

MONTHLY MONITORING REPORT

Transbay Downtown Rail Extension Project, Phase 2

Transbay Joint Powers Authority (TJPA)

San Francisco, CA

December 2022

PMOC Contract Number: 69319519D000031

Task Order Number: 69319522F30068N

OPs Referenced: OP25



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Length of time Assigned: 3 Months (October 2022 through December 2022)

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1.0 EXECUTIVE SUMMARY

1.1 Project Description

The Transbay Joint Powers Authority (TJPA) proposes to extend the Caltrain commuter rail line 2.2 miles from the China Basin/South Park neighborhood near the current Caltrain terminus at Fourth and King Streets to the multi-modal Salesforce Transit Center in downtown San Francisco. The Project’s proposed Fourth and Townsend Street Station is near Oracle Park, the home of the San Francisco Giants baseball team. The project’s current estimated capital cost is between \$ 4.4 to \$5.0 billion. The TJPA believes that the project will improve public access to bus and rail service and accommodate projected growth in travel demand in the San Jose–San Francisco corridor. The proposed Project will connect Caltrain’s regional rail system to the California High-Speed Rail Authority’s statewide rail system at the Salesforce Transit Center in downtown San Francisco.

1.2 Project Status

The locally preferred alternative (LPA) was completed in March 2003, and NEPA was completed in February 2005 with a Record of Decision (ROD). FTA amended the ROD in July 2019, and the LPA was adopted into the region’s fiscally constrained long range transportation plan in October 2021. The Project plans to formally request FTA approval to Enter Engineering during 1Q-2023 and anticipates FTA approval during 3Q-2023. The Project expects to enter the Engineering phase in FFY 4Q-2023, receive a Full Funding Grant Agreement in 2025 and initiate ready for service date of Fall 2032

1.3 Major Issues and/or Concerns

No major issues or concerns have been identified by the PMOC at this time.

1.4 Status of Key Indicators Dashboard (Post Grant)

The Key Indicators Dashboard will be completed upon award of the Full Funding Grant Agreement and then updated monthly thereafter.

<i>KEY INDICATORS DASHBOARD (POST-GRANT STATUS)</i>	
Project Sponsor:	Transbay Joint Powers Authority (San Francisco, CA)
Project Name:	Transbay Program Downtown Rail Extension Project, Phase 2
Date:	
Project Detail	

Oversight Frequency:		Monthly			
<i>Element</i>	Status			Prior Status (G/Y/R)	Issue or Concern
	G	Y	R		
PMP	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G	
MCC	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G	
Cost	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	R	
Schedule	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	R	
Quality	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Y	
Safety	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	G	
Risk	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	Y	
Legend					
Green	Satisfactory: no Corrective Action necessary.				
Yellow	Caution: Risk/issues exist. Corrective Action may be necessary.				
Red	Elevated for immediate Corrective Action; significant risk to the health of the project.				

1.5 Core Accountability Items

Core Accountability Items			
	Original (Grant)	Current Forecast	PMOC Assessment of Current

				Forecast
Cost	Capital Cost Estimate	(Note 1)	(Note 2)	N/A
Contingency	Unallocated Contingency	(Note 1)	(Note 2)	N/A
	Allocated Contingency	(Note 1)	(Note 2)	N/A
	Total Contingency	(Note 1)	(Note 2)	N/A
Schedule	Revenue Service Date	(Note 1)	Dec. 21, 2033	Acceptable
<i>Note 1: FFGA anticipated in 2025. Note 2: Sponsor is finalizing the Capital Cost Estimate.</i>				
Project Progress:		Amount (\$M)		Percent of Total
Total Expenditures	Actual cost of all eligible expenditures completed to date	(Note 3)		(Note 2)
Planned Value to Date	Estimated value of all work planned to date	(Note 3)		(Note 2)
Actual Value to Date	Actual value of all work completed to date	(Note 3)		(Note 2)
<i>Note 3: Sponsor is compiling costs/value to date.</i>				
Contract Status:		Amount (\$)		Percent
Total Awarded Contracts	Value of all contracts (design, support, construction, equipment) awarded; % of total value to be awarded	(Note 3)		(Note 2)
Construction Contracts Awarded	Value of construction contracts awarded; % of total construction value to be awarded	(Note 4)		(Note 2)
Physical Construction Completed	Value of physical construction (infrastructure) completed; % of total construction value completed	(Note 4)		(Note 2)
<i>Note 2: Construction start anticipated in late 2023.</i>				
Rolling Stock Vehicle Status	Date Awarded	No. Ordered	No. Delivered	
(There are no vehicle procurements included in the project scope of work)	N/A	N/A	N/A	
Major	Date	Status	Project Sponsor	PMOC

Issues	Identified		Action	Recommendation
N/A	N/A	N/A	N/A	N/A
Date of Next Quarterly Meeting (if known):			<i>Next Monthly Meeting is on February 1, 2023 [for the January 2023 Reporting Period].</i>	

2.0 OBSERVATIONS AND FINDINGS

2.1 Summary of Monitoring Activities

This report covers the period from December 1, 2022 through December 31, 2022.

PMOC monitoring included the following activities:

- *Worked with ACOR and Sponsor on development of detailed OP51 checklist for tracking Sponsor documents submission, PMOC review and finalization.*
- *Worked on draft PMOC Monthly Monitoring Report for November 2022.*
- *Reviewed Sponsor provided presentations on Transbay DTX Project, Phase 2, that included details of the program status, current initiatives and schedule of major milestones.*
- *Prepared agenda for the FTA/PMOC Monthly Monitoring Meeting with Sponsor on December 19, 2022 and co-directed the meeting with the FTA. Issued draft meeting notes. Coordinated future monthly meetings with the FTA and Sponsor.*
- *Attended FTA Monthly CIG check-in meeting.*
- *Attended Sponsor program management meetings:*
 - *Integrated Project Management Team semimonthly meeting*

2.2 Oversight Triggers

The PMOC will perform monthly oversight of the project and continue through the Engineering Phase to award of the Full Funding Grant Agreement in accordance with direction from the FTA.

2.3 Project Management Plan (PMP) and Sub-Plans

The Sponsor is currently preparing the Project Management Plan (PMP) and the associated sub-plans. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete the OP20 review of the Project Management Plan and the review of the PMP sub-plans under the associated OPs.

2.4 Management Capacity and Capability

The Sponsor is currently preparing documentation, including the PMP, to demonstrate that the Sponsor has adequate capacity and capability to manage the DTX Project. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete the OP21 review for Management Capacity and Capability.

2.5 NEPA Process and Environmental Mitigation

The Sponsor is currently preparing documentation, including the 30% Design Package, Design Basis and Design Criteria, to demonstrate that the DTX Project meets all the NEPA and environmental mitigation commitments found in the FEIS and ROD. Upon receipt of the final

draft documents, now expected during Q1-2023, the PMOC will complete the OP32B review for NEPA and Design Document Comparison.

December 2022 Sponsor updates included:

- *The 2nd Administrative Draft transmittal to FTA was sent on November 23, 2022. The FTA had provided helpful comments on the first draft. The NEPA re-evaluation addresses the Phasing Study, primarily the de-scoping or deferral of non-critical project elements.*
- *TJPA has been coordinating their efforts with the TRO9 regarding outreach to the 8 potentially impacted Native American tribes. TRO9 approved the draft letters during the week of November 7, 2022. FTA sent the letters out on December 16, 2022.*
- *FTA/TJPA is preparing the NEPA Re-evaluation and CEQA addendum for TJPA Board approval in 2023. The CEQA addendum was presented to the Executive Steering Committee (ESC) earlier in December 2022.*

2.6 Project Delivery Method and Procurement

The Sponsor plans to construct the project using three project delivery methods.

TJPA Board-approved delivery approach consists of:

- Enabling Works Program (Early Action contracts) for Utilities and Railyard Infrastructure Relocation, and building demolition.
- Progressive Design-Build (PDB) for main civil/tunnel.
- Construction Manager-General Contractor (CMGC) for core track and systems,, and supporting systems and, station fit-out. TJPA will decide on one or two CMGC contracts after it completes an Industry Outreach in the Spring of 2023.

2.7 Design

The Sponsor is currently preparing documentation to demonstrate that the DTX Project Preliminary 30% Design Package includes all the scope of work detailed in the Design Basis and Design Criteria and is consistent with all approved environmental review results. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete the OP32C review for Project Scope Review.

December 2022 Sponsor updates included:

- *TJPA provided the status of the outstanding 30% Design deliverables:*
 - *75 deliverables have been submitted; 74 have been accepted.*
 - *Remaining deliverables are in review by TJPA:*
 - *Final cost estimate*
 - *Final Basis of design report*
 - *TJPA has not completed all reviews; some may not be completed until January 2023.*

2.8 Value Engineering and Constructability Reviews

The Sponsor has conducted several Value Engineering and Constructability Reviews. The corresponding reports provided to the PMOC will be used for the PMOC's OP32C Project Scope Review.

2.9 Real Estate Acquisition and Relocation

The Sponsor is currently preparing the Real Estate Acquisition and Management Plan (RAMP). Upon receipt of the final draft document, now expected during Q1-2023, the PMOC will complete the OP23 review of the Real Estate Acquisition and Management Plan.

December 2022 Sponsor updates included:

- *TJPA provided the status of remaining negotiations:*
 - *Caltrain*
 - *TJPA is in discussions with Caltrain and wants to get to preliminary agreement with Caltrain before approaching Prologis.*
 - *TPJA views the agreement with Caltrain as an extension of existing property rights.*
 - *Caltrain's position is generally in line with TJPA's approach. Caltrain notes that the easement required potentially applies only to surface and underground facilities. This is still under legal review.*
 - *Prologis*
 - *At issue is the long-term disposition of assets critical to the planned Transbay DTX work at Fourth & King Streets.*
 - *City of San Francisco is seeking to support future vertical development.*
 - *TJPA advised that the timeline development is progressing but is dependent on outcomes of TJPA's work with Caltrain. TJPA has briefed Prologis on the overall Transbay DTX program and plan.*

2.10 Third-Party Agreements and Utilities

The project requires multiple third-party agreements and the temporary and permanent relocation of a large number of existing utilities. The PMOC is currently reviewing the presentation material provided by the Sponsor and will continue a more in-depth review of specific project documents.

December 2022 Sponsor updates included:

- *TJPA noted that the PMP has a third-party agreement section.*
- *CCSF Agencies (8) – ICA*

- *TJPA is currently negotiating jointly with the SF City attorneys (team) representing the multiple agencies. This avoids individual negotiations and builds consensus on sensitive topics.*
- *A complete draft is expected in January 2023. Included will be recognition of future engagement with the agencies and 2 appendices (agreement and utility).*
- *Seeking SF City approval in March-May 2023 timeframe.*
- *The Deputy Project Director - Engineering meets weekly with the assigned staff and updates the Program Director bi-monthly. This approach is modelled on the process that the SF City planning department used for private sector work that utilized an ICA.*

- *Joint Trench Agreement*
 - *TJPA is pursuing a conventional franchise agreement.*
 - *Current stage effort focused on design and site walk verification.*
 - *Initial draft planned for February 2023.*
 - *Final agreement anticipated in June 2023.*

- *Peninsula Corridor Joint Powers Board*
 - *TJPA is working on a new Master Cooperative Agreement with Caltrain (MCA).*
 - *The workplan timeline is March to August 2023.*
 - *Workplan summary:*
 - *Kick-off – late February/early March 2023.*
 - *Bi-weekly progress meetings – alternating lead/agenda.*
 - *Goal is to set and track priority work efforts.*
 - *Weekly staff level working meetings.*
 - *Anticipate 6 term sheets.*
 - *Key Points:*
 - *Transbay DTX work at 4th & King Railyard will involve Early Work in the existing Caltrain rail yard.*
 - *For the site work, TJPA will retain project management services for the engineering site survey.*
 - *TJPA will make sure that Caltrain has operational input to the engineering, design and construction staging plan.*

- *TJPA added PG&E as a critical third-party agreement.*
 - *Scope includes water and gas utility infrastructure.*
 - *Initial draft planned for February 2023.*
 - *Final agreement anticipated in June 2023.*

2.11 Construction

Construction is forecast to commence during 4Q-2023 with the Early Action Enabling contracts.

2.12 Vehicle Technology and Procurement

There are no vehicle procurements included in the project scope of work.

2.13 Project Cost

The Sponsor is currently preparing/finalizing the components of the Program Cost Estimate. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete the OP33 review of the Capital Cost Estimate.

December 2022 Sponsor updates included:

- Program Funding Status
 - *20-Year Financial Plan progress and status:*
 - *The team is collecting detailed historical data for Operations and Maintenance costs that will be the basis for forecast O&M cost projections.*
 - *The 20-Year Financial Plan is a joint plan that includes both the TJPA and Caltrain.*
 - *Sensitivity analysis is being performed for both cost and revenue.*
 - *Meeting will be scheduled for early January 2023 with the FTA to wrap up the remaining work and finalize the Plan.*
 - *TJPA reported on progress to achieve 30% of the program funding through non-CIG sources. The finance team is working on their review of the final draft cost estimate and has been interfacing with the FMOC as needed. He has also approved the O&M model that conforms to the schedule plan and is now reviewing the plan test output.*
 - *The FTA had expressed concern that other Bay Area projects are struggling through the funding process due to competition for limited funding sources. The FTA is interested in TJPA's view regarding this situation and the timing of the start of engineering for the Transbay DTX program to lock in the federal grant. TJPA explained that they are working diligently to meet the annual submission schedule for the FTA's FFGA application process. TJPA frequently engages both executive and working level staff at the key project stakeholder organizations to advance the planning and submittal process. TJPA further noted that the Transbay DTX project has received endorsements from the state funding sources and that the project has strong local support.*
- Program Cost Status
 - *TJPA summarized the status of the Capital Cost Estimate:*
 - *The peer review comments resulted in a total cost within 5% of PTG's final draft cost estimate. The cost reconciliation process continues.*
 - *There has been significant focus on cost escalation*
 - *Cost risk is still being evaluated.*
 - *The quantitative risk analysis results show the Capital Cost Estimate to be close to the P65 level of confidence.*
 - *The team is also reviewing the Professional Service costs (FTA's SCC 80).*

- *The recommended Capital Cost Estimate will be presented to the Executive Steering Committee on January 20, 2023.*
- *The FTA had noted that on the VTA project the escalation was forecast to be 2.5-3.0% and the PMOC recommended 3.5%. TJPA's current thinking is to use a higher escalation rate for the first year and then a lower annual escalation for the following years.*

2.14 Project Schedule

The Sponsor is currently preparing/finalizing the Project Master Schedule. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete the OP34 review of the Project Schedule.

December 2022 Sponsor updates included:

- *Critical Path*
 - *Relocation Impact Study (A5-1550) – TJPA is working to fine tune the component activities to optimize overall duration and shorten the relocation real estate assistance activities.*
 - *Meeting w/Caltrain on rail yard Enabling Work package – TJPA working to obtain more details about constituent projects to optimize construction staging.*
- *Key Milestones – 4Q-2022 and 1Q-2022*
 - *Project Cost Escalation (IPMT) – Finalizing recommendations.*
 - *Cost Estimate Peer Review – Reconciliation process in progress.*
 - *VE Configuration Changes – Recently approved.*
 - *Program Cost Estimate and Schedule (IPMT) – Expected completion by mid-January 2023.*

2.15 Project Risk

The Sponsor is currently updating/finalizing the Project Risk and Contingency Management Plan (RCMP), the Project Risk Register and the Qualitative Risk Assessment. Upon receipt of the final draft documents, now expected during Q1-2023, the PMOC will complete their review of the RCMP and lead the FTA OP40 Risk and Contingency Review process. *TJPA has developed a comprehensive checklist/tracking spreadsheet that it has made available on the document SharePoint site established for upload of TJPA documents for FTA and PMOC use. The spreadsheet will support document handling and status in support of three processes:*

- *TJPA request for the Transbay DTX rating by the FTA*
- *FTA/PMOC Risk and Contingency Review (OP40)*
- *FTA/PMOC Readiness Review to Enter Engineering (OP51)*

December 2022 Sponsor updates included:

- **Risk and Contingency Review**
 - *Quantitative Risk Analysis Report – In draft and will include the results of the December 2022 Quarterly QRA update; report will be issued in January 2023.*
 - *Next Quarterly Risk Workshop update scheduled for late March 2023.*
 - *Risk and Contingency Management Plan status – Final version uploaded to SharePoint portal.*

2.16 Quality Assurance/Quality Control

The Sponsor is currently preparing the Project Quality Assurance Plan. Upon receipt of the final draft document, now expected during Q1-2023, the PMOC will complete the OP24 review of the Sponsor's Project Quality Assurance/Quality Control (QA/QC) Program.

2.17 Safety and Security

The Sponsor is currently preparing the Project Safety and Security Management Plan (SSMP). Upon receipt of the final draft document, now expected during Q1-2023, the PMOC will complete the OP22 review of the Project Safety and Security Management Plan.

2.18 Americans with Disabilities Act (ADA)

The PMOC will review ADA compliance during the following reviews:

- OP20 – Project Management Plan
- OP22 – Project Safety and Security Management Plan
- OP32C – Project Scope Review

2.19 Buy America

The PMOC will review Buy America compliance during the following reviews:

- OP20 – Project Management Plan
- OP32C – Project Scope Review

2.20 Start-Up, Commissioning, Testing

Project is currently at the Preliminary Engineering/Design Stage, approximately 30%. The PMOC will evaluate the adequacy of the system start-up, testing and commissioning provisions in the Design Basis and Design Criteria documents that will be reviewed for the OP32C Project Scope Review.

2.21 Before-and-After Study Reporting

The PMOC will evaluate the Sponsor’s Before-and-After Study Reporting during the following reviews:

- OP21 – Management Capacity and Capability
- OP33 – Capital Cost Estimate
- OP51 – Readiness to Enter Engineering

2.22 Lessons Learned

OP26 – Lessons Learned is currently not included in the PMOC scope of work for either the Regional or Programmatic Task Orders for services on the Transbay Downtown Rail Extension Project, Phase 2.

2.23 Actions Items Table

Action Items on significant issues/needs will commence during Q1-2023.

Item No.	Item	Responsible Party	Date Identified	Date Due	Date Completed	Status / Action Required

3.0 PROJECT MONITORING REPORT ATTACHMENTS

- A. List of Acronyms
- B. Safety and Security Checklist – In preparation by the Sponsor.
- C. Top 5 Project Risks – Listed upon completion of the OP40 Risk and Contingency Review.
- D. Awarded Contracts – Working with Sponsor to include all current contracts for professional services.
- E. Rolling Stock Vehicle Status Report – N/A.
- F. Project Milestones/Key Events – Will be included in *January 2023* Monthly Report.
- G. Roadmap to Revenue Operations – Will provide Roadmaps for Entry to Engineering and FFGA.
- H. Project Map – Will be included in *January 2023* Monthly Report

Attachment A: List of Acronyms

ACOR.....Alternate Contracting Officer Representative
ADA.....Americans with Disabilities Act
CIG.....Capital Investment Grant
FEIS.....Final Environmental Impact Study
FFGA.....Full Funding Grant Agreement
FTA.....Federal Transit Administration
LPA.....Locally Preferred Alternative
NEPA.....National Environmental Policy Act
PG&E.....Pacific Gas & Electric
RAMP.....Real Estate Acquisition and Management Plan
RCMP.....Risk and Contingency Management Plan
ROD.....Record of Decision
SEQA.....California Environmental Quality Act
DTX.....Transbay Downtown Rail Extension Project, Phase 2
TJPA.....Transbay Joint Powers Authority
PMOC.....Project Management Oversight Contractor
SSMP.....Safety and Security Management Plan

Attachment B: Safety and Security Checklist

Attachment C: Top 5 Project Risks

Attachment D: Awarded Contracts

Attachment E: Rolling Stock Vehicle Status Report

Attachment F: Project Milestones/Key Events

Attachment G: Roadmap to Revenue Operations

Attachment H: Project Map