Quarterly Monitoring Report – August 2018

Peninsula Corridor Electrification Project (PCEP)
Peninsula Corridor Joint Powers Board (JPB)/Caltrain
San Mateo, CA

October 5, 2018

PMOC Contract Number: DTFT60-14-D-00018
Task Order Number: 005
Project Number: DC-27-5346
Work Order Numbers: 06, 07 and 08
OPs Referenced: 25 - Recurring Oversight and Related Reports
01 - Administrative Conditions and Requirements

PMOC Firm: **Kal Krishnan Consulting Services, Inc. (KKCS)**
800 South Figueroa Street, Suite 1210
Los Angeles, CA 90017

PMOC Lead: Michael B. Eidlin
Length of Time Firm Assigned to Project: 3 Years, 2 months
Length of Time Person Assigned to Project: 3 Years, 2 months

2) Executive Summary

A. Project Description

The Project Sponsor is the Peninsula Corridor Joint Powers Board (JPB) which operates rail service as Caltrain. The JPB is responsible for managing and delivering the project.

The Peninsula Corridor Electrification Project (PCEP) corridor is approximately 51 miles in length. This Core Capacity Improvement Project (CC) includes two components: infrastructure and rolling stock. The infrastructure component is comprised of the installation of Traction Power Substations (TPSS) and the Overhead Contact System (OCS) over the tracks beginning at the 4th and King Caltrain Station in San Francisco and ending at Tamien Station in San Jose. The infrastructure work also includes modifications to the wayside signal system and grade crossing signals to accommodate the new electrified rail system. In addition, four (4) existing rail tunnels will be enlarged to accommodate the expanded clearance envelope of the electrified vehicles.

The rolling stock component includes the design and procurement of ninety-six (96) Electric Multiple Unit (EMU) rail vehicles to replace approximately 75 percent of the existing diesel rolling stock. Caltrain's Central Equipment Maintenance and Operation Facility (CEMOF) will also be modified to service the electrified vehicles.

The PCEP is part of a larger JPB initiative known as the Caltrain Modernization Program (CalMod). The CalMod program is separately installing a Positive Train Control (PTC) system, which is an advanced signal system that includes federally-mandated safety improvements.

The project will be constructed primarily in the existing Caltrain corridor on right-of-way (ROW) controlled by JPB/Caltrain. Additional ROW will be required to accommodate the TPSS and related facilities as well as elements of the OCS system; all ROW transactions will be made in accordance with the Uniform Relocation Act.

The PCEP Final Environmental Impact Report (FEIR) forecasts Caltrain ridership of 69,151 daily boardings in the year 2020 and 111,427 daily boardings in 2040, including service in 2040 to the Transbay Transit Center. This ridership represents an increase of 21.1% and 32.1% respectively, over the projected Caltrain ridership in those years without the core capacity improvements.

B. Project Status

- The FFGA for the project was executed on May 23, 2017.
- The project is in construction. The JPB issued a full Notice to Proceed (NTP) to the EMU supplier on June 1, 2017 and a full NTP to the Electrification design-build contractor on June 19, 2017.
- *The JPB approved award of the Tunnel Notching contract to the sole bidder, ProVen Management, Inc. of Oakland, California, at its June 7, 2018 meeting. The JPB issued a Limited Notice to Proceed (LNTP) to the contractor on August 1, 2018.*
- *The PMOC conducted its quarterly on-site monitoring visit and meetings on August 15-17, 2018. The most recent Quarterly Progress Review Meeting (QPRM) was held on June 14, 2018, and the next QPRM is scheduled for September 11, 2018.*

- *The JPB solicited bids on August 2, 2018 for modifications to its Central Equipment Operations and Maintenance Facility (CEMOF) to accommodate the new EMU vehicles; bids are due on September 28, 2018. The CEMOF contract is the final major contract planned for the PCEP.*

C. Core Accountability Information through June 2018

FFGA **Core Accountability Items**			
Project Status: **In Construction**		Original at FFGA	Current Estimate (EAC)
Cost	Cost Estimate	$ 1,930,670 934	$ 1,930,670 934
Contingency	Unallocated Contingency[1]	$162,620,294	*$131,063,848*
	Total Contingency[1] (Allocated plus Unallocated)	$315,533,611	*$232,588,708*
Schedule	Final Completion Date	August 22, 2022	August 22, 2022
		Amount ($)	Percent
Planned Value to Date[2]	Total budgeted cost of work scheduled to date[3]	*$508,567,118*	*26.34%*
Earned Value to Date	Budgeted cost of work completed to date, i.e., actual total value of work earned or done[3]	*$336,467,644*	*17.43%*
Actual Cost[4]	Total cost of work completed to date (actual total expenditures)[3]	*$439,858,646*	*22.78%*
Contracts		Amount ($)	Percent
	Total contracts awarded to date[4]	*$1,502,445,778*	*77.82%*
	Total construction contracts awarded to date[5] (construction & vehicle contracts only)	*$1,351,230,947*	*69.99%*
	Physical construction work completed[6,7] (amount of construction contract work actually completed)	*$286,068,637*	*21.17%*
Major Issue	Status	Comments/Actions/Planned Actions	
Personnel changes	*The Project Delivery Director and the Senior Contract Officer have resigned. Both individuals have agreed to provide continuity support on a limited basis.*	*The JPB is recruiting for a Delivery Director. The JPB's Procurement Department is supporting the PCEP on the current procurements.*	
Progress on OCS construction work much slower than anticipated.	The contractor's progress has been impacted by unexpected in-ground obstacles, resulting in redesign of some pole locations and inefficient foundation construction. OCS pole erection was started, but it is now	The contractor has increased the number of potholing rigs to provide more cleared foundation locations. *However, the contractor has placed foundation construction on-hold, until sufficient cleared locations are available, to make*	

	on-hold due to the limited number of sequential foundations available.	*construction efficient.* The JPB is considering its options to improve the progress of the work.
Constant Warning Time (CWT) for Grade Crossings	*Confirmation of a Final Design (FD) solution has not occurred, despite lengthy discussions and an earlier decision on a conceptual solution, which is subject to confirmation by the Union Pacific Railroad (UPRR), the Federal Railroad Administration (FRA), and the California Public Utilities Commission (CPUC).*	Final designs have been completed for the two (2) crossings in Segment 4. The JPB met with FRA in Washington, D.C. on March 7, 2018. *A meeting with the FRA Regional staff in Sacramento, California, is scheduled for late August 2018.*
Unresolved schedule impacts	*The JPB has been unable to accurately assess the significant cumulative schedule impacts resulting from delays to OCS foundation construction due to encountering differing site conditions, and the lack of a confirmed solution for Constant Warning Time (CWT).*	*The JPB has initiated discussions with the Electrification contractor related to a Time Impact Analysis (TIA) to address these issues. However, the JPB asserts that the TIA cannot be performed until a CWT solution is determined. The path to resolving this situation is unclear.*
Construction of PG&E sub-station modifications to provide permanent power for rail operations.	*Execution of Supplement 4 to the PG&E contract continues to be delayed while the JPB negotiates the proposed allocation of costs with PG&E.*	*The JPB has reduced the risk of late completion of this work and states that PG&E believes that construction can be completed in time to support the final testing and commencement of EMU service.*
Date of Next Monitoring Visit:		*TBD - November 2018*
Date of Next Quarterly Review Meeting:		*September 11, 2018*

Core Accountability Table Footnotes:

[1] Current estimate is the remaining balance which includes known change orders that will draw from Contingency funds, both Allocated and Unallocated.

[2] Planned Value to Date is based upon the Program Schedule and Estimate (Rev. 4B) that were updated in October 2017 to reflect the FFGA delay.

[3] Work is defined as construction or manufacturing by Balfour Beatty, Stadler, PG&E, CEMOF, Tunnel Modification, and other Required Projects.

[4] Percentage is calculated based on a project value of $1,930,670,934.

[5] Total construction contracts awarded to date (construction & vehicle contracts only) includes design costs and executed change orders.

D. Major Problems and/or Issues

- *Two (2) major technical problems, the slow progress on OCS foundation construction, and a confirmed solution to providing Constant Warning Time for grade crossings, have continued to impact the Electrification contract schedule for many months. The JPB has taken steps to address each of the issues independently, with some success; however, the JPB has been unable to accurately assess the cumulative impact of these issues. The Electrification contractor's most recent Schedule Update Narrative for July 2018 shows a*

Substantial Completion date of May 28, 2021, compared to the contractual date of August 10, 2020, which represents a significant erosion of schedule contingency with over two (2) years of construction, testing and start-up activities remaining. The PMOC is concerned that the JPB is not applying sufficient resources to clearly understand the magnitude of the schedule problem, the potential costs associated with these problems, and how best to mitigate the situation.

- *The resignation of two (2) senior staff from the project at a time when the level of complexity and activity is increasing is concerning, especially when coupled with an overall staff level that is considered lower than normal for a project of this magnitude. The PMOC will review the proposed staffing levels for the coming year when they are provided, as an indicator of the Management Capacity and Capability of the PCEP team.*
- *Construction of the Overhead Contact System (OCS) continues to progress much slower than anticipated.* Progress has been slowed by potholing operations encountering numerous unanticipated obstructions in planned pole locations, track access issues attributable to both the contractor and the JPB, and in some cases external factors such as a change in clearance requirements by the UPRR. In some cases, poles must be relocated resulting in additional potholing and potential re-design work. *The contractor has increased the number of potholing rigs from two (2) to ten (10) and is working on multiple segments. The contractor has also brought on additional design services to expedite re-design where required. Foundation construction, which follows successful potholing, has been temporarily placed on-hold until sufficient cleared locations are available to allow efficient construction. Likewise, erection of the catenary poles is also on-hold until sufficient foundations are available.* The PMOC is concerned that if this rate of progress continues on the remaining Segments and Work Areas, the planned completion schedule may be impacted.
- The Electrification contractor may be unable to develop grade crossing modifications that meet operational requirements prior to scheduled testing and commissioning of the system, which may delay commissioning. As noted above, the Electrification contractor has proposed a conceptual solution to provide CWT, which is acceptable to the JPB and has been agreed to by the UPRR, subject to its final review and demonstration. Design of two (2) crossings in Segment 4 using the proposed system is underway. *The JPB has also authorized the Electrification contractor to proceed with the design of the remaining crossings based on the assumption that the CWT solution will be approved by all parties.* The final approval of an acceptable CWT system rests with the California Public Utilities Commission (CPUC), following FRA review. *A meeting between the JPB and the FRA was held on March 7, 2018, and a follow-up conference call with the local FRA Regional staff is being planned.*
- Much of the Electrification contractor's OCS foundation work must be performed during periods when rail operations have been partially restricted by contractually established work windows. The JPB reports that there continue to be problems in maximizing the available track access time, whether as a result of the contractor's actions, or in some cases because of rail operations' issues. *The JPB established a system to reconcile responsibility for track access delays and compute the associated costs; however, finalizing the Change Orders (COs) is approximately one (1) year in arrears. The JPB reports that the quarterly costs for track access delays continues to rise, largely due to increased crew size, but the number of delays attributable to the JPB is declining.*

- The JPB executed a contract with Wabtec on March 1, 2018 to complete implementation of Caltrain's PTC system using Wabtec's Interoperable Electronic Train Management System (I-ETMS) technology. I-ETMS is a different technology than the Incremental Train Control System (ITCS) that was being installed for the CBOSS-PTC system. The JPB believes that most of the wayside equipment already installed for the CBOSS-PTC system can be used for the new system, but the possibility exists that there may be some impact to the scope of the Electrification contractor's signal work if changes within the signal houses are required. Execution of the Wabtec contract will allow Stadler to finalize the on-board PTC equipment for the EMUs, an activity that had been on-hold. *The PMOC is concerned that testing of the PTC system, which is now in progress, may impact the Electrification contractor's use of the tracks during the contractually established work windows, further delaying OCS construction.*
- The JPB's progress in acquiring the needed real estate is still behind the original plan; however, progress continues to improve. The refinement of the design for the overhead contact system (OCS) and the traction power system (TPS) has resulted in the identification of several new parcels in Segment 2; the acquisition of these parcels may result in some delays to construction.
- The JPB has identified an alternative location for Paralleling Station #2 (PS-2) that is within its Bayshore Station property. This alternative location resolves the property acquisition issue identified in the PMOC's November 2017 report. *The JPB has completed its analysis and developed the environmental documentation needed to support the change. The JPB adopted Addendum 4 to its Environmental Impact Report (EIR) at its August 2018 meeting.*
- The JPB recently identified a conflict between the planned location of Paralleling Station #3 (PS-3) and a future grade separation project in the City of Burlingame that will require the relocation of PS-3. *The JPB and the City of Burlingame have reached agreement on an acceptable location, and the JPB is completing the necessary environmental documentation to support the change. The JPB adopted Amendment 5 to its EIR at its August 2018 meeting.*
- Pacific Gas & Electric (PG&E) must modify two (2) existing electrical sub-stations to provide the power necessary to operate the electrified rail system. The design and construction of these sub-station modifications are now on the project's critical path. A Master Agreement between the JPB and PG&E is in place and Supplements 1, 2, 3 and 5 to the Master Agreement have been executed. The JPB approved execution of Supplement 4 at its February 2018 meeting; this Supplement includes the cost of constructing the work, and the allocation of costs between the parties. *The JPB has been meeting regularly with PG&E to negotiate the cost allocation process and reduce the agency's share of the total cost of the modifications. Despite these efforts, Supplement 4 remains unexecuted. The PMOC understands that PG&E will not execute its construction contracts for the modifications until Supplement 4 is concluded. Although the JPB believes that PG&E's construction schedule can be compressed, the completion of the work is on the Critical Path for operating the electrified service. The completion date will not be known until PG&E awards the construction contract and the contractor submits its schedule.*
- The JPB has determined that the cost allocation arrangement with PG&E is subject to review and approval by the Federal Energy Regulatory Commission (FERC). *The PMOC previously encouraged the JPB to consult with specialized legal counsel on this matter to*

determine the applicable regulatory process and the rules applied to this type of allocation, and the JPB states that it has retained and consulted experts in aid of its negotiations.

E. Monitoring Plan Items

- *The PMOC plans to increase its focus on the PCEP's schedule performance including the JPB's mitigation of delays to OCS foundation installation, final adoption and implementation of a solution to provide the required Consistent Warning Time at grade crossings, and completion of Time Impact Analyses related to the previous two (2) issues.*
- *The PMOC also plans to monitor PCEP staffing levels as project activities expand geographically and the complexity of project activities increases with the start of the tunnel notching and drainage work, and the anticipated start of work at the CEMOF.*
- *The PMOC has recently alerted the JPB to the significant effort required to prepare for electrified operations, which must take place before initial testing of EMUs on either the Santa Clara Drill Track or on the mainline. The PMOC will begin monitoring progress on this activity.*

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4) Significant PMOC Observations

This monitoring report covers the period from May 11, 2018 through August 17, 2018. Quarterly Progress Review Meeting (QPRM) No. 7 was held on June 14, 2018; that meeting is documented in the Report dated July 24, 2018. This report contains information obtained during site visits, meeting attendance, document reviews, telephone conversations and general interaction with the project sponsor's personnel.

A. Project Status

Environmental Process

The JPB prepared an Environmental Assessment (EA) under the National Environmental Policy Act (NEPA) and received a Finding of No Significant Impact (FONSI) from FTA in 2009. The JPB, in conjunction with the FTA and other federal and state agencies including the National Fish and Wildlife Service, National Marine Fisheries Service, and the State Historic Preservation Office (SHPO), decided to review the FONSI and the FEIR, considering the time that had passed since the FONSI's issuance and recent changes in the context of the project. The FTA issued a letter to the JPB on February 11, 2016, accepting the findings of the environmental re-evaluation of the PCEP conducted by the JPB; this action completes the NEPA process for the PCEP. The JPB formally certified its Final Environmental Impact Report (FEIR) under the California Environmental Quality Act (CEQA) on January 8, 2015 and subsequently adopted Addendum No. 1 to the 2015 PCEP FEIR on February 4, 2016. The JPB also approved inclusion of the new site for Paralleling Station 7 (PS 7) for the PCEP.

The JPB completed an environmental assessment of the modifications to the two (2) PG&E substations and the interconnection between the substations and PCEP's TPSS #1 and TPSS #2. The JPB adopted Addendum #3 to the PCEP Final Environmental Impact Report (FEIR) and approved inclusion of PG&E substation improvements and interconnections to the JPB Substations for PCEP at its October 5, 2017 meeting. The NEPA Re-evaluation documentation of these project changes is under FTA review. The JPB mentioned that it may be necessary to update the documentation related the PG&E interconnections due to changes in the height of the transmission towers.

The JPB determined that it would be unable to acquire the real property needed for Paralleling Station No. 2 (PS-2) and has relocated PS-2 to a site controlled by the JPB. The JPB also learned recently that the planned site for PS-3 conflicts with a future Caltrain/City of Burlingame grade separation project and that PS-3 must be relocated. *The JPB and the City of Burlingame have agreed on a new location for PS-3 and the JPB is preparing the environmental documentation to support this action. The JPB approved Amendments 3 and 4 to its Environmental Baseline Report for the PCEP at its August 2, 2018 meeting. The JPB expects to submit a single package covering both PS-2 and PS-3 to the FTA for review in September 2018.*

Support Services and Design

The JPB awarded contracts in early 2014 for Program Management Consultant Services; EMU Vehicle Consultant Services; and Electrification Services. The scope and status of work for each of the consultant contracts is described as follows:

Program Management: The consultant team provides various program management support services such as document control, project controls including estimating and scheduling,

quality assurance, risk management and contract administration during implementation of the PCEP.

EMU Services: The consultant team provides EMU management and oversight support services which included development of the vehicle procurement documents, and now encompasses vehicle design reviews, vehicle-related Buy America compliance services, monitoring and inspection during vehicle manufacture/assembly, integration of on-board systems with the JPB's PTC Project, design of modifications to the CEMOF; and support during the delivery, testing and commissioning of the EMUs.

The EMU Services team is currently working on the following tasks:

- *Final Design reviews of the EMU are mostly complete and the Design Packages are being finalized. The software intensive system Final Design Reviews are scheduled for the end of 2019.*
- *Monitoring vehicle manufacturing and testing activities.*
- *Supporting the procurement process for CEMOF Modifications.*
- Continue to support the JPB in discussions with the FRA on EMU compliance issues.
- Continue to address systemwide interface issues involving the emerging EMU design, existing Caltrain wayside infrastructure, Electrification Project designs and the Caltrain PTC Program.
- Assist in developing sequencing workaround solutions to address the current gap between EMU initial deliveries and availability of electrified track for EMU testing.

Electrification Services: The consultant provides management and oversight support services which included development of the procurement documents and participation in negotiation of the design-build contract. The consultant now provides design reviews and monitoring, and support of manufacture/assembly of products, construction, installation, integrated testing, and commissioning related to overhead catenary systems, traction power substations, communications, supervisory control and data acquisition (SCADA), rail signaling, and train controls. *The Electrification Services team also performed the design work for the Tunnel Notching contract and is now providing design support during construction (DSDC) for that contract, following its recent award.*

The Electrification Services team is currently working on the following activities:

- Providing oversight and direction to the Balfour-Beatty Infrastructure, Inc. (BBII) team.
- Continued to support the JPB in various ways related to resolution of the Constant Warning Time issue at grade crossings. These activities include interaction with BBII, the UPRR, and FRA and will soon involve the CPUC. Final resolution of the CWT issue is impacting BBII's schedule for signal system design and installation.
- Supporting discussions and negotiations with BBII related to various change orders.
- Monitoring and reporting on BBII's field activities including tree-trimming, pot-holing of OCS pole locations, OCS foundation construction, OCS pole erection and traction power substation construction.

- Participating in weekly meetings with the JPB's PTC management team.
- Providing oversight and direction to ARINC, the SCADA supplier.
- Providing technical direction, as needed, to BBII related to PG&E's design of temporary and permanent power connections to the traction power system.
- *Supporting the JPB in finalizing protection scheme studies related to the PG&E interconnections.*
- Supporting the JPB's staff in identifying utilities located within the corridor and working with the utilities to develop relocation plans, as necessary.
- Reviewing submittals and other materials prepared by BBII and ARINC.
- *Reviewing submittals and other materials prepared by ProVen, the tunnel notching contractor.*
- *Assisting with the procurement of OCS installation in the tunnels.*

Concurrent Non- Project Activities:

The JPB has an on-going capital construction program that includes several projects that will share some common elements with the PCEP. These projects have been designated as Concurrent Non-Project Activities (CNPAs), and the project elements that will be constructed for the benefit of the PCEP will be appropriately segregated for cost purposes. The JPB has identified the following CNPAs:

- Drainage improvements for tunnels 1 and 4 in Segment 1: *This work is included in the Tunnel Notching and Drainage Improvements contract awarded to ProVen, as noted above. The drainage improvements will be performed following the completion of the tunnel notching in the respective tunnels and is expected to be completed by the final completion milestone of March 17, 2019.*
- OCS foundations, as part of the South San Francisco Station construction in Segment 2: This work is in construction and the PCEP work is scheduled for completion in June 2019.
- OCS foundations, as part of the 25th Avenue Grade Separation Project in San Mateo: This work is in construction and the PCEP work is scheduled for completion in June 2019.
- OCS foundations, as part of the Los Gatos Bridge project in Segment 4: This work is complete.
- Trackwork on the Santa Clara Drill Track in Segment 4. This work was originally planned to be done under the Los Gatos Bridge Project, but that did not occur. The JPB is considering options to complete the work. Initial shifting of the track to allow OCS foundation construction to take place was performed by BBII and is complete.
- New Control Point at CP Brittan in Segment 2: This work is currently on-hold and involved the supply of a new signal house by the Electrification contractor for the JPB's project.

Value Engineering (VE):

The project sponsor did not undertake a formal VE effort. However, the PCEP team undertook a significant cost reduction effort in late 2014 which identified an estimated $84.3M in

potential cost savings achieved by eliminating or deferring certain tasks previously included in the baseline program. In addition, the procurement process for the Electrification D-B contract included the submission of alternate technical proposals (ATPs) to reduce cost or improve schedule. In addition to those ATPs that were incorporated into the Electrification contract, that contract contains a Value Engineering Change Proposal (VECP) clause whereby any savings that result from an accepted VECP are shared by the contractor and the JPB.

Procurement – Executed Contracts and Changes

The following contracts comprise the majority of the PCEP scope, with the exception of the CEMOF Modifications work which is now in procurement:

Electrification: The electrification of the corridor is being performed using a design-build contract which was awarded to Balfour-Beatty Infrastructure, Inc. (BBII) and executed on August 15, 2016. The JPB issued a full NTP to BBII on June 19, 2017.

Electrification Contract Changes: The JPB reported issuing Change Orders (COs) to BBII in the amount of $777,720 during July 2018. These COs covered a variety of work including an additional traction power feed at CEMOF.

Additional change orders are being processed to address differing site conditions encountered in the field, track access delays and other changes.

EMU Vehicles: The 96 EMUs are being supplied by Stadler US under a contract that was executed on August 15, 2016. The JPB issued a full NTP to Stadler on June 1, 2017. Design of the vehicles is being performed in Switzerland and final assembly of the vehicles will occur at a location near Salt Lake City, Utah.

EMU Contract Changes:

- *No new COs were issued during this reporting period.*
- *The JPB has requested pricing from Stadler for the changes related to the change to the Wabtec PTC system from the originally specified CBOSS-PTC system.*

Systems Control and Data Acquisition (SCADA) Equipment: The JPB executed a sole-source contract with ARINC, Inc., for the supply of SCADA equipment in September 2017. The equipment will be used to control the traction power system and design and integration activities are underway. The SCADA contract is being managed by the Electrification consultant and installation of the SCADA equipment will be performed by BBII under the Electrification contract.

Tunnel Notching and Drainage Improvements

The JPB awarded a contract to ProVen Management, Inc. of Oakland, California, for Tunnel Notching and Drainage Improvements on the tunnels in Segment 1 of the PCEP corridor. The contract consists of two main elements: notching of the four (4) tunnels to increase clearance for the new EMU vehicles; and drainage improvements in tunnels 1 and 4 for the benefit of Caltrain operations. The drainage improvements are being performed as a Concurrent Non-Project Activity (CNPA) that will be paid for by Caltrain. The total value of the contract is $41,837,777, which consists of $28,641,170 for PCEP's tunnel notching work and $13,196,607 for Caltrain's Tunnel Drainage and Track Rehabilitation Project. The

$28,641,170 for PCEP work exceeds the current budget of $10,494,884 by $18,146,286; this amount will be drawn from unallocated contingency.

The JPB issued an LNTP to the contractor on August 1, 2018 and hopes to issue a Notice to Proceed by September 1, 2018. The issuance of an LNTP is in keeping with the JPB's current practice to permit the contractor to begin preparatory activities, and in this case, the contractor plans to proceed with preparations for some initial grouting work in Tunnels 1 and 4. Major construction work on the tunnels is scheduled from October 6, 2018 thru March 16, 2019, in coordination with Electrification construction in Segment 1, to take advantage of weekend track outages in that Segment. The Tunnel Notching and Electrification work was re-scheduled to avoid impacting Caltrain service during the Major League Baseball season.

Used Electrified Locomotives: The JPB, at its June 7, 2018 meeting, approved contracts to acquire and overhaul two (2) used electrified locomotives to perform initial testing of the electrification system. The objective is to avoid inadvertent damage to the new EMUs by using them to test the electrification system. One unit will be used for testing and the second unit will be used for spare parts in the event of breakdown. The locomotives will be disposed of after testing has been completed.

Consultant Contracts: *The JPB has received and evaluated updated staffing plans and associated cost proposals from each of the PCEP's primary consultants to cover its FY 2019 project budget. The JPB is in the process of issuing new work directives to each of the consultants. The PMOC has requested copies of the updated staffing plans.*

Upcoming Procurements

CEMOF Modifications: *An Invitation for Bids (IFB) to construct modifications to the CEMOF was advertised on August 2, 2018; bids are due on September 28, 2018. Construction of the modifications will follow electrification of the yard and is expected to be complete by late-2019 or early 2020; this procurement is approximately six (6) months later than originally planned. Based on information contained in the IFB, an NTP should be issued in late 2018, or early 2019.*

The PMOC's opinion is that the delay in this contract award may have some impact on the JPB's ability to perform work on the new EMUs as originally planned, with some associated cost impact, which could occur if the first EMU trainsets are shipped directly to the property as originally planned.

Tunnel OCS: The tunnel notching contract included an option for installation of the Overhead Contact System (OCS) in the tunnel bores. The pricing of this work by the single bidder, ProVen Management, Inc., was significantly higher than the Engineer's Estimate, and the work was not awarded as part of the contract. The JPB also requested a sealed price for the OCS from the Electrification contractor, Balfour-Beatty Infrastructure, Inc. (BBII). BBII's price was also significantly higher than the Engineer's estimate. The JPB is currently negotiating with both parties to achieve an acceptable price for the work. If negotiations fail, the JPB may issue a separate procurement for this work.

On-call Construction Management Services for the PCEP: The JPB solicited proposals for On-call Construction Management Services to support electrification construction, the recently awarded tunnel notching contract, modifications to the CEMOF (which is currently in procurement), reconstruction of the Santa Clara Drill Track, installation of mini-high block

platforms, and other work, as needed. The Request for Proposal (RFP) was issued on July 25, 2018, and proposals are due on September 20, 2018. The PMOC has been told that this contract will replace the construction management activities, which are currently being performed by Gannett Fleming under its Electrification Services contract.

Project Delivery

Electrification Design-Build Contract

Design and Design-related Activity: Balfour-Beatty Infrastructure, Inc. (BBII) is responsible for the Final Design of the electrification and related facilities under the terms of its D-B contract with the JPB. PGH Wong Engineering, Inc., is the Engineer of Record for the work. Work was initiated following the JPB's issuance of an LNTP on September 6, 2016; this was followed by issuance of a full NTP to BBII on June 19, 2017. The following design and design-related activities are currently under way:

- Preparation of contractually required plans and submittals.
- *Advancing OCS design in Segments 2, 4 and 1.*
- Work continues to address Caltrans' requirements for bridge protection barriers.
- A preferred solution to provide Consistent Warning Time (CWT) at grade crossings has been identified, and tentatively agreed to by the UPRR. *Design work has been completed on the Virginia and Auzerais crossings in Segment 4, which will serve as prototypes for the proposed solution. The JPB plans to review these crossings with the UPRR in late-August 2018, before presenting the plans to outside agencies.* Design for the remainder of the signalized crossings is being held at the 65% level until the CWT solution is approved. A meeting to discuss the next steps in resolving CWT was scheduled for May 19, 2018 at Wabtec's office in Florida. *The results of this meeting were not reported.*
- *Began potholing in Segment 1 in anticipation of weekend shutdowns for tunnel construction activities.* Continued potholing of OCS foundation locations in Segments 2 and 4 in advance of construction. *PMOC Note: The Electrification contractor's revised baseline schedule was to complete Segment 4 foundations by July 18, 2018 and Segment 2 foundations by October 2, 2018.*
- Design of the 115kV interconnection with PG&E at the TPSS-2 location continues. *The Santa Clara Valley Transportation Authority (VTA) has identified a conflict between a proposed pole location and a Bay Area Rapid Transit District (BART) substation; a solution is being sought.*

Construction Activity: The JPB provided the following report on construction activity:

- *Continue excavation, foundation forming and ductbank installation in TPSS-2.*
- *Continue conduit installations for signal and Wayside Power Cabinet units in Segment 2.*
- Tree trimming and tree removal in Segment 3, WA 2.
- *Relocation of signal cable conflicts in Segment 2 WA 3 and 4, Segment 4A.*
- *OCS Potholing in Segment 2 WA 3 and utility potholing in Segment 2 WA 4.* Potholing continues to encounter a significant number of differing site conditions, which have slowed

progress. BBII's sub-contractor recently increased the number of potholing rigs and crews to improve the overall production rate. The JPB's Construction Management team continues to issue Field Orders to remove the obstacles and compensate the contractor for the impact of these conditions.

- *OCS Bracket Installation in Segment 2 WA 5.*
- *The JPB and BBII held a regularly scheduled Partnering session on July 26, 2018.*
- BBII is now operating out of the Burlingame and Redwood City siding areas for upcoming foundation work.

SCADA Contract

- *Submitted Test Plan Revision 2 for Final Design Review.*
- *Work on the Power and Heating, Ventilation, and Air Conditioning (HVAC) Sufficiency Study Plan.*

  - **PMOC Observations:** Foundation productivity has been significantly lower than expected and is of concern. *The Electrification contractor has placed foundation construction work on-hold, as explained elsewhere in this report. Productivity continues to be affected by the need to clear foundation locations of unexpected obstacles, including fiber optic cable installed earlier by the JPB's CBOSS-PTC contractor, as well as previously un-identified underground utility lines.* In some cases, this requires relocation and redesign of the foundations. Productivity has also been affected by occasional problems in achieving timely access to on-track work areas during the prescribed work windows. *A second potholing sub-contractor has recently been added, and the number of potholing rigs increased to ten (10), which should significantly improve the clearance process.*

  - Earlier in 2018, the JPB altered its position regarding providing Transit America Services, Inc. (TASI) signal maintainer support during the movement of rail mounted equipment through grade crossings; this resulted in the cancellation of some planned work by the contractor. The JPB and BBII have developed a procedure to allow the contractor's crews to activate crossing protection; however, the issue is not completely resolved, and the parties continue their discussions. BBII continues to state that it is experiencing delays as a result of this situation.

    PMOC Recommendation: *The JPB states that it is tracking and segregating the extra costs incurred to relocate foundations, or otherwise avoid or relocate the fiber optic cable installed by the CBOSS-PTC contractor.* The JPB should produce a report documenting the sources of funds used for the original installation of the CBOSS-PTC cabling, and documenting the costs incurred to date by the PCEP as described above. The report should also document any specifications or other technical direction previously given to the CBOSS-PTC contractor that required that contractor to avoid the areas and locations where the interferences have, or in the future occur. *The JPB should provide the FTA and the PMOC with a schedule for completing this report no later than the*

PMOC's next monitoring visit in November 2018. To the extent that the CBOSS-PTC contractor is found to have installed the fiber optic cable in contravention of the applicable contractual requirements, thus leading to the conflicts and remedial actions by the PCEP, the JPB should consider initiating a back charge or other action to recover its extra costs. The PMOC notes that the FTA may decline to participate in costs associated with remediating the CBOSS-PTC fiber optic conflicts.

Real Estate Acquisition

Background Information

The PCEP is acquiring real estate for three (3) primary purposes: (1) for placement of Overhead Contact System (OCS) poles; (2) for the two (2) primary Traction Power Substations (TPSS); and (3) to provide electrical clearance and safety zones for the OCS wires. The corridor has been sub-divided into four (4) segments numbered from north to south to more effectively manage the electrification and other related work *(See Appendix C – Figure 1)*. Initial Electrification construction is taking place in Segments 4 and 2, and will be followed by construction in Segments 1 and 3. Segment 4 includes electrification of a test track for testing and acceptance of the EMUs. Real estate acquisition is being coordinated with Electrification construction activities. New access dates were agreed to as part of the negotiation of a change order related to the late award of the FFGA. Those dates are tied to the contractor's schedule need dates in each of the Segments and Work Areas. These new dates allow additional time for the JPB to complete acquisition of the properties.

The corridor spans three counties and the JPB must collaborate with Santa Clara County on the south, its home county of San Mateo, and the City and County of San Francisco on the north to exercise eminent domain power as necessary during the ROW acquisition process. The JPB executed an agreement with the Santa Clara Valley Transportation Authority (VTA) to exercise eminent domain on behalf of the JPB for property acquired in Santa Clara County, which includes all of Segment 4 and some portions of Segment 3. The JPB also executed an agreement with the San Mateo County Transit District (SamTrans) to act as the condemning agency for all property in San Mateo County. San Mateo County includes all properties in Segment 2 and some properties in Segments 1 and 3. The JPB has been unsuccessful in reaching an agreement with the City Supervisor for the City of San Francisco related to the City's exercise of eminent domain powers on behalf of the JPB for properties located within the City and County of San Francisco (CCSF). The CCSF includes only properties in Segment 1 that will be needed later in the construction schedule.

Real Estate Activities

The major challenges facing real estate are design changes that are impacting already acquired properties and design changes requiring new acquisitions, shown on Table 1 below as additional parcels. Potholing for OCS foundations, and follow-on construction work located outside of JPB owned right-of-way (ROW) requires that the JPB acquire the property or an appropriate property right. Potholing for foundations began in Segment 2 and expanded to Segment 4 in early 2018. Potholing was initiated in Segment 1 in June 2018 and in Segment 3 in July 2018.

Segment 1

- *The real estate in Segment 1 is needed to site OCS poles because the passing tracks for the Baby Bullet operation used up the right-of-way that would otherwise have been available for that purpose.*
- *An alternate location for PS-2 was defined in Segment 1, appraisal maps were drafted, an appraisal was ordered, and pre-acquisition discussions are ongoing with the property owner.*

Segment 2

- *Obtained an Order of Possession for the Chariot parcel in Segment 2, effective July 28, 2018.*
- *Seven (7) parcels are not in the JPB's possession; three (3) parcels are in condemnation proceedings; two (2) parcels are in escrow; and two (2) parcels are awaiting design changes.*

Segment 3

- *Received approval from the FTA for one (1) appraisal in Segment 3.*
- *Submitted two (2) administrative settlement requests to the FTA for concurrence.*

Segment 4

- *The parcel owned by the UPRR is now in escrow.*
- *Seven (7) parcels are not in the JPB's possession; five (5) parcels are awaiting design changes, and of those, four (4) belong to PG&E; the remaining two (2) parcels are clearing title issues.*

Other Real Estate Activities

- *Created a ROW exception report, as requested in the FTA Quarterly Review Meeting.*

The status of real estate activity is presented in Table 1 below.

Table 1 – Real Estate Status (*6-30-2018*)

Segment	No. of Parcels Needed[1]	Appraisals Completed	Offers Presented	*Offers Accepted*	Acquisition Status		
					Escrow Closed	Eminent Domain Action Filed	Parcel Possession
1	*7*	*1*	0	0	0	0	0
2	27	26	25	22	20	3	20
3	10	9	8	*6*	*2*	0	*3*
4	9[2]	9	8	2	0	1	*2*
Additional Parcels[3]	*5*	0	*0*	*0*	*0*	*0*	*0*
TOTAL	***58***	**46**	**41**	***30***	***22***	**4**	***25***

Notes:

1. During design development, the real estate requirements may adjust to accommodate design refinements. Parcel requirements will adjust accordingly. The table in this report reflects the current property needs for the Project.
2. Four (4) of the Segment 4 parcels are owned by a single owner, PG&E.

3 The five (5) newly identified parcels are in Segments 2 and 3.

- **PMOC Observation:** The progress of real estate acquisition continues to be slower than anticipated. The PMOC expects that the Electrification contractor is likely to request compensation for some delays associated with the late delivery of real estate parcels.
- **PMOC Issues/Concern:** The JPB identified the need for an alternate location for Paralleling Station #3 (PS-3) at its Burlingame Station site in Segment 2. The initial location conflicts with a future grade separation of the Broadway crossing. *A new location has been agreed to with the City of Burlingame and environmental clearance documents are being prepared for the site.*
- The continued appearance of new parcels as a result of shifts in the placement of OCS poles is problematic if possession is needed before foundations can be constructed. The PMOC understands that BBII's designers are attempting to avoid or minimize such situations.

Third-party Agreements and Coordination

A significant number of third-party agreements were required to support the PCEP. These agreements are grouped into the following general categories, with status comments as appropriate to each:

Jurisdictional Agreements for Construction and Maintenance

The JPB reports that as of May 8, 2018, it has executed all agreements except those with the Town of Atherton (Segment 2), and the City of Palo Alto (Segment 3). The agreement with the City of Palo Alto continues to progress; The JPB provided comments to the City's attorney on the most recent draft and the agreement is being finalized. The JPB is no longer pursuing an agreement with the Town of Atherton. The only remaining action by the Town of Atherton is issuing a traffic control permit to the contractor, and the Town staff has been cooperative to date.

Jurisdictional Agreements for Exercise of Eminent Domain Powers

The JPB has executed agreements with the Santa Clara Valley Transportation Authority (VTA) and the San Mateo County Transportation District (SamTrans) under which the VTA and SamTrans will exercise eminent domain authority on behalf of the JPB, if such action is required, to acquire the real property rights located in the respective counties for the PCEP. It now appears unlikely that the CCSF will approve an agreement.

Utility Relocation Agreements

The JPB's right to relocate utilities that exist within its PCEP corridor exists by virtue of the property rights it acquired when it purchased the corridor from the Southern Pacific Transportation Company (SP) in November 1991. The JPB has the right to cause the relocation of both overhead and underground utilities to accommodate its railroad activities upon thirty (30) days' notice to the utilities at the utilities expense.

- *The next Utility Coordination meeting is scheduled for August 9, 2018.*
- PG&E is continuing to relocate its power lines. *The JPB reports that some planned PG&E utility relocations were impacted by wildfires, which caused re-deployment of PG&E's crews to address fire-related issues.*

- The JPB reports that Verizon is moving ahead to complete the overhead relocation of its Communication lines by the end of 2018. Any associated costs will be payable to the JPB. The JPB will provide necessary flagging support to allow Verizon to complete the work.
- The JPB reports that Silicon Valley Power has produced a schedule for relocation of its lines, but also reports that the company has already consumed considerable schedule float.
- The JPB reported that Palo Alto Power has acknowledged financial responsibility for relocation of its lines. Because the community has an ordinance that prohibits tall utility poles, the relocated lines will be placed under the tracks as permitted by the JPB's standards. The JPB has declined to fund the undergrounding of the power lines and the issue is being discussed at the Executive level.
- *The VTA is constructing a traction power substation to provide power to a BART extension. The VTA has identified a conflict between its TPSS and a pole location needed for the interconnection between PG&E and PCEP's TPSS #2. Several meetings have been held to resolve the issue; however, a solution had not been identified at the time of the PMOC's visit. Time is of the essence because BBII must place an order in the near future to assure timely delivery of the poles, which have a 22-week delivery schedule.*

The JPB is also negotiating specialized agreements with the following entities:

Pacific Gas & Electric (PG&E)

PG&E will supply power from two (2) existing substations to the new PCEP Traction Power System. Both substations must be modified to provide the required power. The JPB has executed a Master Agreement with PG&E as well as Supplements 1, 2, 3 and 5 to that agreement. Supplement 1 is for scoping and design services; Supplement 2 is for PG&E oversight of design and construction; Supplement 3 includes the costs for engineering and design of the modifications and funding for the procurement of long lead-time equipment; and Supplement 5 is for the supply of temporary power for initial system and vehicle testing. *Construction of the temporary power feed at PG&E's "FMC" substation in San Jose is underway and nearly complete.* Supplement 3 was approved by the JPB at its July 6, 2017 meeting and executed thereafter. The JPB approved execution of Supplement 4 at its February 2018 meeting; *Supplement 4 includes the cost of constructing the substation modifications, and the allocation of costs between the parties. Supplement 4 has not been executed because the JPB, at the time it approved execution of the Supplement, requested additional review of the cost allocation provisions. That review was performed and the JPB has been engaged in negotiations with PG&E, related to the cost allocation provisions for several months, and that issue remains unresolved. The JPB has determined that the Federal Energy Regulatory Commission (FERC) must approve the allocation scheme and has proposed an alternative approach to PG&E.* The PMOC understands that PG&E will not finalize its construction contracts until the Supplement is executed. *The date for PG&E's supply of permanent power to the PCEP is currently shown as September 9, 2021; this activity is on the project's critical path.*

California Public Utilities Commission (CPUC)

The CPUC has responsibility for grade crossing safety in California. The PCEP's proposed solution to providing Constant Warning Time at grade crossings must be approved by the CPUC before the modifications can be installed and the crossings returned to service. The JPB

met with the FRA in Washington, D.C. in March 2018 and received positive comments on its plan. *The next step is to gain the UPRR's concurrence on the proposed solution followed by a joint presentation by the JPB, supported by the UPRR, to the FRA Regional Office in Sacramento in late-August 2018 to gain its concurrence. No date has been established for a meeting with the CPUC.*

Union Pacific Railroad (UPRR)

The JPB is engaged in on-going confidential negotiations with the UPRR regarding a variety of issues. The UPRR is a tenant and operates service on tracks owned by Caltrain in the PCEP corridor; Caltrain operates service on tracks owned by the UPRR south of the PCEP corridor. The UPRR is considering selling its rights to operate freight service in the Caltrain corridor to a short line operator. This arrangement, if completed, could simplify bringing the freight service operator into conformance with the JPB's PTC system. *The JPB stated that it is negotiating with the UPRR to acquire the short line rights for the tracks north of Santa Clara.*

The UPRR recently imposed an increased lateral clearance requirement of 15 ft. between its MT-1 (northbound) track in Segment 4 of the corridor and some of the planned OCS pole locations. The typical clearance for railroad tracks is 8 ft. 6 in. *The PCEP team reports that it continues to have difficulty in resolving the final locations of the remaining poles with UPRR and is working with the railroad to resolve the remaining conflicts.*

California High Speed Rail Authority (CHSRA)

The California High-Speed Rail Authority (CHSRA) proposes to operate in blended service with Caltrain in the PCEP corridor in the future. The CHSRA recently published its 2018 Business Plan; that plan calls for initial construction of the Silicon Valley to Central Valley line from Diridon Station in San Jose to Bakersfield. The plan would also expand electrification of the Caltrain corridor south of San José to Gilroy. The CHSRA continues to be in discussions with Caltrain, Caltrans, the City of San José, Santa Clara County, Union Pacific Railroad and other partners about right of way and operational options, including how passenger and diesel freight trains could share the corridor. This sharing may potentially allow enhanced electrified service all the way to Gilroy, eliminating the need to use passenger diesel trains in the corridor and potentially allow the line to be used for express high-speed rail operations between San Francisco and Gilroy.

The JPB has been continuously involved in technical discussions with the CHSRA to ensure that the facilities being constructed as part of the PCEP are consistent with those being planned by the CHSRA. Representatives of the CHSRA are now participating regularly in a variety of PCEP meetings.

The JPB reported that it is moving forward with a plan to relocate a number of the OCS poles to permit future curve-straightening by the CHSRA without impacting the electrification system. Straightening of some curves will allow the CHSRA to achieve higher operating speeds. Prior to the issuance of a change order to BBII, the CHSRA will complete an environmental assessment to ensure that there are no new or substantially significant environmental impacts beyond those that were environmentally cleared in the PCEP EIR and EA. This documentation will be shared with the FTA. All costs associated with the pole relocation work will be paid for by the CHSRA. The JPB adopted the Final Environmental Impact Report (FEIR) Addendum #2: Inclusion of Overhead Contact System (OCS) pole and

wire relocations to accommodate California High Speed Rail Authority (CHSRA) Service, at its October 5, 2017 meeting. The NEPA Re-evaluation documentation of this project change is under FTA review.

The JPB recently established a separate project, led by its planning group, to support the CHSRA as a stakeholder. The JPB is represented on several working groups including Infrastructure and Operations. Funding for the JPB's participation in this effort comes from the CHSRA.

Federal Railroad Administration (FRA)

The JPB met with the FRA in Washington, D.C. on March 7, 2018 to discuss the proposed solution to the CWT issue and a follow-up conference call with the local FRA Regional staff in Sacramento is being planned. The JPB reported that the FRA conducted an on-site visit during the week of May 26, 2018; the purpose of the visit was not mentioned. The JPB continues to hold monthly conference calls with the FRA to discuss PTC progress and any related issues.

- **PMOC Observation:** Gauging the progress on PG&E and UPRR issues continues to be difficult because of confidentiality restrictions placed on the participants. *The JPB has been unable to provide a specific path or schedule for resolution of the issues with these two (2) entities.*

B. Project Management Plan (PMP) and Sub-Plans

The JPB states that it plans to update its Program Management Plan (PMP) in late 2018, and that work on the update is underway. The current version of the PMP is Revision 2, dated October 16, 2017. The PMOC plans to review the updated PMP when it is available, and to conduct on-site reviews of the PCEP's Quality and Safety programs in the coming months.

C. Project Management Capacity and Capability

The JPB reported the following recent changes to its organization and that of the PCEP:

Dave Couch, Project Delivery Director, resigned effective July 20, 2018. Mr. Couch had been with the project since 2014 and had been instrumental in the negotiation of both the Electrification and EMU contracts.

Alicia Fraumeni, Senior Contract Officer, resigned effective August 31, 2018. Ms. Fraumeni was responsible for the PCEP's Electrification, and EMU and tunnel procurements, as well as other support activities.

Liz Antin, a Planner supporting the PCEP's environmental activities, has resigned.

Several new staff have been added to the PCEP organization and others have been reassigned to prepare for the start of work on the Tunnel Notching Contract.

The most recent PCEP organization chart is attached as Appendix D.

- **PMOC Observation:** *The resignations of Dave Couch and Alicia Fraumeni will be felt throughout the organization. Both individuals were intimately involved in the development and negotiation of the Electrification and EMU contracts. The PMOC is not aware of anyone else on the staff that possesses the same level of knowledge and understanding of these two contracts; nor in*

the case of Mr. Couch, has the same level of personal relationship with the contractors' principals.

- **PMOC Recommendations:** The PMOC recommends adding field staff to monitor the progress of an increasing mix of Electrification construction activities, during both day and night shifts. Additional office engineering assistance is also required to stay current with change related documentation. *The PMOC will reconsider these recommendations after it has reviewed the recently approved staffing budget for the coming year.*

D. Project Cost

Table 2 below presents the PCEP cost estimate, dated November 16, 2016, as the estimate was revised and incorporated into the FFGA. The JPB is re-forecasting the estimated cost at completion (EAC) monthly. *The JPB will likely re-baseline the Capital Cost Estimate after it concludes the negotiation of Supplement 4 to the PG&E agreement, awards the CEMOF contract in late 2018, and assesses the cost impact of the current delays to the Electrification contract, following the completion of the necessary TIAs.*

Table 2 – Project Cost

STANDARD COST CATEGORY	Base Year Dollars w/o Contingency (X000)	Base Year Dollars Allocated Contingency (X000)	Base Year Dollars TOTAL (X000)	YOE Dollars TOTAL (X000)
10 GUIDEWAY & TRACK ELEMENTS (51 route miles)	9,930,050	3,443,415	13,373,465	14,256,739
20 STATIONS, STOPS, TERMINALS, INTERMODAL (NONE)	0	0	0	0
30 SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	1,727,666	396,732	2,124,398	2,265,200
40 SITEWORK & SPECIAL CONDITIONS	197,354,697	42,465,878	239,820,575	255,072,402
50 SYSTEMS	429,641,995	46,687,882	476,329,877	504,445,419
60 ROW, LAND, EXISTING IMPROVEMENTS	26,526,146	8,447,380	34,973,526	35,675,084
70 VEHICLES (96)	564,044,890	8,364,433	572,409,323	625,544,147
80 PROFESSIONAL SERVICES (applies to Cats. 10-50)	279,886,974	29,338,981	309,225,955	323,793,010
90 UNALLOCATED CONTINGENCY			150,353,131	162,620,295
100 FINANCE CHARGES			6,600,802	6,998,638
Total Project Cost (10 - 100)			**1,805,211,052**	**1,930,670,934**

Note: Totals may not add due to rounding.

Project Expenditures

The status of the PCEP budget and expenditures through June 30, 2018, in SCC format, is shown on Table 3.

PMOC Note: The JPB publicly reports expenditures against a total project budget of $1,980,252,533. This higher amount includes expenditures prior to the project's entry into the PD phase, which is excluded from the FTA's project budget. Costs incurred prior to the project's entry into the PD phase were removed from the estimate at the FTA's request during its review of the FFGA materials.

Table 3 – Project Expenditures in SCC Format (6-30-2018)

Description of Work	Approved Budget (A)	Cost This Month (B)	Cost To Date (C)	Estimate To Complete (D)	Estimate At Completion (E) = (C) + (D)
10 - GUIDEWAY & TRACK ELEMENTS	**$ 14,256,739**	**$ -**	**$ -**	**$ 14,356,739**	**$ 14,356,739**
10.02 Guideway: At-grade semi-exclusive (allows cross-traffic)	$ 2,500,000	$ -	$ -	$ 2,600,000	$ 2,600,000
10.07 Guideway: Underground tunnel	$ 8,110,649	$ -	$ -	$ 8,110,649	$ 8,110,649
10.07 Allocated Contingency	$ 3,646,090	$ -	$ -	$ 3,646,090	$ 3,646,090
30 - SUPPORT FACILITIES: YARDS, SHOPS, ADMIN. BLDGS	**$ 2,265,200**	**$ -**	**$ -**	**$ 2,265,200**	**$ 2,265,200**
30.03 Heavy Maintenance Facility	$ 1,344,000	$ -	$ -	$ 1,344,000	$ 1,344,000
30.03 Allocated Contingency	$ 421,200	$ -	$ -	$ 421,200	$ 421,200
30.05 Yard and Yard Track	$ 500,000	$ -	$ -	$ 500,000	$ 500,000
40 - SITEWORK & SPECIAL CONDITIONS	**$ 270,176,151**	**$ 2,851,674**	**$ 74,038,540**	**$ 210,220,629**	**$ 284,259,169**
40.01 Demolition, Clearing, Earthwork	$ 3,077,685	$ 447,833	$ 1,178,000	$ 2,074,685	$ 3,252,685
40.02 Site Utilities, Utility Relocation	$ 93,455,599	$ 1,172,335	$ 23,275,153	$ 84,152,465	$ 107,427,617
40.02 Allocated Contingency	$ (0)	$ -	$ -	$ (0)	$ (0)
40.03 Haz. mat'l, contam'd soil removal/mitigation, ground water treatments	$ 2,200,000	$ -	$ -	$ 2,200,000	$ 2,200,000
40.04 Environmental mitigation, e.g. wetlands, historic/archeologic, parks	$ 32,679,208	$ 68,625	$ 526,125	$ 32,153,083	$ 32,679,208
40.05 Site structures including retaining walls, sound walls	$ 568,188	$ -	$ -	$ 568,188	$ 568,188
40.06 Pedestrian / bike access and accommodation, landscaping	$ 804,933	$ -	$ -	$ 740,933	$ 740,933
40.07 Automobile, bus, van accessways including roads, parking lots	$ 284,094	$ -	$ -	$ 284,094	$ 284,094
40.08 Temporary Facilities and other indirect costs during construction	$ 116,946,444	$ 1,162,881	$ 49,059,262	$ 68,087,181	$ 117,146,444
40.08 Allocated Contingency	$ 20,160,000	$ -	$ -	$ 19,960,000	$ 19,960,000
50 - SYSTEMS	**$ 502,766,044**	**$ 4,493,197**	**$ 29,262,153**	**$ 469,586,065**	**$ 498,848,219**
50.01 Train control and signals	$ 96,789,149	$ 240,485	$ 1,240,485	$ 100,180,389	$ 101,420,874
50.01 Allocated Contingency	$ 2,451,000	$ -	$ -	$ -	$ -
50.02 Traffic signals and crossing protection	$ 23,879,905	$ -	$ -	$ 23,879,905	$ 23,879,905
50.02 Allocated Contingency	$ 1,140,000	$ -	$ -	$ 1,140,000	$ 1,140,000
50.03 Traction power supply: substations	$ 70,671,121	$ 108,000	$ 5,311,531	$ 65,359,590	$ 70,671,121
50.03 Allocated Contingency	$ 28,464,560	$ -	$ -	$ 28,464,560	$ 28,464,560
50.04 Traction power distribution: catenary and third rail	$ 253,642,388	$ 4,144,712	$ 22,710,138	$ 235,576,400	$ 258,286,537
50.04 Allocated Contingency	$ 18,164,622	$ -	$ -	$ 7,421,922	$ 7,421,922
50.05 Communications	$ 5,455,000	$ -	$ -	$ 5,455,000	$ 5,455,000
50.07 Central Control	$ 2,090,298	$ -	$ -	$ 2,090,298	$ 2,090,298
50.07 Allocated Contingency	$ 18,000	$ -	$ -	$ 18,000	$ 18,000
60 - ROW, LAND, EXISTING IMPROVEMENTS	**$ 35,675,084**	**$ 37,529**	**$ 11,628,398**	**$ 24,046,687**	**$ 35,675,084**
60.01 Purchase or lease of real estate	$ 25,927,074	$ 37,529	$ 11,549,962	$ 14,377,112	$ 25,927,074
60.01 Allocated Contingency	$ 8,748,010	$ -	$ -	$ 8,748,010	$ 8,748,010
60.02 Relocation of existing households and businesses	$ 1,000,000	$ -	$ 78,435	$ 921,565	$ 1,000,000
70 - VEHICLES (96)	**$ 625,755,807**	**$ 959,537**	**$ 111,030,899**	**$ 514,724,908**	**$ 625,755,807**
70.03 Commuter Rail	$ 588,831,901	$ 689,537	$ 110,760,899	$ 479,007,003	$ 589,767,901
70.03 Allocated Contingency	$ 10,019,974	$ -	$ -	$ 9,083,974	$ 9,083,974
70.06 Non-revenue vehicles	$ 8,140,000	$ 270,000	$ 270,000	$ 7,870,000	$ 8,140,000
70.07 Spare parts	$ 18,763,931	$ -	$ -	$ 18,763,931	$ 18,763,931
80 - PROFESSIONAL SERVICES (applies to Cats. 10-50)	**$ 326,437,874**	**$ 5,962,655**	**$ 210,377,208**	**$ 121,071,022**	**$ 331,448,230**
80.01 Project Development	$ 130,350	$ -	$ 280,180	$ (149,830)	$ 130,350
80.02 Engineering (not applicable to Small Starts)	$ 182,550,607	$ 4,111,995	$ 158,238,793	$ 30,370,170	$ 188,608,963
80.02 Allocated Contingency	$ 1,443,919	$ -	$ -	$ 395,919	$ 395,919
80.03 Project Management for Design and Construction	$ 72,910,901	$ 1,619,423	$ 42,100,995	$ 30,809,906	$ 72,910,901
80.03 Allocated Contingency	$ 9,270,000	$ -	$ -	$ 9,270,000	$ 9,270,000
80.04 Construction Administration & Management	$ 23,745,294	$ 196,775	$ 3,879,509	$ 27,564,256	$ 31,443,765
80.04 Allocated Contingency	$ 19,469,655	$ -	$ -	$ 11,771,184	$ 11,771,184
80.05 Professional Liability and other Non-Construction Insurance	$ 4,305,769	$ -	$ 2,555,769	$ 1,750,000	$ 4,305,769
80.06 Legal; Permits; Review Fees by other agencies, cities, etc.	$ 6,341,599	$ 34,462	$ 3,309,076	$ 3,032,523	$ 6,341,599
80.06 Allocated Contingency	$ 556,000	$ -	$ -	$ 556,000	$ 556,000
80.07 Surveys, Testing, Investigation, Inspection	$ 3,287,824	$ -	$ 12,887	$ 3,274,937	$ 3,287,824
80.08 Start up	$ 1,797,957	$ -	$ -	$ 1,797,957	$ 1,797,957
80.08 Allocated Contingency	$ 628,000	$ -	$ -	$ 628,000	$ 628,000
Subtotal (10 - 80)	**$ 1,777,332,899**	**$ 14,304,592**	**$ 436,337,198**	**$ 1,356,271,249**	**$ 1,792,608,447**
90 UNALLOCATED CONTINGENCY	**$ 146,339,397**	**$ -**	**$ -**	**$ 131,063,848**	**$ 131,063,848**
Subtotal (10 - 90)	**$ 1,923,672,296**	**$ 14,304,592**	**$ 436,337,198**	**$ 1,487,335,097**	**$ 1,923,672,296**
100 FINANCE CHARGES	**$ 6,998,638**	**$ 336,686**	**$ 3,521,448**	**$ 3,477,190**	**$ 6,998,638**
Total Project Cost (10 - 100)	**$ 1,930,670,934**	**$ 14,641,278**	**$ 439,858,646**	**$ 1,490,812,288**	**$ 1,930,670,934**

Project Funding

The PCEP is relying on several sources of funding to complete the project. Table 4 below summarizes the JPB's funding plan, as updated through June 23, 2017. The updated funding plan shows total funding of $1,930,670,934 including $647 million in Section 5309 funds. The plan also includes federal funding from the Section 5307 Urbanized Area Formula program of $287,150,000.

The JPB also has in-place an interim financing agreement for up to $150 million to provide additional cash flow flexibility to address differences in the timing of contractor invoices and the availability of drawdowns from funding sources.

The State of California recently awarded the JPB a $164,522,000 grant under its Transportation and Intercity Rail Capital Program (TIRCP). The grant will fund the purchase of additional EMUs using options included in the base contract with Stadler. The grant also includes targeted funding for 8-car platforms, improves wayside bicycle facilities (bike sharing and bike parking), and installs a broadband communications system that expands onboard Wi-Fi and enhances reliability by creating the capability to conduct remote diagnostics and optimize ongoing operations and maintenance.

Table 4 – Project Funding Summary

Funding Source	Planned/Budgeted*	Committed*	Total ($x1000)
Local	$0	$996,521	$996,521
Federal	0	$934,150	$934,150
Total	**$574,043**	**$1,356,628**	**$1,930,671**

* Definitions from Guidelines and Standards for Assessing Local Financial Commitment, FTA, June 2007

E. Project Schedule

The FFGA was executed on May 23, 2017.

The JPB completed a re-baselining of its Master Project Schedule (MPS) in December 2017; the current schedule reflects the execution of the FFGA, the issuance of the final NTPs to the EMU and Electrification contractors, and the impacts to the overall project resulting from these delays. The following is based on a review of the contractors' schedules:

- *BBII, the Electrification contractor, is now reporting that the substantial completion date has slipped further to May 28, 2021, approximately three (3) months later than reported in the PMOC's May 2018 report. The continued slippage is due to the lack of resolution of the Constant Warning Time (CWT) issue, which causes a day-for-day delay based on the contractor's current schedule logic. The parties continue to work on a second Time Impact Analysis (TIA) to address the CWT delay; however, the TIA cannot be performed until a solution is confirmed.*
- The delivery of the first EMU trainset to the JPB is scheduled for July 2019, this is approximately three (3) months later than originally planned. The delivery of the first six (6) EMU trainsets will be delayed, but no impact is expected to the deliveries of the remaining trainsets.

- *Testing of the new EMUs requires that reconstruction and electrification of the Santa Clara Drill Track be complete; this work is currently scheduled to be finished in the second quarter 2020. The JPB is considering using the USDOT's Pueblo, Colorado, test track for receipt and testing of the first EMUs to avoid delaying those activities while construction of its own test track is completed.*

The PCEP's most recent schedule includes a soft opening for revenue service on April 22, 2022, with a partial fleet of EMU vehicles, and a full Revenue Service Date (RSD) of August 22, 2022.

PMOC Observations:

- *Construction progress in Segments 2 and 4 continues to be much slower than originally planned due to the presence of numerous unanticipated underground obstructions. This problem has been compounded by various factors, including PTC testing and other JPB capital projects, which have resulted in less on-track work time for the contractor's crews. The PMOC's opinion is that these conditions are likely to persist for the remainder of the corridor.*
- The in-ground obstacles have forced the relocation of a significant number of the OCS poles; each requiring some re-design effort before the new location can be cleared and the foundation placed. BBII has increased design resources to reduce the impacts of this re-design activity.
- *BBII now has a second potholing sub-contractor and has increased the number of potholing rigs to ten (10), a significant increase in resources.* The overall pace of the OCS work is controlled by the completion of foundations; however, efficient erection of the OCS poles can only occur when a continuous line of foundations is available for work crews. *BBII has placed both foundation construction and pole erection on-hold until enough cleared foundation locations are available to allow the work to proceed effectively.* Although the OCS work is not on the project's critical path, continuing low productivity may result in it becoming critical. The contractor's ability to significantly increase the amount of OCS work put in place during any given period of time will be limited by the time allowed for on-track work.
- *The impact of these various factors is highlighted by comparing BBII's actual billing for July 2018 of $8,265,495, compared to a budget for the period of $19,991,914. On a cumulative basis, BBII has billed $232,648,497 thru July 2018, compared to a budget of $463,344,983 for the same period. Using only BBII's projected billings as reported in July 2018, to expend the original contract value by the originally planned date of August 2020 will require an average monthly expenditure of $18,558,482. If a normal expenditure curve, similar to that originally projected by BBII is assumed, the maximum monthly billing could be significantly greater than the approximately $24 million in the present plan. The above analysis is based on the original contract value and does not consider the additional costs incurred, or likely to be incurred because of change orders. The PMOC questions whether that level of expenditure is achievable given the current schedule constraints.*

- The JPB revised its schedule for weekend interruptions of rail service in Segment 1 to permit Electrification construction and concurrent work on the Tunnel Notching contract. The service interruptions must now take place following the close of the 2018 Major League Baseball season. This constraint was not present at the time the Electrification contract was awarded and it is not clear how this will impact the Electrification contractor's accepted baseline schedule. *The JPB has issued a Change Notice to compensate the Electrification contractor for some initial work related to this schedule change.*
- *The JPB is considering using the USDOT's test track in Pueblo, Colorado, to test and accept the first EMUs because of the anticipated delay in completing its own test track. The PMOC notes that the Pueblo facility also contains facilities suitable for demonstrating the EMU's contractually required 110 mph capability. The PMOC's opinion is that demonstrating the EMU's high-speed capability on Caltrain's current Segment 4 tracks would require some upgrades to the track system and associated regulatory approvals.*

Table 5 below, which is based on the MPS C16.09 with a Data Date of July 1, 2018, shows the current projected dates for completion of various significant project activities.

Table 5 – Schedule Status

Milestone	Baseline	Grantee Forecast	PMOC Forecast
New Starts/Core Capacity Grant Agreement:	Not in MPS	5/23/2017 (A)	5/23/2017 (A)
Design/Build Notice to Proceed:	12/08/15 (P)	6/19/2017 (A)	6/19/17 (A)
Arrival of First EMU at JPB	7/29/19	7/15/19	7/15/19
Final Engineering (FE) Completion:	04/03/18 (P)	3/14/2018	9/13/19
Systems Integration Testing Completed:	01/29/19 (P)	*12/9/21*	*12/9/21*
First Eight Miles of Electrification Complete to Begin Testing	11/21/19	*7/19/20*	*7/19/20*
Design/Build Completion	02/16/19 (P)	8/10/20	8/10/20
PG&E Provides Permanent Power	9/9/21	9/9/21	9/9/21
Pre-Revenue Operation Completed:	05/07/20 (P)	12/9/21 (P)	12/9/21
Revenue Service – Soft Opening		4/22/22	4/22/22
Revenue Operations Date:	05/07/20 (P)	8/22/2022	8/22/2022
(P) Planned Date (A) Actual Date			

Appendix E presents the PCEP's summary schedule C16.09 with a Data Date of July 1, 2018, as contained in its July 2018 Monthly Report.

- **PMOC Recommendation:** The JPB's leadership team should obtain the services of a senior scheduling consultant on an as-needed basis to test various what-if scenarios related to the current rate of Electrification construction progress as well as other project activities and the impact of alternate management strategies to mitigate delays and improve performance. *This independent work can be used to inform decisions on mitigation strategies as well as assess the reasonableness of contractor produced TIAs when they are*

received. The PMOC's opinion is that the PCEP's scheduling resources are currently fully occupied with schedule management and have insufficient time to devote to this type of activity.

- *The PMOC recommends that the JPB increase the PCEP's scheduling resources to address the demands associated with initiation of the Tunnel Notching contract, the work required to analyze and respond to the required TIAs for the delays being experienced on the Electrification contract, and the award of the CEMOF Modification contract later this year.*

F. Quality Assurance / Quality Control (QA/QC)

The following quality management activities were reported for the PCEP:

- *Conducted three (3) PGH Wong design package audits.*
- *Conducted three (3) QA laboratory audits: Smith Emery, Signet, and Consolidated Engineering Laboratory.*
- *Continued review and approval of Design Variance Requests for BBII and PGH Wong for QA/QC and inspection issues/concerns.*
- *Continued review of BBII-generated Nonconformance Reports (NCRs) and Construction Discrepancy Reports for proper discrepancy condition, discrepancy cause, disposition, corrective and preventive action and verification of closure.*
- *Continued review of BBII QC Inspectors Daily Reports, Construction Quality Control Reports and Surveillance Reports for work scope, performance of required duties, adequacy, non-conformances, test/inspection results, follow up on unresolved issues, and preciseness.*
- *Continued review of BBII Material Receipt Reports, Certificates of Conformance, Certified Tests Reports, and Certificates of Analysis, to ensure delivered project materials conform to specifications, and that contractually required quality and test support documents are adequate and reflect concise conditions per the purchase order requirements.*
- *Continued review of Stadler QA activities, including: NCR review, Inspection Exception Reports, Car History Reports and Weekly Status Reports.*

The JPB's Procurement Department issued an RFP for On-Call Special Inspection and Testing Services to support both the PCEP and the JPB's Capital program. *Proposals were due June 11, 2018, and results have not been announced.*

- **PMOC Observations and Recommendations:** The PMOC's opinion is that the additional quality resources requested previously are needed and may be inadequate to address the full range of quality activities on a project of the scale of the PCEP.

  The PMOC recommended that PCEP make use of appropriate staff from the San Carlos office to augment the PCEP quality program. The PCEP QA Manager commented that he would have to conduct appropriate quality training before unqualified staff conduct quality activities.

The PMOC plans to conduct a focused review of the PCEP Quality Management program in the coming months.

G. Safety and Security

The JPB contracts for safety and security consulting services to support the PCEP. The current contract is due to expire and the JPB is currently soliciting proposals for the next five-year period; proposals are due on September 21, 2018. The PMOC is concerned about the potential loss of continuity if a new contractor is selected. The PMOC's opinion is that the requested level of effort of approximately 2.5 FTE may be less than needed, given the expected level of activity on the various contracts.

The PCEP safety team continues to monitor the safety performance of BBII's field activities including compliance with Site Specific Work Plans.

A number of safety incidents have been reported by the Electrification contractor since the PMOC's last visit in May 2018, including the following three (3) mentioned by the PCEP safety team:

- *June 15, 2018 - A worker on the tree trimming crew was operating a small skid-steer loader, which tipped over and pinned him causing a fractured leg, a lost-time injury.*
- *July 31, 2018 - An excavation for the foundations at TPSS #2 was left open without required shoring. No injuries or damage resulted.*
- *August 14, 2018 – A fiber-optic cable was struck and damaged during excavation for duct bank.*

The PMOC is concerned by the number of reported incidents, especially since the variety of construction activities is increasing and work locations are further spread throughout the corridor. The PMOC notes that the number of prime contractors is also increasing with the addition of tunnel notching and future CEMOF work, placing additional demands on the PCEP safety consultant.

The JPB submitted its Draft SSMP, Rev. 4, on April 11, 2017 for PMOC review. The PMOC completed its review of the Rev. 4 Draft and provided comments and recommendations to the PCEP's safety team in August 2017. The SSMP Update Review report is currently being finalized.

The PCEP's safety management team continues to hold regular monthly meetings of the Fire and Life Safety Committee and the Safety and Security Certification Review Committee. *The next meetings are set for August 22, 2018.*

H. Americans with Disabilities Act (ADA)

The new EMU vehicles will be equipped with powered on-board lifts to provide assistance to passengers using mobility devices. The JPB requested the FTA's concurrence to reduce the number of on-board lifts from 32 per train set to 16 per train set, and to phase the installation of the lifts. The JPB's proposal calls for initial installation of two (2) lifts per train set, one (1) each in the northernmost car and one (1) in the following car, which will be equipped with an accessible restroom. The remaining four (4) lifts per train set are to be installed prior to the start of blended service with the CHSRA trains. The FTA, following its review of the JPB's proposal and further clarification provided by a conference call, concurred with the JPB's

proposed reduction in the total number of passenger lifts per train set. The phased installation of the lifts was also discussed and associated grant timing considerations.

The new EMU vehicles must comply with the FTA's current ADA requirements and the guidance in FTA Circular 4710.1.

I. Buy America

- The FTA concurred in November 2016 with the JPB's determination that the EMU contract is governed by a 60% domestic content requirement, based on the General Public Interest Waiver provisions in the FTA's current Buy America regulations.
- The JPB reports that it has received guidance from the FTA confirming the acceptability of a protocol for certifying compliance of PG&E substation modifications with Buy America requirements. The JPB also reported that PG&E has determined that it will not need to install Gas Insulated Switchgear when it modifies its FMC substation to supply power to the JPB's TPSS #2. This determination by PG&E eliminates a major concern related to Buy America compliance because Gas Insulated Switchgear is not manufactured in the U.S.
- The EMU vehicle consultant visited Stadler's Salt Lake City facility during late January 2018 to verify its Buy America compliance and its progress in arranging for American equipment suppliers. *The JPB has not mentioned plans for additional intermediate Buy America audits.*
- The project's QA Manager reports that he routinely reviews Buy America documentation as a part of his audit of vendor files.

J. Vehicles

The PCEP has placed an order for ninety-six (96) new bi-level EMU vehicles to be produced by Stadler US, Inc. and delivered in six-car train sets. The EMU contract contains an option for JPB to purchase up to ninety-six (96) additional EMUs at prices based on the date when the option is exercised. The EMU contract also contains an option for Stadler to maintain the vehicles; the JPB has decided not to exercise this option and the vehicles will be maintained by TASI, the JPB's current rail operator. The JPB states that Stadler will provide on-site training and assistance for TASI's personnel for two (2) years following vehicle acceptance.

The EMUs will be delivered with two (2) sets of doors, one set at approximately 22" above top of rail, and one at approximately 50.5" above top of rail. Initially, only the lower set of doors will be activated, and a small step will automatically deploy outside the vehicle to reduce the boarding height to the current platforms. Later, when the EMUs operate in blended service with the CHSRA vehicles, the high-level doors will be operated to provide level boarding at the higher CHSRA platforms at those stations served by both systems.

The JPB has negotiated a change order to reduce the number of interior lifts from twelve (12) to six (6) in each trainset. This topic is discussed in more detail in Section H, Americans with Disabilities Act, above. A second change order has been issued to increase the capacity of lifts that provide ADA access to restrooms in those cars so equipped; this change order is in response to recent change in the standards for such lifts.

The JPB previously reported that it has finalized the on-board bicycle parking arrangement and will continue to stack bikes as is currently done. *However, a concern has been raised by one*

of Caltrain's passengers regarding bikes blocking emergency egress, as noted below under regulatory issues.

Stadler reported the following progress on the vehicles:

- *Final Design Review II for the Carbodys was held in July 2018.*
- *The Virtual Mock Up was delivered to JPB and is now under review.*
- *Technical Clarifications with Wabtec regarding PTC equipment to be installed on the EMUs was finished in July 2018.*
- *The car shells for Cab Cars A and B for trainset 1 have been shipped from the Altenrhein plant in Switzerland and are in route to the assembly facility in Salt Lake City, Utah. Each of the sixteen (16) trainsets will be shipped in three batches with two car shells in each batch.*
- *The cab car shell for trainset 2 is in Dresden, Germany, undergoing structural validation testing.*

Regulatory Issues

The JPB sent the FRA a request for interpretation, dated September 19, 2017, related to use of the high-level doors in lieu of emergency egress windows in passenger intermediate seating levels. The JPB followed that request with a letter dated December 21, 2017 formally requesting a waiver of the requirements of 49 CFR 238.113(a)(3) and 238.114(a)(3) for the EMU cars A, B, C and E. *The FRA, in a letter dated June 8, 2018, denied the JPB's request for a waiver on the use of the high-level doors for emergency egress from the EMUs. The JPB previously developed an alternative to address this possible outcome. The alternative is complicated and requires creation of an interim configuration that replaces the high-level doors with an emergency exit window. This alternative has a number of difficult and potentially expensive impacts and the JPB has not reached a decision on how to proceed.*

The JPB reported that a customer has complained about the plan to store bicycles in the area immediately in front of the emergency exit windows in the new EMU bicycle cars, and that the customer has also brought the issue to the attention of the FRA. The JPB states that if it complies with the requirement, it will reduce the number of bicycles that can be carried in each trainset. The JPB established a ratio of one (1) bicycle for every eight (8) seats in each six-car EMU trainset after considering public comments. It is unclear how the reduced bicycle capacity might impact total passenger capacity of each trainset, which was a major consideration in the FTA's evaluation of the JPB's Core Capacity grant application. *The safety implications were discussed at QPRM No. 7, and at that time the FRA stated that one of its staff is working with the JPB and Stadler. The FRA further stated that Caltrain has been put on notice that the emergency exit blockage would become a problem, if not resolved, when the cars are placed in service and could require a re-design of the area.*

The FRA granted the JPB's request for a waiver of compliance from a portion of 49 CFR §238.113(a)(2), Emergency window exits for the restroom car of their new 6-car EMU trainsets, on February 9, 2018.

5) Project Risk and Contingency

The PCEP has been implementing its Risk Identification and Mitigation Plan (RIMP) since its development in 2014. The PCEP's Risk Management Specialist conducts weekly updates of a sub-set of the Risk Register and the project's Risk Management Committee meets monthly to review those risks proposed for retirement, risks with a major change in severity, and proposed additions to the Risk Register.

The JPB conducted a Risk Refresh Workshop on September 18-19, 2017; this was the first comprehensive risk update since the award of the FFGA and issuance of full NTP to both major contractors. The JPB's workshop was preceded by a half-day risk management meeting with the Electrification contractor to discuss the contractually required risk management plan. The Electrification contractor's risk management plan includes periodic risk meetings with the JPB and regular reviews of contractor-owned risks. One outcome of the Risk Refresh Workshop was the incorporation of the contractor's risks into the PCEP risk register. The JPB also re-ran its Monte Carlo risk model and updated the cost and schedule contingency requirements.

The PCEP team planned to hold the third quarterly risk management meeting with the Electrification contractor on August 14, 2018; however, the meeting had to be re-scheduled.

The following are the top risks, with risk number, shown on the current PCEP risk register. *The numbers in parentheses following each risk indicate the risk's current rank in terms of importance followed by its position from the PMOC's prior report, e.g., (1/1).*

(279) BBII may be unable to develop grade crossing modifications that meet regulatory requirements prior to scheduled testing and commissioning of the system. *(1/1)*

(223) A complex and diverse collection of major program elements and current Caltrain capital works projects may not be successfully integrated with existing operations and infrastructure. *(2/2)*

(242) JPB's ability to deliver work windows to contractor, as dictated per contract. *(3/4)*

(281) Additional work in the form of signal/pole adjustments may be required to remedy sight distance impediments arising from modifications to original design. (4/5)

(257) Modifications to the PTC system hardware and software and Back Office Server database and systems to support DB must be completed in time for cutover and testing. (5/17)

(287) Design changes may necessitate additional implementation of environmental mitigations not previously budgeted. (6/6)

(263) Collaboration across multiple disciplines to develop a customized rail activation program may fail to comprehensively address the full scope of issues required to operate and maintain an electrified railroad and decommission the current diesel fleet. (7/8)

(276) BBII may be unable to get permits required by jurisdictions for construction in a timely manner. (8/9)

(294) UPRR does not accept catenary pole offsets from centerline of track, necessitating further negotiation or relocation of poles. (10/10)

(297) Cost and schedule of Stadler contract could increase as a result of this change in PTC system. Delay of PTC may delay acceptance of EMUs. (11/11)

(298) Cost and schedule of BBII contract could increase as a result of this change in PTC system. (12/New Risk)

(302) May not have a 110-mph electrified section of track that will be ready for testing when needed. (13/New Risk)

(304) FRA raises objections to locating bikes in front of emergency window exits. (14/New Risk)

The PMOC notes that Risk No. 101, "PG&E may not be able to deliver permanent power for the project within the existing budget and in accordance with the project schedule," which was previously the third highest ranked risk, was downgraded significantly in the current risk register.

Appendix F is a listing of the top project risks from the most recent PCEP Risk Register.

- **PMOC Recommendation:** *The PMOC recommends that the JPB increase coordination between the PCEP and Caltrain operations to avoid or minimize impacts to the Electrification contractor's activities, now that operational testing of the PTC system has resumed.*

6) <u>Discussion of Monitoring Plan Items</u>

The PMOC plans to increase its focus on the PCEP's schedule performance including the JPB's mitigation of delays to OCS foundation installation, final adoption and implementation of a solution to provide the required Constant Warning Time at grade crossings, and completion of Time Impact Analyses related to the previous two (2) issues. The PMOC also plans to monitor PCEP staffing levels as project activities expand geographically and the complexity of project activities increases with the start of the tunnel notching and drainage work, and the anticipated start of work at the CEMOF. The PMOC has recently alerted the JPB to the significant effort required to prepare for electrified operations, which must take place before initial testing of EMUs on either the Santa Clara Drill Track or on the mainline. The PMOC will begin monitoring progress on this activity.

7) Action Items

Table 6 – Action Items

No.	Action Item	Discussion	Agreed Due Date	Responsibility Agency/Name	Status
5.05	JPB to have a follow-up conversation with the FTA to discuss how the federal interest in the PG&E-JPB interconnection will be preserved if this becomes the property of PG&E.	This issue is unresolved and part of the negotiation of Supplement #4.	When the issue becomes ripe for discussion.	JPB: Legal Counsel FTA: Wu	Issue is Ripe as of QPRM #6 *Unchanged 6-14-2018*
6.02	JPB to add PTC as a new Concurrent Other Caltrain Project.		NLT QPRM #7	Bouchard	*Completed 6-14-2018*
7.01	*JPB to provide an assessment of how much of the previously purchased and/or installed CBOSS-PTC equipment is still considered useful with the Wabtec system.*		*NLT QPRM #8*	*Bouchard*	
7.02	*JPB to provide an updated organization chart showing FTE.*		*NLT QPRM #8*	*Funghi*	
7.03	*JPB to indicate on design package and other similar progress charts, the number of packages or installations required and completed (Req/Comp)*		*NLT QPRM #8*	*Couch*	
7.04	*JPB to provide seat and bike data related to the core capacity ridership calculation.*	*Stacy Cocke has a chart showing this information*	*NLT QPRM #8*	*Cocke*	
7.05	*FTA to provide a chart showing ROW acquisition progress for use in future JPB quarterly presentations.*	*FTA has an example*	*FTA – ASAP JPB – NLT QPRM #8*	*FTA – Carranza JPB - Fitzpatrick*	
7.06	*JPB, FTA and the PMOC to have a Schedule Containment Workshop*	*Timing should consider when TIA 2 complete*	*NLT QPRM#8*	*PMOC - Eidlin JPB- A. Christofas*	

Legend: Each Action Item indicates the number of the Quarterly Progress Review Meeting where the Action Item was identified. Colored italics indicate a new entry from the previous version. Shaded cells indicate a completed item. Items are removed from the Action Item list for the second report following the report in which they are reported complete.

Appendix A: List of Acronyms

Acronyms	List of Terms
ADA	Americans with Disabilities Act
APTA	American Public Transportation Association
ATP	Alternate Technical Proposal
BAAQMD	Bay Area Air Quality Management District
BAFO	Best and Final Offer
BART	Bay Area Rapid Transit District
BBII	Balfour-Beatty Infrastructure, Inc.
Caltrans	California Department of Transportation
CBOSS	Communications Based Overlay Signal System
CC	FTA's Core Capacity Improvement Program
CCB	Change Control Board
CCIP	Contractor Controlled Insurance Program
CCSF	City and County of San Francisco
CEL	Certified Elements List
CEMOF	Central Equipment Maintenance and Operations Facility
CEQA	California Environmental Quality Act
CGA	Construction Grant Agreement
CHSRA	California High-Speed Rail Authority
CIG	FTA's Capital Investment Grant Process
CIL	Certifiable Items List
CM/GC	Construction Manager/General Contractor
CNPA	Concurrent Non-Project Activity
CO	Change Order
CPUC	California Public Utilities Commission
CSCG	City/County Staff Coordinating Group
CWT	Constant Warning Time
D-B	Design-Build
DBB	Design-Bid-Build
DBE	Disadvantaged Business Enterprise
DBFOM	Design-Build-Finance-Operate and Maintain
DEIR	Draft Environmental Impact Report
DQP	Design Quality Plan
DRB	Disputes Review Board
DSDC	Design Support During Construction
EA	Environmental Assessment
EAC	Estimate at Completion
EE	Entry into Engineering
EIR	Environmental Impact Report
EMU	Electric Multiple Unit Rail Vehicle
ETB	Electrified Trolley Buses
FCD	Final Completion Date

Acronyms	List of Terms
FD	Final Design
FEIR	Final Environmental Impact Report
FERC	Federal Energy Regulatory Commission
FFGA	Full Funding Grant Agreement
FMOC	Financial Management Oversight Consultant
FMP	Fleet Management Plan
FONSI	Finding of No Significant Impact
FRA	Federal Railroad Administration
FTA	Federal Transit Administration
FY	Fiscal Year
GO	General Order (issued by the CPUC)
HSR	High-Speed Rail
I-ETMS	Interoperable Electronic Train Management System
IFC	Issued for Construction
IFB	Invitation for Bids
IGA	Inter-Governmental Agreement
Cal ISO	California Independent System Operator
ITCS	Incremental Train Control System
JPB or PCJPB	Peninsula Corridor Joint Powers Board
KKCS	Kal Krishnan Consulting Services, Inc.
LNTP	Limited Notice to Proceed
LONP	Letter of No Prejudice
LPMG	Local Policy Makers Group
MCC	Management Capacity and Capability
MOU	Memorandum of Understanding
MPS	Master Project Schedule
MTC	Metropolitan Transportation Commission
NCR	Non-conformance Report
NEPA	National Environmental Policy Act
NMFS	National Marine Fisheries Service
NTO	Notice to Owner (for Utility Relocation)
NTP	Notice to Proceed
OCS	Overhead Contact System/Overhead Catenary System
PCEP	Peninsula Corridor Electrification Program
PCWG	Peninsula Corridor Working Group
PD	Project Development Phase
PG&E	Pacific Gas and Electric
PHA	Preliminary Hazard Assessment
PMOC	Project Management Oversight Contractor
PMP	Project Management Plan
ProVen	ProVen Management, Inc.
PS	Paralleling Station for Traction Power Supply
PTC	Positive Train Control

Acronyms	List of Terms
PTG	Parsons Transportation Group
QA	Quality Assurance
QAP	Quality Assurance Plan
QC	Quality Control
QMP	Quality Management Plan
QPRM	Quarterly Progress Review Meeting
RAMP	Real Estate Acquisition Management Plan
RFMP	Rail Fleet Management Plan
RFP	Request for Proposal
RIMP	Risk Identification and Mitigation Plan
RON	Resolution of Necessity (for Eminent Domain purposes)
ROW	Right of Way
RSD	Revenue Service Date
RWIC	Roadway Worker in Charge
RWQCB	Regional Water Quality Control Board
SamTrans	San Mateo County Transit District
SCADA	Supervisory Control and Data Acquisition
SCC	Standard Cost Category
SCVTA/VTA	Santa Clara Valley Transportation Authority
SF	City of San Francisco
SFCTA	San Francisco County Transportation Authority
SFMTA	San Francisco Municipal Transportation Agency
SHPO	State Historic Preservation Office
SJ	City of San Jose
SMCTA	San Mateo County Transportation Authority
SME	Subject Matter Expert
SOGR	State of Good Repair
SONO	Statement of No Objection
SP	Southern Pacific Transportation Company
SSI	Sensitive Security Information
SSMP	Safety and Security Management Plan
SSOA	State Safety Oversight Agency
TASI	Transit America Services, Inc.
TEAM	Transportation Electronic Award Management System
TIA	Time Impact Analysis
TIRCP	Transportation and Intercity Rail Capital Program
TJPA	Transbay Joint Powers Authority
TPS	Traction Power System
TPSS	Traction Power Substation
TrAMS	Transportation Award Management System
TVA	Threat and Vulnerability Analysis
TVM	Transit Vehicle Manufacturer
UPRR	Union Pacific Railroad

Acronyms	List of Terms
USFWS	United States Fish and Wildlife Service
VE	Value Engineering
VECP	Value Engineering Change Proposal
VTA	Santa Clara Valley Transportation Authority
YOE	Year of Expenditure

Appendix B: Safety and Security Checklist

Project Overview			
Project Mode	Commuter Rail		
Project Phase	FFGA – Construction		
Project Delivery Method	Design-Build, Design-Bid-Build		
Project Plans	**Version**	**Review by FTA**	**Status**
Safety and Security Management Plan (SSMP)	Rev 4	Y	Under Review
Safety and Security Certification Plan (SSCP)	Rev 0		Under Review
System Safety Program Plan (SSPP)	Rev 7		Under Review
System Security Plan or Security and Emergency Preparedness Plan (SEPP)	Rev 0		SSP being revised
Construction Safety and Security Plan (CSSP)	V3 Part C of SPs		In Contract Documents

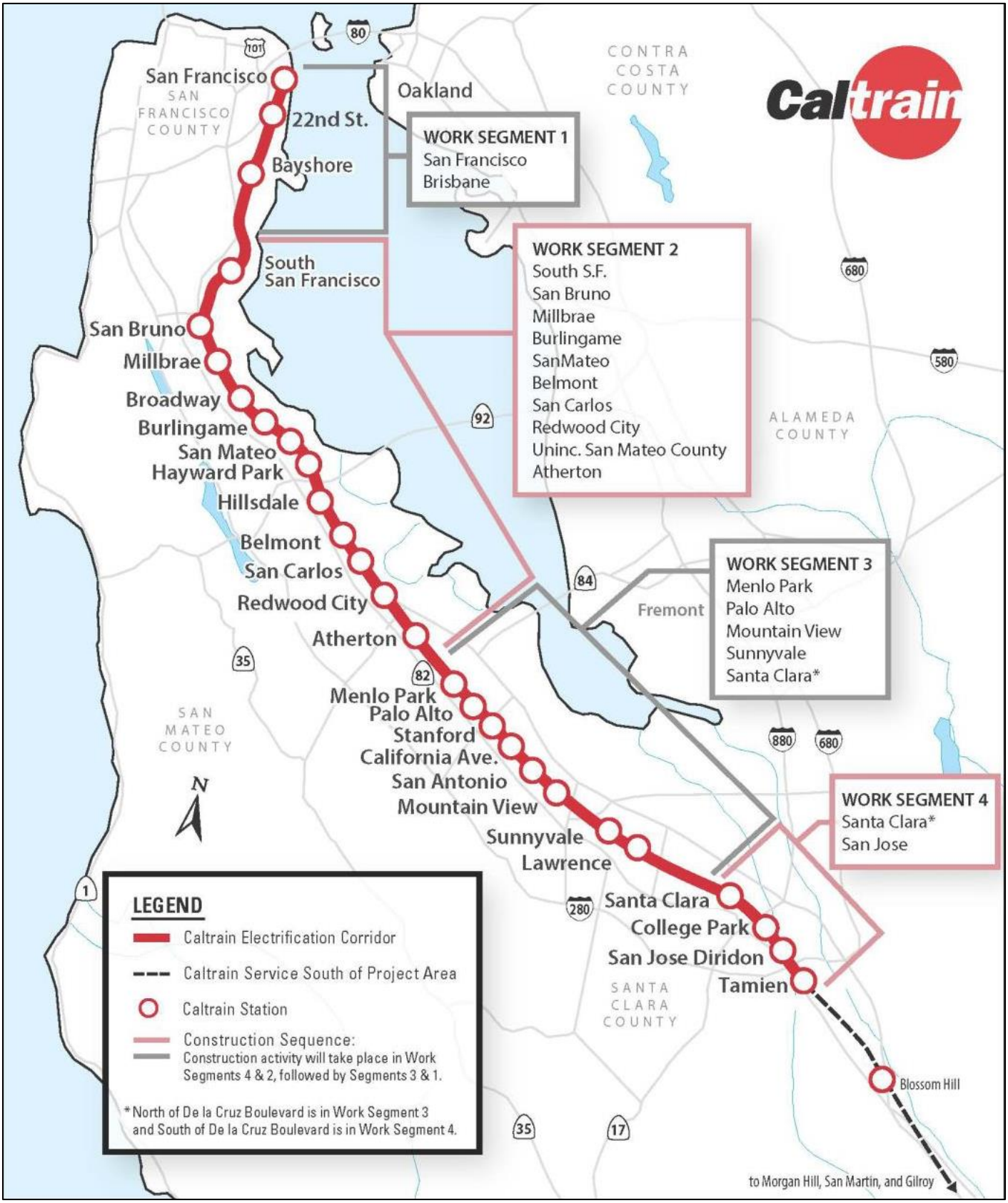
Area of Focus	**Y/N**	**Notes/Status**
Safety and Security Authority		
Is the Project Sponsor subject to 49 CFR Part 659 state safety oversight requirements?	Y	
Has the state designated an oversight agency as per 49 CFR Part 659.9?	Y	California Public Utilities Commission is SSOA
Has the oversight agency reviewed and approved the Project Sponsor's Security Plan or SSPP as per 49 CFR Part 659.17?	TBD	Not known at this time
Did the oversight agency participate in the last Quarterly Program Review Meeting?	*N*	*QPRM No. 7 held June 14, 2018*
Has the Project Sponsor submitted its safety certification plan to the oversight agency?	TBD	SSCP submitted Rev. 0 which is currently under review.
Has the Project Sponsor implemented security directives issued by the Department of Homeland Security and/or Transportation Security Administration?	Y	No directives have been received at this time; Transit Police is the liaison between DHS and Caltrain.
SSMP Monitoring		
Is the SSMP project-specific, clearly demonstrating the scope of safety and security activities for this project?	Y	
Does the Project Sponsor review the SSMP and related project plans to determine if updates are necessary?	Y	
Does the Project Sponsor implement a process through which the Designated Function (DF) for Safety and DF for Security are integrated into the overall project management team? Please specify.	Y	In the SSMP and Section 11.0 of the PMP.
Does the Project Sponsor maintain a regularly scheduled report on the status of safety and security activities?	Y	Safety & Security activities are reported in the monthly PCEP report.
Has the Project Sponsor established staffing requirements, procedures and authority for safety and security activities throughout all project phases?	Y	Section 3.0 of SSMP

Area of Focus	Y/N	Notes/Status
Does the Project Sponsor update the safety and security responsibility matrix/organizational chart as necessary?	Y	
Has the Project Sponsor allocated sufficient resources to oversee or carry out safety and security activities?	Y	
Has the Project Sponsor developed hazard and vulnerability analysis techniques, including specific types of analysis to be performed during different project phases?	Y	PHA Rev. 1, APR 16
Does the Project Sponsor implement regularly scheduled meetings to track to resolution any identified hazards and/or vulnerabilities?	Y	Yes, in Safety and Certification Committee meetings which started in December 2016 on a project level and through our "Capital Safety Committee" which meets monthly. IndustrySafe is also being used to track safety activities.
Does the Project Sponsor monitor the progress of safety and security activities throughout all project phases? Please describe briefly.	Y	Yes, through the Safety & Security Certification Committee and the Fire/Life Safety Committee which are ongoing committees throughout the life of the project.
Does the Project Sponsor ensure the conduct of preliminary hazard and vulnerability analyses? Please specify the analyses conducted.	Y	PHA Rev. 1 APR 16, Under review. TVA Rev. 1 APR 16, Under review. OHA is currently being developed.
Has the Project Sponsor ensured the development of safety design criteria?	Y	
Has the Project Sponsor ensured the development of security design criteria?	Y	
Has the Project Sponsor ensured conformance with safety and security requirements in design?	Y	Design Criteria checklists are currently being developed and reviewed by the Safety & Security Certification Review Committee.
Has the Project Sponsor verified conformance with safety and security requirements in equipment and materials procurement?	Y	Through the Safety & Security Certification Process.
Has the Project Sponsor verified construction specifications conformance?	Y	Currently only for foundation construction and OCS pole erection which is under way.
Has the Project Sponsor identified safety and security critical tests to be performed prior to passenger operations?	Y	Addressed in SSMP as required by D/B Contractor during construction.
Has the Project Sponsor verified conformance with safety and security requirements during testing, inspection and start-up phases?	Y	Addressed in SSMP and SSCP.
Has the Project Sponsor evaluated change orders, design waivers, or test variances for potential hazards and/or vulnerabilities?	Y	Through the Change Management Board.
Has the Project Sponsor ensured the performance of safety and security analyses for proposed work-arounds?	Y	This is included in the Rail Activation Committee scope during testing/startup activities. BBII's Safety & Security Certification flow chart identifies the process.

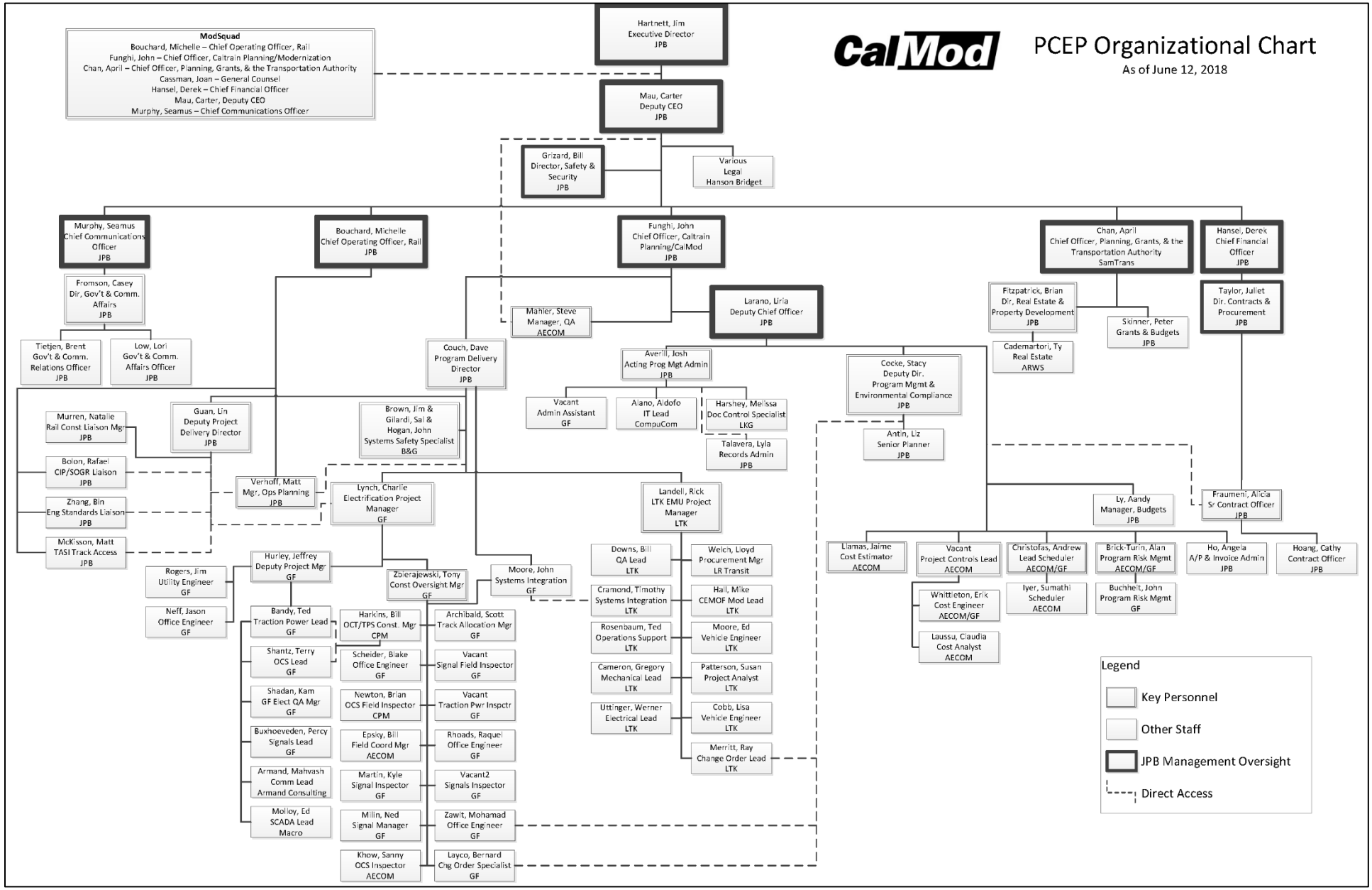
Area of Focus	Y/N	Notes/Status
Has the Project Sponsor demonstrated through meetings or other methods the integration of safety and security in the following: • Activation Plan and Procedures • Integrated Test Plan and Procedures • Operations and Maintenance Plan • Emergency Operations Plan	 Y Y N N	 Activation plan currently being developed. Integrated Test Plan & Procedures developed.
Has the Project Sponsor issued final safety and security certification?	N	Project is in construction. Final Completion Date is 8-22-2022.
Has the Project Sponsor issued the final safety and security verification report?	N	Project is in construction. Final Completion Date is 8-22-2022.
Construction Safety		
Does the Project Sponsor have a documented/implemented Contractor Safety Program with which it expects to comply?	Y	The Design/Build contractors "Construction Safety Program" and "Health and Safety Plan" have been accepted.
Does the Project Sponsor's contractor(s) have a documented company-wide safety and security program plan?	Y	System Safety Plan submitted and Approved 2/1/2017
Does the Project Sponsor's contractor(s) have a site-specific safety and security program plan?	Y	Rev. 2 submitted and Approved 12/9/2016
How do the Project Sponsor's OSHA statistics compare to the national average for the same type of work?		The Design Build contractor's reported OSHA statistics for the project showed a Total Recordable Incident Rate of 1.51 through October 2017 compared to the most recent (2016) BLS rate of 2.8 for Heavy and Civil Engineering construction.
If the comparison is not favorable, what actions are being taken by the Project Sponsor to improve its safety record?		NA
Federal Railroad Administration		
If shared track: has the Project Sponsor submitted its waiver request application to FRA? (Please identify specific regulations for which waivers are being requested.)	Y	Waivers approved 1/13/2016 for 49 CFR: 49 CFR 238.203, Static end strength; 238.205, Anti- climbing mechanism; and 238.207, link between coupling mechanism and car body.
If shared corridor: has the Project Sponsor specified specific measures to address safety concerns?	Y	In Caltrain/TA Services/UP Passenger Train Emergency Preparedness Plan and Caltrain System Safety Program Plan
Is the Collision Hazard Analysis underway?	Y	Car body testing and Collision Analysis is Underway.
Other FRA required Hazard Analysis – Fencing, etc.?	TBD	This is an operating ROW and no service change is expected.
Does the project have Quiet Zones?	TBD	This is an operating ROW and no service change is expected.
Does FRA attend the Quarterly Review Meetings?	*Y*	*FRA attended QPRM No. 7 on June 14, 2018.*

Appendix C: Project Map

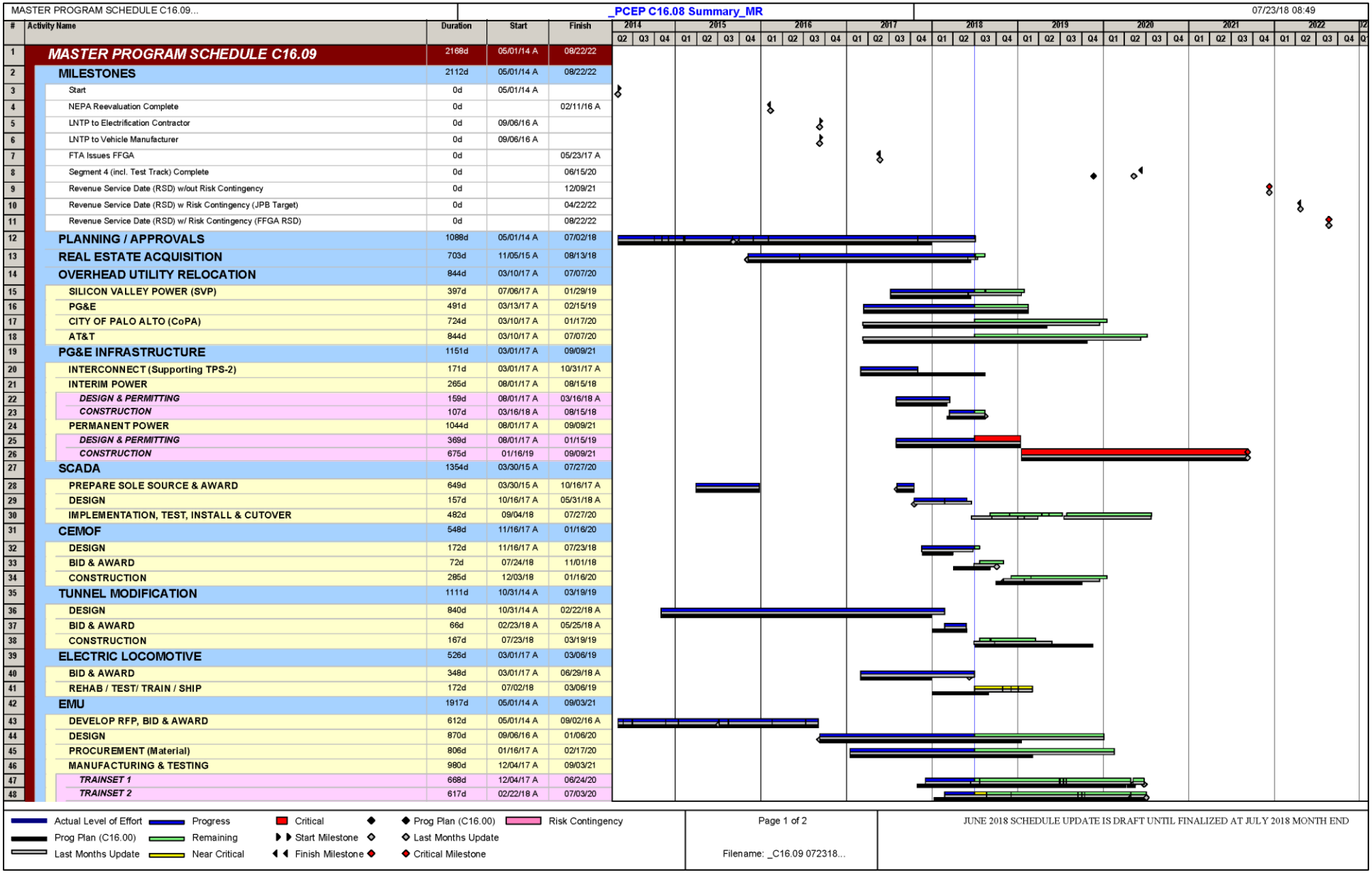
Figure 1
Peninsula Corridor Electrification Project Map

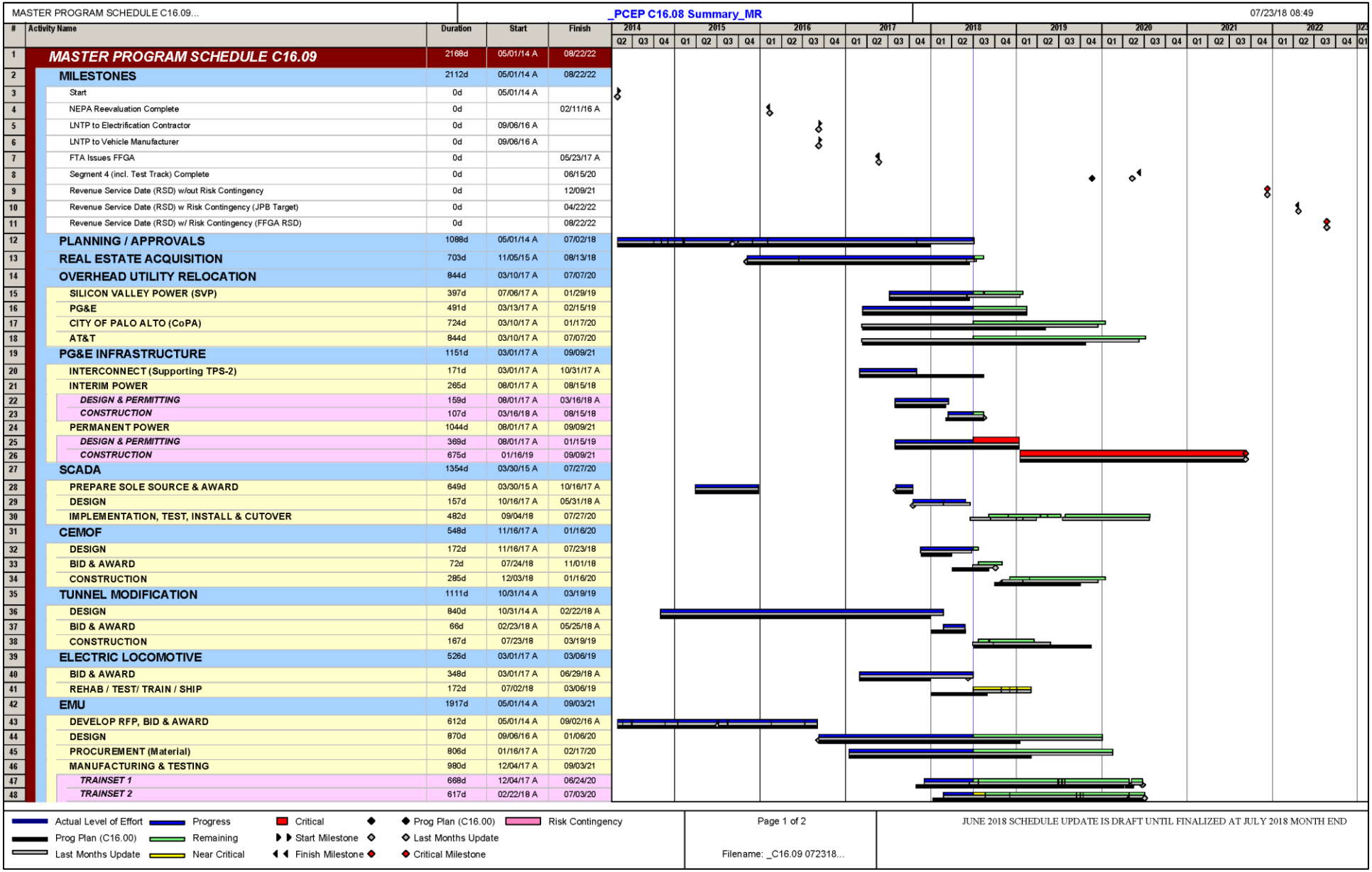


Appendix D: PCEP Organization Chart



Appendix E: Summary Project Schedule

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_PCEP C16.08 Summary_MR
07/23/18 08:49
Activity Name Duration Start Finish
1 MASTER PROGRAM SCHEDULE C16.09 2168d 05/01/14 A 08/22/22
2 MILESTONES 2112d 05/01/14 A 08/22/22
3 Start 0d 05/01/14 A
4 NEPA Reevaluation Complete 0d 02/11/16 A
5 LNTP to Electrification Contractor 0d 09/06/16 A
6 LNTP to Vehicle Manufacturer 0d 09/06/16 A
7 FTA Issues FFGA 0d 05/23/17 A
8 Segment 4 (incl. Test Track) Complete 0d 06/15/20
9 Revenue Service Date (RSD) w/out Risk Contingency 0d 12/09/21
10 Revenue Service Date (RSD) w Risk Contingency (JPB Target) 0d 04/22/22
11 Revenue Service Date (RSD) w/ Risk Contingency (FFGA RSD) 0d 08/22/22
12 PLANNING / APPROVALS 1088d 05/01/14 A 07/02/18
13 REAL ESTATE ACQUISITION 703d 11/05/15 A 08/13/18
14 OVERHEAD UTILITY RELOCATION 844d 03/10/17 A 07/07/20
15 SILICON VALLEY POWER (SVP) 397d 07/06/17 A 01/29/19
16 PG&E 491d 03/13/17 A 02/15/19
17 CITY OF PALO ALTO (CoPA) 724d 03/10/17 A 01/17/20
18 AT&T 844d 03/10/17 A 07/07/20
19 PG&E INFRASTRUCTURE 1151d 03/01/17 A 09/09/21
20 INTERCONNECT (Supporting TPS-2) 171d 03/01/17 A 10/31/17 A
21 INTERIM POWER 265d 08/01/17 A 08/15/18
22 DESIGN & PERMITTING 159d 08/01/17 A 03/16/18 A
23 CONSTRUCTION 107d 03/16/18 A 08/15/18
24 PERMANENT POWER 1044d 08/01/17 A 09/09/21
25 DESIGN & PERMITTING 369d 08/01/17 A 01/15/19
26 CONSTRUCTION 675d 01/16/19 09/09/21
27 SCADA 1354d 03/30/15 A 07/27/20
28 PREPARE SOLE SOURCE & AWARD 649d 03/30/15 A 10/16/17 A
29 DESIGN 157d 10/16/17 A 05/31/18 A
30 IMPLEMENTATION, TEST, INSTALL & CUTOVER 482d 09/04/18 07/27/20
31 CEMOF 548d 11/16/17 A 01/16/20
32 DESIGN 172d 11/16/17 A 07/23/18
33 BID & AWARD 72d 07/24/18 11/01/18
34 CONSTRUCTION 285d 12/03/18 01/16/20
35 TUNNEL MODIFICATION 1111d 10/31/14 A 03/19/19
36 DESIGN 840d 10/31/14 A 02/22/18 A
37 BID & AWARD 66d 02/23/18 A 05/25/18 A
38 CONSTRUCTION 167d 07/23/18 03/19/19
39 ELECTRIC LOCOMOTIVE 526d 03/01/17 A 03/06/19
40 BID & AWARD 348d 03/01/17 A 06/29/18 A
41 REHAB / TEST/ TRAIN / SHIP 172d 07/02/18 03/06/19
42 EMU 1917d 05/01/14 A 09/03/21
43 DEVELOP RFP, BID & AWARD 612d 05/01/14 A 09/02/16 A
44 DESIGN 870d 09/06/16 A 01/06/20
45 PROCUREMENT (Material) 806d 01/16/17 A 02/17/20
46 MANUFACTURING & TESTING 980d 12/04/17 A 09/03/21
47 TRAINSET 1 668d 12/04/17 A 06/24/20
48 TRAINSET 2 617d 02/22/18 A 07/03/20
2014 2015 2016 2017 2018 2019 2020 2021 2022
Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1 Q2 Q3 Q4 Q1
Actual Level of Effort
Prog Plan (C16.00)
Last Months Update
Progress
Remaining
Near Critical
Critical
Start Milestone
Finish Milestone
Prog Plan (C16.00)
Last Months Update
Critical Milestone
Risk Contingency
Page 1 of 2
Filename: _C16.09 072318...
JUNE 2018 SCHEDULE UPDATE IS DRAFT UNTIL FINALIZED AT JULY 2018 MONTH END

Appendix F: Top Project Risks

Program Risk Register

Version Date: August 17, 2018 - Top Risks

	1	2	3	4	5
	LOW	MEDIUM	HIGH	VERY HIGH	SIGNIFICANT
Probability	< 10%	10% - 50%	50% - 75%	75% - 90%	> 90%
Cost	< $500 K	$500 K - $2 M	$2 M - $10 M	$10 M - $20 M	$20 M - $50 M
Schedule	< 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	> 12 Months

ID	RBS		RISK DESCRIPTION	EFFECT(S)	TYPE	IMPACT			PRIORITY	OWNER	MITIGATION ACTIONS	RETIREMENT DATE(S)	NOTES	A/C	STATUS & REMARK(S)
	FUNC. (P)	FUNC. (S)				PROBABILITY	COST	SCHEDULE	GRADING						
279	Elect.	Construction	BBII may be unable to develop grade crossing modifications that meet regulatory requirements prior to scheduled testing and commissioning of the system.	Crossing operations will not be acceptable to CPUC and FRA and therefore delay commissioning.	T	5	4	5	45	DB/Signals	1. Perform R&D under Allowance Item 1.d.1 Item # 10. 2. Advance speed check solution. 3. Coordinate solution with Operations. 4. Meet with FRA staff in Washington and Sacramento. 5. Revise budget to achieve desired solution.	0-Jan-00			Relying on speed check solution. Operations needs to agree. Showed concept to FRA and they verbally don't have an issue. Met with staff in DC. Have not met with Regional FRA or CPUC. Responding to FRA with BBI information. Regional meeting in Sacramento. Allowance ~$5 million) problem is $50 million. - C. Lynch 6/4/2018
223	Elect.	Contracting	A complex and diverse collection of major program elements and current Caltrain capital works projects may not be successfully integrated with existing operations and infrastructure.	Proposed changes resulting from electrification may not be fully and properly integrated into existing system. Rework resulting in cost increases and schedule delays	T	4	5	4	36	Moore	1. A consolidated configuration control system for the entire agency needs to be developed which is being coordinated within PCEP. 2. Configuration manager position is to be hired by the agency and matrixed into the PCEP project. 3. R. Clark will work with M. Bouchard to manage these items until the agency hires the individual who will manage this section. 4. Hire permanent staff person responsible for systems integration.	Revenue Service Date	Risk #264 was retired and incorporated into this risk per Risk Assessment Committee - 5/9/2018		Item #1 - PCEP is now just an input into the agency's Configuration Control System. Aaron Lam has this role for the agency. Item #2: A Configuration Manager has been hired by the district. The interface to this person is still being done via PCEP Systems Integration. - J. Moore 7/11/2018
242	Elect.	Construction	Track access, particularly in Segment 4, may not meet expectations contributing to a prolonged construction schedule.	Contractor claims for delays, schedule delays and associated costs to owner's representative staff.			5	3	3	30	Varnoff	Comprehensive and multi-faceted program to increase track access for contractor that avoids impacts to daily train operations. Actions to be considered include: • Additional weekend work • Weekend shutdowns • Accepting additional claims for abbreviated work windows • Bus bridges • Additional contractor resources (e.g., additional potholing equipment) • Changes to scheduled meets	Completion of Construction	Added to Risk Registar per Risk Refresh - 7/12/2017 Although I feel confident that we can support the work windows with our next timetable, I am waiting on the simulation results from LTK. Once I have the output reports...I can officially state that it can be supported. I am hoping to have this answer by COB on Monday August 29th - M. Varnoff 8/17/2016 For 242 we have used the agreed work windows in the DB contract. Any modification to those would result in a change order. I do no see a reason to use anything about a simulation as the status. - D. Couch - 20160818 Reassign to Tony Z. per D. Couch 12/1/2017		Things To Improve with Segment 4 JPB and TASI Operations agreed that communication with Dispatch at CCF can be improved, when it gets close to the Dispatcher turn over time. There has been incidents where the contractor needed to move, and the dispatcher did not answer the radio due to their turnover. Moving forward, the dispatcher will communicate with the RWIC to ensure all necessary movements are made before the dispatcher starts their turnover. - M. Varnhoff 8/29/2018 A matrix was developed for Segment #4 activities showing the work windows can be supported. However, the Segment #4 work and sequencing on the contractor side MUST be a TEAM effort with Balfour coming to the table and working with our Operation folks (Matt M and Robert S) to develop a sequencing plan that supports both productivity and train operations. - M. Varnhoff 7/20/2018
281	Elect.	Construction	Additional work in the form of signal/pole adjustments may be required to remedy sight distance impediments arising from modifications to original design.	Add repeater signals, design duct bank would result in increased design and construction costs.	T	5	3	3	30	DB/Signals	Continue line of sight studies, move poles where possible Allowing less signal preview than in design criteria. Comparable to today. Design criteria is 2,000' of preview. BBI using simulation tool to see preview. Review and make practical determination. Currently, no rules for repeater signals. Engineer needs to know how to use information. Training. Additional infrastructure to install and maintain.	Completion of Segment 4			Mitigations updated. - A. Brick-Turin 6/4/2018
257	Elect.	Construction	Modifications to the PTC system hardware and software and Back Office Server database and systems to support DB must be completed in time for cutover and testing.	Failure to follow the DB Management process will result in major interruption to train service and overall capital projects delay.			4	2	4	24	Buxhoeveden	1. Follow Caltrain's Database Management process for any changes associated with Electrification that may effect the PTC database. 2. Identify these issues as early in the project as possible. 3. Coordinate PTC with PCEP – identify where work can proceed with geographic separation.	Completion of Construction	Until the PTC Project is complete, they may be impacting the subject systems while PCEP work is advancing as well. E.g. project overlap. This is also the case with any new non-PCEP project (SSF, 25th Ave., Los Gatos, CF Britton et al) that will impact the subject database(s) as well. Coordination of all projects impacting the CTC system needs to be included as a risk to PCEP. I believe there is a Risk Entry already covering coordination of multiple projects, but in the case of 257, it is not unique to PCEP. - P Buxhoeveden 11/3/2017		Recommend transfer to individual responsible for completion of PTC. (e.g., Dave Elliott). May require a "committee approach." - P. Buxhoeveden 7/26/2018
287	Elect.	Construction	Design changes may necessitate additional implementation of environmental mitigations not previously budgeted.	Increased cost for environmental measures and delays to construct and overall delay in construction schedule	T	5	2	2	20	DB/ENV	Reevaluate EEZ limits	Completion of Design			Added per Risk Refresh - 9/19/2017

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Program Risk Register

Version Date: August 17, 2018 - Top Risks

	LOW	MEDIUM	HIGH	VERY HIGH	SIGNIFICANT
Probability	< 10%	10% - 50%	50% - 75%	75% - 90%	> 90%
Cost	< $500 K	$500 K - $2 M	$2 M - $10 M	$10 M - $20 M	$20 M - $50 M
Schedule	< 1 Month	1 - 3 Months	3 - 6 Months	6 - 12 Months	> 12 Months

ID	RBS				RISK DESCRIPTION	EFFECT(S)	TYPE	IMPACT			PRIORITY	OWNER	MITIGATION ACTIONS	RETIREMENT DATE(S)	NOTES	A - C	STATUS & REMARK(S)
		FUNC. (P)	FUNC. (S)					PROBABILITY	COST	SCHEDULE	GRADING						
263	R	Interface	Construction		Collaboration across multiple disciplines to develop a customized rail activation program may fail to comprehensively address the full scope of issues required to operate and maintain an electrified railroad and decommission the current diesel fleet.	Delay in testing of EMUs. Delay in Revenue Service Date. Additional costs for Stadler and BBII due to overall schedule delays.	T	3	3	3	18	Burns	1. Develop a schedule of activities associated with rail activation. 2. Assign a rail activation committee. 3. Conduct/delegate activities on rail activation plan/schedule. 4. Maintain progress tracking on all activities. 5. Rail activation committee to meet every 2 weeks initially; more frequently in the future. 6. Develop rail activation document (R. Clark). Using Houston plan as a model.	Prior to arrival of first EMU.			Staying on top of all departments at TASI. Even though they're in a holding pattern, until we get information from Stadler, Keeping Departments aware of what they need to do in terms of rail activation. More than half of the action items on the tracker are done or are in process. I still feel my committee is on schedule for completing all the action list items by revenue service. Again, once we receive O&M manuals and training schedule from Stadler we will make significant headway in the action items TASI is involved. After speaking to Matt Vernoff and our call today, I believe a storage plan is a critical item that needs to be escalated, if it's not on the forefront of the higher ups already. - B. Burns 7/11/2018
276	R	Elect.	Construction		BBII may be unable to get permits required by jurisdictions for construction in a timely manner.	Additional cost and time resulting from delays to construction	T	3	3	3	18	DB/OMI		Completion of Construction			Municipalities have not been a problem. Permits to close crossings not an issue. Storm water prevention permit not an issue. Caltrain should have reserved rights to cross but can't find documentation. - C. Lynch 6/4/2018
294	R	Elect.	Stk/Hdr+Ext		UP does not accept catenary pole offsets from centerline of track necessitating further negotiation or relocation of poles	Delay to construction and additional costs for redesign and ROW acquisition.	T	3	3	3	18	Couch	1- Executive level communications between Caltrain and UPRR 2 - Project Delivery communications with UPRR 3- Communications between Electrification consultant and UPRR	Approval of all IFC designs	Working with UPRR legal staff to resolve open contract and legal issues. Project Delivery director and Electrification calls and email communication.		Pole relocation is being finalized through DCNs and the project team is in the process of addressing final comments from UPRR. The project will seek approval from UPRR on the latest design before moving forward with installation of the foundations. - L. Guan 8/6/2018
297	R	Elect.	Construction		Cost and schedule of Stadler contract could increase as a result of this change in PTC system Delay of PTC may delay acceptance of EMUs.	1) Full integrated testing between EMU and wayside cannot be conducted without PTC in place. 2) Delay in EMU final design for PTC and potential PTC interfaces. Need to finalize braking system sequence priority.	T	3	2	4	18	Landell	1. Stadler to work through interfaces and operations of their onboard and what comes from Wabtec; requires negotiation with Stadler as to what is included in current contract if delay in finalization of design and supply of equipment is too late for installation in Salt Lake City, installation after trainset arrival will be considered.	Conditional Acceptance of First Trainset	Risk divided into JPB risk and D/B risk per Risk Assessment Committee - 2/27/2018	Stadler, Wabtec and PCEP advancing design criteria. Wabtec not yet under contract with Stadler. - R. Landell 08/06/18
298	R	Elect.	Construction		Cost and schedule of BBII contract could increase as a result of this change in PTC system	Balfour contract: changes in details could affect what Balfour provides; could delay timing for testing; could change books that FRA had to review. Delay in testing and increased costs	T	3	3	3	18	Lynch	1) Full integrated testing between EMU and wayside cannot be conducted without PTC in place. 2) Delays to completion of signal system could result in conflicts with PTC testing and PCEP construction and integrated testing. 3) Potential for claims for D/B contractor.	Completion of integrated testing	Risk divided into JPB risk and D/B risk per Risk Assessment Committee - 2/27/2018	Scheduling meeting with BBI and PTC team for next week. Received questions from BBI that we then forwarded to PTC team. PTC team was to do assessment of work done to date, awaiting that report. Will report to BBI when this report is received. Demonstration in Segment 3 required by the end of the year. - C. Lynch 7/9/2018
302	R	EMU	Physical Site		May not have a 110-mph electrified section of track that will be ready for testing when needed.	Requires negotiation with Stadler as to what is included in current contract; Delay in testing and increased costs Delays and associated claims.	T	3	2	3	15	Landell	1. Use Pueblo test track. 2. Use Denver for testing. 3. Defer testing until 110 mph test track is completed on property.	T1-Breaking Performance / Propulsion Design Tests	Added to Risk Register per Risk Assessment Committee - 6/5/2018 Regraded based on updated information and alternative scenario. - A. Brick-Turin/L. Larano 8/9/2018	Awaiting PCEP decision on what they plan to do to provide Owner Supplied facilities. Should be reassigned to someone that has responsibility to furnish facility. - R. Landell 7/12/2018
304	R	EMU	Physical Site		FRA raises objections to locating bikes in front of emergency window exits.	Protracted negotiations with FRA to achieve original design	T	5	1	2	15	Landell	1. Conduct negotiations with FRA to achieve desired configuration. 2. LTK seeking ruling from another state as basis for Caltrain plan.	FRA 'Sample Car Inspection' and Conditional Acceptance of First Trainset	Added to Risk Register per Risk Assessment Committee - 6/5/2018	FRA regulations do not prohibit bikes stored in front of emergency windows. Continuing negotiations with FRA. - R. Landell 8/3/2018

Appendix G: PMOC Team

The report was prepared by the Task Order Manager, **Mike Eidlin**, J.D. (KKCS) who has more than 40 years of complex project management experience including over 26 years in transit. Mr. Eidlin possesses a B.S. degree, a graduate Degree of Engineer, and a Juris Doctor degree. He is a licensed attorney in the State of Oregon. He has been working as a PMOC for 14 years.

Brett L. Rekola, **P.E. (KKCS)**, contributed to the preparation of the report and provided the Quality Assurance of the report. Mr. Rekola is the Program Manager for KKCS' FTA PMOC prime contract. He is a California professional civil engineer with more than thirty (30) years of experience managing railroad maintenance, planning, and design, construction, and rail operations. He has served as a program manager delivering port/rail/public works projects and programs.

The administrative Quality Control review of this report was done by **Janice Johnson, (KKCS)**, who also serves as the Contracts & Terms Manager. Ms. Johnson has a background in English Studies and over twenty (20) years of experience providing quality review checks of PMOC work products.