

Diridon Station Program Construction Authority Enabling Legislation

PCJPB

AUGUST 6, 2026



Purpose of Meeting

1. Diridon Station Program Construction Authority (DSPCA) Update
2. Enabling Legislation Update

Diridon Station Program

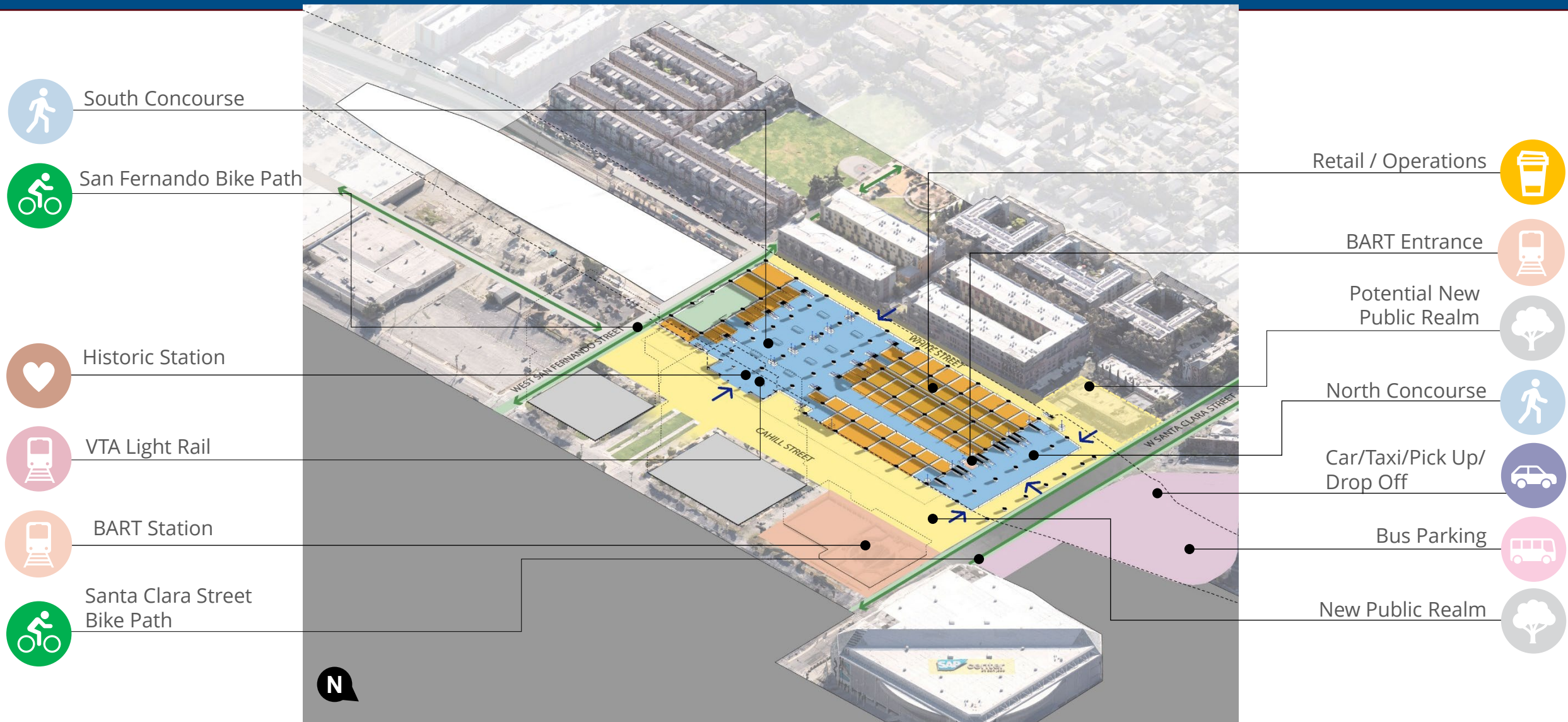
(Partner Agencies: City of San Jose, Caltrain, VTA, MTC, CHSRA)

Future Diridon Station (rendering)

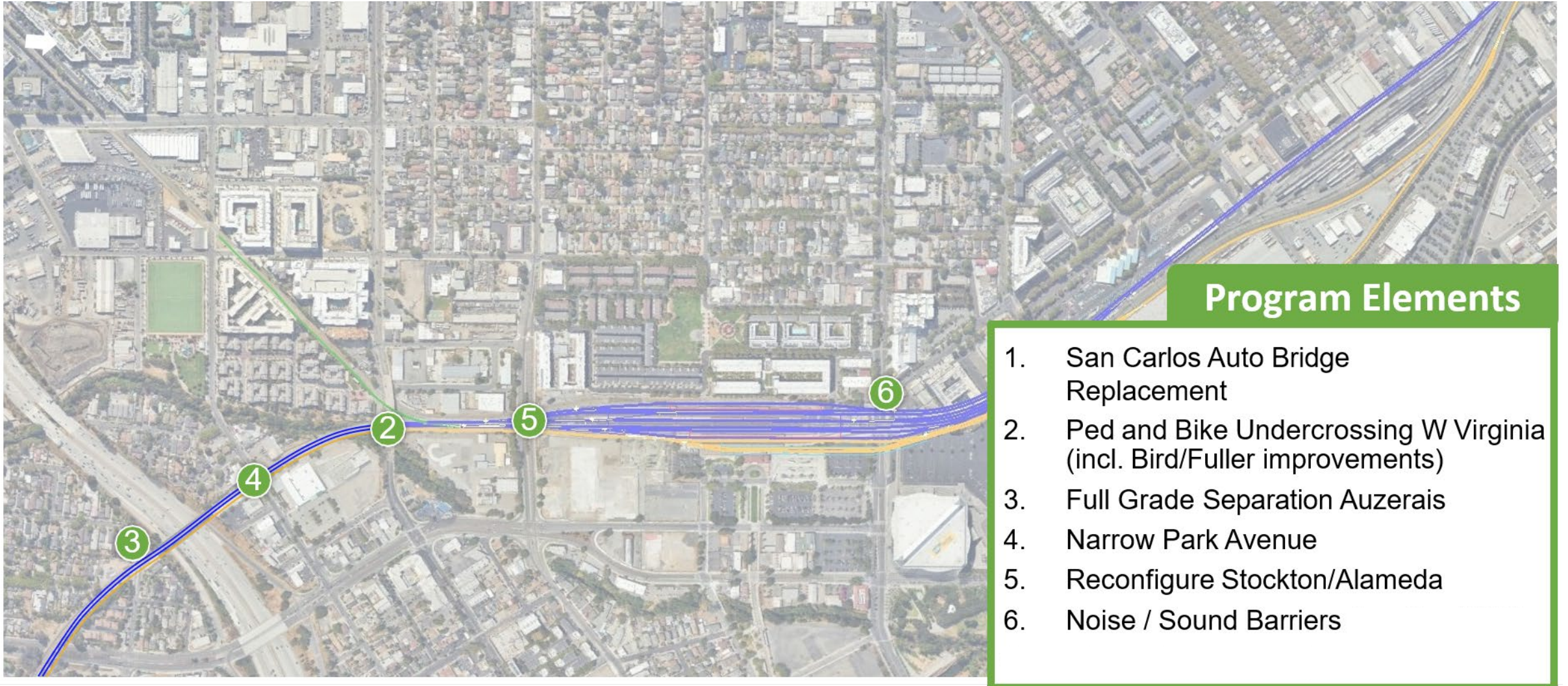


- Expanded station to meet future demand
- 3 level rail station
 - Street Level: Rail
 - Below Level 1: Concourse
 - Below Level 2 / 3: Future BART & LRT connections
- Next to rail station
 - Bus facility
 - Future Airport Connector

Future Diridon Station (concourse)



Additional Projects



Program Elements

1. San Carlos Auto Bridge Replacement
2. Ped and Bike Undercrossing W Virginia (incl. Bird/Fuller improvements)
3. Full Grade Separation Auzerais
4. Narrow Park Avenue
5. Reconfigure Stockton/Alameda
6. Noise / Sound Barriers

Program Timeline

- **2019-2025**

- Vision
- Alternatives Development and Community Engagement
- Alternative (~10% Design) and Diridon Station Program Approved
- ➡ Delivery organization options / DSPCA Concept Support

- **2025-2028/29**

- Program Director Hired (Bill Sirois)
- Operator coordination
- State and federal environmental review (CEQA exemption)
- ➡ Establish DSPCA

- **Final Design and Delivery TBD**

Construction Authority Context

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
- Effective way to advance a large capital project/program
- Singular mission to fund, design and deliver – no competing priorities
- Leadership singular focus on delivering project on time and on budget
- Proven model

DSPCA Committee/Board Presentations

- 2023 : Begin of Agency Partner discussions
- 2024 – Present: Diridon Program JPAB/Steering Committee discussions
 - Several presentations focused on evaluation
 - Policy direction to pursue Construction Authority
- 2024 – Present: Caltrain discussions
 - JPB AMP July 2024
 - JPB AMP January 2026
 - Diridon Program presentations / updates throughout

Peer Review

- 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

Diridon Station Steering Committee Direction

- Diridon Station Steering Committee - February 2026 Action
- “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.”
- Prepare for 2026 Enabling Legislation.

Enabling Legislation

Three Key Governance Documents

- ➔ **Enabling Legislation:** Defines the DSPCA mandate, legal powers, and board structure
- **Bylaws:** Governs partner agency relationships, and day-to-day governance and operational rules
- **Master Cooperative Agreements:** Defines individual partner agency roles and responsibilities relative to the DSPCA

Caltrain Core Principles

- Keep rail corridor safe and secure
- Minimize impact to operations
- Minimize impact to customers and community
- No negative impact to Caltrain capital and O/M budgets
- Support successful delivery of Diridon Station Program
- Maximize revenue generating opportunities
- Protect Caltrain owned assets
- Receive newly constructed quality assets from DSPCA at program completion

SAMPLE 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			

Key Terms Under Discussion

- Diridon Station Program Definition
 - Consistent with Steering Committee approval
 - Criteria for adding projects
- Ensuring Caltrain's ability to safely operate the corridor
- Board Structure
 - Partner Agency / Caltrain representation
 - Flexibility to add board members (set criteria)
 - Flexibility for weighted voting structure linked to funding/leadership

Caltrain Recommended Key Terms

- Clear statement that Caltrain is the owner and operator and will retain ownership of its assets.
- Caltrain will allow access to the DSPCA upon execution of a MCA between the DSPCA and Caltrain.
- Criteria for adding projects must not override Caltrain's policy decisions about its CIP and implementation.
- Caltrain must have appropriate level of representation on the Board given its role as the owner and operator.
- Caltrain must have appropriate approvals to ensure that safe operations of its railroad.
- Caltrain must be “firewalled” from DSPCA risks and liabilities.

Note: Appropriate governing documents are being identified to address these terms.

Next Steps

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- Aug 19: Diridon Steering Committee meeting (INFORMATION)
- Aug – Oct : Staff continue work on key terms and legislation language
- Oct / Nov: AMP and JPB ACTION
- Nov / Dec: Diridon Steering Committee meeting (ACTION)