



JPB Advocacy and Major Projects (AMP) Committee
Meeting of March 25, 2026

Supplemental Reading File

Subject

1. Receive Update on Diridon Station Program – Construction Authority, Program Director and California Environmental Quality Act (CEQA) Strategy

**Peninsula Corridor Joint Powers Board
Staff Report**

To: JPB Advocacy and Major Projects (AMP) Committee
Through: Michelle Bouchard, Executive Director
From: Marian Lee, Caltrain Diridon Director
For: April 2026 JPB Board of Directors Meeting
Subject: **Receive Update on Diridon Station Program – Construction Authority,
Program Director and California Environmental Quality Act (CEQA) Strategy**

Finance Committee Recommendation Technology, Operations, Planning,
and Safety Committee Recommendation Advocacy and Major Projects
Committee Recommendation

Purpose and Recommended Action

The purpose of this information report is to provide an update on the California Environmental Quality Act (CEQA) exemption strategy, Program Director for the Diridon Station Program, and Construction Authority as shown in the attachments. These documents were previously provided to the Diridon Station Steering Committee in February 2026.

This is an informational item that does not require any action.

Discussion

The Staff Memorandums and presentations attached provide an update on CEQA exemption strategy and the agreed upon Program Director for the Diridon Station Program and Construction Authority direction as presented to the Diridon Station Steering Committee in February 2026.

Director:

1. Staff Memorandum: Diridon Station Program – Diridon Program Director Candidate
 - a. Attachment A: Diridon Program Director Candidate – Job Posting
 - b. Attachment A: Diridon Program Director Candidate – Cover Letter/Resume
 - c. Agreed to approve the recommendation for the hiring of the Diridon Program Director, Bill Sirois.

2. Staff Memorandum: Diridon Station Program – Construction Authority
 - a. Agreed to “Reaffirm direction to staff to prepare draft legislation establishing a Construction Authority solely focused on the Diridon Program, with authority to consider other projects only if there is no negative impact to the Diridon Program.”
3. Presentation: Diridon Station Program – Environmental and Legislative Strategy Update
4. Diridon Station Redevelopment Project Quarter 4, 2025 Progress Report

Budget Impact

There is no impact on the budget from receiving this update.

Prepared By: Marian Lee

Caltrain Diridon Director

03/11/2026



Memorandum

TO: Diridon Station Steering Committee

FROM: Michelle Bouchard, Caltrain Executive Director
Marian Lee, Caltrain Diridon Director

DATE: February 11, 2026

SUBJECT: Diridon Program Director Candidate

FOR ACTION

INTRODUCTION:

This is an action item.

Staff recommends approval of hiring William (Bill) Sirois as the Diridon Program Director. The appointed Steering subcommittee members Michael Mulcahy, Margaret Abe-Koga, and Mark Tollefson conducted the final interview and unanimously support this recommendation.

The Diridon Program Steering Committee have identified hiring a Program Director as a priority. Currently, the project is being managed by staff and consultants from five agencies. While partnership and consensus building efforts are strong, the reporting and accountability structure is not, resulting in inefficiencies that cannot be sustained.

The Program Director will report directly to the Steering Committee through the Chair. The Steering Committee will provide policy direction and set program priorities. Caltrain is the hiring agency, and its Executive Director will provide performance management and administrative support.

The Program Directors employment term is for a 3-year period and will be responsible for:

- Leading the program team and being the “face” of the program
- Managing Partner Agency staff and consultants
- Establishing the program workplan, schedule, and budget
- Completing environmental clearance
- Setting up the long-term governance entity and executing agreements with the Diridon Partners
- Transitioning the planning interim organization to the new delivery entity
- Developing and implementing funding and advocacy plans

DISCUSSION:

Recruitment for this position began in summer 2025. The job was advertised through a comprehensive list of transit industry and general recruitment mediums as well as outreach utilizing the program team members’ professional networks.



Successfully, 44 in-state and out-of-state candidates applied. Several interview panels comprised of representatives from the five agencies selected the best candidates through four rounds of interviews. The interviews scrutinized relevant experience and demonstrated ability in the areas of leadership, team building, and relationship building. Two candidates were recommended to the executive members of the five agencies. After conducting their interview, the panel unanimously selected Mr. Sirois as the best candidate for the job. Reference checks with well-established transit industry professionals expressed a high level of support for Mr. Sirois. Following, the subcommittee of the Steering Committee (appointed by the Steering Committee at its last meeting) met to conduct the final interview. The appointed Steering subcommittee members Michael Mulcahy, Margaret Abe-Koga, and Mark Tollefson conducted the final interview and unanimously support this recommendation.

Mr. Sirois's skills and experience are well suited for this position. Most relevant, his experience at the Denver Regional Transportation District (RTD) over the last 20 years directly aligns with the requirements for this position. His role with the redevelopment of Denver Union Station positions him well to understand the critical issues associated with Diridon Program. He played a key role in multiple aspects of the project, from master developer selection and environmental clearance to leading the strategic goal planning and developer selection for the historic station. In addition, his experience working on successful joint development projects from planning to construction gives him a critical understanding of what it takes to move the Diridon Program forward.

See Attachment A for the job posting, and more information about Mr. Sirois through his job application cover letter and resume.

The approved budget for this position is \$800,000 (year 1), \$824,000 (year 2) and \$848,720 (year 3). This budget accounts for salary plus benefits. A salary package can be executed after Steering Committee action. The offer will need to be competitive and be consistent with Caltrain's hiring practices and within budget.



Job Posting

San Mateo County
TRANSIT DISTRICT

Chief Officer, Diridon Station Redevelopment Program

Class Spec Code	00001124	Established Date	05/01/2025
Last Revised Date	06/10/2025	Salary Range	\$4,708.10 - \$6,591.33 Weekly \$9,416.19 - \$13,182.65 Biweekly \$10,200.88 - \$14,281.21 Semi- Monthly \$20,401.75 - \$28,562.42 Monthly \$244,821.00 - \$342,749.00 Annually
Bargaining Unit	8888	EEO	EEO1- Executive/Senior Level Officials and Managers
Occupational Group	N/A	FLSA	Exempt
Benefit Code	SMCTD Full-Time	Physical Class	BC

General

The Chief Officer, Diridon Station Redevelopment Program oversees and directs all activities that support the collaborative program delivery, ensuring efficiency, alignment with strategic goals, and optimal resource utilization of the Diridon Station Redevelopment Program for the PCJPB (Caltrain).

The redevelopment program will transform the historic Caltrain Diridon Station into a major, central transit hub for the city of San Jose, CA, enhancing connectivity for all transit systems. This mega project will expand capacity,

improve accessibility, reduce travel time, and support economic growth by creating a more efficient and integrated transportation network for the community. The Diridon Station Steering Committee is responsible for advancing the program and managing the five partner agencies' collective efforts. The five partner agencies, which appoint members to the Committee, are: Caltrain, City of San Jose, Santa Clara Valley Transportation Authority, California High-Speed Rail Authority, and the Metropolitan Transportation Commission.

The Chief Officer, Diridon Station, is a three (3) year limited term position, unless extended ("Term"), and is responsible for advancing the program and managing all program elements including and related to the station redevelopment project. Upon completion of the Term or sooner, if a new program Construction Authority is established and program management responsibilities are transferred to the Authority before the completion of the three (3) year term, Caltrain and the program partner agencies intend for the person selected for this position to assume the role of the Executive Director of the new Construction Authority, at the discretion of the Authority.

Essential Functions & Duties

- Reports to Caltrain, the lead agency throughout the three-year term, and the Diridon Station Steering Committee. Caltrain is responsible for the day-to-day supervision of Chief Officer's work. The Steering Committee will provide overall policy guidance, which the Chief Officer will implement under the direction of Caltrain.
- Drives progress on the overall program, supports the partner agencies in meeting their organizational commitments to the program, and organizes and manages an integrated team of staff and consultants from the partner agencies.
- Establishes a long-term governance entity and navigates the simultaneous project transition from planning environmental compliance to delivery.
- Oversees environmental review, including developing a funding and financing plan, and completing the planning process.
- Leads the Integrated Program Team and ensures efficient and coordinated use of staff and consultants from partner agencies, directing overall scopes of work
- Supervises staff. Hire, mentor, train, coach, and take appropriate corrective and/or disciplinary action. Ensure EEO policies and procedures are followed. Participate in selection of staff. Coordinate staff training and professional development. Establish performance objectives. Monitor and evaluate employee performance.

Examples of Essential Duties

- Serves as the primary executive liaison for the Diridon Program Steering Committee
- Directs project schedule, workplan, and budget
- Leads meetings, reviews prepared documents for executive distribution, approves official agendas and minutes, management of deadlines and scheduling

- Oversees the initiation and completion of NEPA/CEQA environmental reviews
- Develops and implement the funding and advocacy plan
- Performs all job duties and responsibilities in a safe manner to protect one's self, fellow employees, and the public from injury or harm. Promotes safety awareness and follows safety procedures in an effort to reduce or eliminate accidents.
- Performs other duties as assigned.

Minimum Qualifications

Sufficient experience, training and/or education to demonstrate the knowledge and ability to successfully perform the essential functions of the position. In lieu of a degree, work-related experience that demonstrates the skills and experience necessary to perform this role will be accepted. Development of the required knowledge and abilities is typically obtained through but not limited to:

- Master's degree in engineering, architecture, management, planning, public policy or related field
- Nine (9) years of full-time work experience responsible for architectural, engineering or construction management experience.

Preferred Qualifications

- The ideal candidate will have at least nine (9) years in senior executive leadership demonstrating increasing responsibility and competence in effectively leading the design, planning, and construction of major capital programs related to transit, transportation, real estate, and/or public works. Project management
- Transit policy and planning
- Transit project funding and finance
- Federal, state, regional, and local funding sources and application processes
- Contract procurement methods including alternative delivery methods (e.g., design-bid-build **DBB**, design-build **DB**, Construction Manager/General Contractor CM/GC, and public private partnerships P3
- Risk management
- Experience working within a matrixed staff structure (direct reports, matrixed and or consultants)
- Budget preparation and administration
- Principles and practices of state and federal environmental review
- Knowledge of transportation planning methods, procedures, engineering, and regulations
- Right-of-Way activities including acquisition

Cover Letter

July 27, 2025

Hiring Committee
Diridon Station Redevelopment Program

Dear Hiring Committee:

I am pleased to submit my name for the position of Chief Officer, Diridon Station Redevelopment Program. I am excited about the opportunity and feel my skills and experience are well suited to the position.

My experience at the Regional Transportation District (RTD) over the last 20 years directly aligns with the requirements for this position. My role with Denver Union Station positions me well to understand the critical issues associated with Diridon Station redevelopment. I played a key role in multiple aspects of the project, from master developer selection and environmental clearance to leading the strategic goal planning and developer selection for the historic station. In addition, my extensive experience working on successful joint development projects from planning to construction gives me a critical understanding of what it takes to move the Diridon Station redevelopment forward.

Beyond my experience at RTD, my work in consulting and at the City and County of Denver informs my understanding of important tasks for Diridon Station redevelopment. In consulting, I was involved with multiple environmental clearance projects for major transit corridors in Denver and Fort Collins. At the City and County of Denver, I was directly involved with the entitlement process for Denver Union Station and played a major role in negotiating contributions from major private stakeholders, such as the Colorado Rockies and the Denver Broncos, towards a light rail extension into Denver Union Station.

The Diridon Station Redevelopment Program represents an opportunity to be involved with a signature project towards the end of my career. For me, Denver Union Station was a career defining project. The similarities between Denver Union Station and Diridon Station make me super excited about the potential to play a major role moving this project forward.

Sincerely,



William Sirois

WILLIAM SIROIS

[REDACTED] | Denver, CO |

PROFESSIONAL SUMMARY

Skilled transportation professional with over 30 years' experience in transit, land use and transportation policy in both the public and private sectors. Team-oriented with a wide range of project management experience partnering with diverse stakeholders on major projects. Excellent communication skills with extensive experience interacting with elected boards and officials.

WORK EXPERIENCE

Senior Manager, Transit Oriented Communities,

Regional Transportation District, Denver, CO

2005 - present

Manage major planning initiatives and act as RTD's primary liaison with local jurisdictions, the development community and other stakeholders on land use and transit issues. Primary accomplishments/projects include:

- *Denver Union Station (DUS)* – participated in all aspects of the project including the selection of the master developer, environmental clearance, and engineering design. Led the stakeholder outreach for the historic building and was a member of the negotiation team for the redevelopment of the building into a world class hotel and retail destination.
- *Eagle P3 Project* – oversaw the initial grant application to the Federal Transit Administration (FTA), helped write the request for proposals and assisted in the contract negotiation with the selected bidder Denver Transit Partners.
- *Joint Development* – lead multiple joint development projects from planning to construction including Alameda Station, Boulder Junction, Olde Town Arvada and 29th/Welton.
- *FasTracks Program Liaison* – assisted with transit project management focused on conflict resolution between RTD Planning, Engineering, and outside stakeholders including local jurisdictions on various issues; assisted with FTA coordination on New Starts grant reporting and grant application process.
- *Rail~Volution (now called Mpact) 2017* – local host for national conference of 1,200 participants from around the world. Oversaw multiple committees for conference planning including fundraising, mobile workshops, local programming and marketing.
- *Grants* – lead RTD's grants team which pursues discretionary federal, state, and regional grant funding for all functions at RTD.
- *Reimagine RTD* – lead the outreach efforts and was part of the project management team for RTD's first long-range and mid-range planning effort in over 20 years.
- *Systemwide Fare Study and Equity Analysis* – managed comprehensive evaluation of RTD's fare structure focused on equity, affordability and simplicity.

Senior Project Manager, Carter & Burgess, Denver, CO **2002 - 2005**

Denver office lead on transportation and land use planning projects including station area plans, transit-oriented development. Major projects included:

- *I-70 East Corridor EIS, Denver, Colorado* – task leader for transit planning and stations for high profile Downtown Denver to Denver International Airport (DIA) Corridor Environmental Impact Statement (EIS).
- *Mason Street Transportation Corridor EA/PE, Fort Collins, Colorado* – task leader for station planning and design for one of Colorado’s first BRT projects.

Program Manager, City and County of Denver, Denver, CO **1995 - 2002**

Responsible for implementing studies, research, and policy on land use and transportation issues. Major assignments included:

- *Program Manager for City’s Light Rail Station Development Program* – managed program that promoted the tie between transportation and land use by encouraging TOD around existing and proposed light rail stations.
- *DUS/Central Platte Valley Light Rail* – involved with the entitlement process for the 40+ acres surrounding the train station; helped negotiate a public/private funding package to kick start the implementation of light rail connection to DUS.

Senior Transportation Planner, Minnesota Department of Transportation, Roseville, MN **1992 – 1995**

Administered and implemented short- and long-range planning activities for the Metropolitan Division including the Transportation System Plan and I-94 HOV Feasibility Study.

Transportation Planner, BRW, Inc., San Diego, CA **1991 – 1992**

Conducted a variety of technical studies on transportation projects relating to traffic and travel demand forecasting, environmental impact analyses, corridor studies, and transportation systems planning.

EDUCATION

Master’s Urban and Regional Planning | University of Iowa | 1991

Bachelor’s Financial Management | University of Northern Iowa | 1989

PROFESSIONAL AFFILIATIONS

Impact National Steering Committee | 1998 -2002; 2005 to present

Urban Land Institute | 2005 to present

RTD Salaried Employee Pension Trust | 2022 to present

VOLUNTEERING/ NON-PROFIT WORK

Denver Regional Mobility and Access Council | Board Member

Denver Ronald McDonald House | Volunteer

Freedom Service Dogs of America | Volunteer



TO: Diridon Station Steering Committee
FROM: Michael Tree, VTA Director, Diridon
DATE: February 5, 2026
SUBJECT: Long-Term Diridon Governance Framework

ACTION ITEM

RECOMMENDATION:

Reaffirm direction to staff to prepare draft legislation establishing a Construction Authority solely focused on the Diridon Program, with authority to consider other regional projects only if there is no negative impact to the Diridon Program.

BACKGROUND:

The purpose of this action item is to provide a recommendation for the long-term governance framework of the Diridon Program.

This topic was last presented to the Diridon Steering Committee on May 21, 2025, by Michael Tree, VTA Director, Diridon, and lead for governance, and consultant Amitabh Barthakur of HR&A. HR&A has led the research on long-term governance recommendations for the Diridon Program on behalf of partner agencies.

DISCUSSION:

At the May 2025 meeting, Mr. Barthakur presented information about the short-term and long-term governance changes required to advance the Diridon Program more efficiently and effectively. The Program includes the Diridon Station At-Grade Alternative and rail crossing projects outside of station footprint. Aesthetic/sound barriers and TOD components are being further evaluated.

Short-term governance concerns were addressed by clarifying roles and responsibilities amongst the five agency partners which are now reflected in the executed Cooperative Agreement, which is guiding our current work. For the long-term governance structure, the recommendation was to create a Construction Authority through the California Legislature that would be singular

purpose and have the authorities to plan and construct the Diridon Program. The Authority would be dissolved when construction and testing is complete.

Pursuing state legislation to form the Construction Authority would clearly confirm the new authority's powers and allow for independence from the Partner Agencies. Enabling legislation would formalize the entity's mission, authorities, leadership structure, and funding / financing abilities. Additional contractual agreements would be required between Partner Agencies to ensure their needs are met, allow for utilization of agencies' assets, and provide oversight.

At the May 2025 Steering Committee meeting, staff were directed to move forward as per the staff recommendations in the presentation; to finalize the draft enabling legislation, completing the due diligence related to agreement terms between the construction authority, the station owner and operator and partner agencies, identifying legislative sponsors, and determining the appropriate foundational funding request. Staff were also tasked with creating organizational and operating plans for the Construction Authority and developing Co-Op Agreements with member agencies.

Scope of the Construction Authority

The scope of the Construction Authority has been questioned. Through a December 2024 letter addressed to the Diridon Program policy makers, the Metropolitan Transportation Commission (MTC) Executive Director asked "...whether a delivery authority could have an option to focus on a broader portfolio of projects in the region...". This request was based on the MTC Executive Director's interest to "...address challenges of delivering major projects in the region - to better manage risk throughout project lifecycles - including having the staffing expertise to successfully deliver major projects - and developing funding strategies to prioritize and sequence funding requests among the many entities in the region."

This request had mixed reactions from the project partner executives. There was acknowledgement that the regional challenges were legitimate and needed to be addressed. But turning a Diridon Program Construction Authority into a regional organization with multiple projects would be counter to the fundamental rationale of setting up a single-mission entity. Recognizing the on-going regional challenges of delivering large capital projects, there was receptiveness to the potential to evolve a Diridon Programs Construction Authority to manage other regional projects after the Construction Authority successfully has moved forward on completing its Diridon Program mission.

To benefit from our transit industry knowledge base, the following experts were invited to peer review the Diridon Program. The panel included:

- Michael Allegra, former UTA President and CEO
- Rick Clarke, former RTD Assistant General Manager, former LA Metro Chief Program Management
- Rick Thorpe, former Expo Line Construction Authority CEO

A two-day workshop was held to conduct a comprehensive program risk scan. One component of this discussion focused on setting up a Construction Authority. The reviewers stated that a

single-project focused Construction Authority was the way to go. The success of such an agency depends upon having one priority and no competing interests or distractions. The panel's other key findings related to Construction Authority included:

- 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 relationships are necessary

Next Steps:

It is anticipated that the Steering Committee would work through draft legislative language at the next three meetings of 2026 in an effort to have it considered by the state legislature in 2027.

ALTERNATIVES:

Alternatively, the Steering Committee could set up an ad hoc group of Steering Committee members to review and finalize the draft legislation in an effort to have the state legislator consider the legislation in 2026 through a non-traditional manner.



DRAFT
**Environmental &
Legislative Strategy Update**



Steering Committee Direction (May & Dec. 2025)



- State and Federal environmental review of Diridon Program
- Pursue legislative and technical methods to expedite estimated 4+ year timeframe
- CEQA Streamlining bills

- SB 131 Exemption for High-Speed Rail Stations
 - Concerns related to “Natural and Protected Lands”
 - Historic station covenant and wetlands/creeks
- SB 71 Exemptions of Light Rail or Passenger Rail service
 - Concerns related to encroachments outside of the public right of way
- SB 79, 92, and 130 Housing related
 - Applies to TOD elements only

- SB 131 Exemption for High-Speed Rail Stations
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- Drafted language in spirit of 2025 streamlining bills
- Exploring options, including:
 - Tiering off of SB 71 or SB 131 (2025)
 - Naming Diridon Station specifically or providing for locations like it
- Reviewing language and options with State representatives' offices
- Legislative focus: Targeted exemption for core Station/track project
 - Identified existing CEQA statutory exemption for grade separations
 - If successful, CEQA exemption would eliminate roughly 1 year from the process

- Finalize CEQA strategy for the full program of projects (May 2026)
- Advocate with key legislators to advance targeted legislation exempting the Station/track program elements
- Key deadlines:
 - 2/20 – Last day to introduce policy bills
 - May/June – Budget bill drafted
- Steering Committee letter of support, targeted phone calls

Discussion





DIRIDON STATION REDEVELOPMENT PROJECT QUARTER 4 2025 PROGRESS REPORT

October - December 2025

*Prepared by: Caltrain, City of San Jose, California High Speed Rail Authority (CHSRA),
Santa Clara Valley Transportation Authority (VTA) and Metropolitan Transportation
Commission (MTC)*

Date: February 11, 2026

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Appendix A: About the Project

SECTION I: INTRODUCTION

The purpose of the quarterly Progress Reports is to document and share information with the Diridon Steering Committee and the public about project progress and use of project funds. Quarterly reporting ensures transparency, accountability, and effective communication. This is the sixth progress report prepared for the Diridon Station Redevelopment Project.

This report documents efforts from October to December (Quarter 4) 2025 of the Business Case Phase II (Pre-Environmental Phase) of the project, which is the final report for this phase of work. This report is also the first report on activities for the Environmental Phase work, which kicked off in Quarter 4.

Business Case Pre-Environmental Phase Scope and Budget

The scope of the Business Case Pre-Environmental Phase included:

- Advancing two station design alternatives to 10% design
- Conducting Business Case technical analysis
- Selecting one design for further advancement
- Community engagement
- Developing an environmental strategy and procuring a consultant team for the next phase of the project - NEPA and CEQA Environmental Review
- Developing and advancing a long-term governance organization for project delivery
- Developing and implementing a funding and advocacy plan

The scope of work led by the Partner Agencies was as follows:

- Caltrain for program management, station design, Business Case analysis, and environmental strategy
- City of San José for community engagement
- VTA for long-term governance, and funding and advocacy plan

The total budget for this phase of work is \$7.8M. The following table shows the budget for each Partner Agency.

Diridon Business Case Pre-Environmental Phase Total Budget			
Work Scope	Responsible Agency	Approved Budget	Funding Source
Program Management Station Design Business Case Analysis Environmental Strategy	Caltrain	\$6,300,000	Measure B Regional Measure 3
Community Engagement	City of San José	\$500,000	City CIP Fund ⁽¹⁾
Long-term Governance Funding and Advocacy Plan	VTA	\$1,000,000	Regional Measure 3
TOTAL		\$7,800,000	

(1) All references to City General fund in previous reports was mislabeled. All future quarterly reports will refer to these funds as the City CIP Fund.

Environmental Phase Scope and Budget

The scope of the Environmental Phase is:

- Prepare Alternatives Analysis Report
- Additional Engineering for Program of Project elements
- Prepare Project Description
- Notice of Intent/Notice of Preparation
- Technical studies to prepare environmental documentation
- Draft and Final EIS/EIR
- Response to comments on Final EIS/EIR
- Certification/Record of Decision
- Community engagement
- Develop and advance a long-term governance organization for project delivery
- Develop and implement a funding and advocacy plan

The total three-year budget for this phase of work is \$41M. The following table shows the total budget by Task.

Diridon Environmental Phase Total 3-Year Budget (Approved)				
Work Scope	Year 1	Year 2	Year 3	Total
Program Director	\$.800M	\$.824M	\$.849M	\$2.473M
Agency Partner Staff/Consultant Support	\$.117M	\$1.460M	\$1.499M	\$3.075M
Environmental, Engineering, 3rd-Party Review	\$11.765M	\$9.094M	\$3.830M	\$24.688M
Long-Term Governance; Funding & Advocacy Plan	\$.950M	\$.750M	\$.750M	\$2.450M
Program Management and Project Controls	\$1.275M	\$1.650M	\$1.650M	\$4.575M
Contingency (10%)	\$1.491M	\$1.378M	\$.858M	\$3.726M
Total (Rounded)	\$16.4M	\$15.2M	\$9.4M	\$41.0M

The scope of work being led by the Partner Agencies is as follows:

- Caltrain for Program Director, program management and project controls, environmental documentation, engineering, 3rd party review
- City of San José for community engagement
- VTA for long-term governance, and funding and advocacy plan

Quarterly Reports will track the budget and work progress by year and by agency. The following table shows the budget for Year 1.

Work Scope	Responsible Agency	Approved Budget	Funding Source
Program Director Program Management/Project Controls Environmental, Engineering, 3 rd Party Review Project Office	Caltrain	\$13,682,360	Measure B Regional Measure 3
Community Engagement	City of San José	\$275,000	Regional Measure 3
Long-term Governance Funding and Advocacy Plan	VTA	\$950,000	Regional Measure 3
Contingency	All	\$1,490,736	Regional Measure 3
TOTAL		\$16,398,096	

SECTION 2: QUARTER 4 2025 PROGRESS

In Quarter 4 2025 (Q4), the Business Case Pre-Environmental Phase closed - budget allocations have concluded, expenses estimated and processed, and remaining balances identified for reallocation and use in the Environmental Phase.

The following work was completed in Q4 2025.

Program Management and Project Controls

- Continued the recruitment of the Program Director
- Obtained agency approvals to execute funding agreements
- Completed program management plan
- Prepared initial milestone schedule for Environmental Phase
- Drafted funding agreements between Caltrain and VTA for Regional Measure 3 (RM3) and Measure B funding
- Completed contract execution with ICF for environmental phase

Environmental Phase

- Conducted kick-off meeting with the ICF team
- Initiated investigating NEPA and CEQA streamlining opportunities

Community Engagement

- Completed project brochure and distributed to Steering Committee

Long-Term Governance / Funding and Advocacy Plan

- Long-Term Governance
 - Continued due diligence on exploring the framework of a future Construction Authority
- Funding and Advocacy Plan
 - Continued to explore funding opportunities regionally and at the state levels (cap and trade, regional tax measure)
 - Conducted 2nd funding workshop with agency partners
- Administrative
 - Executed 1st RM3 Funding Agreement between Caltrain and VTA for ICF consultant contract
 - Advanced 2nd RM3 Funding Agreement between Caltrain and VTA to fund Program Director, Program Management and staff positions
- Drafted Business Case Pre-Environmental Phase report on Long-Term Governance / Funding and Advocacy

The scope of work for the remaining balance to be reallocated and used in the Environmental Phase has been defined. These new efforts were either requested by the policy makers and executive members or the initial efforts conducted required further analysis. Initial cost estimates have been developed within the remaining funding availability. Reallocation of funding for this work will be requested through VTA and MTC. See Section 4, Part 2 for description of key efforts to be completed in future quarters.

SECTION 3: QUARTER 1 2026 LOOK AHEAD

Program Management and Project Controls

- Hire the Program Director
- Finalize and execute second funding agreement between Caltrain and VTA for Regional Measure 3
- Implement the project management plan

Environmental Phase

- Initiate engineering activities for Program of Project elements
- Initiate technical studies
- Continue efforts to obtain CEQA exemption

Carryover Business Case Phase Tasks

- Complete scopes and contract mechanisms for the additional technical work identified during the Business Case Pre-Environmental Phase.
- Request funding reallocation through VTA and TMC to use unspent funds from Business Case Pre-Environmental Phase.

Community Engagement

- No major activities planned

Long-Term Governance / Funding and Advocacy Plan

- Address construction authority scope
- Reactivate due diligence efforts on the construction authority
- Continue work on the funding and advocacy plan – identify information needed for environmental review
- Deliver final report from Business Case Pre-Environmental Phase

SECTION 4 PART 1: PRE-ENVIRONMENTAL BUSINESS CASE BUDGET CLOSE-OUT

The following tables detail the estimated budget that closes out the Business Case Pre-Environmental Phase and expenses processed as of December 31, 2025. These tables also detail the percentage of work completed, and percentage of budget expended for each scope of work and each party responsible.

As of December 31, 2025, the remaining budget total is \$897,176. See table below for remaining budget by agency.

Diridon Business Case Pre-Environmental Phase Total Budget				
Work Scope	Responsible Agency	Approved Budget	Amount Spent	Remaining Budget
Program Management Station Design Business Case Analysis Environmental Strategy	Caltrain	\$6,300,000	\$5,772,396	\$526,197
Community Engagement	City of San José	\$500,000	\$422,088	\$77,912
Long-term Governance Funding and Advocacy Plan	VTA	\$1,000,000	\$706,933	\$293,067
TOTAL		\$7,800,000	\$6,901,417	\$897,176

The following sections provide information by agency.

Caltrain

As of December 31, 2025, Caltrain completed all work in the Business Case Pre-Environmental Phase.

The Mott MacDonald and Environmental Strategy tasks are complete, and invoices fully processed. In Quarter 3, Caltrain reallocated some of the remaining Business Case Pre-Environmental Phase funds to the Lighthouse Public Affairs and Kimley-Horn contracts to complete their scopes of work and close out the Business Case Pre-Environmental Phase. The specific amounts of increase and work scope are shown in the table below.

Following the completion of the work being funded by Business Case Pre-Environmental Phase funds, Caltrain's remaining budget is \$526,197.

Contracts / Work Task	Approved Budget	Budget Adjustment	Contract	Expended Q3	Expended Total	Remaining Budget
Lighthouse Public Affairs⁽¹⁾ (Program Management)	\$430,000	\$160,276	\$590,276	\$92,024	\$540,108	\$50,168
Mott MacDonald⁽²⁾ (Design, Business Case)	\$4,800,000	N/A	\$4,798,593	\$121,580	\$4,712,423	\$86,170
Kimley-Horn⁽³⁾ (Program Advisory Support)	\$0	\$301,068	\$301,068	\$301,068	\$301,068	\$0
Environmental Strategy	\$200,000	N/A	\$200,000	\$0	\$200,000	\$0
Third Party Review	\$260,000	N/A	\$0	\$0	\$0	\$260,000
Caltrain Administrative Overhead	\$40,000	NA	\$40,000	\$281	\$18,797	\$21,203
Contingency/Other⁽⁴⁾	\$570,000	(\$461,344)	\$0	\$0	\$0	\$108,656
Total	\$6,300,000	\$0	\$5,929,937	\$514,953	\$5,772,396	\$526,197

- (1) Funding increased from \$430,000 to 590,276. Work tasks include oversight of Diridon program, management of technical consultant contracts, oversight of the Program Director recruitment, and convening of five partner agencies.
- (2) The Q3 2025 quarterly report stated that Mott MacDonald had \$87,577 remaining at the end of Q3 of 2025. While preparing the Q4 quarterly report, Mott MacDonald revised the amount remaining through Q3 of 2025 to \$86,170, a change of \$1,407.
- (3) Funding was added in the amount of \$301,068. Work tasks include alternatives development report preparation, oversight of Mott MacDonald technical deliverables, support Caltrain Program Director, project controls, and convening of five partner agencies technical directors.
- (4) Invoices for legal services performed in Q4 have not yet been processed. These invoices will be paid in Q1 of 2026 and are anticipated to be less than \$10,000. Once these invoices have been finalized, they are anticipated to be paid out of the contingency. This will be reflected in the Q1 2026 report.

Consultant WD Progress Tracking				
Consultant	Q4 % contract expended	Q4 % work complete	Total % contract expended	Total % work complete
Lighthouse Public Affairs (Program Management)	16%	16%	92%	100%
Mott MacDonald (Design, Business Case)	3%	21%	98%	100%
Kimley-Horn (Program Advisory Support)	100%	100%	100%	100%

City of San Jose

During Quarter 3 of 2025, the City completed all Business Case activities within their scope of work. The City has a total of \$77,912 remaining budget. These funds will revert back to the City's CIP Fund and \$39,142 will be reallocated for city work in the Environmental Phase.

Contracts / Work Task	Approved Budget	Contract	Expended Q4	Expended Total	Remaining Budget
Kimley-Horn (Public Engagement)	\$134,750	\$134,750	\$1,690	\$126,088	\$8,662
Winter (Public Engagement)	\$296,000	\$296,000	\$98,817	\$296,000	\$0
Contingency/Other	\$69,250	TBD	\$0	\$0	\$69,250
Total	\$500,000	\$430,750	\$100,507	\$422,088	\$77,912

Consultant WD Progress Tracking				
Consultant	Q4 % contract expended	Q4 % work complete	Total % contract expended	Total % work complete
Kimley-Horn (Public Engagement)	1%	0%	94%	100%
Winter (Public Engagement)	0%	0%	100%	100%

VTA

During Quarter 4 of 2025, VTA made advances but did not complete its tasks for Business Case Pre-Environmental Phase. Kim Welsh work was completed and the contract closed out. HR&A, Infrastrategies, and Rick Meade Consulting work were not complete. The budget for this phase is closed out but new contracts will be issued and work will continue under the Environmental Phase. VTA has a remaining budget of \$293,067.

Contracts / Work Task	Approved Budget	Budget Adjustment	Contract	Expended Q4	Expended Total	Remaining Budget
Kim Welsh (Governance)	\$105,000	N/A	\$105,000	\$0	\$105,000	\$0
HR&A ⁽¹⁾ (Governance and Funding)	\$275,390	\$86,750	\$362,140	\$81,755	\$303,938	\$58,202
Infrastrategies ⁽²⁾ (Funding)	\$185,000	\$106,000	\$291,000	\$50,900	\$116,152	\$174,848
Rick Meade Consulting ⁽³⁾ (Governance)	\$90,000	\$128,750	\$218,750	\$91,882	\$181,843	\$36,907
Unallocated Funding	\$344,610	(\$321,500)	\$0	\$0	\$0	\$23,110
Total	\$1,000,000	\$0	\$976,890	\$224,537	\$706,933	\$293,067

- (1) Funding increased from \$275,290 to \$362,140 in Q3. Work tasks include draft funding plan development, advance enabling legislation, define operational business plan, and partner coordination.
- (2) Funding increased from \$185,000 to \$291,000 in Q3. Work tasks include Review and screen potential federal, state, and local funding sources and financing strategies. Work with partners to develop strategies to support implementation and operations.
- (3) Funding increased from \$90,000 to \$218,750 in Q3. Work tasks include drafting master cooperative agreements, develop master cooperative agreements with primary partners, and develop scope of work agreements.

Consultant WD Progress Tracking				
Consultant	Q4 % contract expended	Q4 % work complete	Total % contract expended	Total % work complete
Kim Welsh (Governance)	0%	0%	100%	100%
HR&A (Governance and Funding)	23%	23%	84%	84%
Infrastrategies (Funding)	17%	17%	40%	40%
Rick Meade Consulting (Governance)	42%	42%	83%	83%

SECTION 4 PART 2: BUSINESS CASE PRE-ENVIRONMENTAL PHASE UNSPENT FUNDS

A total of \$897,176 budget remains from the Business Case Pre-Environmental Phase. \$819,264 is RM3 funding and will be re-allocated to the Environmental phase. Of the city's \$77,912 remaining budget, \$39,142 will be reallocated to the Environmental phase and be used by the city to support the Environmental Phase.

The reallocated funding will be used to address issues identified by executive leadership and the Steering Committee at the end of the Business Case Pre-Environmental Phase. The following list is the work to be completed with reallocated funds. Once the funding is reallocated administratively to the Environmental Phase budget, future quarterly report budgets will be modified and tracked.

- **Delivery Options Assessment:** Assess potential construction delivery methods benefits/trade-offs/risks to inform future construction strategy
- **Project Phasing Strategy:** Consider if elements of program could be phased considering available funding and sequencing of work
- **Construction Mitigation Assessment:** Advance operational assessment to analyze if/how to reduce rail operation disruption including length of construction duration
- **Project Benefits Analysis:** Further qualitative and quantitative analysis of program benefits related to land use, economics, ridership, market value.
- **Ridership Analysis:** Ridership forecast updates to support environmental document studies
- **Retail Analysis:** Further analysis regarding viability and opportunities for design of the retail space to maximize future revenue opportunities
- **Operations and Maintenance Cost Estimate:** Conduct financial modeling for future operations and maintenance of the Station and program
- **Light Rail Construction Mitigation:** Assess potential options to mitigate light rail services impacted during station construction

SECTION 4 PART 3: ENVIRONMENTAL PHASE BUDGET

The following tables show the estimated budget for the Environmental Phase Year 1 and expenses processed as of December 31, 2025.

The tables show the approved budget for each work scope for the Environmental Phase, the amount spent and remaining budget.

Work Scope	Responsible Agency	Approved Budget	Amount Spent	Remaining Budget
Program Director Program Management/Project Controls Environmental/Outreach, Engineering, 3 rd Party Review Project Office	Caltrain	\$13,682,360	\$271,083	\$11,475,520
Community Engagement, Engineering Review	City of San José	\$275,000	\$0	\$275,000
Long-term Governance Funding and Advocacy Plan	VTA	\$950,000	\$108,386	\$742,864
Contingency	All	\$1,490,736	\$0	\$1,490,736
TOTAL		\$16,398,096	\$379,469	\$8,422,270

The following sections provide information by each agency responsible for consultant contract/work directive issued to date.

Caltrain

Caltrain's budget for Year 1 of the Environmental Phase is \$13,682,360.

Lighthouse Public Affairs's contract was increased by \$79,936 over the approved budget to account for the timing of hiring and onboarding of the new Program Director. This additional budget will come from the Contingency pending approval by the project partners. This will be reflected in the progress report for Q1 of 2026.

The breakdown by scope of work and contract is shown in the table below.

Contracts / Work Task	Approved Budget	Budget Adjustments	Contract Amount	Expended Q4	Expended Total	Remaining Budget
Lighthouse Public Affairs (Temporary PM)	\$200,000	\$79,936 ⁽¹⁾	\$279,936	\$70,187	\$70,187	\$209,749
ICF⁽²⁾ (Environmental & Engineering)	\$10,000,000	N/A	\$21,101,356	\$41,499	\$41,499	\$20,958,501
Kimley-Horn (Program Management)	\$1,000,000	N/A	\$999,512	\$159,397	\$159,397	\$840,115
Program Director	\$800,000	N/A	\$0	\$0	\$0	\$720,064
Tenant Coordination	\$150,000	N/A	\$0	\$0	\$0	\$150,000
PG&E Coordination	\$100,000	N/A	\$0	\$0	\$0	\$100,000
Caltrain Operations & Engineering Review	\$50,000	N/A	\$0	\$0	\$0	\$50,000
Legal Support	\$100,000	N/A	\$0	\$0	\$0	\$100,000
Other Direct Costs	\$50,000	N/A	\$50,000	\$0	\$0	\$50,000
Project Office	\$75,000	N/A	\$0	\$0	\$0	\$75,000
Community Engagement	\$500,000	N/A	\$0	\$0	\$0	\$500,000
Caltrain Administrative Overhead	\$657,360	N/A	\$0	\$0	\$0	\$657,360
Caltrain Total	\$13,682,360	\$79,936⁽¹⁾	\$1,829,448	\$271,083	\$271,083	\$3,410,789

(1) Lighthouse Public Affairs's contract was increased by \$279,936 by Caltrain to account for the timing of hiring and onboarding of the new Program Director. Pending approval by the project partners, these funds will be taken from project contingency. This will be reflected in the progress report for Q1 of 2026.

(2) ICF's 3-year contract is \$21,000,000. As of 12/31/25, Caltrain issued a limited Notice to Proceed of \$500,000. Caltrain is working with ICF for the full Year 1 allocation.

Caltrain will have multiple funding agreements with VTA/MTC for Regional Measure 3 and Measure B. Executed to date is the agreement for \$24,582,880 for ICF consulting services for 3 years, Caltrain Operations & Engineering Review, Tenant Coordination & Review, PG&E Coordination & Review, and Legal Support. To be executed is the agreement for \$4,363,360 for the Program Director (3 years), Temporary Program Manager, Program Management Support, staff, and Additional Technical Work from the Pre-Environmental Business Case Phase. Additional agreements and/or amendments will be processed for future-year funding. Funding plan totals and budget allocation and expenses will be tracked separately.

Consultant WD Progress Tracking				
Consultant	Q4 % contract expended	Q4 % work complete	Total % contract expended	Total % work complete
Lighthouse Public Affairs	25%	33%	25%	33%
ICF	.2%	.2%	.2%	.2%
Kimley-Horn	16%	16%	16%	16%

City of San Jose

For the Environmental Phase of the Project, the City has an approved budget of \$275,000 for Year 1. No funds have been expended and allocations are being developed. Information will be provided in the next quarterly report.

VTA

For the Environmental Phase, VTA has a total approved budget of \$950,000. VTA has a funding allocation of \$851,250 for the scopes of work and contracts with HR&A, Rick Meade Consulting and Infrastrategies. Of VTA's total budget, \$98,750 has yet to be contracted. Funds initially approved for Legal Support and Grants Preparation have been reallocated to the Governance and Funding tasks, as shown in the table below.

Contracts / Work Task	Approved Budget	Budget Adjustments	Contract	Expended Q4	Expended Total	Remaining Budget
HR&A (Governance and Funding)	\$300,000	\$250,000	\$260,250	\$68,622	\$68,622	\$191,628
Rick Meade Consulting (Governance)			\$273,750	\$0	\$0	\$273,750
Infrastrategies (Funding)	\$400,000	\$0	\$317,250	\$39,764	\$39,764	\$277,486
Legal Support	\$100,000	(\$100,000)	N/A	\$0	\$0	\$0
Grants Preparation	\$150,000	(\$150,000)	N/A	\$0	\$0	\$0
Total Environmental Phase Allocations	\$950,000	\$0	\$851,250	\$108,386	\$108,386	\$841,614

Consultant WD Progress Tracking				
Consultant	Q4 % contract expended	Q4 % work complete	Total % contract expended	Total % work complete
HR&A (Governance and Funding)	26%	26%	26%	26%
Rick Meade Consulting (Governance)	0%	0%	0%	0%
Infrastrategies (Funding)	13%	13%	13%	13%

SECTION 5: KEY CHALLENGES

The Partner Agencies collectively continue to monitor and address risks or challenges. The following are identified as key challenges:

- Partner Agencies are discussing whether the Construction Authority should have a sole purpose of delivering the Diridon Program or the possibility of the entity extending beyond the Diridon Program to deliver other major projects in the region. Additional discussions by the executives of the partner agencies are currently taking place to prepare for Steering Committee discussion.
- Identifying funding for the next phase of work – preliminary engineering and operationalization of a construction authority subject to further consideration. Federal funding opportunities continue to be limited with the current federal administration.
- On-boarding new Program Director while maintaining project milestones will introduce some risk of continuity and loss of efficiency. However, creating a streamlined organization with a single point of accountability will vastly improve the overall future advancement of the program.
- Schedule adherence given multiple workstreams advancing simultaneously with Partner Agency input and buy in.

APPENDIX A: ABOUT THE PROJECT

Diridon Station, a key transit hub at the western edge of Downtown San José, will be expanded and redesigned to address the region's future transit needs. A collaborative partnership between the City of San José (City), Caltrain, the Santa Clara Valley Transportation Authority (VTA), the California High-Speed Rail Authority (CHSRA), and the Metropolitan Transportation Commission (MTC) is underway to plan and build a new station.

Today, Diridon Station provides Caltrain, Altamont Corridor Express (ACE), Capitol Corridor, and Amtrak rail services; supports Union Pacific freight rail; and makes key transit connections with VTA Bus and Light Rail service. The new station will accommodate:

- Increased service levels and connections to the future San José Airport Connector, BART extension, and high-speed rail.
- Projected 100,000 daily trips by the year 2050, due to the introduction of high-speed rail, BART, and increased Caltrain service.
- Up to 12,900 new homes and a total of 14.7 million square feet of office and commercial space which is included in the Diridon Station Area Plan adopted by the City of San José.

The recommended At-Grade Station Project offers quick and seamless connections between all the transit modes that serve the station today and in the future. This includes Caltrain, ACE, Capitol Corridor, and VTA bus and light rail, as well as future high-speed rail and BART. The area around the station prioritizes pedestrians and has ample plaza space on both sides of the tracks.

In approving this station concept, partner agencies have committed to making several other improvements in and around the station, referred to as the Diridon Program of Projects. This includes grade-crossing improvements at Park, San Carlos, Auzerais, and West Virginia streets, as well as improvements to the Santa Clara Street underpass and the intersection at Stockton Avenue and The Alameda. For more information on the At-Grade Station Project and the Diridon Program of Projects, please visit: DiridonSJ.org.

