

**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 The Portal / Downtown Rail Extension (DTX) 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”).

This update covers planned modifications to the Downtown Rail Extension Project (The Portal or Project) delivery approach by combining Contracts 50-TS, Track and Systems, and 55-YB, 4th and King Yard Package B (aka 4KYB), At-grade Track and Systems.

Discussion

In November 2023, the Transbay Joint Powers Authority (TJPA) Board of Directors approved modifications to the original Portal delivery approach as described in the Project Delivery Alternatives Study (PDAS) based upon further project development and advancing risk mitigation strategies.

Specifically, the TJPA Board approved staff’s recommendation consisting of dividing the 4th and King Yard Preparation into two packages:

- a) 4th and King Yard Preparation Package A: Site Clearing (Currently designated as Contract No. 20-YA, formerly referred to as Contract No. 20-4KYA). This package provides for the relocation or removal of structures, utilities, signal/power/communications, and storage tracks, along the northern and western portions of the 4th and King Railyard.

- b) Yard Track and Systems (currently designated as No. 55-YB, formerly referred as Contract No. 21-4KYB). This package provides for modifications and additions to at-grade trackwork and associated systems to facilitate the Project's u-wall construction and connection to the Project below-grade trackwork.

The table below reflects November 2023 Approved PDAS:

Modified Contract Package	Approved PDAS Delivery Method
Civil and Tunnel - Construction of tunnel, throat, and civil structures including Fourth and Townsend station box, two ventilation structures, and certain utility temporary support and/or relocation; 4th and Townsend station fit-out and the two ventilation structures	Progressive Design- Build (PDB)
Track and Systems - Installation of track and rail systems	Construction Manager/ General Contractor (CMGC)
Station Fit-out - Mechanical, electrical, plumbing, and architectural finishes at Salesforce Transit Center	
4KY Package B (track and systems work) for the 4th and King Yard Preparation	
Advance Works - Utility relocation, building demolition, and 4KY Package A (site clearing) for the 4th and King Yard Preparation	Design-Bid-Build (DBB)

In December 2023, the JPB Board approved use of the Construction Manager General Contractor (CMGC) delivery method for the 4th and King Yard Preparation Track and Systems Package (4KY Package B). The JPB also approved Caltrain to be the delivery agency for 4KY Package B, consistent with Caltrain's practice of delivering all work within its operating right of way to minimize operating disruptions to its passengers.

Since the TJPA and Caltrain boards' approval, TJPA and Caltrain, along with the Integrated Project Management Team (IPMT), have continued to develop project design to refine the project delivery approach, optimize the passenger experience, and to identify and mitigate delivery risk.

In early 2025, The Portal Integrated Program Delivery Team (IPDT), which includes TJPA and staff supporting the Program Management Construction Management (PMCM) contract, Caltrain, and California High Speed Rail Authority, undertook a focused, risk-based evaluation of the earlier recommendations for procuring work at the 4th and King Yard and the Track and Rail Systems work for The Portal. The following questions were considered:

1. Should the 4th and King Yard Preparations, At-grade Track and Systems (55-YB) and Track and Systems (50-TS) contracts be procured separately?
2. Should construction manager/general contractor (CMGC) as the delivery model for both 55-YB and 50-TS, either separately or in combination, depending upon the recommendation for Question No. 1?

The IPDT developed a list of study-specific procurement objectives, consistent with those in the Board-adopted PDAS to guide the evaluation, shown below.

Procurement Objective	Evaluation Considerations
Safety	Provides a safe environment for workers during construction
Market Interest and Competition	Matches contractor capability to specialty and complexity of scope
	Promotes a suitable pool of capable contractors competing for the work
	Supports early work packages, such as the access roads
Schedule	Supports the delivery of the Project's overall scheduled completion date
	Provides opportunity for schedule flexibility and acceleration
Value	Supports the development of the most accurate contract price
	Optimizes the chance of a reduction in contract price
	Reduces the likelihood of variations to the contract price after contract award
Design Flexibility and Adaptability	Enables the TJPA to progressively develop scope and refine requirements
	Optimizes best practices regarding phasing and construction of the work
	Manages risk through a flexible design
Risk	Promote effective risk management
	Manages system interface risk (relocation of track and systems)

In summary, the team concluded:

1. It is critical to maintain the integrity of the Track and Systems to ensure a fully functional rail extension, whether above ground (50-TS) or underground (55-YB); and to reduce rail operations and maintenance complexity and cost by combining 55-YB and 50-TS into a single package.
2. Delivering the 55-YB and 50-TS as a single package eliminates the need to manage the risk interface between the contracts since the construction of the respective package scopes would be delivered by a single contractor. It also reduces the interface risk for the 40-CT contract package, as there would be one less interface (and contractor) for the Civil and Tunnel contractor. Additionally, it is more efficient to coordinate with a single contractor to assess and implement optimization of construction sequencing thus limiting impact to rail operations.
3. Utilizing CMGC as the delivery method provides the IPDT control over specifications and planned construction work in a “live” rail operations environment. Given that The Portal is an extension of the Caltrain system, with its newly electrified service and train control systems, the assessment concluded that IPDT management of the designer, combined with the collaborative opportunities a CMGC contracting method offers, particularly in the pre-construction phase, is the most advantageous approach for delivering this scope.

In addition to the above, TJPA and Caltrain delivery staff have recommended that TJPA serve as the delivery agency who owns the contract and funding since TJPA is the grant recipient, but Caltrain will lead the delivery of the combined Track and Systems work through the IPDT approach for The Portal.

Staff are working together to develop a future agreement to be presented to the respective boards addressing Caltrain Railyard access and associated track and systems work. Under the IPDT framework, Caltrain has assumed leadership and management roles with shared decision-making authority for delivering The Portal. This approach has several benefits:

1. Assigning the procurement of the packages to TJPA eliminates the necessity to mediate contractual disputes between the contractor and the GEC across two agencies (TJPA and Caltrain).
2. The requirement to work with Caltrain as a third-party having jurisdiction, a potentially arduous process required additional time and increased administrative burden is avoided.
3. Authority and responsibility for Project delivery and operator requirements remain clear and consistent, permitting greater accountability than a disaggregated delivery structure.

4. The Portal benefits from Caltrain's delivery and technical experts, who bring deep knowledge of operational requirements and recent experience from delivering Electrification.

Next Steps:

Staff will continue to work with TJPA to advance the following modifications to the Project delivery approach:

1. Combine the 50-TS Track and Systems and 55-YB 4th and King Yard At-grade Track and Systems contracts into a single 50-TS Track and Systems contract which will include the scope of both contracts.
2. Request that the TJPA ratify the use of a CMGC procurement method for the 50-TS Track and Systems Contract
3. TJPA will be the delivery agency for the 50-TS and will enter the contract for this work, and Caltrain will lead the delivery of the combined above ground and underground Track and System Package with decision-making authority through the IPDT.

Budget Impact

There is no impact to the budget by receiving this informational update.

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