

# ***Receive Update on and Discuss Diridon Construction Authority Proposal***

**JPB AMP Committee  
January 28, 2026**



# Purpose

- Update on Diridon Program Construction Authority Concept and efforts to date
- Upcoming due diligence in coordination with Diridon Steering Committee



# Context

# Program Timeline

## 2019-2025

- Planning Vision
- Station Alternatives Development and Community Engagement
- Alternative (~10% Design) and Diridon Program Approved
- **Construction Authority Concept Support**

## 2025-2028/29

- Operator coordination
- EIS/EIR
- **Establish Construction Authority**

TBD Final Design and Delivery TBD



# Recommended Governance for Delivery Phase



## Construction Authority

- Construction Authority is an authorized entity legally empowered to plan, fund, manage, and deliver a project/program
- Temporary entity set up by state enabling legislation
- It is an effective way to advance a large capital project/program
- Singular mission to design and deliver – no competing priorities
- Leadership singularly focused on delivering project on time and on budget
- Proven model

# What will the Construction Authority Deliver?

- Diridon Station At-Grade Alternative (\$3B - \$6B 2025 dollars)
- Rail crossing projects outside of station footprint:
  - San Carlos Bridge Replacement (auto, bus, bike, ped)
  - West Virginia Pedestrian and Bike Undercrossing
  - Auzerais Full Grade Separation
  - Park Avenue Reconfiguration
  - Reconfigure Stockton/Alameda
- Other:
  - Aesthetic/Sound Barriers
  - TOD (under consideration)

# What is the Construction Authority Organization?

*Executive and  
Community  
Engagement  
Vehicles TBD*

**Diridon Construction Authority  
Board of Directors**  
*Composition TBD*

- ✓ *Steer & monitor*
- ✓ *Advocate*
- ✓ *Authorize*
- ✓ *Fiscal management*

**Executive  
Director**

**Staff Team**

**Contracted  
Services**

- ✓ *Funding & advocacy*
- ✓ *Design & engineering*
- ✓ *Procurement*
- ✓ *Construction*

# Committee Presentations

- Discussions started in 2023
- Governance options developed and presented:
  - Diridon Station Joint Policy Advisory Board (JPAB) May 2024
  - Advocacy and Major Project Committee (AMP) July 2024
- Construction Authority concept presented:
  - JPAB Aug 2024
  - Information included in AMP and JPB packets



# Construction Authority Scope Discussion

- Metropolitan Transportation Commission (MTC) requests consideration of a greater scope for the proposed Construction Authority
- MTC letter submitted to JPAB Dec 2024
- Executive discussions – not aligned but continuing

# Peer Review (February 2025)

- Panel: Michael Allegra, Rick Clarke, Rick Thorpe
- Program risk scan
- Key findings related to Construction Authority
  - Single-project focused construction authority is good
  - It is more than an engineering bubble – it is an advocacy and funding agency
  - Everyone invited to the table should have a financial stake in the project
  - Board composition should be made up of project champions
  - Find Executive Director as soon as possible
  - Strong owner and construction authority relationship is a must

# Work Ahead

# Scope of Work

- Agreement Terms / Due Diligence
  - Station Owner (Caltrain)
  - Partner Agencies (City of San Jose, VTA, CHSRA, MTC)
  - Current Operators (ACE, CC, Amtrak, UP, CHSRA, VTA Light Rail)
  - Future Operators (CHSRA, BART, Airport Connector)
- Enabling Legislation

*VTA: Santa Clara Valley Transportation Authority*

*CHSRA: California High Speed Rail Authority*

*ACE: Altamont Commuter Express Joint Powers Authority*

*CC: Capitol Corridor*

*UP: Union Pacific*

*BART: Bay Area Rapid Transit*

# Caltrain: Station Owner and Operator Priorities

- Safety first
- Rail system operations
- Manage risks
- Protect Caltrain ownership and investments

# Due Diligence / Agreement Terms

## Master Cooperative Agreement Objectives

- Establish binding governance and alignment in decision-making between the Authority and Partner Agencies.
- Define control of design and protocols for technical, financial, and operational aspects of the program.

## Basis of Design and Construction

- Basis of Design – Partner Agency Design and Operations Criteria.
- Authority to produce Design and will be responsible for review and approval.
- Partner Agencies approve for compliance with Design Criteria

## Budget and Schedule

- Authority to develop a Baseline Budget and Schedule.
- Partner Agencies submit estimates for support cost to be included in the Budget.
- Contingency for Betterments to be included.

## Procurement of Contracts

- Authority will procure staff and consulting services, develop bid documents, award contracts, implement design and construction.
- Partner Agencies participate on contract Selection Panels.

## Communications and Dispute Resolution Process

- MCAs will define a Communications Plan for coordination between Authority, Partners, and the public.
- Disputes shall be resolved using the MCA Dispute Resolution Process with time protocols at each level.

## Substantial Completion and Turnback Process

- MCA Process for Safety and Start-Up Testing, Substantial Completion, Considerations for phased asset transfer, Turnback for public service and Asset Transfer back to Partner Agencies after Program Completion.



# Enabling Legislation Content

Governance	Authorities	Staffing & Operations	Budget & Funding
Program, duties and relationship to Partners	Ability to accept funds and grants	Appointment of an Executive Director	Debt issuance & incurrence
Risk management	Acquisition of property, incl. eminent domain	Appointment of additional staff	Ability to accept funds and grants
Board composition	Debt issuance & incurrence	Ability to execute contracts with consultants	Dedicated funding (if applicable from State)
Board member appointment	Execute contracts	Post-delivery transition	
Board officer election/appointment	Cooperative or joint development agreements		
Board member term limits & length	Taxing authority		
Code of conduct	Relocation of highways/utilities		
Quorum	Duties and responsibilities		
Meeting frequency			
Dissolution			

# Next Steps

- Discuss and form policy recommendation on purpose of the Construction Authority
- Complete Caltrain and partner agencies due diligence and draft agreement terms
- Construction Authority enabling legislation (2027)
  - Ready to go end of 2026