



JPB Board of Directors Meeting of
September 4, 2025

Supplemental Reading File Updated

Subject

1. Receive Update on Battery Electric Multiple Unit (BEMU) Project
2. Receive Update on Electric Multiple Unit Option Cars (EMU Option 1 & 2)
3. Joint Letter re: Recommended Framework for State Loan to Bay Area Transit Agencies
4. Joint Letter re: \$750 million loan for Muni, BART, Caltrain, and AC Transit
5. Joint Letter re: Cap-and-Invest Reauthorization Priorities
6. **Transit Transformation Task Force Members**

Informational Item heard by JPB Finance Committee – August 25, 2025

Subject

1. Receive Quarterly Real Estate and Transit-Oriented Development (TOD) Update

JPB Finance Committee Supplemental Reading File – August 25, 2025

Subject

1. Receive Quarterly Fuel Hedge Report Quarter 4 Fiscal Year 2025

**Informational Item heard by JPB Technology, Operations, Planning, and Safety (TOPS)
Committee – August 27, 2025**

Subject

1. Receive Update on Guadalupe River Bridge Project

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Sherry Bullock, Interim Chief, Design and Construction, and CalMod Program Director

For: September 2025 Board of Directors Meeting

Subject: **Receive Update on Battery Electric Multiple Unit (BEMU) Project – July 2025**

Finance Committee Recommendation

Technology, Operations, Planning, and Safety Committee Recommendation

Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

This report includes an informational update that requires no action by the Board of Directors (“Board”) of the Peninsula Corridor Joint Powers Board (“JPB” or “Caltrain”).

Staff will provide monthly updates covering Battery Electric Multiple Unit (BEMU)-related activities during the reporting month and a preview of activities anticipated to take place during the current month.

Discussion

The battery electric multiple unit pilot project (BEMU Pilot) is a research and development project with the end goal of producing a BEMU qualified to run on the general railroad system, and on Caltrain’s right-of-way including the Gilroy Extension specifically under battery power.

The BEMU is a change order option train ordered from Caltrain’s EMU contract and is a shorter version of a fully capable EMU paired to a battery cab car designed to run in daily round-trip service from Gilroy to San Jose. The BEMU has four cars, three of which accommodate passengers with a total of 280 seats. The BEMU will be charged under the overhead catenary system (OCS) either stationary or in service, travel to Gilroy and have its charge “topped off” during overnight layover in Gilroy at the standard 480V train plug before returning north.

Stadler is responsible for design, procurement, manufacturing, installation, testing and commissioning of the BEMU. The BEMU will be equipped with Positive Train Control and qualified on both the non-electrified portion of Caltrain service on Union Pacific Railroad territory as well as the Caltrain Right-of-way electrified portion. BEMU PTC will require detailed documentation and approval by the Federal Railroad Administration.

MONTHLY UPDATE

- 1. Project Schedule – Battery Electric Multiple Unit (BEMU) project baseline schedule was established on April 22, 2024. The following are the status of major Milestones as of July 31, 2025:**

<u>Key Project Activity</u>	<u>NTP + months estimated in Change Order</u>	<u>Planned Completion (Baseline)</u>	<u>Progress as of 07/31/2025</u>	<u>Progress On Track?</u>	<u>Notes</u>
Stadler Notice to Proceed	0	08/25/23	Completed	Completed	
Approval of Master Program schedule	3	04/22/24	Completed	Completed	
Conceptual Design Review (CDR)	12	04/18/25	Completed	Completed	
Preliminary Design Review (PDR)	16	08/15/25	In Planning	Delayed to 12/2025 Completion	Delay due to carbody redesign
Final Design Review (FDR)	20	12/12/25	In Planning	Delayed to 6/2026	Delay due to carbody redesign
Battery First Article Inspection	30	04/10/26	In Planning	Delayed to 6/2026	Delay due to carbody redesign
Completed Carshells	40	05/01/26	In Planning	Delayed (date TBD)	Delay due to carbody redesign
Authorization to Ship to Transportation Test Center	45	06/25/27	In Planning	On Track	
Completion of Testing at TTC	50	12/10/27	In Planning	On Track	
Conditional Acceptance – BEMU Ready for Revenue Service	55	10/23/28	In Planning	On Track	
Final Acceptance	60	11/20/28	In Planning	On Track	

2. Cost – Spend vs Budget with Actuals and Accruals through July 31, 2025

Project 100782 BEMU - Budget and Cost (As of July 31, 2025)

	(A)	(B)	(C)	(D)		(E)	(F) = (C - E)	(G) = (D / E)
Project Cost Analysis	Original Budget (US\$MM)	Approved Changes (Contractor) (US\$MM)	Project Current Budget (US\$MM)	Expended and Accruals To-Date (US\$MM)	To-Go (US\$MM)	Estimated at Completion (EAC) (US\$MM)	Variance at Completion (US\$MM)	% Expended of EAC
Contractor - STADLER	\$ 60.98	\$ 0.56	\$ 61.54	\$ 18.24	\$ 43.30	\$ 61.54	\$ -	29.64%
Other Contracts	\$ 1.31		\$ 1.31	\$ -	\$ 1.31	\$ 1.31	\$ -	0.00%
Program Mngt. & Admin Costs	\$ 9.64		\$ 9.64	\$ 0.24	\$ 9.28	\$ 9.52	\$ 0.12	2.54%
Project Contingency	\$ 7.47	\$ (0.56)	\$ 6.91		\$ 6.83	\$ 6.83	\$ 0.08	0.00%
ICAP	\$ 0.60		\$ 0.60	\$ 0.01	\$ 0.79	\$ 0.80	\$ (0.20)	1.02%
Total BEMU Project	\$ 80.00	\$ -	\$ 80.00	\$ 18.49	\$ 61.51	\$ 80.00	\$ 0.00	23.11%

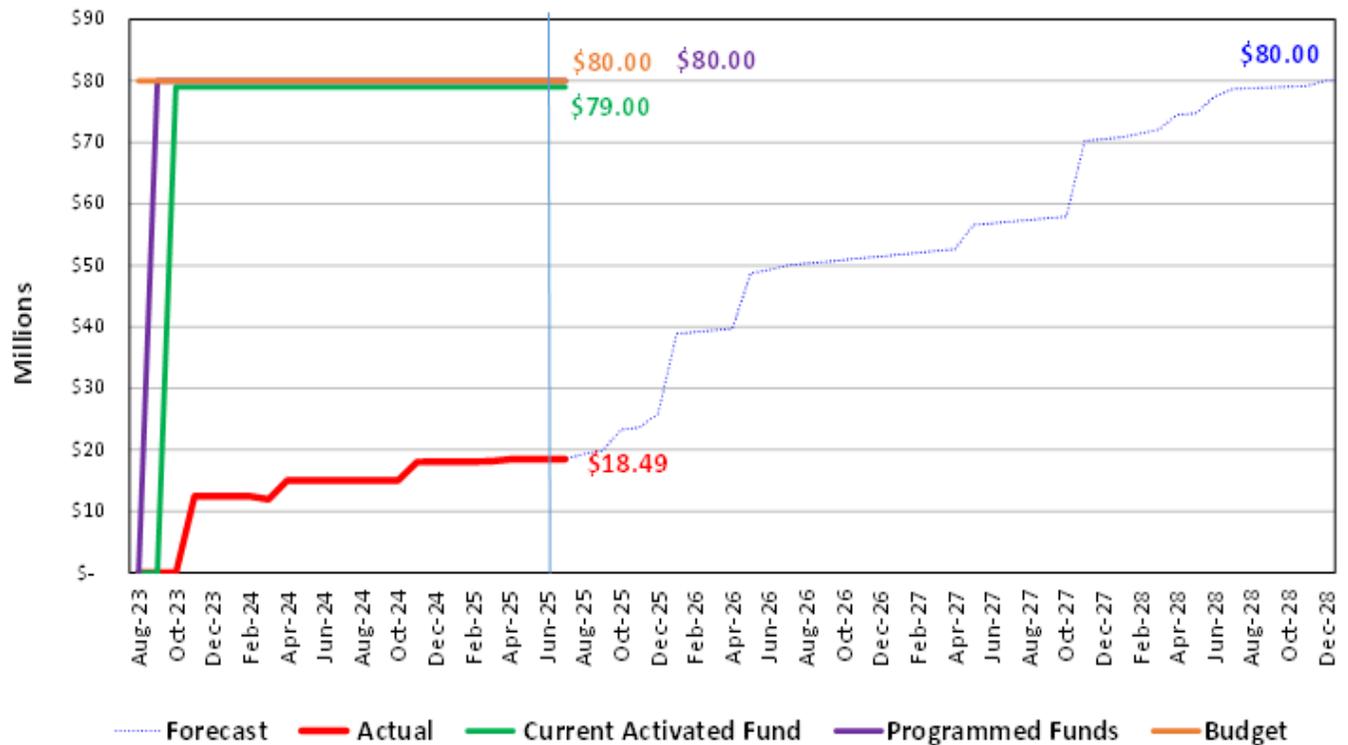
Note:

- 1). Expended and Accruals To-Date is through July 31, 2025;
- 2). Program Mngt. & Admin Costs includes JPB project oversight costs, TASI support and Other Direct Costs for BEMU trainset;
- 3). Other Contracts includes \$1M for Wayside Upgrades;

3. Cost Curve:

JULY 2025

BEMU | Expenditure - Planned vs. Actual



4. Major Activities for July 2025:

- Held monthly progress meeting.
- Held on-going technical coordination meetings (biweekly).
- Held on-going safety coordination meetings (biweekly).
- Reviewed the Configuration Management Plan, the weight estimate, the cab camera crash-hardened memory proposal, and the monthly progress report and schedule.

5. Upcoming Key Activities:

- Continue Conceptual Design Review (CDR) items resolution as part of design process.
- Review Preliminary Design Review packages as submitted.
- Continue reviewing safety submittals (and other submittals as needed).
- Prepare for September FRA meeting

6. Change Management:

- In August 2023, the JPB approved a change order for not to exceed \$60,976,504 to Stadler US Inc., contract No. 14-PCJPB-P-056 for an option of one four-car Battery Electric Multiple Unit (BEMU) trainset.
- A change order (CCO #57) was fully executed for BEMU convenience outlets, which were not included in the BEMU train order. The change order amount is \$40,019.18. This change will be covered by the contingency and there is no change to the project budget.
- A change order (CCO #60) in the amount of \$520,500 to increase the traction battery capacity from the baseline 1.9 MWh requirement to 2.3 MWh was fully executed. This change will be covered by the contingency and there is no change to the project budget.
- PTC radio licenses and PTC control messaging licenses - in amount of \$65,000 for 2 licenses.

7. Risk Management:

The following are top risks for implementation of Battery Electric Multiple Unit (BEMU) project:

Risk Descriptions	Mitigation Actions
1. Redesign of the battery car body will cause schedule delays	Review schedule with Stadler and find ways to pull the schedule back in
2. Potential supply chain issue down the road	Tracking procurement lead time and monitoring closely

8. FRA Coordination Status:

- FRA issued a letter to the industry regarding alternative fuel vehicles. That letter is under review as to its applicability to the BEMU project.
- The project team reached out to the FRA and began establishing points of contact for BEMU design review. A kickoff meeting has been scheduled for September.

Budget Impact

There is no impact on the budget. The Project Contingency will be used for PTC Radio License costs.

Prepared By: Sherry Bullock	Interim Chief, Design and Construction, and CalMod Program Director	08/27/2025
Greg Cameron	BEMU Commercial Project Manager	08/01/2025

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Sherry Bullock, Interim Chief, Design and Construction, and CalMod Program Director

For: September 2025 Board of Directors Meeting

Subject: **Receive Update on Electric Multiple Unit Option Cars (EMU Option 1 and 2) Projects – July 2025**



Finance Committee
Recommendation



Technology, Operations, Planning,
and Safety Committee
Recommendation



Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

This report includes an informational update that requires no action by the Board of Directors (“Board”) of the Peninsula Corridor Joint Powers Board (“JPB” or “Caltrain”).

Staff will provide monthly updates covering Electric Multiple Unit Option Cars (EMU Option 1 and 2)-related activities during the reporting month and a preview of activities anticipated to take place during the current month.

Discussion

In 2016, Caltrain executed a contract with Stadler USA, Inc., to procure Electric Multiple Unit trains to serve Caltrain passengers upon completion of the Peninsula Corridor Electrification Project (PCEP), which will electrify the corridor from San Francisco to San Jose. The Stadler contract included two option periods. The option offers Caltrain the opportunity to purchase additional EMU trainsets at a substantially lower cost than would be available if Caltrain were to undertake a new procurement. In addition to costs savings, the option allows Caltrain to move closer to the goal of a zero-emission corridor while improving service and reliability for Caltrain passengers.

- The EMU Option 1 is a change order option train ordered from Caltrain’s EMU contract that adds 37 Option cars to the contract. This comprises of (a): 16 additional cars to be inserted into the Base contract 16, 6-car trainsets to provide fully integrated and tested 7-car trainsets and (b): 3 additional 7-car trainsets. In December 2018, the JPB approved change order for not to exceed \$172,800,047 to Stadler US Inc., contract No. 14-PCJPB-P-056 for an option that adds 37 Option cars to the contract.

- The EMU Option 2 is a change order option train ordered from Caltrain's EMU contract that adds 28 Option cars to the contract. In August 2023, the JPB approved change order for not to exceed \$183,217,581 to Stadler US Inc., contract No. 14-PCJPB-P-056 for an option that adds 28 Option cars to the contract. This comprises of four 7-car trainsets.

Stadler is responsible for design, procurement, manufacturing, installation, testing and commissioning of the EMU Option cars as well as mock-ups, spare parts, special tools, test equipment, manuals, training, and related parts and services. Purchasing additional Option Cars will support the Caltrain Business Plan, reduce diesel trips on the JPB's corridor, and enhance seating capacity on the JPB's commuter rail service, all in furtherance of helping the State achieve transportation, safety and climate goals.

Caltrain has commenced fully electrified EMU service since September 2024, currently total of 16 seven-car EMU trainsets have been final accepted and in service. This monthly report will provide status of trainsets 17 through 19 as the remaining Option 1 scope and trainsets 20 through 23 as the remaining Option 2 scope.

MONTHLY UPDATE

1. Project Schedule – Major Milestones for EMU Option 1 project as of July 31, 2025:

<u>Key Project Activity</u>	<u>Planned Completion (Baseline)</u>	<u>Progress as of 07/31/2025</u>	<u>Progress On Track?</u>	<u>Notes</u>
Return of the Executed Change Order	12/22/18	Completed	Completed	
Approval of Master Program schedule		Completed	Completed	
Submission of Major Systems Purchase Orders		Completed	Completed	
Completion of Carbody – Trainsets 1 thru’ 19	11/20/22	Completed	Completed	
Authorization to Ship from Contractor’s Facility - Trainsets 1 thru’ 17	08/20/24	Completed	Completed	
Authorization to Ship from Contractor’s Facility - Trainset 18	04/23/25	Completed	Completed	
Authorization to Ship from Contractor’s Facility - Trainset 19	06/22/25	09/06/25	Delayed	Delay is acceptable to accommodate OCS Monitoring System Change Order
Notice of Conditional Acceptance - Trainsets 1 thru’ 17	01/07/25	Completed	Completed	
Notice of Conditional Acceptance – Trainset 18	05/23/25	Completed	Completed	
Notice of Conditional Acceptance – Trainset 19	07/21/25	10/15/25	Delayed	Delay is acceptable to accommodate OCS Monitoring System Change Order
Notice of Final Acceptance - Trainset 17	03/24/25	09/25/25	Delayed	Late due to open items
Notice of Final Acceptance - Trainset 18	07/04/25	In Planning	On Track	
Notice of Final Acceptance - Trainset 19	09/21/25	In Planning	On Track	Delay is acceptable to accommodate OCS Monitoring System Change Order
Final Milestone: Conditional Acceptance of 19 trainsets	07/21/25	10/15/25	On Track	Delay is acceptable to accommodate OCS Monitoring System Change Order

2. Project Schedule – Major Milestones for EMU Option 2 project as of July 31, 2025:

<u>Key Project Activity</u>	<u>Planned Completion (Baseline)</u>	<u>Progress as of 07/31/2025</u>	<u>Progress On Track?</u>	<u>Notes</u>
Return of the Executed Change Order	08/14/23	Completed	Completed	
Approval of Master Program Schedule	11/08/23	Completed	Completed	
Submission of Major Systems Purchase Orders	05/09/24	Completed	Completed	
Completion of EMU Carshells – Trainset 20	05/15/25	Completed	Completed	
Completion of EMU Carshells – Trainset 21	7/16/25	08/12/25	Delayed	Delay due to Force Majeure (flooding at

<u>Key Project Activity</u>	<u>Planned Completion (Baseline)</u>	<u>Progress as of 07/31/2025</u>	<u>Progress On Track?</u>	<u>Notes</u>
				aluminum extrusion factory)
Completion of EMU Carshells – Trainset 22	09/12/25	10/7/25	Delayed	Delay due to Force Majeure (flooding at aluminum extrusion factory)
Completion of EMU Carshells – Trainset 23	11/30/25	In Planning	On Track	
Authorization to Ship from Contractor’s Facility - Trainset 20	06/15/26	In Planning	On Track	
Authorization to Ship from Contractor’s Facility - Trainset 21	09/06/26	In Planning	On Track	
Authorization to Ship from Contractor’s Facility - Trainset 22	12/24/26	In Planning	On Track	
Authorization to Ship from Contractor’s Facility - Trainset 23	04/15/27	In Planning	On Track	
Notice of Conditional Acceptance - Trainset 20	07/15/26	In Planning	On Track	
Notice of Conditional Acceptance - Trainset 21	10/24/26	In Planning	On Track	
Notice of Conditional Acceptance - Trainset 22	01/20/27	In Planning	On Track	
Notice of Conditional Acceptance - Trainset 23	05/12/27	In Planning	On Track	
Notice of Final Acceptance - Trainset 20	08/20/26	In Planning	On Track	
Notice of Final Acceptance - Trainset 21	11/22/26	In Planning	On Track	
Notice of Final Acceptance - Trainset 22	02/11/27	In Planning	On Track	
Notice of Final Acceptance - Trainset 23	06/12/27	In Planning	On Track	

3. Cost – Spend vs Budget with Actuals and Accruals through July 31, 2025

Project 100400 EMU Option Car 1 - Budget and Cost (As of July 31, 2025)

	(A)	(B)	(C)	(D)	(E) = (G) - (D)	(F)	(G) = (C) - (F)	(H) = (D) / (F)
Project Cost Analysis	Original Budget (US\$MM)	Approved Changes (Contractor) (US\$MM)	Project Current Budget (US\$MM)	Expended and Accruals To-Date (US\$MM)	To-Go (US\$MM)	Estimated at Completion (EAC) (US\$MM)	Variance at Completion (US\$MM)	% Expended of EAC
Contractor - STADLER	\$ 172.80	\$ 6.25	\$ 179.05	\$ 143.01	\$ 36.04	\$ 179.05	\$ 0.00	79.87%
Program Mngt. & Admin Costs	\$ 2.00		\$ 2.00	\$ 0.80	\$ 0.78	\$ 1.58	\$ 0.42	50.82%
Project Contingency	\$ 7.84	\$ (6.66)	\$ 1.18		\$ 1.60	\$ 1.60	\$ (0.42)	0.00%
ICAP	\$ -	\$ 0.41	\$ 0.41	\$ 0.37	\$ 0.04	\$ 0.41	\$ -	89.99%
Potential Changes			\$ -		\$ -	\$ -	\$ -	
Total EMU Option Car 1 Project	\$ 182.64	\$ (0.00)	\$ 182.64	\$ 144.18	\$ 38.46	\$ 182.64	\$ (0.00)	78.94%

Note:

- 1). Expended and Accruals To-Date is through July 31, 2025;
- 2). Program Mngt. & Admin Costs includes JPB project oversight costs, TASI support and Other Direct Costs for EMU Option Car 1 trainsets;

Project 100778 - EMU Option 2 - Budget and Cost (As of July 31, 2025)

	(A)	(B)	(C)	(D)	(E) = (F) - (D)	(F)	(G) = (C) - (F)	(G) = (D) / (F)
Project Cost Analysis	Original Budget (US\$MM)	Approved Changes (Contractor) (US\$MM)	Project Current Budget (US\$MM)	Expended and Accruals To-Date (US\$MM)	To-Go (US\$MM)	Estimated at Completion (EAC) (US\$MM)	Variance at Completion (US\$MM)	% Expended of EAC
Contractor - STADLER	\$ 183.22	\$ -	\$ 183.22	\$ 66.59	\$ 116.63	\$ 183.22	\$ -	36.35%
Program Mngt. & Admin Costs	\$ 9.67		\$ 9.67	\$ 2.75	\$ 6.92	\$ 9.67	\$ 0.00	28.46%
Project Contingency	\$ 26.43		\$ 26.43		\$ 26.43	\$ 26.43	\$ (0.00)	0.00%
ICAP	\$ 0.68		\$ 0.68	\$ 0.15	\$ 0.53	\$ 0.68	\$ 0.00	21.83%
Potential Changes			\$ -		\$ -	\$ -	\$ -	
Total EMU Option Car 2 Project	\$ 220.00	\$ -	\$ 220.00	\$ 69.49	\$ 150.51	\$ 220.00	\$ 0.00	31.59%

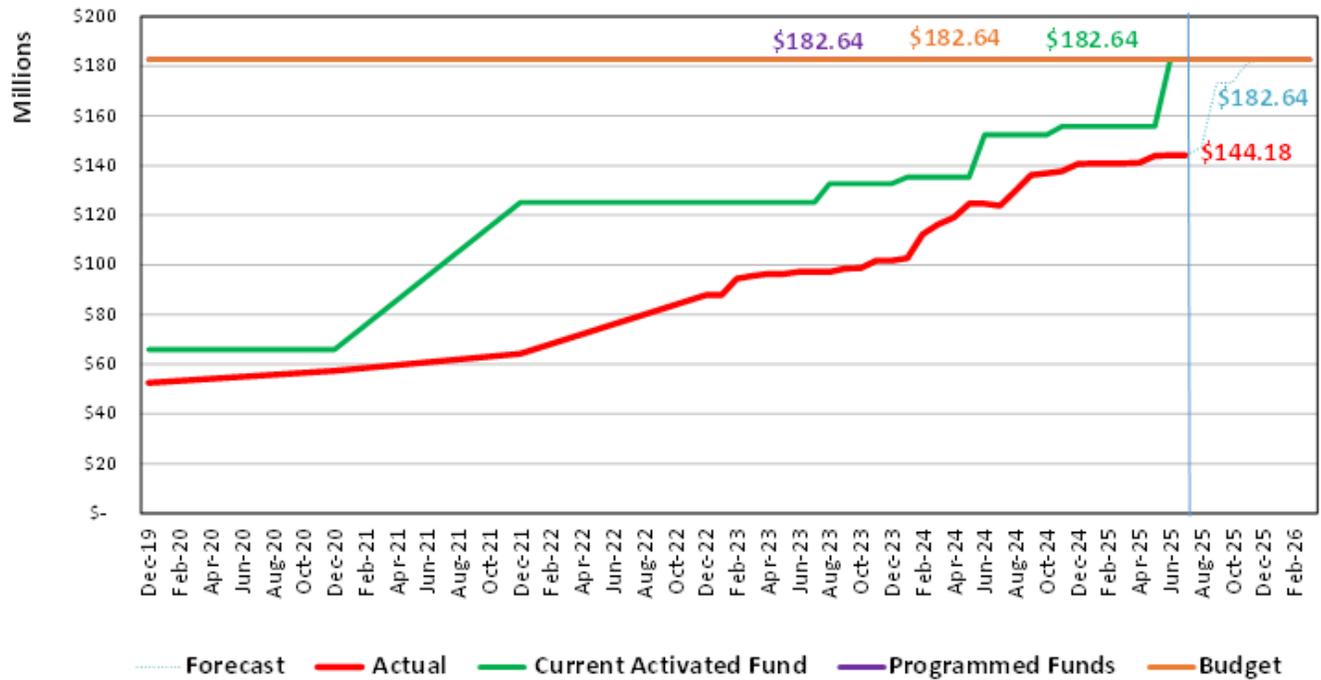
Note:

- 1). Expended and Accruals To-Date is through July 31, 2025;
- 2). Program Mngt. & Admin Costs includes JPB project oversight costs, TASI support and Other Direct Costs for EMU Option Car 2 trainsets;

4. Cost Curve:

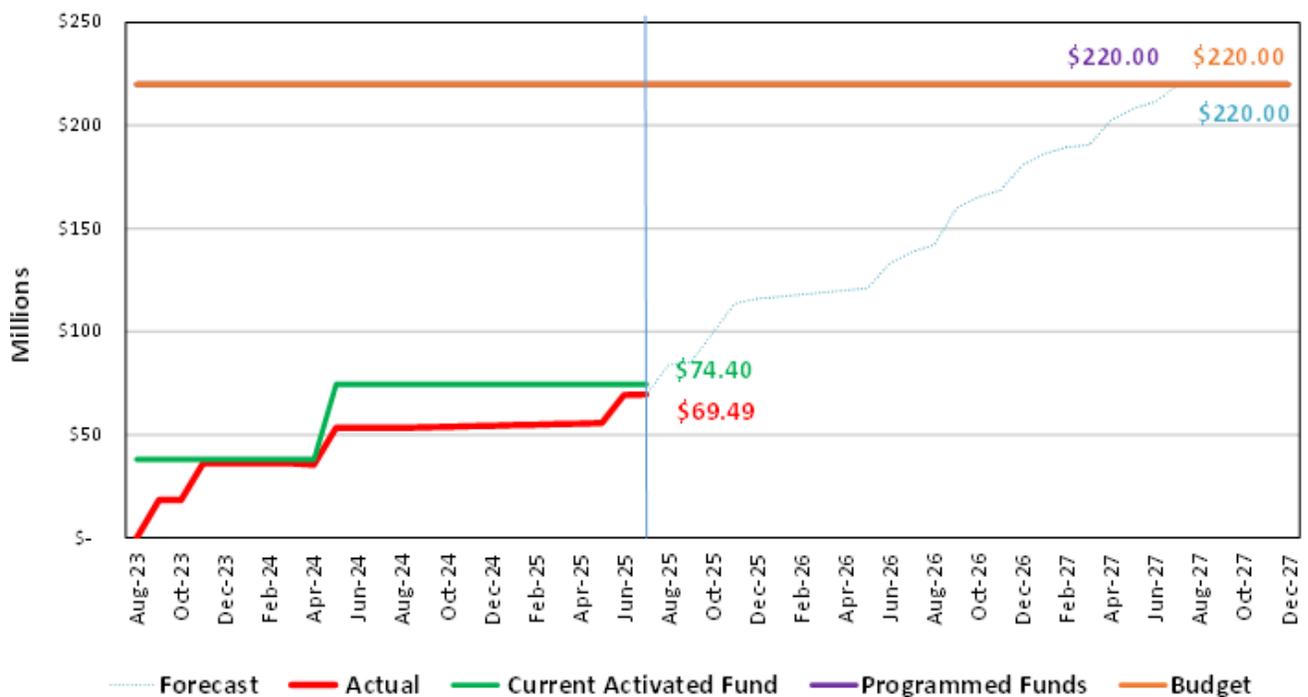
JULY 2025

EMU Option Cars 1 | Expenditure - Planned vs. Actual



JULY 2025

EMU Option Cars 2 | Expenditure - Planned vs. Actual



5. Major Activities for July 2025:

- Final assembly completed for TS 19
- Final inspection completed for TS 19
- Carshell production continued for TS 21
- ADA ramp testing completed
- Automatic passenger counting system accuracy test completed and passed

6. Upcoming Key Activities:

- Complete buybacks and re-inspection of TS 19
- Install OCS inspection system (aka CATVue) on TS 19
- Continuing production of TS 21 carshells; begin production of TS 22 carshells
- Close open items related to automatic passenger count system (test report), passenger information systems and ADA ramps

7. Change Management:

- A total of \$6.25M in change orders have been issued under EMU Option 1 project.
 - Performance Bond - \$920K
 - CCO 022 - Add Flip up seats into bike cars - \$1.96M
 - CCO 026 - Update Virtual Reality Experience - \$43K
 - CCO 040 - Special Tools - \$110K
 - CCO 042 - Project Time Extension Milestone 1 - \$2.67M
 - CCO 044 - Passenger Convenience Outlet Current Limit - \$239K
 - CCO 049 - Pre-Revenue Services - SRS EMU Maintenance - \$201K
 - CCO 054 - Bridge Plate Changes - Trainsets 1 through 19 - \$99K
 - CCO 056 - OCS Monitoring System - \$725.7K
 - CCO 062 - DTX Special Track Evaluation – \$148K

The above changes were covered by the project contingency and there is no change to the project budget. Change Order 056 - OCS Monitoring System is funded by Rail Operations and Maintenance.

- A change notice was issued for Payment Milestone modifications for EMUs under Option 1 project. The potential change order amount is \$0. There will be no change to the project budget.
- A change notice was issued for passenger wi-fi.
- A change notice was issued for Repairs to Trainset 6. This will be funded by Rail Operations and insurance reimbursement.
- A change order (CCO #62) in the amount \$148,000 was fully executed for DTX Special Track Evaluation. This change will be covered by the Portal DTX project and there is no change to the EMU project budget.



August 14, 2025

The Honorable Scott Wiener
Chair, Senate Committee on Budget and Fiscal Review
1021 O Street, Suite 8620
Sacramento, CA 95814

The Honorable Jesse Gabriel
Chair, Assembly Committee on Budget
1021 O Street, Suite 8230
Sacramento, CA 95814

RE: Recommended Framework for State Loan to Bay Area Transit Agencies

Dear Senator Wiener and Assemblymember Gabriel:

On behalf of the undersigned San Francisco Bay Area transit operators, we thank you for including an emergency loan program in the Budget Act of 2025, as laid out in Assembly Bill (AB) 102, to address our short-term fiscal challenges. The \$750 million made available from the General Fund to our agencies will be applied to projected deficits.

These funds will stabilize transit agency budgets and allow us to continue to provide critical transit service to the Bay Area. For example, should BART not receive anticipated loan support, the District would face deep budgetary reductions that include eliminating service and closing stations.

SFMTA would be faced with difficult choices impacting Muni's nearly 500,000 daily riders. Those could include cutting about a third of Muni service, reducing frequencies by up to 50%, suspending routes, reducing late night service, and scaling back fare subsidies for seniors, people with disabilities, people with very low incomes and youth.

Caltrain, which recently launched electrified service leading to a 75% increase in riders from last June, would be forced to reduce service, hindering the goal of increasing farebox recovery and reducing voter confidence in major transit investments.

AC Transit would be forced to significantly reduce service to early pandemic levels – when lines were suspended entirely and frequencies were reduced to up to 60 minutes between buses - undermining our 75% ridership recovery.

As the Bay Area seeks voter support for transit funding, it is imperative to maintain service levels and rider-focused improvements. The outlined cuts will push more people onto already congested roadways and disproportionately harm our most vulnerable, transit-dependent riders, deepening inequities in the region. Significant reductions in Bay Area transit service could also result in increased greenhouse gas emissions, as well as negative economic impacts.

When initially discussing this loan with the Legislature and Administration, we indicated our preferred loan terms. Now, we are sharing these revisions to align with the 2025-2026 State Budget. Finalized loan terms will provide certainty in planning for our upcoming fiscal year, and we

respectfully ask that you consider inclusion of these specific loan terms in a budget trailer bill before the end of the current legislative session.

Proposed Loan Terms

1. Interest Rate: 0%
2. Method of Disbursement: Disbursement starting as soon as January 1, 2026, and no later than June 30, 2026, based on an operator request
3. Repayment Period: July 1, 2035, through June 30, 2065
4. Repayment Structure: Level annual payments based on total loan allocation used due August 1st of each year after July 1, 2035
5. Prepayment penalty: None
6. Security Requirements: None
7. Arbitrage Restrictions: None
8. Lien: To the extent that security is provided, the loan should be subordinated to any outstanding indebtedness.

The transit operators are committed to establishing an equitable distribution of the \$750 million and demonstrating an ability to repay.

While each operator has existing policies and well-established practices to ensure proper and sustainable debt management, we are requesting these specific loan terms to be able to maintain critical transit services for our customers in the face of a very uncertain economic and policy environment.

Thank you again for your support of transit in the Bay Area and statewide. Please do not hesitate to reach out if we can be of any assistance.

Sincerely,



Robert M. Powers
General Manager
San Francisco Bay Area
Rapid Transit District



Julie Kirschbaum
Director of Transportation
San Francisco Municipal
Transportation Agency



Michelle Bouchard
Executive Director
Peninsula Corridor Joint Powers Board



Salvador Llamas
General Manager
Alameda-Contra Costa Transit District

cc: San Francisco Bay Area Rapid Transit District Board of Directors
Peninsula Corridor Joint Powers Board of Directors
San Francisco Municipal Transportation Agency Board of Directors

Alameda-Contra Costa Transit District Board of Directors

The Honorable Gavin Newsom, Governor, State of California

The Honorable Mike McGuire, President pro Tempore, California State Senate

The Honorable Robert Rivas, Speaker, California State Assembly

The Honorable Laura Richardson, Chair, Senate Budget and Fiscal Review Subcommittee 5
on Corrections, Public Safety, Judiciary, Labor and Transportation

The Honorable Dave Cortese, Chair, Senate Committee on Transportation

The Honorable Steve Bennett, Chair, Assembly Budget Subcommittee 4 on Climate Crisis,
Resources, Energy and Transportation

The Honorable Lori Wilson, Chair, Assembly Committee on Transportation

Members, Bay Area State Legislative Caucus

Joe Stephenshaw, Director, California Department of Finance

Toks Omishakin, Secretary, California State Transportation Agency

Andrew Fremier, Executive Director, Metropolitan Transportation Commission



August 11, 2025

The Honorable Gavin Newsom
Governor, State of California
1021 O. Street, Ste. 9000
Sacramento, CA 95814

The Honorable Mike McGuire
President pro Tem
1021 O Street, Ste 8518
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker, California State Assembly
1021 O Street, Ste 8330
Sacramento, CA 95814

The Honorable Scott Wiener
Senate Budget Committee, Chair
1021 O Street, Suite 8630
Sacramento, CA 95814

The Honorable Jesse Gabriel
Assembly Budget Committee, Chair
1021 O Street, Suite 8230
Sacramento, CA 95814

Re: \$750 million loan for Muni, BART, Caltrain, and AC Transit

Dear Governor Newsom, Speaker Rivas, pro Tem McGuire, Chair Gabriel, and Chair Wiener,

Thank you for recommitting \$1.1 billion in relief funding for public transit in the state and authorizing a \$750 million loan, subject to the passage of Senate Bill 63, for Muni, BART, Caltrain, and AC Transit. Together, these will alleviate the financial pressures facing our transit agencies and support ridership, employee return-to-office, and economic recovery.

In parallel, the Bay Area promised to simultaneously seek more sustainable regional and local solutions. Regional leaders have been working hard to finalize SB63 (Wiener, Arreguín), enabling legislation to authorize placement of a regional tax measure for public transit on the November 2026 ballot. The bill authorized the placement of the measure on the ballot in San Francisco, Alameda, and Contra Costa counties and gave San Mateo and Santa Clara counties the option to join the measure. **We are grateful that all five counties have chosen to participate in SB63 as of last week.**

SB63 gives voters the option to place a measure on the ballot to sustain and improve transit in November 2026. If voters pass the measure, it is expected to raise approximately \$1 billion per year for 14 years. A portion will directly support BART, Muni, Caltrain, and AC Transit service and a portion will be returned to counties for other public transit purposes. The full participation of San Mateo and Santa Clara counties will help the Bay Area’s transit systems avoid going over a fiscal cliff.

Additionally, the legislation includes strong accountability requirements to identify and implement financial efficiency improvements within BART, Muni, Caltrain, and AC Transit and requires their compliance with regional network management policies and programs. Together, these accountability requirements will help ensure that transit agencies will be good stewards of public funds, take further steps to control costs and ensure financial sustainability, and will continue making customer-focused improvements that improve access and grow ridership.

In the final weeks of the legislature, we encourage the state to move swiftly to develop the terms and legislative language needed in order to issue the \$750 million loan to Muni, BART, Caltrain, and AC Transit. We encourage the state to provide the loan with favorable terms that consider both their near-term financial constraints and the necessity of a high-functioning public transit network. We respectfully request that the loan be provided interest-free and provided wholly in this fiscal year. Please permit the loan to be repaid beginning no sooner than 2035 and repaid over a 30 year term, with no prepenalty for early repayment. These favorable terms will help avoid service cuts, which would undermine a successful campaign to generate new revenue for the systems.

Thank you for generously stabilizing our public transit systems so they can remain a foundation of economic strength for the Bay Area and California as a whole.

Sincerely,

Bay Area Council

Jim Wunderman
President & CEO

San Francisco Chamber of Commerce

Rodney Fong
President & CEO

SPUR

Sean Elsbernd
President & CEO

Advance SF

Wade Rose
President

SAMCEDA

Rosanne Foust
President & CEO

Cc: Joe Stephenshaw, Director, Department of Finance
Toks Omishakin, Secretary, CalSTA



August 25, 2025

The Honorable Gavin Newsom
Governor of California
1021 O Street, Ste. 9000
Sacramento, CA 95814

The Honorable Robert Rivas
Speaker of the Assembly
1021 O Street, Ste. 8330
Sacramento, CA 95814

The Honorable Mike McGuire
Senate pro Tem
1021 O Street, Ste. 8518
Sacramento, CA 95814

The Honorable Monique Limón
Chair, Senate Climate Working Group
1021 O Street, Ste. 7610
Sacramento, CA 95814

The Honorable Jacqui Irwin
Chair, Assembly Cap & Trade Working Group
1021 O Street, Ste. 5630
Sacramento, CA 95814

RE: Cap-and-Invest Reauthorization Priorities

Dear Governor Newsom, Speaker Rivas, Senate pro Tem McGuire, Senator Limón and Assemblymember Irwin:

We jointly write to express our strong support for the reauthorization of the Cap-and-Invest program through 2045 and share our priorities for transportation and affordable housing expenditures from the Greenhouse Gas Reduction Fund (GGRF). Cap-and-Invest is one of California’s most effective tools for reducing greenhouse gas (GHG) emissions and providing critical funding for sustainable transportation and transit-oriented affordable housing. A long-term extension will provide certainty for sustained emissions reductions, stabilize the market, and secure continued investments in projects that advance the state’s climate and equity goals. In reauthorizing Cap-and-Invest, we urge the state to:

1. Honor the existing multiyear awards from continuous and discretionary programs through the end of FY 2030.

The state has committed more than \$1 billion annually through multiyear awards to public transit projects and programs through continuous appropriations of GGRF and approximately \$400 million per year through discretionary programs through FY2029-30. The five capital projects in the Bay Area that have received TIRCP funds are expected to leverage \$10 billion in federal funds and create 250,000 jobs across 40 states. In addition, discretionary programs such as the Zero Emission Transit Capital Program remain essential to avoid near-term service cuts and build support for new local and regional funding measures. We strongly urge the state to honor the

budgetary commitments made to provide \$1.1 billion in relief funding (SB125, 2023) and provide a \$750 million loan to BART, Muni, Caltrain, and AC Transit, authorized in this year's budget to help Bay Area transit systems avoid going over a fiscal cliff.

2. Maintain and expand continuous funding for public transit and affordable housing.

Preserve at least 60% continuous appropriations for transportation and transit-accessible affordable housing, including the Affordable Housing and Sustainable Communities (AHSC), Transit and Intercity Rail Capital Program (TIRCP) and Low Carbon Transit Operations Program (LCTOP) programs. These programs have enabled the Bay Area to deliver tens of thousands of new affordable homes and deliver projects that reduce emissions, improve mobility, reduce the cost of living, leverage federal funds, and support the Bay Area's \$1.4 trillion economy. Ongoing, predictable funding from the Cap-and-Invest program remains essential for the Bay Area's ability to build affordable housing and to ensure transit operators can continue supporting the state's mobility, affordability, climate and quality of life goals.

3. Fund rail projects that support, and provide connectivity to, the bookends of the completed high-speed rail system in the state's major metropolitan regions.

While California High-Speed Rail's (HSR) transformation potential hinges on having modern infrastructure and seamless connections into the population and job centers in the San Francisco Bay Area and the Los Angeles metropolitan region. Thanks to Cap-and-Trade, the Caltrain rail corridor - which will be shared by HSR - is now electrified, enabling more service and better travel times. We encourage the state to augment or set aside a portion of high-speed rail's continuous appropriation to additional bookend projects that create modern, integrated, and seamless connections with HSR in the Bay Area and Los Angeles region. Regional priorities in the Bay Area include San José's integrated Diridon Station Program (including BART facilities at Diridon Station); grade separations and safety improvements along the Caltrain Corridor (including the Broadway crossing in Burlingame); extending service to downtown San Francisco through The Portal; and project development activities to support electrification from Gilroy to San José. Advancing these projects in the Bay Area - and similar projects in Los Angeles - will ensure that the biggest cities are ready for HSR and deliver immediate value to taxpayers in the Bay Area and Southern California. See attached fact sheet highlighting the Bay Area priority bookend projects.

4. Increase the amount of flexible and predictable funding that can be spent on operations and maintenance to sustain existing public transit service.

Approximately one million trips are made on transit in the Bay Area every day. Taking public transit instead of driving reduces greenhouse gas emissions, decreases congestion - and the emissions generated from idling cars, and improves the cost of living by lowering household transportation costs. A new, dedicated source of funding for transit operations is essential to meeting the state's climate goals. As a near-term step in the right direction, the Cap-and-Invest program must recognize the significant climate benefits of serving existing riders and keeping existing riders on transit. To that end, we support updating TIRCP and LCTOP so that the programs can better support sustaining existing service.

Thank you for your continued commitment to curbing climate pollution and for ensuring that high-quality transit and affordable housing are part of the solution to our climate challenges. Thank you as well for honoring the existing multiyear awards from continuous and discretionary programs through the end of FY2030. We appreciate any further opportunities to engage the Legislature and Administration in Cap-and-Invest funding and policy discussions.

Sincerely,



Andrew B. Premier
Executive Director, MTC



Michelle Bouchard
Executive Director, Caltrain



Matt Mahan
City of San Jose, Mayor



Daniel Lurie
City/County of SF, Mayor



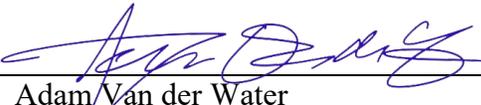
Carolyn M. Gonot
General Manager/CEO, Santa Clara VTA



Julie Kirschbaum
Director of Transportation, SFMTA



April Chan
General Manager/CEO, San Mateo
County Transportation Authority
/SamTrans



Adam Van der Water
Executive Director, Transbay Joint Powers
Authority

□

CC: The Honorable Josh Becker, Chair, Bay Area Caucus
The Honorable Buffy Wicks, Vice-Chair, Bay Area Caucus
The Honorable Toks Omishakin, Secretary, California State Transportation Agency
The Honorable Gustavo Velasquez, Director, California Department of Housing and
Community Development
Lauren Sanchez, Senior Advisor for Climate, Office of Governor Gavin Newsom
Joe Stephanshaw, Director, Department of Finance
Steven Cliff, Executive Officer, California Air Resources Board

The Opportunity:

We urge state leaders to dedicate a portion of the state's Greenhouse Gas Reduction Fund (GGRF) to Northern California high-speed rail bookend projects as part of the Cap and Invest expenditure plan.*

Delivering for California Now and Into the Future

Projects to Power High-Speed Rail (HSR) and Transform the Bay Area

California HSR will connect San Francisco to Los Angeles, transforming the way people travel up and down the State. HSR is making bold progress with construction in the Central Valley. Now is the time to extend that momentum to the largest population centers in the state. By investing in bookend projects in Northern California, HSR can leverage additional resources to deliver immediate value and clear the path for future high-speed service.



San José Diridon Station Project



Grade Separation & Crossing Safety Upgrades



San Francisco The Portal Project



Electrification: San José to Gilroy

Why This Matters

These bookend projects are win-win. They simultaneously strengthen today's regional systems and support HSR success tomorrow.

Time is of the essence. These projects take years to plan, permit, and build—delaying now jeopardizes long-term readiness.

Maximizes community benefits. From faster commutes and less traffic, to cleaner air and job creation, these projects improve lives for Californians.

Advantages of Investing in Bookend Projects

By directing funds to Northern California's bookend projects, we will:

- Deliver cleaner, safer, and faster rail today to maximally benefit Californians
- Leverage existing projects with dedicated staffing and additive construction funding
- Reduce GHG emissions and dependence on cars
- Increase connectivity and ridership
- Reduce costs as concurrently building in the Bay Area and Central Valley accelerates project delivery
- Ensure the Bay Area is ready when high-speed trains arrive

*This investment could be a set-aside or an augmentation of California's dedicated HSR funding. Alternatively, it could be a new continuous appropriation that supplements existing transportation and affordable housing continuous appropriations.



Priority Bookend Projects in the Bay Area

San José Diridon Station, Including BART Silicon Valley

The redesign and expansion of Diridon Station will increase transit capacity and service, facilitate seamless transfers, and create a safe, passenger-friendly station able to serve at least eight times as many people on a daily basis. The Station Program will accommodate seven passenger rail operators and five bus operators, including HSR as well as increased intercity and commuter rail. It will also include a direct passenger connection to BART, retail, and improve the station's integration with the surrounding area, catalyzing economic and community development. BART service will be introduced at Diridon Station by the BART Silicon Valley Phase II project and then connect seamlessly into the redesigned station. This phased approach will bring riders to the Station in the near-term and complete the regional connection to the future HSR system as the gateway to Northern California.

San Francisco The Portal and Fourth & King Railyard

The Portal, also known as the Downtown Rail Extension, will complete the multi-decade Transbay Program by extending Caltrain service from a proposed station area development at Fourth and King Street. This will bring California HSR into the multimodal Salesforce Transit Center in downtown San Francisco, a hub completed in Phase 1 of the program where 11 transit systems will connect. This investment delivers direct downtown access to an estimated 125,000 average daily riders, enabling better access to jobs, housing and economic opportunities. Adjacent to The Portal's new underground station at Fourth and Townsend street, project partners are planning for a revitalization of the existing Fourth and King Railyards site, to modernize the facility, improve transit access, and enable transit-oriented development.

Grade Separation & Corridor-Wide Crossing Safety Upgrades

Grade separations, safety enhancements, and crossing improvements at grade crossings on the Caltrain corridor are paramount to delivering on the promise of a blended HSR system. These projects have near-term benefits to communities by enhancing safety, reducing collisions, reducing noise, and allowing for more streamlined train service. To fully realize an HSR system will require the elimination or mitigation of many existing at-grade crossings across the corridor, including the Broadway crossing in Burlingame, which ranks as the most dangerous in California.

San José to Gilroy Electrification (project development)

Project development funds will seed a direct HSR connection to the newly electrified Caltrain corridor, as argued for in HSR's 2025 Project Update report. Today, the electrified Caltrain stops just south of Tamien Station in San José, where control of the corridor shifts to Union Pacific Railroad. Ultimately, the acquisition and electrification of the corridor to Gilroy will bring brings faster, more frequent, and cleaner service to underserved areas today.



A Proven Model: Caltrain Electrification

The Caltrain Electrification Project is a powerful example of a successful bookend project. Partially funded by the California High-Speed Rail Authority, electrification modernized the corridor from San Francisco to San José, advancing the state's climate, mobility, and economic goals. The new electric trains are more frequent, quieter, and cleaner, reducing greenhouse gas (GHG) emissions significantly and increasing service with the same number of trains. Ridership is surging, increasing more than 75% in less than one year with the launch of electrified service—with higher frequencies and better performance attracting new riders daily. Weekend ridership is now the highest in the system's history.

This project shows what's possible when HSR investment is leveraged to create immediate and lasting value: modern service, GHG reductions, economic growth, and strong public support.



SAN MATEO COUNTY
Transportation
Authority



San Francisco
County Transportation
Authority



TRANSIT TRANSFORMATION TASK FORCE MEMBERS

SB 125 (Chapter 54, Statutes of 2023) requires the California State Transportation Agency (CalSTA) to establish the Transit Transformation Task Force and include representatives from the department, various local agencies, academic institutions, nongovernmental organizations, and other stakeholders.

Kome Ajise

Executive Director, Southern California Association of Governments Metropolitan Transportation Organization

Rashidi Barnes

Chief Executive Officer, Eastern Contra Costa Transit Authority Small Urban Transit Operator, Bus-only Service

Alix Bockelman

Chief Deputy Executive Director, Metropolitan Transportation Commission Metropolitan Transportation Organization

Sharon Cooney

Chief Executive Officer, San Diego Metropolitan Transit System (MTS) Large Urban Transit Operator, Multimodal Service

Chad Edison

Chief Deputy Secretary for Rail and Transit, CalSTA

Ian Griffiths

Other Stakeholder with Subject Matter Expertise in Transportation

Amy Hance

Deputy Director General Services, City of Clovis
Local Government & Small Urban Transit Operator, Bus-only Service

James Lindsay

International Vice President, Amalgamated Transit Union Labor Organization

Eli Lipmen

Executive Director, Move LA Transportation Advocacy Organization

Juan Matute

Deputy Director, UCLA Institute of Transportation Studies Academic Institution

Kate Miller

Executive Director (Retired), Napa Valley Transportation Authority/Vine Transit
Small Urban & Rural Transit Operator, Bus-only Service

Lorelle Moe-Luna

Multimodal Services Director, Riverside County Transportation Commission
Regional Transportation Planning Organization

Seamus Murphy

Executive Director, SF Bay Water Emergency Transportation Authority Urban
Transit Operator, Ferry-only Service

Laurel Paget-Seekins

Senior Policy Advocate for Transportation Justice, Public Advocates Other
Transportation Stakeholder

Michael Pimentel

Executive Director, California Transit Association Transportation Advocacy
Organization

Robert Powers

General Manager, San Francisco Bay Area Rapid Transit District (BART) Large
Urban Transit Operator, Rail-only Service

Carl Sedoryk

CEO, Monterey-Salinas Transit District
Small Urban & Rural Transit Operator, Bus-only Service

David Sforza

Principal Consultant, Assembly Transportation Committee

Marlon Flournoy

Deputy Director of Planning and Modal Programs, Caltrans

Laura Tolkoff

Transportation Policy Director & Interim Chief Policy Officer, SPUR Transportation
Advocacy Organization

Michael Turner

Executive Officer - Government Relations, Los Angeles County Metropolitan
Transportation Authority
Large Urban Transit Operator, Multimodal Service

Kari Watkins

Associate Professor, University of California at Davis Academic Institution

Mark Watts

Advocate, Transportation CA Transportation Advocacy Organization

Melissa White

Principal Consultant, Senate Transportation Committee

Jim Wunderman

President and CEO, Bay Area Council Other Transportation Stakeholder

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Dahlia Chazan, Chief, Caltrain Planning and Real Estate

For: September 2025 Board of Directors Meeting

Subject: **Receive Quarterly Real Estate and Transit-Oriented Development (TOD) Update**

Finance Committee Recommendation

Technology, Operations, Planning, and Safety Committee Recommendation

Advocacy and Major Projects Committee Recommendation

Purpose and Recommended Action

This report provides an overview of Caltrain real estate and the first in a series of quarterly updates about Caltrain leases, transit-oriented development (TOD), and other efforts. This report is provided for informational purposes only.

Discussion

Real Estate Overview

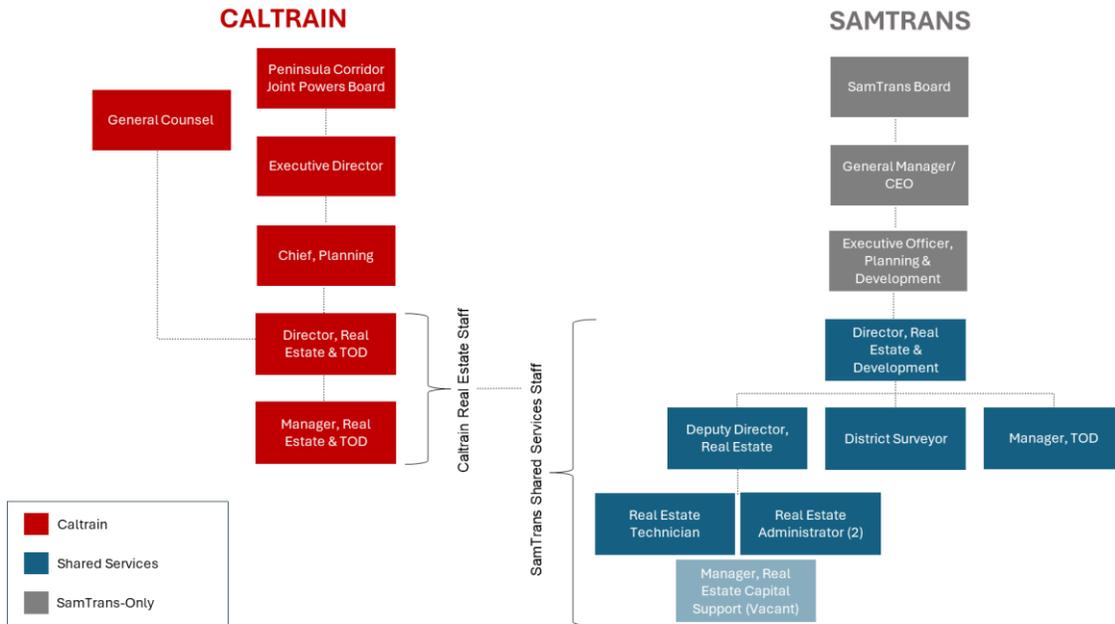
In 2022, Caltrain completed governance reforms that granted greater autonomy for Caltrain, including direct oversight of its real estate functions. Caltrain continues to receive day-to-day real estate support from San Mateo County Transit District (SamTrans) Real Estate, while Caltrain Real Estate now directs the agency’s overall real estate strategy. Together, these two groups comprise the Caltrain Real Estate Team as shown on the organizational chart on the following page. Caltrain real estate staff (Director and Manager positions) spend 100 percent of their time on Caltrain real estate. SamTrans shared services staff time are split between Caltrain, SamTrans and the San Mateo County Transit Authority (TA).

Caltrain Real Estate’s work is organized around six core functions, described below.

- **Asset Management and Agreements:** Manage Caltrain’s portfolio of properties, ensuring alignment with agency goals and policies. This includes responsibility for property leases as well as issuance of permits and licenses.
- **Transit Oriented Development (TOD):** Advance TOD projects on Caltrain property and in coordination with adjacent property owners, in support of Caltrain’s TOD Policy.

- **Real Estate Planning and Policy:** Lead or support internal policy initiatives related to JPB real estate, provide real estate support for Caltrain planning efforts, and advocate for Caltrain’s real estate interests with external planning efforts.

Caltrain Real Estate Organizational Chart



- **Capital Projects:** Support capital projects with real estate services including appraisal, property acquisition, relocation, documentation, and compliance with legal and regulatory requirements.
- **Land Surveying Support:** Provide quality assurance for land surveying services, provide land surveying subject-matter expertise, and support the maintenance of accurate records of JPB-owned real property in support of capital projects, leasing, and planning activities.
- **Special Projects and Other:** Support a range of property-related activities across the corridor, including property-related negotiations, ownership and encroachment questions, property tax matters, and responses to internal and external property information requests.

Real Estate Updates

Property Leasing

Caltrain currently has 62 active leases generating \$97,600 monthly as of July 2025. This includes retail at San Francisco Station, use of parcels along the right of way for parking for auto dealerships, leases for areas behind buildings encroaching into the right of way (often parking), storage facilities and a farmers’ market. A Station Property Commercial Lease Strategy is in development, with expected completion by the end of September.

TOD

Caltrain currently has 5 priority TOD sites at San Francisco, Hayward Park, Redwood City, Mountain View and Diridon Stations. Staff are actively working with Caltrain’s San Francisco Railyards team to advance TOD in partnership with Prologis. The ground lease for the planned Hayward Park TOD was recently terminated because the developer was unable to advance the project due to market conditions and was not able to incur additional possessory interest tax charges. Real estate staff are currently in the process of initiating a portfolio-wide assessment of TOD market and development potential that will aid in prioritizing future TOD efforts and determining their timing, as well as inform the TOD Policy Update planned in 2026.

Planning and Policy Efforts

A variety of real estate planning and policy efforts are underway. Staff are in the process of completing a Real Estate and TOD Workplan that outlines the role of Caltrain’s Real Estate Team (including shared services staff) and sets strategic priorities for its core functions over the next three years. This will include updates to the Property Conveyance Policy and TOD Policies to streamline processes and prioritize revenue-generating efforts.

Budget Impact

There is no impact on the budget.

Prepared By:	Nadine Fogarty	Director, Caltrain Real Estate and TOD	08/15/2025
	Jenny Lin	Manager, Caltrain Real Estate and TOD	08/15/2025



JPB Finance Committee
Meeting of August 25, 2025

Supplemental Reading File

Subject

1. Receive Quarterly Fuel Hedge Report Quarter 4 Fiscal Year 2025

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Finance Committee

Through: Michelle Bouchard, Executive Director

From: Kate Jordan Steiner, Chief Financial Officer

For: September 2025 JPB Board of Directors Meeting

Subject: **Receive Quarterly Fuel Hedge Report Quarter 4 Fiscal Year 2025**

Finance Committee
Recommendation

Technology, Operations, Planning,
and Safety Committee
Recommendation

Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

Staff propose that the Board review and receive into the record the presentation providing an update on the implementation of a fuel hedging strategy for Caltrain.

Discussion

The purpose of this presentation is to provide an update on the performance of the Diesel Fuel Hedging Program (Program) established for Caltrain, and to provide a recommendation for reinstating the Program. The Program, implemented in partnership with Linwood Capital, LLC was designed to reduce expense volatility caused by fluctuations in diesel fuel prices, thereby supporting financial stability in operations.

In September 2024 Caltrain launched fully electric service between San Francisco and San Jose; however, Caltrain still provides diesel service between San Jose and Gilroy.

Following electrification of Caltrain in October 2024, diesel fuel consumption declined significantly, leading to the wind-down of the diesel fuel hedge program. By the end of the fourth quarter (Q4) of Fiscal Year 2025 (FY25), the hedge account was fully liquidated, with a final disbursement of \$4,369,988.20 issued to Caltrain. As a result, there is currently no active hedge in place.

Recommendation: Reinstate Fuel Hedge Program

Caltrain continues to consume an average of 32,329 gallons of diesel fuel per month¹ to support (a) revenue service between Tamien and Gilroy and various non-revenue operations in the yard. While the fuel hedge program is currently dormant, a cost-benefit analysis and sensitivity analysis provide a useful framework to evaluate whether a hedge should resume,

¹ Based on actual delivery data from October 2024 to June 2025

particularly given the ongoing diesel use for limited operations and the potential exposure to unexpected price volatility due to market fluctuations.

1. Ongoing Diesel Usage Is Material Enough to Hedge

- a. Caltrain continues to consume an average of 32,329 gallons/month, primarily for service south of Tamien and yard operations. This results in an annual volume of ~387,948 gallons.
- b. Even modest fuel price increases materially affect the budget. For example, if diesel prices rise from \$3.15 to \$4.00, annual fuel costs would increase by over \$300,000—a 27 percent variance.

2. Cost-Benefit Analysis Favors Hedging

- a. Annual hedge program fees are low at \$12,600, representing approximately 1 percent of potential avoided fuel costs.
- b. Historical performance of the program has been strong: \$4.4 million in realized gains since inception in 2020, versus \$131,000 in total fees.
- c. The program reduces budget risk, improves forecasting accuracy, and protects against market volatility.

3. Market Conditions Warrant Risk Management

- a. Diesel futures show price uncertainty through 2026, with volatility influenced by global supply chains, geopolitics, and inflation expectations.
- b. A hedge would protect against upward price shocks, particularly during winter months or global energy market instability.

Overview of Diesel Fuel Hedge and Update on Hedging Electricity

Caltrain's diesel fuel hedging program, managed in partnership with Linwood Capital, LLC, was initiated in May 2020. The primary objective of this program has been to mitigate budget volatility stemming from fluctuations in diesel fuel prices, thereby enhancing financial stability and predictability for Caltrain's operations.

At present, there is no viable mechanism for Caltrain to hedge electricity costs as a retail customer. Effective hedging would require access to the wholesale energy market through long-term power purchase agreements (PPAs), which is not currently available to Caltrain. However, since retail electricity rates are already partially insulated from market volatility through utility-level PPAs and other instruments, they inherently function as a hedged cost.

Staff will continue to explore long-term strategies and opportunities to hedge electricity costs, with a note that access to the wholesale market is essential for any meaningful hedging program.

FY25 Performance

- As of June 30, 2025, the fuel hedging program had a realized a net loss of - \$45,172.78 for FY25.
- In Q1FY25 there was a loss of -\$59,748.02.
- There was no hedging activity in Q2 and Q3 of FY25. Projected fuel consumption volumes were low enough that staff determined that hedging was not warranted (estimated 6,300 gallons monthly volume at the time).
- In Q4FY25 due to the higher than anticipated actual diesel consumption, averaging 32,329 gallons per month post electrification (October 2024 to June 2025), hedging was briefly resumed in May and then discontinued shortly thereafter in June. This brief resumption of activities resulted in a realized gain of \$14,575.24.

Prospective

Following the electrification of Caltrain services in October 2024, diesel fuel consumption has significantly decreased from an average of 325,923 gallons to 32,329 gallons per month. Staff is continuously monitoring the Program's cost-effectiveness and operational need. Staff is providing a formal recommendation to reinstate with the hedge program, based on items 1, 2, and 3 above in the recommendation section.

Fuel Hedge Asset Information as of June 30, 2025:

During Q4FY25, \$4,369,988.20 was received by JPB from the hedging account. The current value of the hedging account is \$0. A \$250,000 deposit to the hedge account would give Caltrain the flexibility to enter into hedge contracts at a time when fuel prices are low and forecasts suggest potential increases. Additionally, the deposit allows Caltrain to adjust the hedge coverage percentage based on updated fuel forecasts and actual consumption.

Budget Impact

This is an informational item. There is no budget impact.

Prepared By: Adela Alicic Manager, Treasury Debt and Investments 08/13/2025

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Board of Directors

Through: Michelle Bouchard, Executive Director

From: Sherry Bullock, Interim Chief, Design and Construction, and CalMod Program Director

For: September 2025 Board of Directors Meeting

Subject: **Receive Update on Guadalupe River Bridge Project**



Finance Committee
Recommendation



Technology, Operations, Planning,
and Safety Committee
Recommendation



Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

This report includes an informational update that requires no action by the Board of Directors (“Board”) of the Peninsula Corridor Joint Powers Board (“JPB” or “Caltrain”).

Staff will provide monthly updates covering Guadalupe River Bridge Project-related activities during the reporting month and a preview of activities anticipated to take place during the current month.

Discussion

Due to unforeseen challenges that have resulted in project delays and increased expense, the Guadalupe River Bridge Replacement Project concluded project reset with a revised budget, schedule, and funding plan. In June of 2025, the JPB approved staff’s request of additional \$107,691,005 to complete the Project, bringing the total cost estimate for the project to \$171,389,598 as the revised project budget. The JPB also authorized bus bridge agreement with Santa Clara Valley Transportation Authority (VTA) in support of bridge Construction.

The Executive Oversight Committee, convened by the Executive Director Bouchard, continues to meet regularly, providing additional project oversight and making recommendations regarding Caltrain’s responses to the resource agencies, including reviewing and proactively implementing improvements to internal processes and controls for current and future projects.

Staff successfully secured all necessary permits in time to resume construction at the start of the dry season on June 15, 2025. Staff are also committed to providing monthly updates to the Technology, Operations, Planning, and Safety (TOPS) Committee through a monthly progress report. This report will ensure full transparency on key aspects of the Project, including project highlights, Hazardous Materials Management Plan (HMMP) work, project cost, schedule,

change orders, issues, and top risks. Each monthly report will be included in the JPB Board agenda packet, making it accessible to all Board members and the public.

See attached July Monthly Progress Report for detailed Monthly Update detail.

Budget Impact

There is no impact on the budget by receiving this report.

Prepared By: Sherry L Bullock Interim Chief, Design and Construction, 08/15/2025
and CalMod Program Director

Guadalupe River Bridge Replacement Project (GRBRP)



Executive Monthly Progress Report

July 31, 2025

This page is intentionally blank.

TABLE OF CONTENTS

1.0	Executive Summary.....	1-1
1.1	Introduction.....	1-1
1.2	Background and Recent Accomplishments.....	1-1
1.3	Resource Agency Permitting Status.....	1-1
1.4	Project Cost and Budget.....	1-2
1.5	Project Progress and Schedule.....	1-2
1.6	This Month's Accomplishments.....	1-3
1.7	Upcoming Work.....	1-3
1.8	Risk Management.....	1-4
2.0	Safety.....	2-1
3.0	Project Schedule.....	3-1
3.1	Introduction.....	3-1
3.2	Re-Baseline Schedule.....	3-1
3.3	Critical Path Analysis.....	3-1
4.0	Cost and Budget.....	4-1
4.1	Introduction.....	4-1
4.2	Project Budget and Cost.....	4-1
4.3	Contractor's Risk Allowance Pool.....	4-2
4.4	Contract Incentives.....	4-3
4.5	Project Cash Flow and Funding.....	4-3
4.6	Issues.....	4-3
5.0	Change Management.....	5-1
5.1	Introduction.....	5-1
5.2	Construction Change Orders / Risk Allowance Pool.....	5-1
5.3	Issues.....	5-1

1.0 EXECUTIVE SUMMARY

1.1 Introduction

Caltrain will extend and replace two bridges over the Guadalupe River in The City of San José (Santa Clara County) just north of Caltrain Tamien Station. The Project is technically and logistically complex due to the age of the existing structures, their geographical location over a river, and the need to obtain and comply with multiple permits issued by various federal, state, and regional agencies.

The Project involves the full replacement of a northbound bridge (Main Track Bridge 1 or "MT-1"), a partial replacement, including seismic improvements, of the southbound bridge (Main Track Bridge 2 or "MT-2") and modifications to the existing Guadalupe River channel. The improvements address the structural deficiencies of the MT-1 bridge and the geomorphic instability of the Guadalupe River channel in the vicinity of the MT-1 and MT-2 bridges to provide for long-term public safety and service reliability. The Project will enhance surrounding aquatic and upland habitats on the Project site, will purchase habitat credits from the Santa Clara Valley Habitat Agency and will partner with the Midpeninsula Regional Open Space District on a restoration project at Hick's Creek to satisfy mitigation requirements resulting from the environmental impact arising from the Project.

1.2 Background and Recent Accomplishments

In 2023, Caltrain completed demolition and extension of the MT2 bridge, relocation of all signaling cables from the MT1 bridge to the new MT2 bridge, relocation of all privately-owned utilities from the MT1 bridge to the new MT2 bridge and placement of the new MT2 bridge into passenger service. Due to constructability issues with the existing environmental permits, the construction work was paused in 2024 while Caltrain worked to amend the environmental permits to align with the revised approach for completing the project.

While the Construction work was paused, Caltrain issued three limited notices to proceed (LNTPs) to Walsh in February 2025. The LNTPs enabled Walsh to begin fabricating materials (e.g., rebar and casings), procure pipes for river diversion, and mobilize workers, subcontractors, and equipment in order to commence work on June 15. Caltrain completed a thorough assessment of all aspects of the program including cost, schedule, risks, and organization and completed a global settlement with the Construction Contractor. Caltrain received JPB board approval for the re-baselined project budget and schedule in June of 2025.

Upon receipt of the amended permits, Caltrain provided notice to proceed (NTP) to Walsh to resume construction in June 2025. In the month of July 2025 the installation of the river diversion system and demolition of the existing MT1 bridge were substantially completed. Remaining project work including reconstructing the MT1 bridge, installation of seismic retrofit piles for the MT2 bridge, widening the Guadalupe River channel, and implementing environmental mitigation in the form of habitat restoration and enhancements will continue through the completion date of March 2027.

1.3 Resource Agency Permitting Status

The team worked with the resource agencies and secured revised permits for the Project in time to commence construction on June 15, 2025, the beginning of the 4-month "dry" construction season, followed by limited construction activities in the "wet season"

(October 15, 2025 – June 15, 2026). The following permits were received including conditions and mitigation requirements:

- San Francisco Bay Regional Water Quality Control Board (RWQCB) revised 401 Water Quality Certification
- U.S. Army Corps of Engineers (USACE) Section 404 reverification and the existing 408 permit is sufficient for Caltrain to resume bridge construction
- The California Department of Fish and Wildlife (CDFW) 1600 Streambed Alteration Agreement.
- Santa Clara Valley Water District (SCVWD) bridge construction encroachment permits extension and amendment.

The Habitat Mitigation Management Plan (HMMP) was revised substantially due to comments from SCVWD. The Environmental Team is actively working toward finalizing the HMMP, which will satisfy both on-site and off-site mitigation requirements. The following are highlights of habitat mitigation effort:

- On site HMMP package was submitted for agency review and approval on July 18, 2025
- Upon approval of the HMMP package, JPB will seek to Amend the USACE 408 permit for on-site mitigation work.
- Obtain SCVWD HMMP Encroachment Permit #2 for approval to perform on-site habitat mitigation within the district's land.

Offsite compensatory mitigation was selected through the Santa Clara Valley Habitat Agency (Habitat Agency) and the Mid-Peninsula Open Space District (Midpen).

- Participating in Special Entity (PSE) agreement through the Habitat Agency
- Midpen Board approved the Hick's Creek Mitigation project on July 9th
 - A Cooperative Mitigation Agreement is currently being drafted between Midpen and JPB.
 - CEQA Addendum approval needed for Offsite Mitigation.
 - JPB and FTA to complete NEPA evaluation for Offsite Mitigation.

1.4 Project Cost and Budget

On June 5, 2025, the JPB board approved to amend the Guadalupe River Bridge Replacement Project Budget from \$63,698,593 to \$171,389,598. As of July 2025, the project is on budget:

- The current project total cost at completion (EAC) is the same as the Board approved budget of \$171.38 million.
- As of July 2025, the project cost is on track to complete the project.
- No drawdown occurred to the Contractors Risk Allowance and project contingency of \$7.6 million.

1.5 Project Progress and Schedule

After June 2025 NTP was issued, a nesting blue bird within the project delayed the start of water diversion work. However, the project team has been working with the Contractor on resequencing to minimize the critical path impact.

As of July 31, 2025, the overall bridge construction completion is 43% and the current project schedule is still on track with the contractors' substantial completion date of March 2027 for the Guadalupe River Bridge Replacement and Habitat Mitigation work on the Guadalupe Bridge Site. Additional work will be ongoing through 2027 for completion of an offsite habitat mitigation project at the Hick's Ranch site owned by Mid-peninsula Regional Open Space District.

1.6 This Month's Accomplishments

The project team has completed the following notable activities for the month of July 2025:

- Submitted the revised onsite HMMP package to permitting agencies for review.
- Issued several work directives and contract amendments for ongoing project needs for various environmental consultants.
- Acquired Mid-peninsula Regional Open Space District board approval for use of Hick's Ranch for an offsite mitigation project
- Issued a work directive proposal request for Hick's Creek offsite compensatory mitigation design.
- Hosted monthly and quarterly update meetings with the Environmental Permitting Agencies, including FTA.
- Worked with Caltrans to execute lease agreements for parcels included in encroachment permits.
- Acquiring Traffic Control permits and closed roads around the project and facilitate construction access.
- Resumed and completed critical construction activities of river diversion installation and MT1 bridge demo upon resolution of the nesting blue bird impacts.

1.7 Upcoming Work

For the next month, the GRBRP team has set additional goals as described below:

- Begin construction of the new MT1 bridge foundations and MT2 retrofit piles.
- Work with permitting agencies to gather feedback and work to finalize the onsite HMMP design
- Work to draft agreement with Mid-peninsula Regional Open Space District for use of Hick's Ranch for the offsite mitigation project
- Execute contract and begin preparation of a complete Mitigation and Monitoring Plan (MMP) and detailed design package for the Hicks Creek Off-Site Mitigation Project
- Host monthly update meetings with the Environmental Permitting Agencies.
- Continue to execute various work directives and contract amendments needed for completion of the project.

1.8 Risk Management

As of July 2025, the top critical items and related actions are listed below.

Table 1-1. Key Risks and Actions

Risk Descriptions	Mitigation Actions
Bird nesting impact to construction work	<ul style="list-style-type: none"> Walsh provided a recovery schedule to defers some MT2 work to 2026 dry season and maintains current substantial completion date. Bird deterrents are installed on bridge structures to prevent nesting. Walsh to perform contract required tree removals in 2025 dry season to eliminate locations for nesting birds. Biological monitors scan sites regularly to prevent development of new nests.
<p>Work needed to execute construction deviates from what is permitted:</p> <p>For example, the VW permits does not allow refueling of equipment on VW property. This poses a significant challenge to the project because of the site constraints. Some equipment is immobile and even moving the mobiles ones off of VW property for fueling leads to inefficiencies for the work.</p>	<ul style="list-style-type: none"> Worked in advance with the Construction Contractor when developing Environmental Permit applications to ensure the permitting materials accurately described planned work methods. Ongoing work with the construction contractor to review work plans and confirm alignment with permit conditions prior to work proceeding. The construction team closely coordinates with the environmental team to understand the intent of permit conditions and if needed, engage permitting agencies for clarity. Where exceptions are required, work with the contractor to come up detailed work plans and mitigations to address agency concerns. For fueling issues, worked with the contractor to find alternate locations for fueling away from VW property and developed a fueling plan for approval by JPB.
Unforeseen subsurface or structural conditions	<ul style="list-style-type: none"> Performing advanced sampling of known areas of contamination to determine limits and plan for proper disposal in advance of work. Performing investigation, to the extent feasible, of the existing MT-1 bridge structure to properly plan demolition activities in advance. Advanced potholing, when possible, to uncover potential utility conflicts.
Unpredictable Water or weather conditions	<ul style="list-style-type: none"> River Diversion and Temp Sheet pile for wet season work designs incorporate appropriate capacities to handle expected water levels. Monitoring forecast to allow time to sufficiently prepare for weather events Response plan was developed with Construction Contractor to mitigate “over-topping” of river diversion in case of weather event that will affect water levels in river.
Delays to approval of onsite HMMP	<ul style="list-style-type: none"> Worked with permitting agencies to review draft HMMP and capture edits needed in advance of permit needs. Set date of July 18th for submission to permitting agencies to allow for revisions to be addressed and sufficient time for permit issuance before the work needs to begin in the dry season of 2026. Primed permitting agencies for the anticipated submittal date and turnaround time needed. Provided draft HMMP plans to Walsh to confirm baseline schedule assumptions and to prepare for advertisement to subcontractors. To maintain schedule, draft HMMP (90% complete) will be used to advance bidding process. Any changes resulting from agency reviews will be addressed via addendum to the subcontractor.

Guadalupe River Bridge Replacement Project
Monthly Progress Report – July 2025

2.0 SAFETY

Walsh Construction provides a full-time safety manager on the project who oversees and implements the Health and Safety program for the project. Walsh’s safety manager continues to provide relevant training, host safety meetings, safety related inspections, reporting and managing responses to safety issues. This role will continue for the duration of the project.

Walsh reports the following safety activities for the month of July 2025:

Period	Man Hours	Safety Meetings	Inspections	Observations	Near Misses	Incidents
July 2025	7,494	26	12	43	3	4
Cumulative (from June 2025)	12,929	46	19	63	3	4

Caltrain staff and consultants have experienced no incidents in the month of July related to the GRBR project.

3.0 PROJECT SCHEDULE

3.1 Introduction

The JPB has approved project re-baseline schedule as part of project reset with a substantial completion date of March 03, 2027, and Final Acceptance of March 30, 2027. The offsite habitat mitigation work will carry through 2027 for completion at Hick’s Ranch site owned by Mid-peninsula Regional Open Space District.

As of July 31, 2025, the overall delay to the critical path is 0 days. The contractor re-sequenced water division work to minimize schedule impact caused by bird nesting. Bridge Construction will be completed in two dry seasons.

3.2 Re-Baseline Schedule

Guadalupe River Bridge Replacement (GRBR) project re-baseline schedule was established. The following are the status of major Milestones as of July 31, 2025.

Major Milestones	Re-Baseline Date	Forecast Date	Notes
2025 Dry Season Mobilization	06/15/2025	06/15/2025A	
Interim Milestone 1 (Completion of MT1 Steel Girder)	09/27/2025	09/27/2025	
2025-2026 Wet Season (outside of river channel) <ul style="list-style-type: none"> • MT1 Foundation and Super Structure • MT2 Pier 4 Work 	01/23/2026	01/23/2026	
2026 Dry Season—Milestone 2 (All in-channel work) <ul style="list-style-type: none"> • MT1 Deck & Finishes • MT2 Finishes 	10/15/2026	10/15/2026	
2026-2027 Wet Season-Complete Final Planting – On-Site Mitigation	02/09/2027	02/09/2027	
Substantial Completion	03/03/2027	03/03/2027	
Completion of Off-Site Mitigation	12/27/2027	12/27/2027	

Table 3-1. Re-baseline Schedule

3.3 Critical Path Analysis

The critical path in 2025 dry season goes through MT1 which includes river diversion, CIDH work and installation of steel girders. The critical path continues through the 2026 dry season and includes completing the remaining MT1 bridge work, MT2 bridge work, remaining grading and final HMMP work.

Guadalupe River Bridge Replacement Project
Monthly Progress Report – July 2025

4.0 COST AND BUDGET

4.1 Introduction

The JPB approved a revised Project budget of \$171.38 million. Table 4-1 depicts a summary level of project budget, costs, and estimate at completion based on the latest project cost update as of July 31, 2025.

4.2 Project Budget and Cost

Table 4-1. Budget Summary by Project

Description of Work	Current Budget (A) ¹	Cost This Month (B) ²	Cost To Date (C) ³	Estimate To Complete (D)	Estimate At Completion (E) = (C) + (D)	Variance at Completion (F) = (A) – (E)
Guadalupe River Bridges Replacement	\$171,389,598	\$6,365,742	\$63,174,708	\$108,214,890	\$171,389,598	\$0
GRB TOTAL	\$171,389,598	\$6,365,742	\$63,174,708	\$108,214,890	\$171,389,598	\$0

¹ Column A "Current Budget" includes re-baseline and executed change orders and awarded contracts.

² Column B "Cost This Month" represents the cost of work performed this month.

³ Column C "Cost to Date" includes actual (amount paid) and accruals (amount of work performed) to date.

Table 4-2 depicts project budget, costs, and estimate at completion summarized by major elements of work. This budget table provides additional details for the project and is broken down by major work elements for the project, minor contracts, environmental, designer, project management oversight, HMMP and other indirect support costs.

Table 4-2. Budget Summary by Major Elements

Description of Work	Re-Baseline Budget (A)	Current Budget (B)	Cost This Month (C)	Cost To Date (D)	Estimate To Complete (E)	Estimate At Completion (F) = (D) + (E)
Walsh Construction Contract	\$89,787,026	\$89,787,026	\$4,825,027	\$33,439,695	\$56,347,331	\$89,787,026
Design Services during Construction	\$2,312,930	\$2,312,930	\$13,143	\$893,265	\$1,419,665	\$2,312,930
Environmental Support (Including Compliance, Monitoring, Legal & Permit Fees)	\$14,124,097	\$14,124,097	\$252,928	\$6,824,071	\$7,300,027	\$14,124,097
Offsite Habitat Mitigation (HMMP) - Incl 100% Design	\$12,250,000	\$12,250,000	\$0	\$0	\$12,250,000	\$12,250,000
Management Oversight & Support	\$23,180,900	\$23,180,900	\$535,293	\$11,594,487	\$11,586,413	\$23,180,900
Others (TASI & Bus Bridge Support, ICAP)	\$16,834,453	\$16,834,453	\$739,352	\$5,147,246	\$11,687,207	\$16,834,453
PRIOR COSTS - Planning/Engineering & CalMod Improvements	\$5,275,945	\$5,275,945	\$0	\$5,275,945	\$0	\$5,275,945
Contingency	\$7,624,247	\$7,624,247	\$0	\$0	\$7,624,247	\$7,624,247
Grand Total	\$171,389,598	\$171,389,598	\$6,365,742	\$63,174,708	\$108,214,890	\$171,389,598

4.3 Contractor’s Risk Allowance Pool

Caltrain and Walsh continued to implement new mechanisms to support a collaborative approach to project delivery. The parties jointly completed a detailed review of project risks and mitigation strategies, acknowledging that certain risks may materialize under specific conditions. To address this, both parties agreed to establish an allowance pool to cover additional costs related to risk mitigation following the start of construction in July 2025.

As part of the global reset, a \$4 million Risk Allowance Pool was created to proactively and collaboratively manage risks with the contractor. This pool is intended to compensate the contractor for additional costs incurred if identified risks are realized. Table 4-3 summarizes the current month's drawdown from the Risk Allowance Pool, the cumulative drawdown to date, and the remaining balance by risk category.

Table 4-3. Risk Allowance Pool Status as of July 2025

Risk Allowance Pool Category	Risk Amount	Current Month	Executed to Date	Remaining Balance
Differing Site Conditions	\$390,750	\$0	\$0	\$390,750
Bird Deterrent Mitigation	\$250,000	\$0	\$0	\$250,000
Permit Requirements	\$1,000,000	\$0	\$0	\$1,000,000
Track Access Impacts	\$360,000	\$0	\$0	\$360,000
Water Management	\$250,000	\$0	\$0	\$250,000
Warehouse Storage	\$297,000	\$0	\$0	\$297,000
Isolation Casings	\$600,000	\$0	\$0	\$600,000
Phytophthora Management	\$750,000	\$0	\$0	\$750,000
Contingency	\$102,250	\$0	\$0	\$102,250
Total	\$4,000,000	\$0	\$0	\$4,000,000

In addition to the established Risk Allowance Pool with Walsh, the Re-Baseline Budget includes a project contingency of \$7.6 million to cover potential changes and unknowns not related to Walsh. As of the July 2025 Re-Baseline Budget, the total project contingency is \$7.6 million. Table 4-4 summarizes the current remaining and forecasted contingency balance as of the latest monthly update.

Table 4-4. Overall Project Contingency

	Project Contingency		
	Allocated (A)	Unallocated (B)	Subtotal C = (A+B)
Project Contingency	\$7,624,247	\$0	\$7,624,247
Drawn Contingency	\$0	\$0	\$0
Remaining Contingency	\$7,624,247	\$0	\$7,624,247
Pending Changes	\$0	\$0	\$0
Forecasted Remaining Contingency	\$7,624,247	\$0	\$7,624,247

Guadalupe River Bridge Replacement Project
Monthly Progress Report – July 2025

4.4 Contract Incentives

The Global Re-set included incentives based on Early Interim Milestone Completion. Table 4-5 provides a status of Contractor incentives Budgeted, Awarded, and remaining Balance. There is \$0 drawn from the contract incentives as of July 2025.

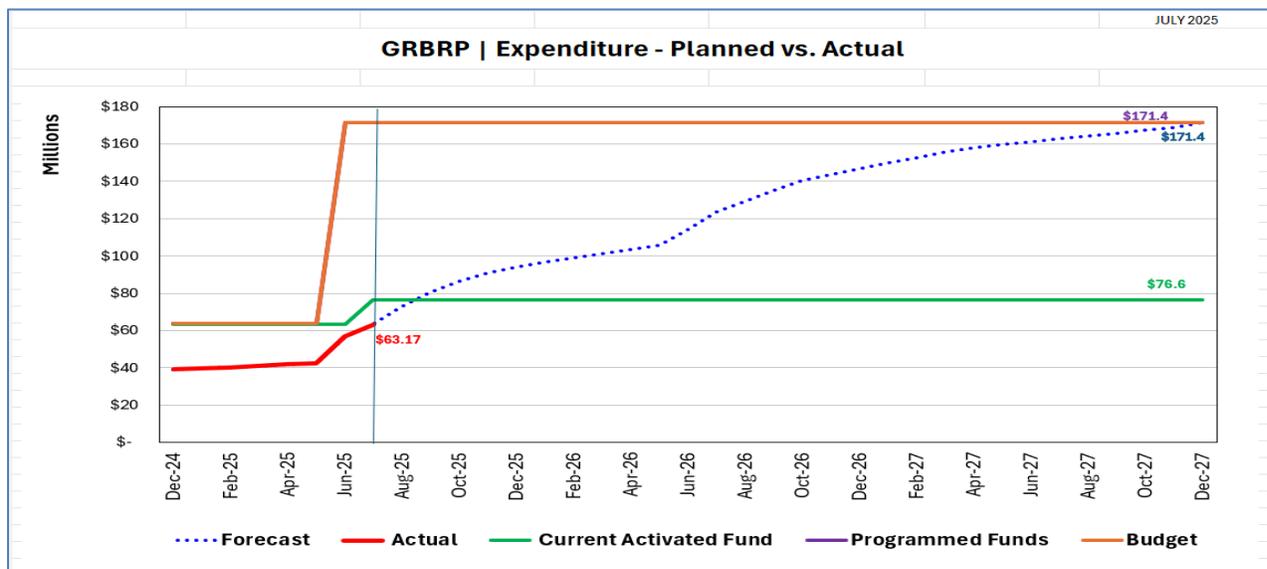
Table 4-5. Construction Contractor Incentives

Incentives	Budgeted (A)	Awarded (B)	Projected Remaining to Award (C)	Projected Balance Remaining (D)=(A)-(B)-(C)
Interim Milestone				
Install Steel Girders on MT1 Span 2	\$540,000	\$0	\$540,000	\$540,000
In-Channel Work	\$540,000	\$0	\$540,000	\$540,000
Total Contract Incentive	\$1,080,000	\$0	\$1,080,000	\$1,080,000

4.5 Project Cash Flow and Funding

The remaining project expenditures are cash flowed in Figure 4-1. With the award of full funding, the project does not expect any cash flow issues due to funding.

Figure 4.1. Expenditure – Funding Cash Flow



4.6 Issues

Table 4-7. Cost and Funding Issues Identified, and Actions Taken for July 2025

Issues	Actions
None	<ul style="list-style-type: none"> N/A

5.0 CHANGE MANAGEMENT

5.1 Introduction

The change management process establishes a formal administrative work process associated with the initiation, documentation, coordination, review, approval, and implementation of changes during the design and construction of GRB. The change management process accounts for the impacts of the changes and ensures prudent use of contingency.

5.2 Construction Change Orders / Risk Allowance Pool

5.2.1 Executed Risk Allowance/CCO Items

- CCO-30 – Global Re-set

5.2.2 Approved Risk Allowance/Change Order Items:

- None as of July 2025

5.2.3 Upcoming Risk Allowance Items or Change Orders

- Pending Risk allowance usage for
 - CIDH pile modifications
 - Removal of Fallen tree in river obstructing installation of river diversion
 - Additional generator for river diversion pumping and double handling of equipment to accommodate Valley Water fueling restrictions
 - Demo of additional unforeseen concrete at existing MT1 piers
 - Removal of unforeseen buried concrete
 - Additional pumps needed for river diversion

5.3 Issues

Table 5-1. Change Management Issues Identified, and Actions Taken for July 2025

Issues	Actions
River Diversion cofferdams have not sealed completely and are resulting in greater seepage quantities than anticipated. There is no direct impact on critical path work.	<ul style="list-style-type: none"> • Working with the contractor to develop a plan for improvements and in compliance with permits. • Use of risk allowance anticipated to compensate Walsh for work that is beyond the baseline assumptions
Valley Water added an unexpected permit condition about fueling at the very last minute before construction. No fueling on VW property was not included in previous permits.	<ul style="list-style-type: none"> • Worked with Walsh to develop fueling plans for approval by JPB for fueling non-mobile equipment within JPB ROW. • Monitoring potential impacts on productivity due to fueling restrictions related to mobile equipment and working with the contractor to mitigate where possible. • Use of risk allowance anticipated to compensate Walsh for work that is beyond baseline assumptions.