

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: March 19-20, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.6g.(8), Action Item

Prepared By: Dee Lam, Chief
Division of Local Assistance

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM – (2018:19) VALLEY RAIL (MIDTOWN STATION) COMPONENT**
RESOLUTION TIRCP-2526-53S

ISSUE:

Should the California Transportation Commission (Commission) approve a request for an additional \$2,200,000 for the Plans, Specifications, and Estimate (PS&E) phase of the Transit and Intercity Rail Capital Program (TIRCP) (2018:19) Valley Rail (Midtown Station) component (PPNO CP035E), in Sacramento County?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission approve a request for an additional \$2,200,000 for the PS&E phase of the TIRCP (2018:19) Valley Rail (Midtown Station) component (PPNO CP035E), in Sacramento County.

BACKGROUND:

In January 2021, the Commission approved an allocation of \$7,913,000 for the PS&E phase of the (2018:19) Valley Rail (Final Design) component (PPNO CP035), under Resolution TIRCP-2021-10. In June 2021, an allocation amendment was approved to change the component name to Trackwork and Stations: Lodi, City College, Midtown, Natomas Station, and Layover Facility and UPRR Track Work, under Resolution TIRCP-2021-31. In August 2021, the Commission allocated an additional \$14,460,000 for the PS&E phase of the component, under Resolution TIRCP-2122-01. In August 2022, two allocation amendments were approved to split the PS&E phase allocations into multiple components. The allocation of \$7,913,000 was split into seven components, in which the Midtown Station component (PPNO CP035E) received \$802,000, under Resolution TIRCP-2223-05. The allocation of

\$14,460,000 was split into 11 components, in which the Midtown Station component (PPNO CP035E) received \$5,309,000, under Resolution TIRCP-2223-19, bringing the PS&E phase total to \$6,111,000.

PROJECT LOCATION AND DESCRIPTION:

The Midtown Station component (PPNO CP035E), is located in Sacramento County and will implement new daily round-trips for the Gold Runner service to Sacramento. This project also extends the Altamont Corridor Express service to Sacramento and to Ceres and Merced.

FUNDING STATUS:

The Midtown Station component (PPNO CP035E) currently has \$6,111,000 programmed for its PS&E phase; however, an additional \$2,200,000 is needed to complete the phase. The supplemental funds will be redirected from funds originally programmed to the Construction (CON) phase of the same component.

REASON(S) FOR THE COST INCREASE:

Additional funding is needed for pre-construction construction management services, to incorporate the consolidated final design comments from Union Pacific Railroad (UPRR), the City of Sacramento, Sacramento Regional Transit, and San Joaquin Regional Rail Commission across multiple plan sets into a final Invitation For Bid (IFB) plan set. These IFB plan sets include station design, wayfinding, UPRR track design, UPRR roadway design, and UPRR structural design. These critical design milestones are necessary to achieve before moving into the construction phase. The additional funding will support activities to procure a construction management team, ensuring the project is staffed and ready to transition into construction. This team will support final constructability review, staging and railroad access validation, coordination with third-party partners, and confirmation of contract package readiness. These activities are necessary for completing PS&E deliverables, ensuring that the project is fully IFB-ready. Conducting early technical validation during the PS&E phase reduces change order risk and protects public funds before the project advances to construction.

CONSEQUENCES:

If this request for supplemental funds is not approved, the PS&E phase of the Midtown Station component (CP035E) will be delayed until additional funding is secured to complete it. Delays in completing the PS&E phase will also result in a delay to the CON phase of the project, which could result in higher costs. The Midtown Station design is anticipated to be approved in May 2026. With the approval of this supplemental allocation, the PS&E phase is expected to be completed by July 2026.

FINANCIAL RESOLUTION:

Be it Resolved, that an additional \$2,200,000 be allocated from the Budget Act of 2025, Budget Items 2660-301-0046R and 2660-101-0046, to complete the PS&E phase of the TIRCP (2018:19) Valley Rail (Midtown Station) component (PPNO CP035E).

Attachment

2.6 Mass Transportation Financial Matters

Project #	Allocation Amount	Recipient	District-County	Project Title	Location	Project Description	PPNO Program Funding Year Item # Fund Type Program Codes Project ID Adv Phase	State Federal Current Amount by Fund Type	State Federal Additional Amount by Fund Type	State Federal Revised Amount by Fund Type
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2.6g.(8)

Supplemental Allocation - Transit and Intercity Rail Capital Program

Resolution TIRCP-2526-53S

1	\$2,200,000	San Joaquin Regional Rail Commission <u>SACOG</u> 03-Sacramento		(2018:19) Valley Rail (Midtown Station). A new Midtown passenger rail station, which will be part of new passenger rail service between Stockton and Sacramento.			03-CP035E TIRCP/2019-20 PS&E 301-0046R GGRF 30.20.301.100	\$356,000		\$356,000
				<u>Outcome/Outputs:</u> Increase ridership through an integrated expansion of intercity and commuter rail service between Ceres, Modesto, Stockton and Sacramento, as well as between Fresno and Sacramento; and through an extension of San Jose-bound commuter rail service to Sacramento.			TIRCP/2019-20 PS&E 101-0046 PTA 30.10.030.200	\$446,000		\$446,000
				Total revised amount \$8,311,000.			TIRCP/2020-21 PS&E 301-0046R GGRF 30.20.301.100	\$2,359,000		\$2,359,000
				Supplemental funds are needed to complete PS&E. CEQA - EIR, 12/02/2020; Re-validation 01/27/2026			TIRCP/2020-21 PS&E 101-0046 PTA 30.10.030.200	\$2,950,000		\$2,950,000
				Future consideration of funding approved under Resolution E-20-130; December 2020.			TIRCP/2024-25 PS&E 301-0046R GGRF 30.20.301.100		\$975,000	\$975,000
				The local agency is requesting non-proportional spending of TIRCP funds. At completion, project expenditures will be reconciled to ensure that TIRCP funds have been expended proportionally.			TIRCP/2024-25 PS&E 101-0046 PTA 30.10.030.200 0026000102 S R682GA		\$1,225,000	\$1,225,000