

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: January 29-30, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.1s.(1), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **SENATE BILL 1 TRADE CORRIDOR ENHANCEMENT PROGRAM – PROJECT SCOPE AMENDMENT – PROLOGIS MOBILITY - FREIGHT LOGISTICS ELECTRIFICATION FOR EMISSION-FREE TRANSPORT PROJECT RESOLUTION TCEP-P-2526-09**

ISSUE:

Should the California Transportation Commission (Commission) approve a project scope amendment for the Senate Bill 1 (SB 1) Trade Corridor Enhancement Program (TCEP) Prologis Mobility - Freight Logistics Electrification for Emission-Free Transport Project (PPNO 2365A), in Alameda County, to amend the scope and update the project location?

RECOMMENDATION:

The California Department of Transportation (Department) recommends that the Commission approve this project scope amendment for the SB 1 TCEP Prologis Mobility - Freight Logistics Electrification for Emission-Free Transport Project (PPNO 2365A), in Alameda County, to amend the scope and update the project location.

DISCUSSION:

The SB 1 TCEP Prologis Mobility - Freight Logistics Electrification for Emission-Free Transport Project was originally programmed to install publicly accessible zero-emission freight charging ports for medium and heavy-duty electric vehicles in the City of Hayward.

The Department is now requesting a project scope amendment of the location of the approved project improvements, from the City of Hayward to the City of Tracy in San Joaquin County, which is along one of California's primary north-south freight corridors. These changes are due to permitting infeasibility and site limitations in Hayward which resulted in the original location, no longer being a viable option for this project. The proposed location, in Tracy, is situated adjacent to Interstate 5 (I-5) near its junction with I-580/I-205, increasing the potential zero emission truck throughput. In addition to project site relocation, additional scope of work

improvements are being made that include faster chargers, pull-through stalls and hydrogen infrastructure.

As a result of the scope amendment, the proposed location will deliver equal or greater zero-emission freight throughput than the original scope. The proposed outputs and benefits will increase while the TCEP funding amount remains the same. Although the project schedule has a minor delay, the end construction date remains in the same fiscal year as programmed.

ANALYSIS:

The Department's analysis has concluded that the permitting infeasibility and site limitations are beyond the control of the applicant. The revised scope will change the location of the site from Hayward to Tracy, and include improvements such as faster chargers, pull through stalls, hydrogen integration and greater power availability.

ANALYSIS RECOMMENDATION:

Based on the Commission's scope change guidance, as well as the analysis of the proposed scope changes, the Department has determined that this scope amendment will not significantly reduce the overall project benefit. There is no major change to the project benefits and the proposed locations will provide more improvements than the original scope. Therefore, the Department supports the proposed scope changes for this project.

BACKGROUND:

TCEP Guidelines stipulate that any agency implementing a TCEP project, present scope changes to the Department in a timely manner. The Department will make a recommendation to the Commission for final approval of this scope change with the understanding that scope changes that are significant and result in a decrease in project benefits may result in either a reduction of TCEP funds or removal of this project from the program.

Attachment

Project Information

Project Title: Prologis Mobility - Freight Logistics Electrification for Emission-Free Transport Project

District: 4

PPNO: 2365A

Cycle: 4

Nominating Agency: Caltrans, Prologis Mobility

Implementing Agency: Caltrans/Prologis Mobility

Funding Program(s): TCEP

Submitted Documents

Scope Change Request

Original ePPR

Revised ePPR

Additional Information: Original Plan with Changes Highlighted, HSD Enhancements Project Map, Cost Comparison, Project Benefit Form, Assessment of Project Updates, M&O Cost Savings, Application Text Updates

Summary

Reduction in Outputs?

Yes: No:

Reduction in Benefits?

Yes: No:

Increase/Reduction in Total Project Cost?

Increase: Reduction: No Change:

Increase/Reduction in SB 1 Funds?

Increase: Reduction: No Change:

Do all partners and funding entities approve of the proposed scope change?

Yes: No:

Caltrans/SB 1 Scope Change Analysis Form
Date: 12/3/2025

Does SB 1 recommend the change? Yes: No:

Additional conditions: Recommended if Prologis agrees to fund any future overruns. The Department will not provide any supplemental TCEP funding beyond what has already been programmed.

Original Scope

Current approved project is in the city of Hayward, with approximately 4.84 acres of industrial-zoned parcel. Project scope includes permitting, designing, and installing 84 publicly accessible fast-charging ports, providing 12.6 MW of charging capacity and 12 MWh of battery energy storage for heavy duty electric vehicles.

Project outputs:

- 84 DC fast chargers (DCFCs) across 21 charging islands (12.6 MW total capacity).
- 12 MWh of distributed battery energy storage (BESS), with energy distributed across 10 islands.
- Hydrogen make-ready infrastructure at one island.
- A 1,000 sq. ft. driver lounge with restrooms, vending, and Wi-Fi.
- Dual 6.6 MW PG&E utility service drops, with a total project cost of \$29.3 million (50% match by Prologis).

Proposed Scope

Project Location: The proposed project will be in Tracy. Situated adjacent to Interstate 5 near its junction with I-580/I-205. The Tracy location sits on one of California's primary north-south freight arteries.

Project Description: Design, permit, and construct a zero-emission freight charging hub supporting medium- and heavy-duty (MHD) truck electrification along California's primary north-south freight corridor. The Tracy FLEET site will include:

- Installation of 60 high-power direct current fast-charging (DCFC) ports (20 charging islands with MCS/CCS combo cabinets) totaling approximately 12 MW of simultaneous capacity.
- Integration of a 5.4 MWh centralized Battery Energy Storage System (BESS) to support grid reliability and load-management operations.
- Hydrogen-ready infrastructure for one island to enable future dual-fuel operations.
- Site improvements include electrical distribution upgrades, access roads, lighting, stormwater management, and safety/security systems.
- Construction of a 2,100 sq ft driver lounge with restrooms, vending, and Wi-Fi to improve operator amenities.

- Make ready provisions for future renewable energy integration (e.g., on-site solar canopy).

Reason/Justification for Location Change

The Hayward site is **no longer a viable option**, and the Tracy site will yield greater alignment to the Trade Corridor Enhancement Program (TCEP) initiatives supporting zero-emission freight infrastructure, corridor reliability, and community air-quality benefits.

Primary reasons why Hayward site is not viable:

- **Entitlement and permitting infeasibility:** Upon moving forward with entitlement and permitting after the application was originally submitted, we were alerted that the site would require a Conditional Use Permit (CUP), which introduces significant entitlement risk and procedural uncertainty. Given current City of Hayward processes, such a CUP could extend beyond 12 months for approval and may not ultimately be granted.
- **Site geometry limitations that prevent compliant design:** As we progressed with site design review and reached the stage of soliciting driver feedback, significant issues were indicated which impact the viability of moving forward with this site as originally planned. The parcel's long and narrow configuration constrained all possible layouts to a "nose-in/back-out" stall configuration. This design creates unavoidable safety and circulation conflicts for heavy-duty truck movement and would not meet standard industrial development or vehicle maneuverability criteria required for EV infrastructure operations.
- **Physical constraints tied to off-site infrastructure requirements:** The driveway location is adjacent to an intersection. Traffic scoping conducted after the original application submission identified that required modifications—such as intersection re-signalization, geometric reconfiguration, and demolition of an existing median island—would directly affect public right-of-way and create dependencies on external municipal infrastructure upgrades. These improvements are outside of project control and materially prevent timely site development.

Off-site improvements refer to mandatory modifications to public property (e.g., sidewalks, curbs, utilities, or roadway configurations) adjoining a development. In this case, those modifications are not physically achievable within the project's boundaries without triggering municipal re-design obligations.

Conclusion: Based on the constraints listed above related to cost, feasibility, and construction delivery timeline, Hayward site is not viable.

Alternative Site: FLEET - Fright Logistics Electrification for Emission-Free Transport at Tracy Hub

The Tracy site includes the following improvements that exceed those previously proposed at the Hayward site:

- System resilience with two-node topology (Tracy site to an Oakland site)
- Faster chargers
- Truck Parking and "pull through" stalls
- Hydrogen Infrastructure from day one
- Innovative Battery Energy Storage with Hydrogen Integration
- Greater power availability

These refinements enhance energy throughput, reduce lifecycle costs, and strengthen long-term operational resilience.

Impact to Cost:

The total project cost has increased by \$5.6 Million, from \$29.3 Million to \$34.9 Million. This increase in total project cost will be funded with Prologis private funds, underscoring Prologis' long-term investment in California's clean freight infrastructure.

The total TCEP funds programmed have not changed and will remain at \$14.65 Million. Prologis does not plan to request for additional TCEP funds.

Original TCEP Funds:	\$14.65 Million
Original Prologis Private Funds:	\$14.65 Million
Original Total:	\$29.30 Million
Proposed TCEP Funds:	\$14.65 Million
Proposed Prologis Private Funds:	\$20.25 Million
Proposed Total:	\$34.92 Million

Phase	Programmed	Proposed	Cost Expended to Date
	Value (\$000s)	Value (\$000s)	
PA&ED	\$300	\$95	0
PS&E	\$1,200	\$1,237	0
R/W	\$150	\$0	0
Con	\$600	\$1,403	0
Con Cap	\$26,800	\$32,183	0
R/W Cap	\$250	\$0	0
Total	\$29,300	\$34,919	0

Impact to Schedule:

Impacts to schedule are minor and the end construction phase remains in the same Fiscal Year (FY 2026-27) → No material delay.

- End Design is delayed by 6 months from the approved schedule but does not impact the allocation year, FY 2025-26.
- Begin Construction is 3 months later than shown on the approved schedule.
- End Construction is delayed by 4 months from the approved schedule, but still within the same FY.

Impact to Outputs

Project outputs:

- 60 MCS/CCS combo ports (12.6 MW total capacity expandable to 15 MW).
- A centralized 5.4 MWh battery storage configuration, reducing costs and improving system reliability.
- Integrated hydrogen and BESS system with direct renewable tie.
- A 2,100 sq ft lounge with restrooms, vending, and Wi-Fi.
- Built-in hydrogen fueling infrastructure, permitted with City of Tracy, with a total project cost of \$34.9 million (58% match by Prologis).

Comparative Table of Changes

Metric	Hayward	Tracy (Proposed)	Output
Chargers	84 DCFC	60 MCS/CCS combo	Equal throughput (12.6 MW)
Hydrogen / Energy Storage Support (HESS)	None (hydrogen make-ready only)	Integrated hydrogen and BESS system with direct renewable tie	Innovative technology adds zero-emission fueling and enhanced site resiliency
Total Site Power	12.6 MW installed capacity	12.6 MW installed, expandable to 15 MW future-ready	Meets original capacity; future scalability enabled
Charging Ports	84	60	Faster, more efficient, Equal or higher daily throughput due to faster 1 MW-class output per dispenser
Driver Amenities	~1,000 sq ft lounge	~2,100 sq ft lounge with restrooms, vending, and Wi-Fi	Enhanced driver welfare and safety amenities
Truck Parking / Circulation	Limited space, back-in stalls	Pull-through truck stalls with on-site queuing	Improved safety, flow, and operational efficiency
Hydrogen Infrastructure	Make-ready only (future phase)	Built-in hydrogen fueling infrastructure, permitted with City of Tracy	Accelerated ZEV fuel deployment consistent with State freight strategy

The revised Tracy configuration maintains equivalent or greater total electrical capacity compared to the original Hayward design, at 12.6 megawatts of available site power.

- While the number of physical charging dispensers is reduced from 84 to 60, the transition to high-output, megawatt-class DC fast chargers (ranging from 250 kW to over 1,000 kW per dispenser) ensures equal or superior total throughput.
- Each charger can serve medium- and heavy-duty vehicles in less than half the dwell time of conventional 150–350 kW systems, effectively doubling per-port productivity and maintaining the same or greater number of daily truck charging events.
- This design optimization reflects a shift from high-quantity, lower-power units to a more efficient high-capacity architecture that delivers faster charge cycles and supports next-generation vehicle standards, including Megawatt Charging System (MCS) connectors.
- The increased site power allocation and advanced charger technology preserve the project's operational performance and environmental

outcomes, achieving the same aggregate load while reducing on-site equipment redundancy and construction footprint.

In total, the Tracy site will deliver **equal or greater zero-emission freight throughput than originally modeled** for Hayward, while improving system efficiency, utility interconnection readiness, and long-term scalability for emerging heavy-duty fleet requirements, without diminishing environmental or community benefits.

Impact on Outcomes/Benefits

The relocation and redesign yield a higher return on investment, improving the project's benefit-cost ratio (**BCA**) from **1.265 to approximately 1.509**. Other project benefits were substantially increased.

The proposed Tracy site will yield greater alignment to the Trade Corridor Enhancement Program (TCEP) initiatives supporting zero-emission freight infrastructure, corridor reliability, and community air-quality benefits along the I-580 freight corridor.

Performance metrics have increased for the proposed (Tracy) location compared to the original (Hayward) location and are shown below.

Original (Hayward) Location:

TCEP Performance Metric Form (Tons)		Unit	Project Type	Build	Future No Build	Change	Increase/Decrease
Air Quality	Particulate Matter (PM 10)	Tons	All	15.26	19.45	4.19	Decrease
	Particulate Matter (PM 2.5)	Tons		2.06	5.76	3.69	Decrease
	Carbon Dioxide (CO2)	Tons		7,810.38	381,041.89	373,231.50	Decrease
	Volatile Organic Compounds	Tons		-	16.54	16.54	Decrease
	Sulphur Dioxides (Sox)	Tons		-	2.15	2.15	Decrease
	Carbon Monoxide (CO)	Tons		-	226.11	226.11	Decrease
	Nitrogen Oxides	Tons		-	396.83	396.83	Decrease
CO2e equivalent (Tons)		Unit	Project Type	Build	Future No Build	Change	Increase/Decrease
CO2e Breakdown	Carbon Dioxide (CO2)	Tons	All	7,810.38	381,041.89	373,231.50	Decrease
	Carbon Monoxide (CO)	Tons		-	31.42	31.42	Decrease
	Nitrogen Oxides	Tons		-	105,158.73	105,158.73	Decrease
CO2e Total	Total	Tons	All	7,810.38	486,232.04	478,421.66	Decrease

Caltrans/SB 1 Scope Change Analysis Form

Date: 12/3/2025

Proposed (Tracy) Location:

TCEP Performance Metric Form (Tons)		Project Type	Build	Future No Build	Change	Increase/Decrease
Air Quality	Particulate Matter (PM10)	All	19.98	23.16	3.17	Decrease
	Particulate Matter (PM2.5)		2.70	6.85	4.15	Decrease
	Carbon Dioxide (CO2)		9,298.08	498,983.42	535,047.48	Decrease
	Volatile Organic Compounds		-	19.69	19.69	Decrease
	Sulphur Dioxides (SOx)		-	2.82	2.82	Decrease
	Carbon Monoxide (CO)		-	269.18	269.18	Decrease
	Nitrogen Oxides	-	472.41	472.41	Decrease	

CO2 equivalent (Tons)		Unit	Project Type	Build	Future No Build	Change	Increase/Decrease
CO2e Breakdown	Carbon Dioxide (CO2)	Tons	All	9,298.08	498,983.42	535,047.48	Decrease
	Carbon Monoxide (CO)	Tons		-	37.41	37.41	Decrease
	Nitrogen Oxides	Tons		-	125,188.97	125,188.97	Decrease
CO2e Total	Total	Tons	All	9,298.08	624,209.80	660,273.88	Decrease

Additional Benefits Compensation:

Location/ Element	Approved Scope	Proposed Change	Change in Benefit
1. Site Access & Driveways (frontage)	Two truck driveways with standard radii; basic striping/stop control at sidewalk crossings.	Tighter curb radii where feasible, high-visibility ladder crosswalk striping across driveways, truck "STOP HERE" bars, and advance yield markings; driveway throat channelization.	Increase: Better yielding behavior and shorter pedestrian crossing distance.
2. Internal Circulation & Separation	Shared apron areas around multiple charger islands; partial bollard protection.	Clear, continuous pedestrian path from parking/amenities with curb separation/bollards; defined truck lanes; fewer cross-flows due to consolidated equipment.	Increase: Fewer conflict points and stronger physical separation.
3. Perimeter Sidewalk & Bike Interface	Maintain existing sidewalk; signage only.	Upgrade sidewalk where needed (patch/ADA), add driveway crosswalk treatments, "TRUCKS ENTERING" signs, and front-of-site buffer planting or rail where space allows.	Increase: Lower exposure for sidewalk users; improved visibility and alerts.
4. Lighting & CCTV	Area lighting at islands; limited camera coverage.	Uniform LED lighting to IES recommendations at driveways and crossings; add CCTV covering access points and ped paths.	Increase: Fewer nighttime conflicts; better monitoring and deterrence.
5. Wayfinding & Signage	Basic site signs; mixed modal routing.	Consolidated truck routing signs, speed limit (10–15 mph) postings, ped/bike caution plaques at driveways, internal wayfinding to keep walking routes away from truck lanes.	Increase: Clear expectations reduce surprise movements.
6. Protective Barriers/Bollards	Bollards at charger faces.	Continuous bollard lines or curbing between truck lanes and pedestrian paths; guardrail where curvature constrains sweep.	Increase: Enhanced physical protection.
7. On-Site Queuing Management	On-site queue sized to demand; limited ITS.	Extended on-site queue storage and active queue management (gate timing/appointments) to prevent spillback to frontage.	Increase: Reduces chance of trucks blocking sidewalks/bike lanes.
8. Setbacks & Sightlines	Charger islands and cabinets near drive aisles; more vertical clutter.	Centralized BESS and fewer cabinets free up corners; maintain sight-triangle setbacks at driveways; low plantings only in triangles.	Increase: Better driver-pedestrian visibility at conflict points.

Location/ Element	Approved Scope	Proposed Change	Change in Benefit
9. Driver Amenities Foot-Traffic Zone	~1,000 sq ft; ad hoc paths.	~2,100 sq ft facility with defined pedestrian path, lighting, and non-truck approach; bike rack near entrance.	Increase: Safer pedestrian desire-lines, less wandering through truck areas.
10. Hydrogen-Readiness Area (future)	Single make-ready placeholder.	Defined hydrogen zone with code-compliant standoff distances, fencing, and signed exclusion of pedestrian travel paths.	Increase (with controls): Formalized setbacks avoid ped encroachment into hazardous zones.
11. Emergency Vehicle Access	Standard fire lane.	Verified fire lane widths/turning radii; keep ped paths outside apparatus swing; paint/no-parking zones.	Increase: Reduces incidental conflicts during emergency response.
12. Construction-Phase Traffic Management	Standard TMP.	TMP to include protected sidewalk detours, off-peak driveway work windows, flaggers at closures, and advance notice to cyclists.	Increase: Lowers temporary exposure during construction.

Summary

- Project in the current location (Hayward) is not viable and the proposed (Tracy) cleared environmental.
- Proposed project scope has slightly increased due to the addition of built-in hydrogen fueling infrastructure, a larger driver's lounge, and Integrated hydrogen system.
- Project overall outputs and outcomes at the new location (Tracy) are higher than the old (Hayward) location.
- Benefit Cost Ratio went up from original (1.265) to proposed (1.509).
- Cost is higher due to added outputs, but Prologis will fund it with their private funds.
- There is a slight delay but no meaningful change to the allocation and construction completion FYs.

Based on the information provided in the request, SB 1 approves the proposed scope change under the condition Prologis commits to fund any current and future cost overruns without financial support from TCEP or the Department.

Additional answers to the questions raised after CTC's review

1. Proximity to key freight locations

The proposed Tracy hub is located at 5902 Hopkins Rd, Tracy, CA 95377, within Prologis' International Park of Commerce (IPC), a 1,700+ acre master-planned industrial district that houses large logistics, fulfillment, and distribution centers. IPC includes major facilities for Amazon, Costco, Safeway, FedEx, DHL, Smucker's, Medline, Thermo Fisher, and other national logistics tenants, with more than 20 million square feet of industrial space either built or planned. The proposed zero-emission truck station is embedded in this freight ecosystem, directly serving trucks staging, queuing, and turning at nearby warehouses and transloading facilities, and sits within the I-205/I-580/I-5 triangle that connects the Port of Oakland and Bay Area markets to the San Joaquin Valley and statewide freight network.

2. Proximity to residential, low-income, and disadvantaged communities; community engagement

The Tracy hub site is in a planned industrial / logistics district (Cordes Ranch / IPC) and is physically separated from the nearest residential neighborhoods by Interstate 205 and intervening industrial and agricultural land. The closest residential community is the Santos Ranch / Lammersville area north of I-205, which has historically raised concerns about truck traffic generated by Cordes Ranch and related logistics development; San Joaquin County's Hansen Road CEQA documentation explicitly cites Cordes Ranch-related truck traffic and associated quality-of-life issues for that neighborhood. Based on desk review and local planning documents, the nearest residential area is on the order of ~1 mile from the proposed hub, with freeway and arterial buffers between the industrial site and homes.

Using CalEnviroScreen 4.0 / SB 535 designations, the census tract encompassing the Cordes Ranch / IPC industrial area DAC and low-income tracts in San Joaquin County are concentrated in nearby parts of Tracy and in Stockton and surrounding communities. Accordingly, we are characterizing the Tracy Hub as a freight-system and corridor-benefit site that serves DACs and low-income communities via reduced diesel VMT and improved air quality along I-205/I-5, rather than as a hub physically sited inside a DAC tract.

As we move from scope change into environmental review and design, we will supplement the record with CalEnviroScreen maps and SB 535 DAC overlays documenting the site's relationship to nearby DAC/LIC tracts.

To date, project development and community-facing coordination for Tracy has occurred through the City of Tracy, San Joaquin County, and regional freight stakeholders, in parallel with our near-port engagement in Oakland. With the relocation of the public hub to Tracy, the project team plans to expand community engagement to include residents north of I-205 and other nearby neighborhoods, working through the City of Tracy's planning and public outreach processes so that local community concerns about truck operations, traffic, and air quality are explicitly incorporated into final design and operating plans.

3. Proximity to Top 6 / Priority 34 freight corridors

Yes. The Tracy hub is designed as a corridor node at the junction of I-205, I-580, and I-5, serving port-related and interregional freight flows:

The SB 671 Clean Freight Corridor Efficiency Assessment designates I-5 (border to border) and I-80/I-580/I-880 (Port of Oakland to Nevada) as two of the state's "Top 6" freight corridors, representing over 50% of statewide truck VMT.

The I-205 segment between I-5 and the I-580/International Parkway area is identified in SB 671 as part of the broader 34-corridor priority network required to support statewide medium-/heavy-duty ZEV infrastructure.

The proposed Tracy public hub is located immediately off I-205, within a few miles of the I-205/I-580/I-5 system interchange, and is intentionally sited to intercept port-related drayage transitioning to regional and long-haul routes while addressing documented truck-parking and staging gaps along these priority corridors, consistent with the rationale in our TCEP change-request memorandum.