

MEMORANDUM

To: CHAIR AND COMMISSIONERS
CALIFORNIA TRANSPORTATION COMMISSION

CTC Meeting: May 14-15, 2026

From: STEVEN KECK, Chief Financial Officer

Reference Number: 2.6g.(11), Action Item

Prepared By: Jeffrey Wyly, Chief (Acting)
Division of Mass Transportation

Subject: **SUPPLEMENTAL FUNDS ALLOCATION FOR THE TRANSIT AND INTERCITY RAIL CAPITAL PROGRAM – (2023:25) DOWNTOWN RAIL EXTENSION TIRCP PROJECT DEVELOPMENT (CIVIL AND TUNNEL DESIGN) COMPONENT RESOLUTION TIRCP-2526-66S**

ISSUE:

Should the California Transportation Commission (Commission) approve a request for an additional \$3,300,000 for the Plans, Specifications, and Estimate (PS&E) phase of the Transit and Intercity Rail Capital Program (TIRCP) (2023:25) Downtown Rail Extension TIRCP Project Development (Civil and Tunnel Design) component (PPNO CP131A), in San Francisco County?

RECOMMENDATION:

The California Department of Transportation recommends that the Commission approve a request for an additional \$3,300,000 for the PS&E phase of the TIRCP (2023:25) Downtown Rail TIRCP Project Development Extension (Civil and Tunnel Design) component (PPNO CP131A), in San Francisco County.

BACKGROUND:

In October 2023, the Commission approved an allocation of \$6,900,000 for the PS&E phase of the Civil and Tunnel Design component (PPNO CP131A), under Resolution TIRCP-2324-25.

PROJECT LOCATION AND DESCRIPTION:

Once constructed, the project will extend Caltrain's existing terminus approximately two miles into downtown San Francisco which will connect two new stations including the Salesforce Transit Center and a new underground station at Fourth and Townsend streets.

FUNDING STATUS:

The Civil and Tunnel Design component (PPNO CP131A) currently has \$6,900,000 programmed and allocated for the PS&E phase; however, an additional \$3,300,000 is needed to complete the phase. The supplemental funds will be redirected from savings from the PS&E phase of the Track & Systems Design component (PPNO CP131B) of this same project.

REASON(S) FOR THE COST INCREASE:

The Transbay Joint Powers Authority is requesting supplemental funding. These funds would address high-risk, critical path design elements, including contract negotiations and the on-boarding of the Progressive Design Build (PDB) Civil and Tunnel contractor. The PDB contracting method is extremely complex and relatively new to transit projects in California. Design work for the Civil and Tunnel Contract Package (also referred to as the 40-CT contract) includes drawings, specifications, and interface management with other contract packages. Project and construction management for this scope includes third-party coordination, design management, and program/project controls.

CONSEQUENCES:

If this request for supplemental funds is not approved, the Civil and Tunnel Design component (PPNO CP131A) will be delayed until additional funding is secured to complete the PS&E phase.

FINANCIAL RESOLUTION:

Resolved, that \$3,300,000 be allocated from the Budget Act of 2024, Budget Act Item 2660-301-0046R, to complete the PS&E phase of the TIRCP (2023:25) Downtown Rail Extension TIRCP Project Development (Civil and Tunnel Design) component (PPNO CP131A).

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.(11) Supplemental Allocation - Transit and Intercity Rail Capital Program Resolution TIRCP-2526-66S

1	\$3,300,000	Transbay Joint Powers Authority	04-San Francisco	<p>(2023:25) Downtown Rail Extension TIRCP Project Development (Civil and Tunnel Design). The project will complete the civil and tunnel design of the 2.4 mile extension from the Caltrain terminus point to downtown San Francisco, California.</p> <p><u>Outcome/Outputs:</u> The project will address the last-mile gap, reduce greenhouse gas emissions, improve access to transit and rail, and enhance multi-modal transit connections.</p> <p>Total revised amount \$10,200,000.</p> <p>Supplemental funds are needed to complete PS&E.</p> <p>CEQA - EIR, 11/30/2018 NEPA - EIS, 07/22/2019, Re-evaluation letter 06/09/2023</p> <p>In January 2023, Project 2023:25 was awarded \$60,000,000, Cycle 6 General Fund New Project Funding.</p> <p>Future consideration of funding under Resolution E-23-140; October 2023.</p> <p>Concurrent Allocation Amendment under Resolution TIRCP-2526-61; May 2026</p> <p>The project will be delivered using the progressive design-build method.</p>			04-CP131A TIRCP/2023-24 PS&E 301-0046R GF 30.20.301.200	\$6,900,000		\$6,900,000
		<u>MTC</u>					TIRCP/2024-25 PS&E 301-0046R GGRF 30.20.301.200 0024000058 S R565GE		\$3,300,000	\$3,300,000