3-2026 was held on September 8; the Q3-2026 updates are under review and will be presented in the November status report.

**Design Management**
The design documents for enabling works—utility relocation and Fourth and King railyards site clearing—are at the 60% level and 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 contract package and developed through the 60%, 90%, and 100% design stages.

**Procurement Management**
A proposal for the 40-CT Civil and Tunnel PDB contract was received on October 9.

Request for Qualifications 26-05, Professional Engineering, Design, and Construction Support Services for The Portal 10-UR Utility Relocation Project, was issued on October 5. Statements of qualifications are due on November 19.

Two additional engineering and design consultant contracts will be procured:

- 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.

**Right-of-Way**
A boundary survey for the full alignment is complete, and San Francisco Public Works (SFPW) and the contract surveyor have completed a first round of edits to the final Record of Survey. Appraisals for the first tranche of required property interests have begun (five are complete; four have been approved by the FTA); the partial street vacation process will follow the completion of the Record of Survey to secure tunnel easements. These efforts reduce early construction risk and support readiness for enabling works and major civil package procurement.

**Environmental**
The Mitigation Monitoring and Reporting Program Q3-2026 report is scheduled for distribution on October 30.

## 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 Street and Second Street 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 located along Townsend Street between Fourth and Sixth 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 reflects the October 2026 Master Schedule update, with a data date of September 30, 2026. Relevant developments since the data date are addressed in the narrative. The Master Schedule comprises 1,177 activities, including 697 completed and 480 remaining activities. Of the remaining activities, 39 are in progress, 48 are critical, and 34 meet the program's near-critical criterion of 30 or fewer working days of total float (Figure 2).

The Master Schedule (Figure 3) provides an integrated program-level framework for major activities, milestones, delivery phases, and interfaces. A proposed schedule breakdown structure will be documented in the Schedule Management Plan. The schedule will be reorganized according to the plan, once approved. Once funding timelines are finalized, design, procurement, and construction activities will be reviewed and realigned to reflect funding availability. The schedule's level of detail will continue to evolve as delivery advances, with detailed contractor schedules maintained at the contract level and key milestones and summary activities incorporated into the Master Schedule to support program oversight, interface coordination, and performance reporting.

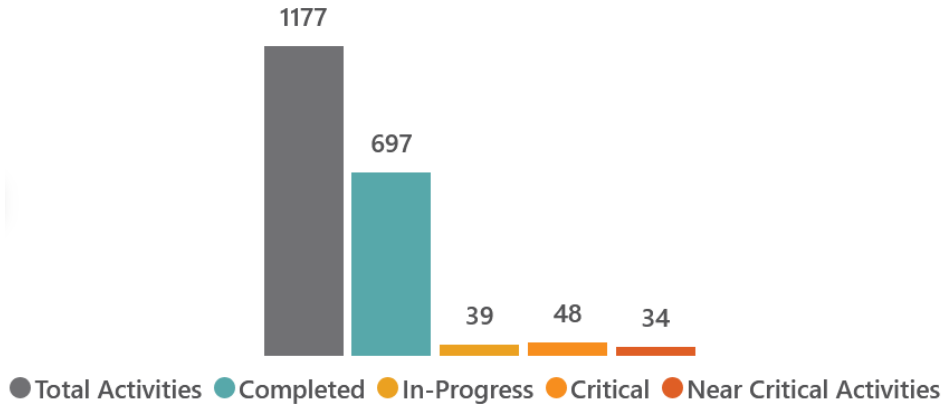



Figure 2. Key Schedule Statistics (Activities)

The October update forecasts a target ready-for-service date of December 1, 2036, representing an 8-working-day delay from the September forecast of November 17, 2036. The critical path sequence remains unchanged, extending through procurement of the 10-UR designer, utility relocation design and construction, the affected 40-CT Civil and Tunnel works, track and systems installation, and testing and commissioning. The delay is attributable to the revised issue date for the 10-UR designer request for qualifications (RFQ), which moved from September 25 to October 5, 2026. The RFQ was released to the market on October 5, consistent with the forecast date in the October schedule update. As the release occurred after the September 30 data date, the milestone remains forecast in this update and will be recorded as actual in the next reporting cycle.

The 20-YA Fourth and King Yard Preparation path remains the sole near-critical delivery path, with 26 working days of total float. Other significant paths monitored include 50-TS Track and Systems CMGC procurement and associated works, with 124 working days of total float; 30-BD Building Demolition, with 129; 40-CT Civil and Tunnel preconstruction, with 143; and 60-SF Station Fit-Out CMGC, with 152.

Schedule quality improvements during the reporting period included standardization of activity and WBS descriptions to align with contract package codes and targeted reviews of high-float activities to validate predecessor and successor relationships, sequencing, and downstream interfaces. Undertaken in response to SFCTA comments, these refinements improve package identification, schedule transparency, and reporting consistency. FFGA negotiation durations have also been refined, while the broader FFGA schedule review remains underway.
Over subsequent reporting cycles, the TJPA will continue to refine design and construction interfaces, validate procurement and design timelines, and review high-float activities through its ongoing schedule quality health checks. Scenario analyses will assess the implications of funding timing and availability for key design and construction contracts, including required local share funding, to inform delivery planning and evaluate potential impacts on program milestones.

## Progress Summary

### Program Milestones

| Milestone | Status | Change from Last Report | Comment |
|---|---|---|---|
| Target FFGA execution | July 2027 | None | No change this period. |
| Target ready for service | December 2036 | -8 WD | The delay reflects the revised 10-UR designer RFQ release date of October 5, 2026. The critical path sequence remains unchanged. |

FFGA=Full Funding Grant Agreement

### Design Progress

| Contract Package | Current Design Status | Upcoming Design Milestone | Change from Last Report | Comment |
|---|---|---|---|---|
| 10-UR Utility Relocation | 60% complete | 90% design | -8 WD | Driven by 10-UR Designer procurement. Design will proceed following award of the engineering and design services contract. |
| 20-YA 4th and King Yard Preparation: Site Clearing | 60% complete | 90% design | None | No change this period. Design will proceed following award of the engineering and design services contract. |
| 30-BD Building Demolition | 60% complete | 90% design | None | No change this period. Design will proceed following award of the GEC contract. |
| 40-CT Civil and Tunnel | 30% complete | 30% design validation | None | No change this period. Design validation will begin after award of the 40-CT PDB preconstruction contract. |
| 50-TS Track and Rail Systems, including at-grade track and systems | 30% complete | 60% design | None | No change this period. The engineering and design services 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. |

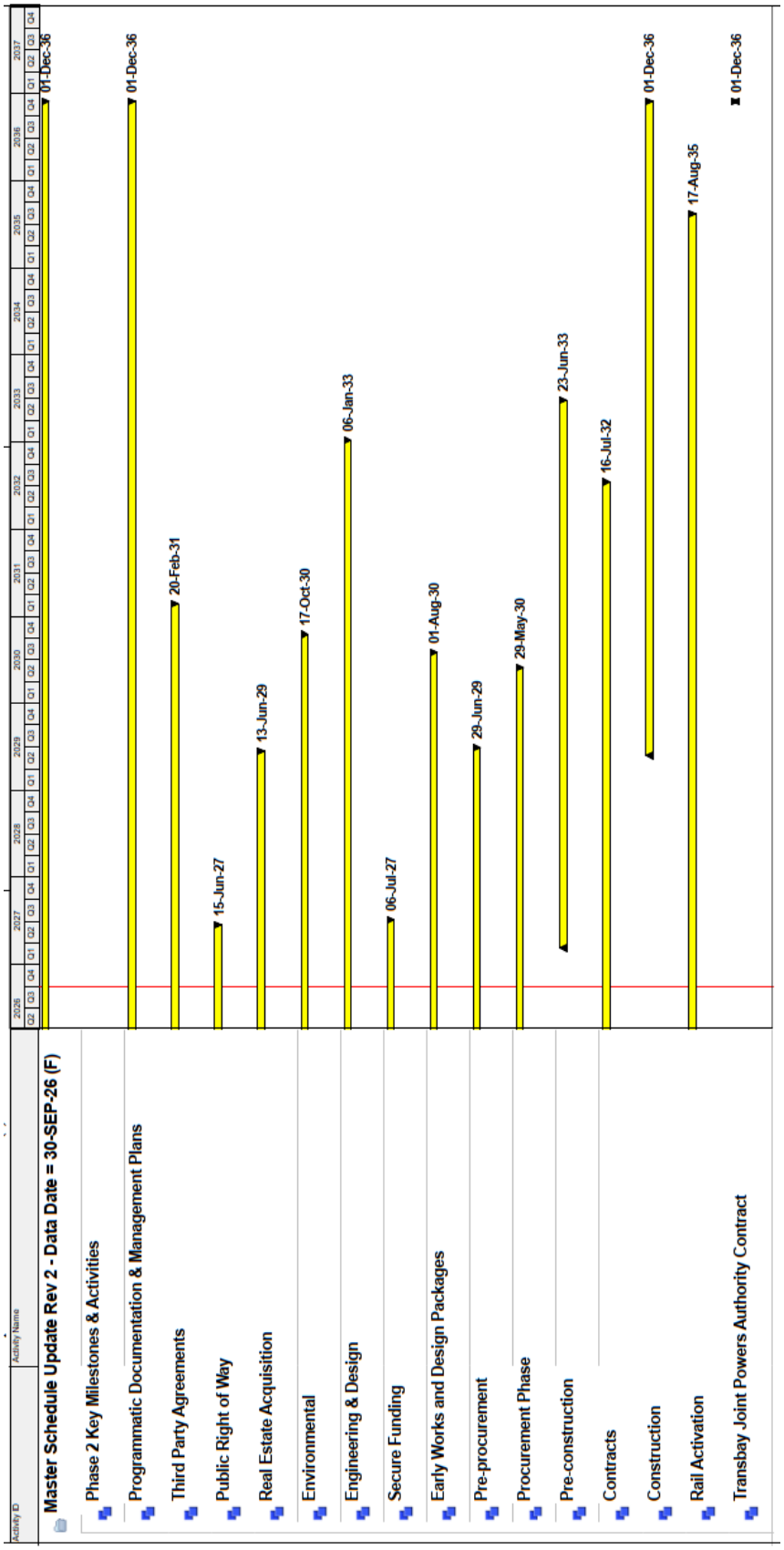



Figure 3. Master Schedule Summary

## Key Milestones Six-Month Lookahead*

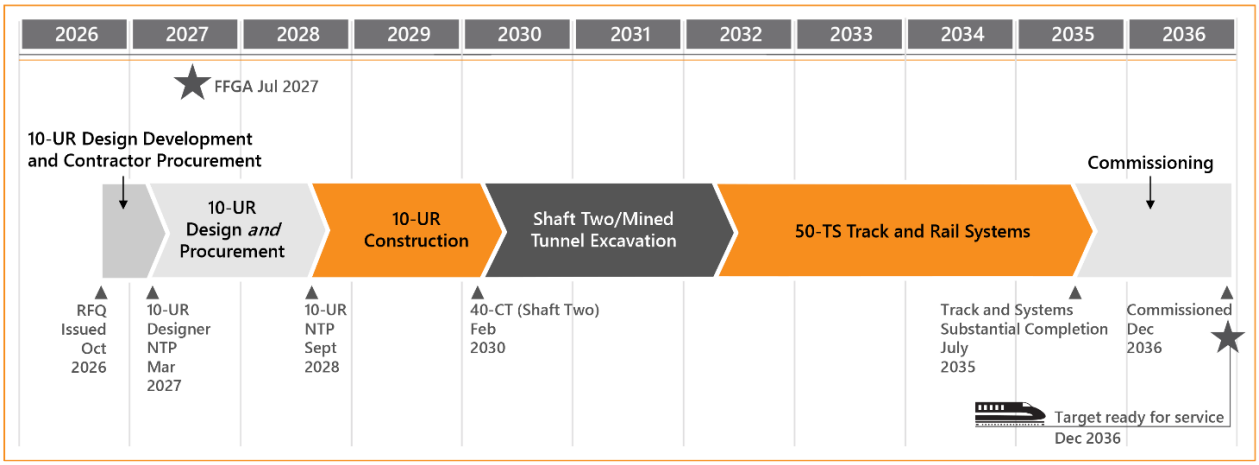
| | Milestone Date | Oct 2026 | Nov 2026 | Dec 2026 | Jan 2027 | Feb 2027 | Mar 2027 |
|---|---|---|---|---|---|---|---|
| Complete Record of Survey/Boundary report and reviews | Dec 31, 2026 | | | SFPW | | | |
| 40-CT proposal due (complete) | Oct 9, 2026 | 40-CT proposer | | | | | |
| Complete Tranche 1 appraisal process | Nov 2, 2026 | | IPDT | | | | |
| 40-CT Notification of highest-scoring proposer | Nov 19, 2026 | | TJPA | | | | |
| Submit Public Street/ Easement Vacation application to SFPW | Dec 7, 2026 | | | IPDT | | | |
| Complete PMP and subplans | Jan 21, 2027 | | | | IPDT | | |
| 40-CT Award PDB Contract | Mar 11, 2027 | | | | | | TJPA |

* Note: The Utility Relocation engineering and design consultant RFQ was released on October 5, 2026. The GEC solicitation is anticipated in Q4-2026, followed by the Track and Rail Systems engineering and design consultant solicitation in Q1-2027. Notices to Proceed are anticipated in Q1-2027 for the Utility Relocation designer and Q2-2027 for the GEC and Track and Rail Systems designer. All planned procurement milestones are subject to funding availability.

## Critical and Near-Critical Path Analysis

The critical path remains unchanged in sequence from the previous reporting period and carries zero total float. It encompasses procurement and appointment of the 10-UR Utility Relocation engineering and design consultant; completion of the 90%, 100%, and Issue for Bid design packages; procurement and appointment of the 10-UR construction contractor; and completion of the utility relocation works necessary to release the affected 40-CT Civil and Tunnel construction areas. The path then continues through the associated Civil and Tunnel works, 50-TS Track and Rail Systems installation, systemwide testing and commissioning, and project completion. Figure 4 illustrates the current critical path. The forecast target ready-for-service date is December 1, 2036, representing an 8-working-day delay from the September forecast of November 17, 2036. The delay is attributable to the revised 10-UR designer RFQ release date, which moved from September 25 to October 5, 2026.

The 20-YA Fourth and King Yard Preparation path remains the sole path within the program's near critical threshold of 30 or fewer working days of total float, with 26 working days available. It encompasses procurement and appointment of the Track and Rail Systems engineering and design consultant; completion of the 20-YA 90%, 100%, and Issue for Bid design packages; procurement and appointment of the construction contractor; and completion of the yard preparation works required to release the affected 40-CT Civil and Tunnel construction areas. The path sequence remains unchanged, while the increase in total float reflects the shift in the critical path. TJPA will continue to monitor this path and other significant float paths to assess schedule exposure and support program oversight.




Note: "Shaft two" refers to the shaft at the intersection of 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 Budget

The $8.255 billion project budget is based on the 2023 cost estimate submitted at Entry into Engineering 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.

The 2025 updated capital cost estimate, including its revised risk-adjusted contingency requirement, is approximately $7.572 billion. The approximately $683 million difference between the updated estimate and the project budget has been retained in unallocated contingency. Cost forecasts and contingency requirements will continue to be reviewed throughout the CIG Engineering phase as procurement outcomes, market conditions, design development, and contract negotiations further mature, in advance of establishing the formal Baseline Cost Estimate at FFGA execution.

The project budget and fiscal-year (FY) capital budgets are integrated within the PMIS and updated in coordination with TJPA Finance. Commitments, expenditures, variances, and cost-to-complete forecasts are monitored at the control-account level. The overall project budget continues to forecast zero variance at completion.

The FY 2026–27 capital budget has a positive variance-to-date of 3.19% through September 2026 and is subject to ongoing monthly monitoring, which currently indicates zero variance at completion.

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 September 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 $862 million, including expenditure for completion of the train box. Commitments decreased slightly from the previous reporting period, primarily reflecting the deobligation of unspent balances associated with notices to proceed and FY 2025-26 purchase orders. 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 $841 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 overall forecast remains steady at $8.255 billion, forecasting zero variance at completion. As design progresses under the planned engineering design contracts, including work by design consultants and the progressive design-build contractor, updated estimates will be developed to further inform construction cost forecasts. While the 2025 capital cost estimate update established an indicative project value of approximately $7.572 billion; the resulting difference from the original budget remains in unallocated contingency pending resolution of project variables, including procurement outcomes, market conditions, design development, contract negotiations, and establishment of the formal Baseline Cost Estimate at FFGA execution.

| 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 | 979 | 519 | 254,502 | 97,139 |
| 70 | Vehicles | 59,716 | 0 | 0 | 55,215 | 4,502 |
| 80 | Professional Services | 1,104,130 | 132,574 | 111,721 | 1,033,476 | 70,654 |
| | **Subtotal (10-80)** | 1,515,487 | 133,553 | 112,240 | 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 | 862,072 | 840,759 | 8,254,786 | 0 |

Figure 5. Cost and Financial Status

## Current Fiscal Year Budget Performance

The FY 2026–27 capital budget totals approximately $112.9 million, comprising $84.6 million for right-of-way activities and $28.3 million for all other project activities. Through September 2026, expenditures totaled approximately $4.1 million, resulting in a positive year-to-date variance of approximately $3.6 million. The variance primarily reflects lower-than-planned expenditures for PMCM services and interagency engineering and design coordination, consistent with the current pace of work and operational requirements. The right-of-way expenditure forecast has been revised to reflect the anticipated timing of property acquisitions; acquisitions previously budgeted for October 2026 are now forecast for March and May 2027. Capital expenditures and forecasts are monitored monthly to maintain alignment with the fiscal-year budget.

The TJPA is implementing an earned value management (EVM) framework for professional services contracts. The framework includes performance indicators, measurement procedures, earned value rules, and supporting dashboards. A pilot is underway for the PMCM and Caltrain contracts, with formal EVM reporting planned for the December 2026 status report. The framework will be extended to include the three engineering and design consultants and the 40-CT preconstruction contractor, as those consultants and contractors are onboarded.

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

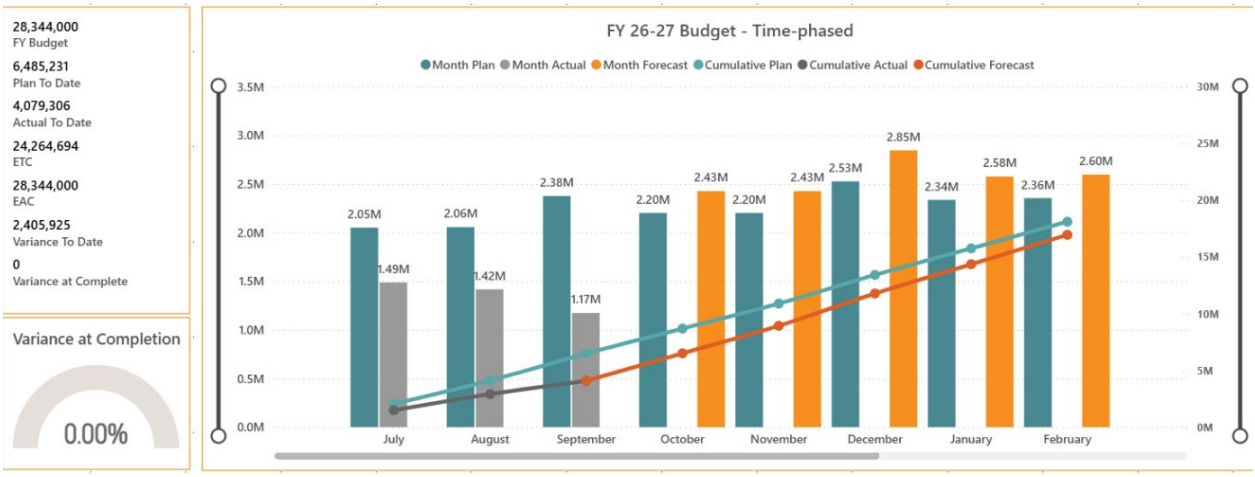



Figure 6. FY 2026-27 Capital Budget Performance (Excluding ROW)

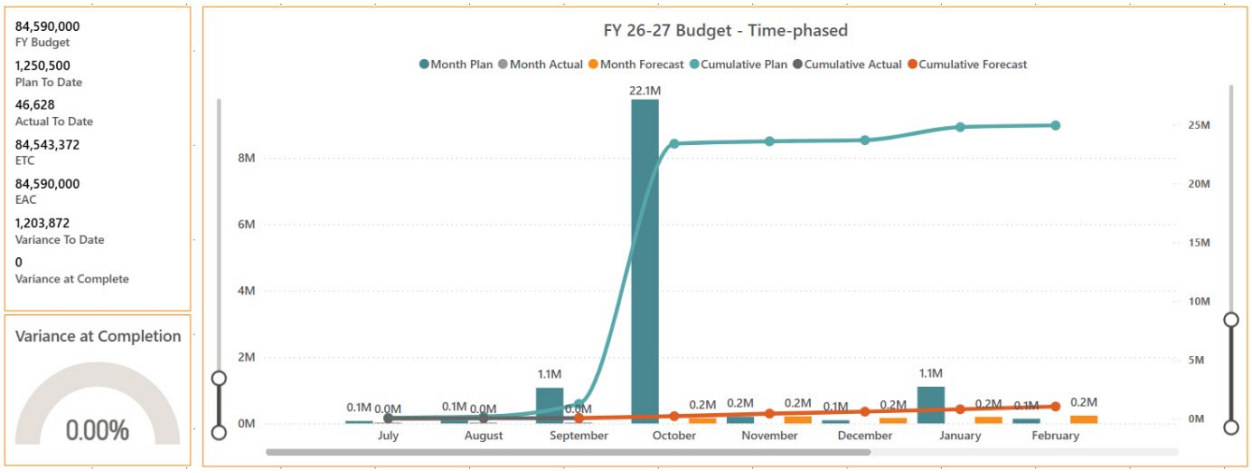



Figure 7. FY 2026-27 Capital Budget Performance (ROW)

## Risk and Contingency Management

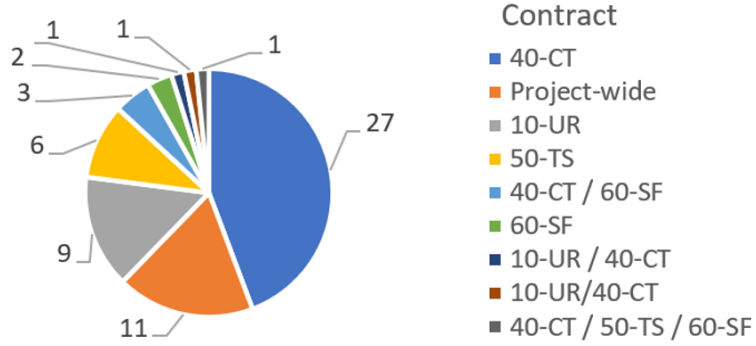
The risk register is updated on a quarterly basis. The risk review workshop for Q3-2026 was held on September 8; the Q3-2026 updates are under review and will be presented in the November status report. The risk register for Q2-2026 contains 61 active risks and 4 opportunities requiring focused management. The IPDT continues to actively manage risks and opportunities through ongoing monitoring and mitigation planning.

The Risk and Contingency Management Plan has been substantially expanded on as part of the ongoing revisions. The revisions include:

- Updates to the risk management organization
- Updates to flow charts
- An expanded section describing the quantitative risk assessments (QRAs)
- An expanded contingency management section
- An expanded reporting section

### Active Risks and Opportunities by Contract Packages

Figure 8 summarizes the current distribution of active risks by contract package, tallying the risks by number in each package and by percentage of the total; no opportunities are included. 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 also focused on revisiting and further updating near-term program risks and mitigations, which will be reflected in the 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 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."

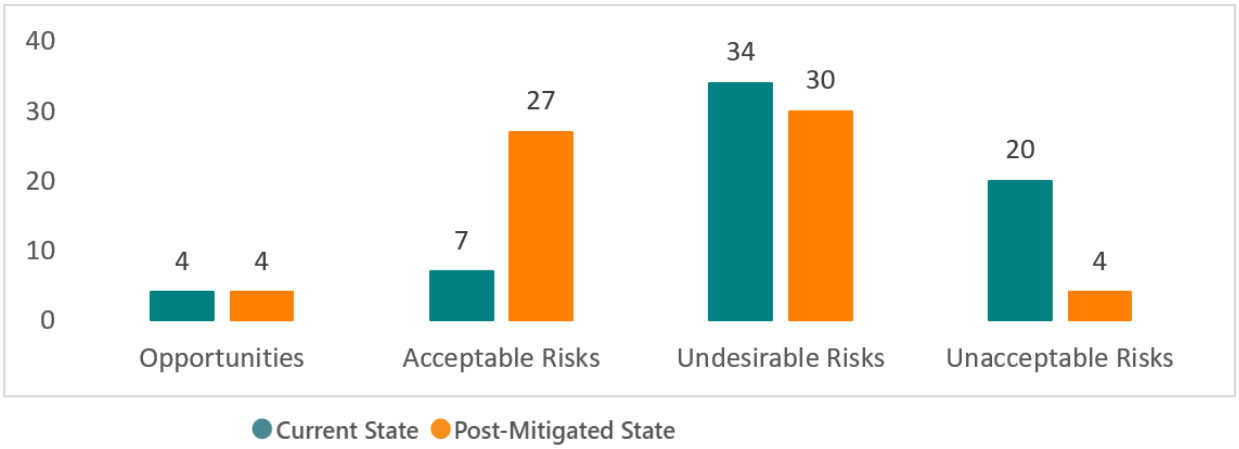



Figure 9. Active Risks and Opportunities by Risk Classification

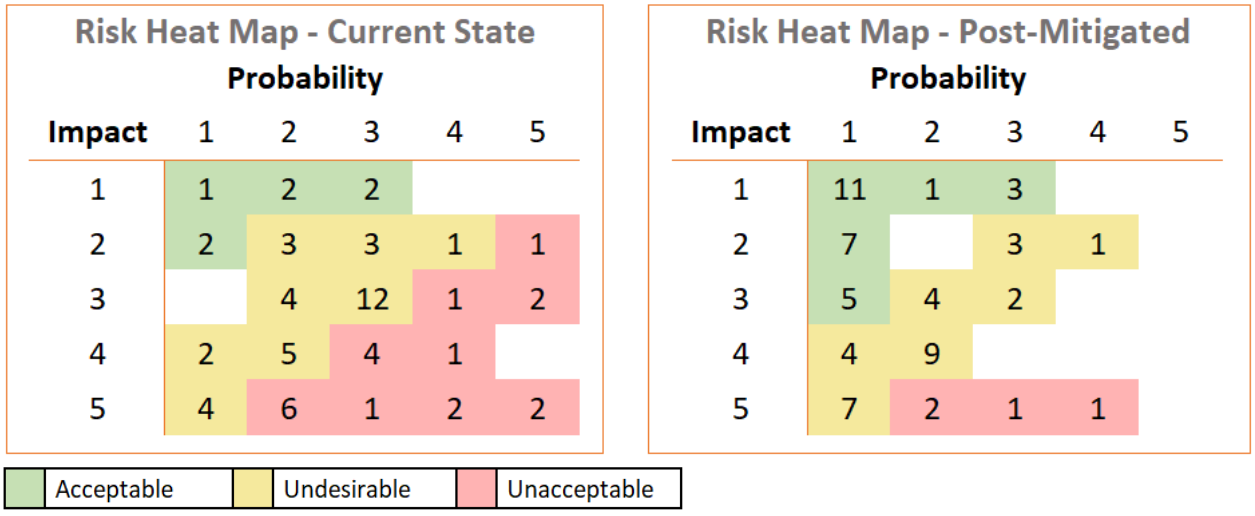



Figure 10. Risk Heat Map: Current State vs Post-Mitigated State, excluding opportunities

As seen in figures 9 and 10, if mitigations are implemented successfully, the number of unacceptable risks would decrease from 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 are being implemented. Progress on risk reduction and mitigation implementation is being monitored, updated, and adjusted every quarter, as appropriate.

### 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 having processes and authorities in place before the PDB contractor is onboarded. Complete Agency organization assessment and implement appropriate recommendations. 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 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 a finite element analysis of vibration transmission from the track, plus additional studies to determine need.

## Contingency Management

The Risk and Contingency Management Plan is being updated. The contingency management section has been substantially expanded as part of the ongoing revisions.

The next QRA will likely be conducted in late 2026 or early-to-mid 2027 following completion of a broader FFGA schedule review and corresponding updates to the program schedule and cost estimate. The following sections still reflect the cost and schedule contingency resulting from the QRA that was conducted in April-May 2025. That QRA used the December 2024 data date schedule and the cost estimate updates from April-May 2025 as its basis.

### Current Schedule Contingency Drawdown Analysis and Resulting Curves

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 at the time expected to be consumed as The Portal advances through key milestones, referred to as "hold points"; see Table 2. The actual drawdown curve in the same figure (Figure 11) shows that the project has fully exhausted the available schedule contingency and has progressed into negative reserve for the target revenue service date (RSD), having consumed approximately 17 months beyond the maximum modeled contingency. The RSD was originally intended to be reached in June 2035. This variance demonstrates that contingency was depleted earlier than forecast in the 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 |

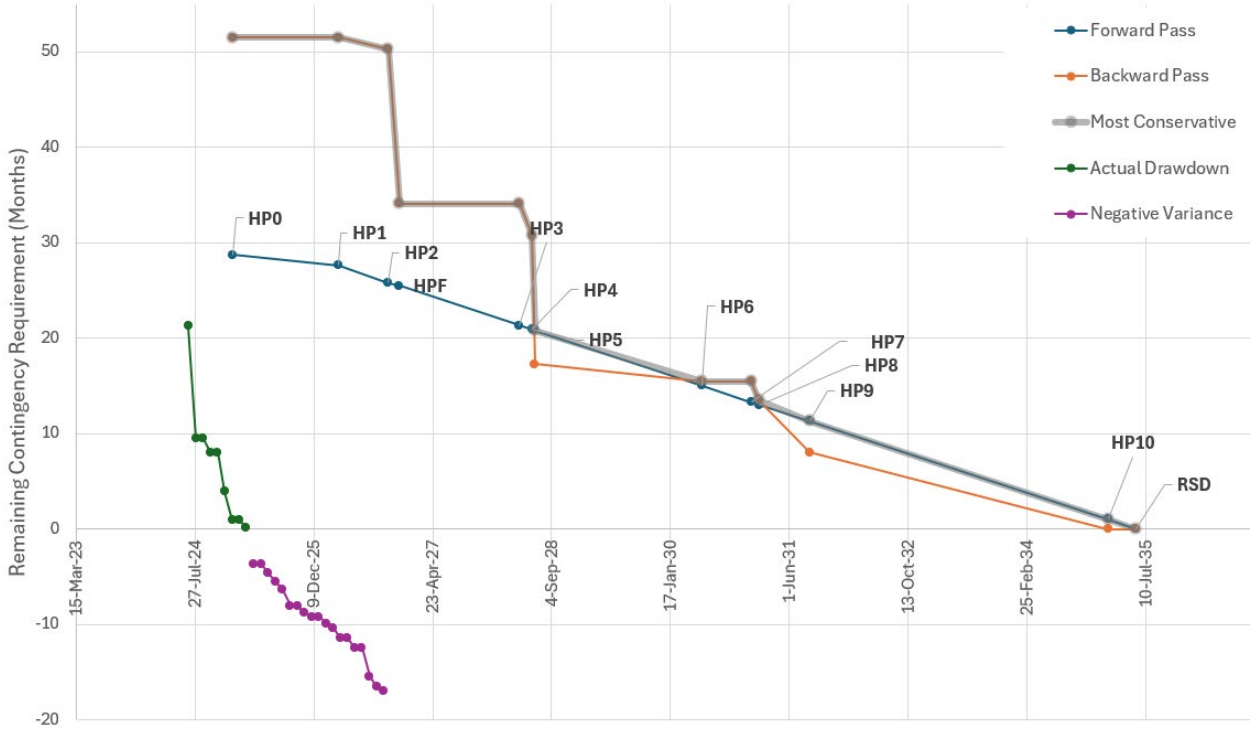
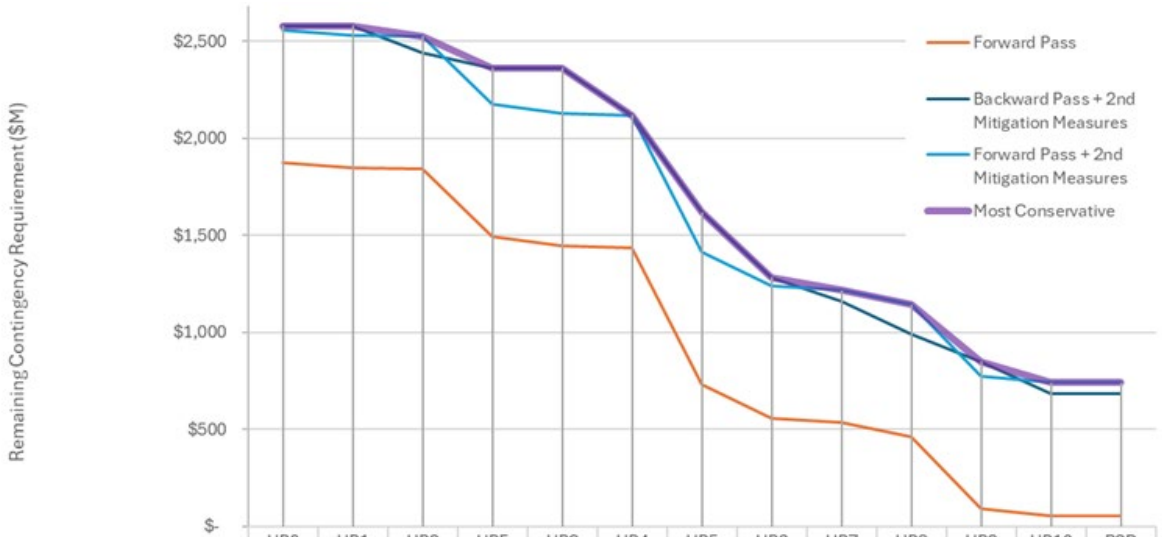



**Figure 11. Schedule Contingency Drawdown at Hold Points, based on December 2024 Schedule Data Date**

## Current Cost Contingency Drawdown Analysis and Resulting Curves

The cost contingency drawdown curves were developed in accordance with FTA OP 40 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 forecasted 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:

- With AB 2308 now signed into law, TJPA staff is working on the local implementation plan to effect the extension to 2075.
- 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, expected at the latest in October 2026, have been updated to November 2026.
- Continued implementing the Capital Funding Strategy and Advocacy workplan for 2026 and working on updating the plan to apply for the next three years in coordination with SFCTA.
- 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.

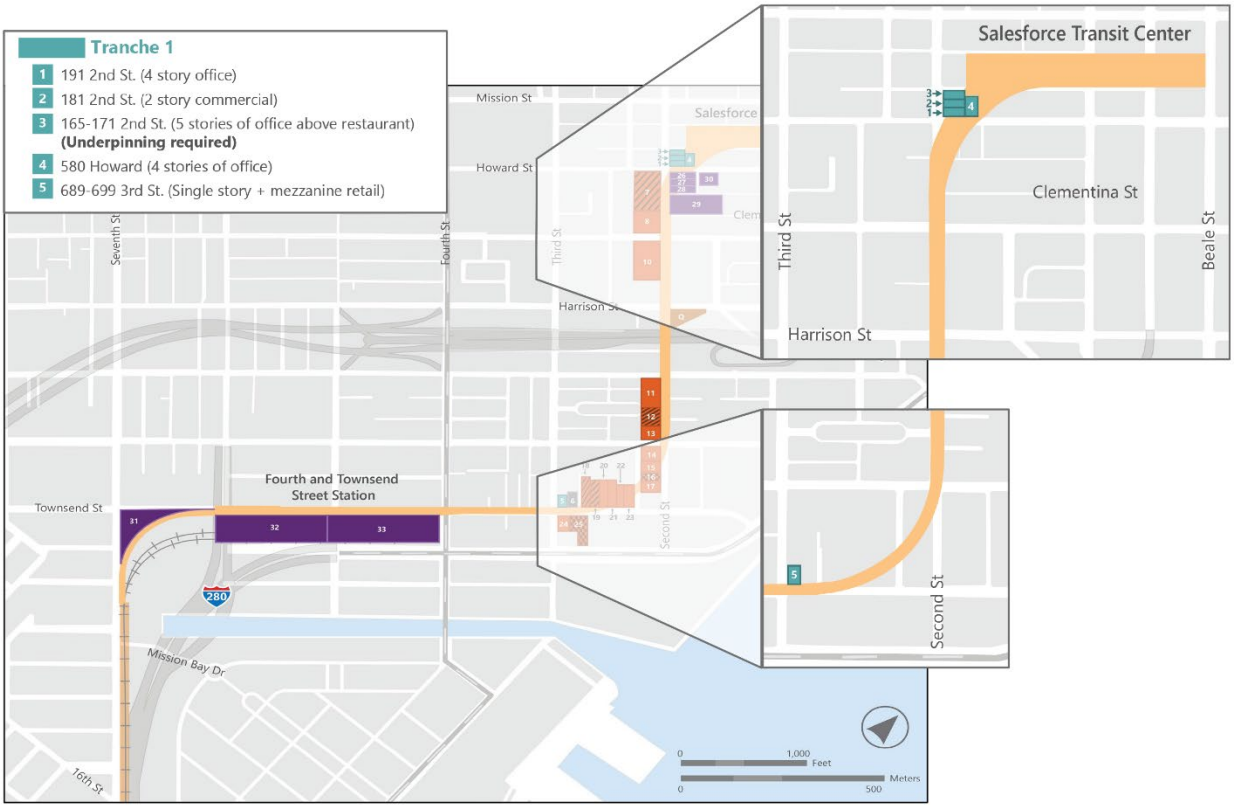



Figure 13. Right-of-Way Acquisition: Tranche 1

A boundary survey has been completed and is in a second round of review with the San Francisco Public Works Department with a Record of Survey final draft. The partial street vacation process will follow completion of the Record of Survey to secure tunnel easements.

The acquisition process for five parcels (Tranche 1) continues. Appraisals of the required property interests are completed; of five appraisals, four have been approved by the FTA. 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, which is expected in early November 2026; the remaining stages for Tranche 1 are expected to be completed by Q2-2027. See the status graphic in Figure 14.

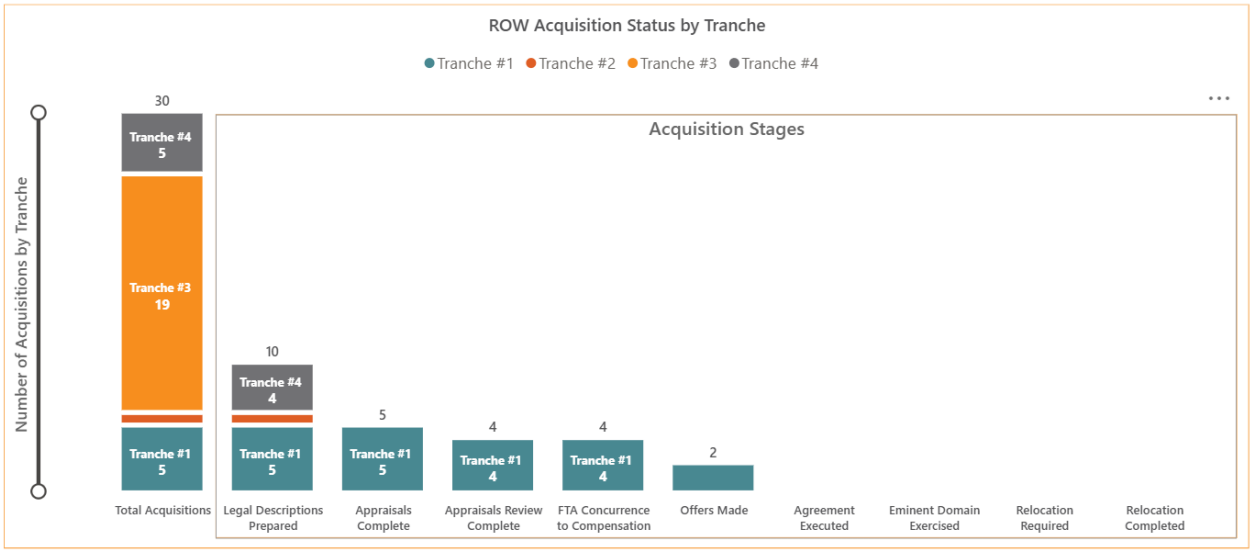
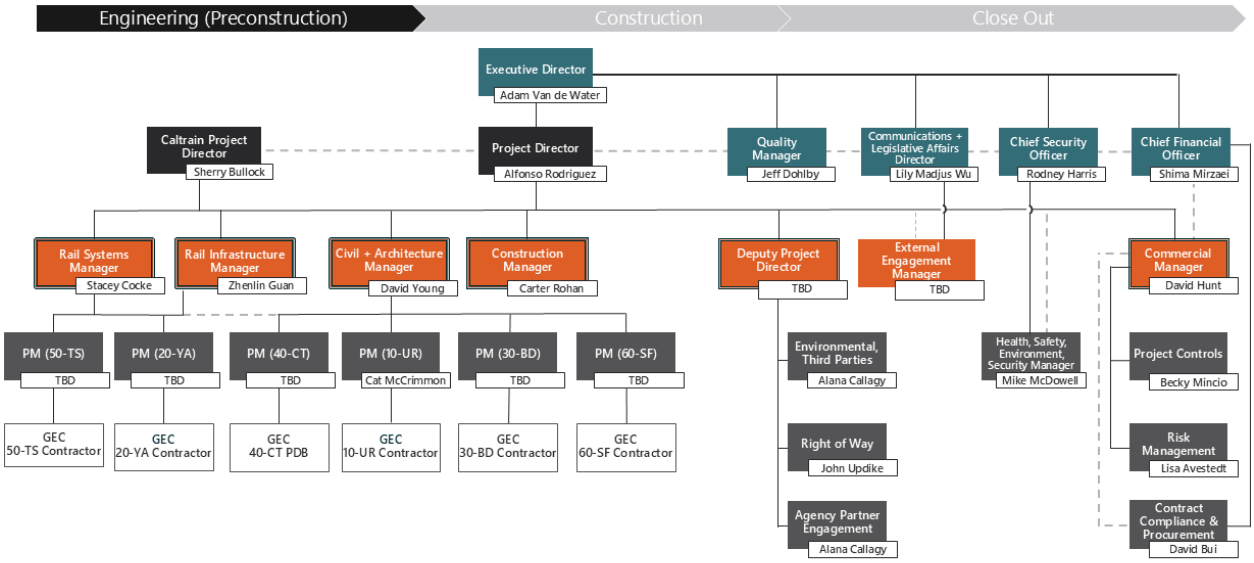



Figure 14. Right-of-Way Acquisition Status

## 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.




*As of Sept 8, 2026*

Figure 15. IPDT Staffing for Delivery of The Portal

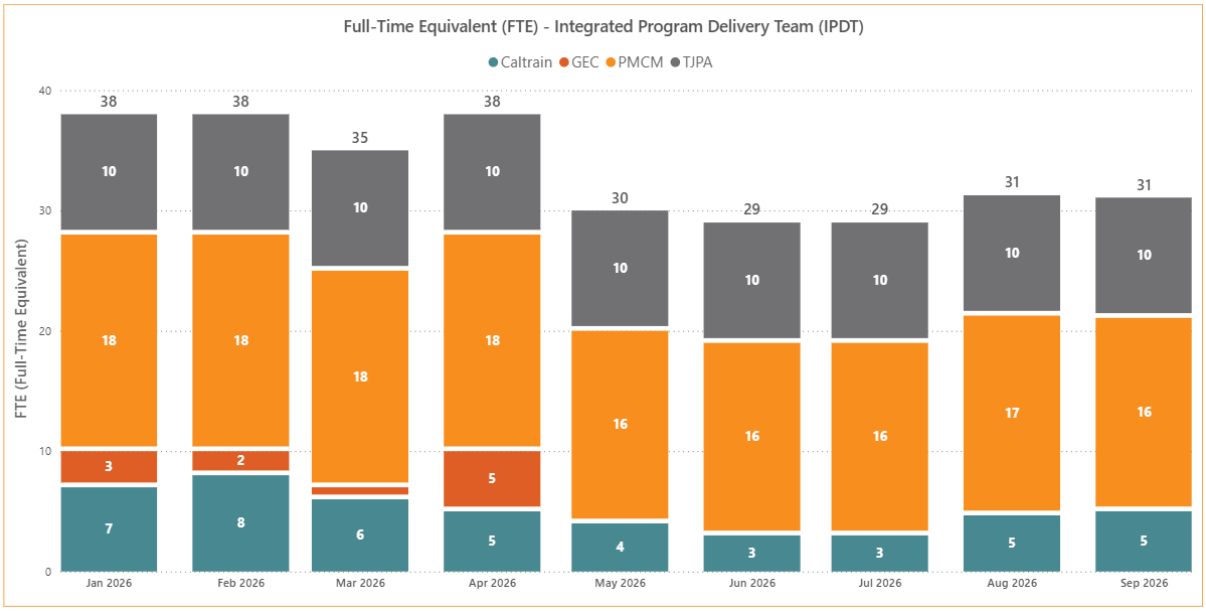



Figure 16. IPDT Staffing Levels

## Environmental

In June 2026, the third amendment to the Section 106 Memorandum of Agreement (MOA) regarding cultural resources was executed. The third amendment extends the MOA termination date from June 2026 to June 18, 2036, removes the Federal Railroad Administration as a signatory, and updates the MOA to focus on Phase 2 stipulations.

In August 2026, the TJPA concluded the environmental process related to potential impacts associated with cost containment changes (secondary mitigations) and other minor project modifications to the environmentally cleared design for The Portal.

- A second addendum to the 2018 Final Supplemental Environmental Impact Report (SEIR), in accordance with the California Environmental Quality Act, was adopted by the TJPA Board on March 12, 2026.
- A Notice of Determination was filed on March 18, 2026.
- A National Environmental Policy Act (NEPA) re-evaluation of the 2018 Final Environmental Impact Statement (SEIS) was completed, and FTA's concurrence letter was issued on August 26, 2026.

The Mitigation Monitoring and Reporting Program Q3-2026 report is scheduled for distribution on October 30.

# Communication & Legislative Affairs

The TJPA's communication and governmental relations efforts continue to focus on securing required local matching funds to begin negotiations with the FTA on the FFGA 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 2028.

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 continues to develop a right-of-way communications plan to support upcoming outreach and public engagement.

The TJPA participated in the following events this month:

- October 5: Western Conference of Operating Engineers Tour
- October 8: Presentation at Haas Climate Class
- October 12: Assembly Transportation Committee Chair Lori Wilson Tour
- October 16: Move Bay Area South Bay Event
- October 18: Sunday Streets event in the Excelsior District
- October 20: Caltrans Construction Partnering Steering Committee Tour
- October 28: National Structural Engineers Association Tour

## 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.

Staff celebrated the signing of the TJPA's sponsored bill, Assembly Bill 2308, through a press conference on October 15 with Assemblymember Matt Haney, San Francisco Mayor Daniel Lurie, the TJPA Board of Directors, partners, and community stakeholders. Development of a local implementation plan is underway.

TJPA staff is awaiting the TIRCP Cycle 8 award announcement, which was expected at the latest in October but has been updated to be announced in November.

## 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 | August 2026 |

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