

BART SILICON VALLEY PHASE II EXTENSION PROJECT
SANTA CLARA VALLEY TRANSPORTATION AUTHORITY
CITIES OF SAN JOSÉ AND SANTA CLARA, CA

FTA Region IX

Status as of January 31, 2025

PROJECT MONITORING REPORT

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1. Executive Summary

A. Project Description

Bay Area Rapid Transit (BART) Silicon Valley Phase II (BSVII) is an approximately 6.0-mile extension of the BART system from the existing terminus at the Berryessa / North San José BART Station through downtown San José to the proposed Santa Clara Station in the City of Santa Clara.

BSVII includes four stations (three located in San José and one in Santa Clara) along with a maintenance facility at Newhall Yard. The project's easternmost station, 28th Street/Little Portugal, will be located underground near Santa Clara Street and U.S. 101. Two stations, also underground, are planned for downtown San José: Downtown San José Station at Santa Clara Street near Market Street; and Diridon Station at the Diridon Intermodal Transit Center. The westernmost station in the City of Santa Clara is planned to be at-grade adjacent to the Santa Clara Caltrain Station. The Newhall Yard and Maintenance Facility is planned to be located at the end of the alignment directly adjacent to the Santa Clara Station. Forty-eight vehicles will be paid for with project funds but are included in the procurement for BART Federal Transit Administration (FTA) Core Capacity grant program fleet upgrades.

VTA's BART Silicon Valley Phase II Extension Project includes the construction of a tunnel that will be approximately five-miles long. Tunnel construction will begin south of the Santa Clara Station within Newhall Yard and run underneath I-880 and the Caltrain tracks. It will be launched from the West Portal. From there, the tunnel will continue southeast and cross under the western side of the Caltrain tracks at Emory Street and then continue under Stockton Avenue and curve east before reaching Diridon Station. From Diridon Station, the tunnel will continue under Santa Clara Street for approximately one mile to the future Downtown San José Station. It will then curve northeast near 27th Street and Santa Clara Street to the future 28th Street/Little Portugal Station. From there, the tunnel will continue northeast under US 101 to McKee Road where it will run parallel to the highway until it surfaces at the East Portal, near Las Plumas Avenue and Marburg Way.

The project is being designed and constructed by Santa Clara Valley Transportation Authority (VTA), will be owned by VTA, and operated and maintained by BART. Service is planned to operate in the opening year from 4:00 AM to 1:00 AM on weekdays and from 6:00 AM to 1:00 AM on weekends, with trains every 7.5 minutes during the weekday peak period, every 7.5-15 minutes off-peak during the weekday, and every 20 minutes on evenings and weekends.

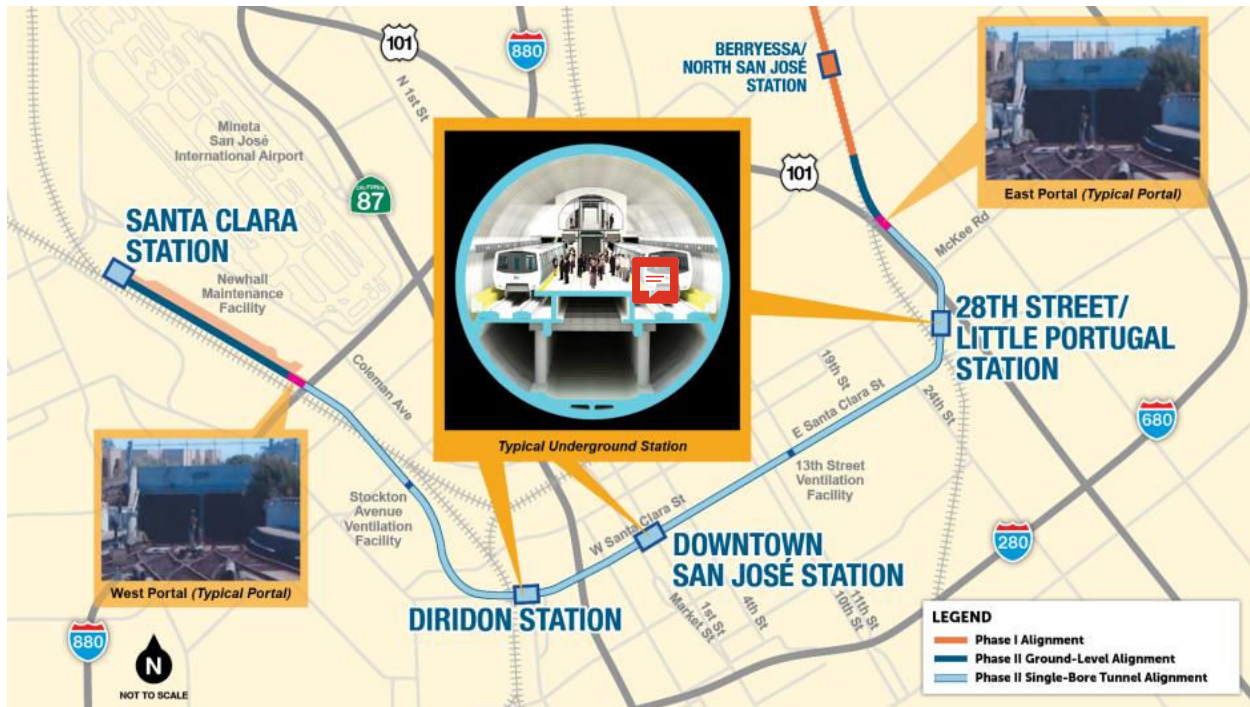


Figure 1– Proposed Alignment of the BSVII Extension

B. Tunneling Construction

Construction of the subway tunnel is within the Tunnel and Trackwork contract (Contract Package 2). The tunnel will be built as a single, large-diameter tunnel, commonly called Single-Bore, and will contain two independent track ways, one for each direction of travel. The tunnel will be excavated by a Tunnel Boring Machine (TBM). The TBM is an electrically powered machine that removes soil, rocks, and debris to create the underground tunnel. It features a cutter-head, which rotates to dig through soil and rock. Excavated material is removed through a conveyor system within the machine. At the stations, mining techniques will be used to excavate the underground connections between the tunnel and stations (which contain the boarding platforms).

C. Project Status

BSVII is in the New Starts Project Development phase.

VTA selected the locally preferred alternative (LPA) in November 2001. The project originally entered the Capital Investment Grants (CIG) program Project Development phase in March 2016. The locally preferred alternative (LPA) was adopted into the Metropolitan Transportation Commission’s financially constrained Long-Range Plan July 26, 2017.

VTA began pursuing FTA’s Expedited Project Delivery (EPD) Pilot Program in early 2018. In April 2018, FTA agreed to extend CIG Project Development while VTA pursued funding through the EPD Pilot Program and stated the Project would be allowed to return to CIG Project Development without penalty should the EPD Pilot Program be determined to no longer be a

good fit. Per the National Environmental Policy Act of 1969 (NEPA), BSVII received a Record of Decision (ROD) from FTA on June 18, 2018. In April 2021, VTA submitted an EPD Pilot Program application to FTA. In October 2021, FTA issued a Letter of Intent (LOI) indicating it would obligate funds under the EPD Pilot Program on the condition that VTA demonstrate local funding commitment and readiness to receive a grant within two years.

In October 2022, VTA submitted a letter to FTA requesting the BSVII project be allowed to re-enter the New Starts Project Development phase of the Capital Investment Grants (CIG) program and seeking a Letter of No Prejudice (LONP). On December 1, 2022, FTA agreed to move the project from the (EPD) Pilot Program back into the Project Development phase as a New Starts project. FTA also approved a LONP covering expenses VTA incurred when it started in New Starts Project Development in March 2016, through the Project's migration to the EPD Pilot Program, as well as for all remaining work on the project, thereby matching the pre-award authority VTA had been given while it was in the EPD Pilot Program for the 2022 New Starts Basis total project cost of \$9.318 Billion.

On October 11, 2023, VTA transmitted to FTA/PMOC the BSVII cost and schedule new baselines including a total project cost of \$12.237B and Revenue Service Date in October of 2036.

FTA/PMOC held a Risk Workshop with VTA on January 16-18, 2024. Risk review results advised an increase in costs to \$12.746B and a recommended RSD of February 2039 based on the use of 125% of the remaining critical path Stripped and Adjusted Base Schedule (SABS) duration.

VTA formally requested FTA's approval to enter Engineering Phase in a letter dated March 29, 2024, with a total project cost of \$12.746B in year-of-expenditure dollars and a Revenue Service Date (RSD) of February 2039. VTA requested \$6.296B (49.4 percent) in CIG program funds.

On August 1, 2024, FTA informed VTA of the approval of BSVII to enter the New Starts Engineering phase of the FTA CIG Program. Although VTA requested a 49.4 percent CIG share, FTA notified VTA that \$5.098B (40 percent) represents the maximum amount of CIG funds that will be provided by FTA for the Project should a Full Funding Grant Agreement (FFGA) be approved. The FTA approval to enter engineering letter is attached.

Since this announcement, BSVII staff initiated a cost saving effort to align the project with the funding available along with pursuit of additional non-local funding sources. BSVII staff has provided updates to FTA, the BSVII Oversight Committee, and VTA Board of Directors including the updated timeline to receiving a Full Funding Grant Agreement as shown in Figure 2.

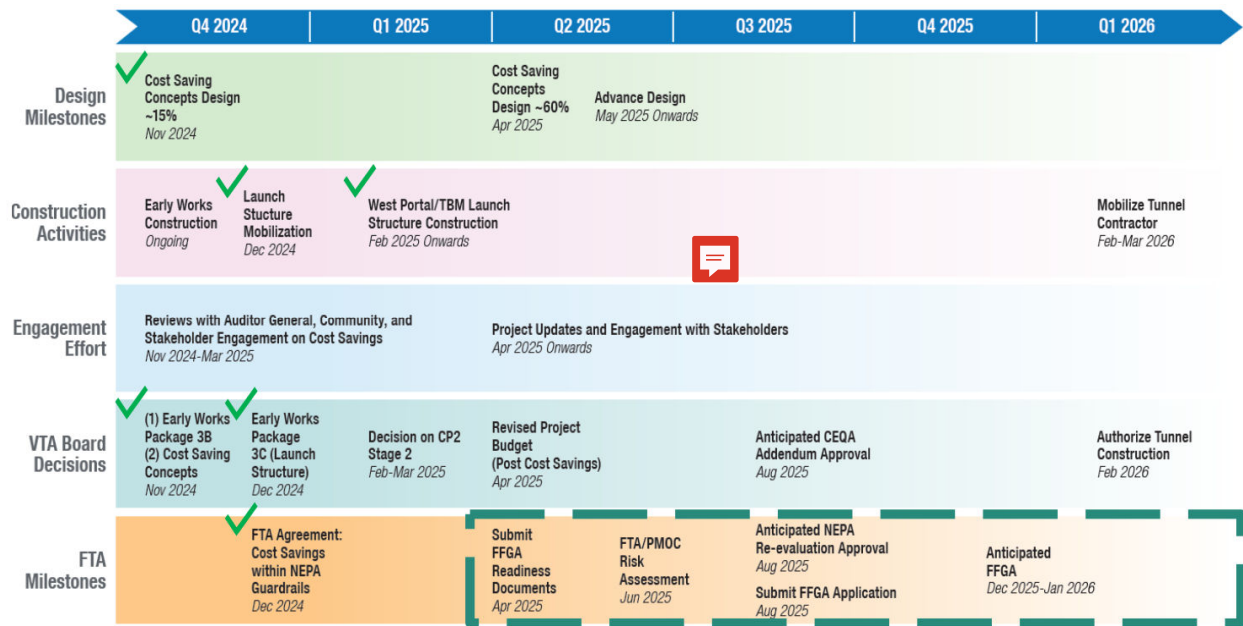


Figure 2– Path to FTA Full Funding Grant Agreement (FFGA)

The project implementation plan had previously been that BSVII would be delivered through four major design-build construction contract packages: Systems Construction Package 1 (CP1); Tunnel and Trackwork Construction Package 2 (CP2); Newhall Yard and Maintenance Facility and Santa Clara Station Construction Package 3 (CP3); and Underground Stations Construction Package 4 (CP4).

CP2 has progressed based on its original procurement. The VTA Board of Directors approved the award of the CP2 Progressive Design Build contract on May 5, 2022. CP2 Limited Notice to Proceed (LNTP) for a 90-day innovations phase was issued on June 9, 2022; NTP1 was issued for Programming Services on September 7, 2022; and NTP1A was issued for Stage 1 Design Professional Services on February 21, 2023. Early Works Packages are progressing through design, pricing, and negotiations to support the launch of the Tunnel Boring Machine (TBM) that was ordered on October 31, 2023.

All major packages other than CP2 were re-evaluated and subject of a Peer Review in November 2022. Since then, VTA has selected Design-Bid-Build delivery for all work previously identified as CP1 – Systems, CP3 – Newhall Yard, Santa Clara Station, and Parking Garage, and CP4 – Underground Stations.

VTA conducted an extensive all-day value Engineering Workshop in partnership with the FTA and the PMOC on December 18, 2024. Many alternatives and cost savings measures were discussed and examined to reduce cost and bring the project in line with the available funding. All modifications are within the evaluated and approved FEIS/FEIR and would not require or trigger a new or supplemental FEIS/FEIR. The environmental revisions that may be required could be accomplished within a four-to-six-month time span. The objective of the value engineering workshop was to explore cost savings to eliminate the current shortfall (\$700

million to \$1.2 billion). A draft Value Engineering Workshop report is being prepared to document the proceedings of the workshop.

VTA is in the process of evaluating the various *alternatives considered at the value engineering workshop and additionally also exploring* approaches for contract delivery including partial and full off ramp for the CP2 Contract, re-packaging of the construction contracts with considerations of contract package sizes, procurement types, construction interfaces, and contracts biddability.

D. Major Issues and/or Concerns

Below are PMOC's issues, concerns, and observations with VTA's updates:

- PMOC is concerned about the delay in executing the UPRR draft Mitigation and Reimbursement Agreement (formerly called the Final Engineering Cost Reimbursement Agreement) prior to the Support of Excavation Early Works at the West portal. *VTA staff reported that VTA and UPRR executives met on December 10, 2024. The resolution of differences has been escalated to the VTA General Manager.*
- PMOC is concerned with the increase of the cost of the Early Work Package 3 (West Portal/TBM Launch Structure) from \$140M estimate in December 2022 to \$398M in December 2024 and the impact of the cost increases on the project budget including a major draw from the budget contingency. *VTA continues to pursue several optimizations and deductive change orders that have the potential to further reduce Early Work Package 3 construction costs.*
- PMOC is concerned that the order of magnitude cost saving ideas VTA is considering are not adequate to address the BSVII program funding gap, which could further delay application for the Full Funding Grant Agreement. *VTA is including ideas from the VE Workshop in Level 3 of the Cost Savings process.*
- PMOC is concerned with the potential of CP2 off-ramp requiring new procurement with insufficient bidding competition with impacts on CP2 contract scope, increased interface risk, design completion delays, construction escalation costs, etc. . *VTA continues to negotiate with KST. VTA is also exploring off-ramp steps, including reaching out to the industry.*

Table 1 Core Accountability Items

		FTA P65 Forecast (EPD Letter of Intent) (Oct 2021)	VTA New Starts Basis (Sept 2022)	New Baseline New Starts – Entry to Engineering (Oct 2023)	FTA P65 Forecast - Entry to Engineering (Mar 2024)
Cost	Capital Cost Estimate	\$9.148B	\$9.318B	\$12.237B	\$12.746B
Contingency	Allocated and Unallocated Contingency	\$2.653B	\$1.729B	\$2.878B	\$3.119B ¹
Schedule	Revenue Service Date	June 21, 2034	March 1, 2033	October 22, 2036	February 28, 2039 ²
Project Progress		Amount (\$M)		Percent of Total	
Total Expenditures	Actual cost of all eligible expenditures completed to date ³	\$1,296.8		10.17%	
Planned Value to Date	Estimated value of work planned to date	N/A		N/A	
Actual Value to Date	Actual value of work completed to date	N/A		N/A	
Contract Status		Amount (\$M)		Percent	
Total Contracts Awarded	Value of all contracts (design, support, construction, equipment) awarded: % of total value to be awarded	\$1,648.1		N/A	
Construction Contracts Awarded	Value of construction contracts awarded: % of total construction value to be awarded	0		0	
Physical Construction Completed	Value of physical construction (infrastructure) completed: % of total construction value completed	0		0	
Rolling Stock Vehicle Status	Date Awarded	No. Ordered		No. Delivered	
Heavy Rail Vehicles	May 2024	48 (planned)		0	

¹ Includes \$1.657 of Unallocated Contingency.

² Recommended Revenue Service Date of February 28, 2039, based on the use of 125% of the remaining critical path Stripped and Adjusted Base Schedule (SABS) duration.

³ Includes standard cost categories (SCC) 10, 40, 60 and 80 expenditures in Project Development, reported through December 31, 2024, based on accruals.

2. PMOC Observations and Findings

A. Summary of Monitoring Activities

The PMOC oversight commenced in July 2020. PMOC has since received documents and coordinated with VTA via email and telephone conversations. *This report covers project status, and documents received through January 31, 2025, including the December 2024 monthly progress reporting received January 31, 2025). The monthly PMOC oversight call was conducted on February 20, 2025.*

VTA submitted their Expedited Project Delivery (EPD) Pilot Program application on April 7, 2021, and FTA/PMOC Risk Workshops were held on May 10-12, 2021. FTA selected the Bay Area Rapid Transit (BART) Silicon Valley Phase II (BSVII) project to advance in the EPD Pilot Program in September 2021 and on October 25, 2021, FTA issued a Letter of Intent (LOI) to obligate funds for BSVII contingent upon VTA meeting specified conditions by October 25, 2023.

In October 2022, VTA submitted a letter to FTA requesting the BSVII project be allowed to re-enter the New Starts Project Development phase of the Capital Investment Grants (CIG) program and seeking a Letter of No Prejudice (LONP). On December 1, 2022, FTA agreed to move the project from the EPD Pilot Program back into the Project Development phase as a New Starts project. FTA also approved a LONP allowing the extension of pre-award authority to the activities that are not allowed under Project Development phase of the New Starts (NS) CIG program, activities such as long lead procurement and construction.

On October 11, 2023, VTA transmitted to FTA/PMOC the BSVII cost and schedule new baselines including a total project budget of \$12.237B and Revenue Service Date (RSD) in October of 2036.

FTA/PMOC held a Risk Workshop with VTA on January 16-18, 2024. Risk review results advised an increase in costs to \$12.746B and a recommended RSD of February 2039. VTA adopted the results of January 2024 risk review and formally requested FTA's approval to enter Engineering Phase in a letter dated March 29, 2024, with a total project cost of \$12.746B in year-of-expenditure dollars and a Revenue Service Date (RSD) of February 2039. VTA requested \$6.296B (49.4 percent) in CIG program funds.

On August 1, 2024, FTA informed VTA of the approval of BSVII to enter the New Starts Engineering phase of the FTA CIG Program. Although VTA requested a 49.4 percent CIG share, FTA notified VTA that \$5.098B (40 percent) represents the maximum amount of CIG funds that will be provided by FTA for the Project should a Full Funding Grant Agreement (FFGA) be approved.

On December 18, 2024, BSVII staff, FTA and the PMOC held an all-day informal Value Engineering (VE) workshop to review cost saving ideas along with discussion on environmental, technical and stakeholder considerations. *The PMOC brought forward and brainstormed with*

FTA and VTA cost savings ideas and concepts related to optimizing the tunnel diameter. The following are the Cost Savings candidates that VTA reported at the December 18, 2024, VE workshop:

- a. Tunnel interior reconfiguration;
- b. Concurrent Tunneling from the East;
- c. Newhall Yard reconfiguration;
- d. Criteria / Requirements variances;
- e. Refining station design; and
- f. Conversion of station parking structure to surface.

In late 2024, a BSVII Contracting Task Force was established to evaluate CP2 contract options and potential packaging solutions to expedite schedule and reduce delays. A comprehensive risk assessment will be conducted after those options have been evaluated and a path forward determined.

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

The following PMP and Sub-Plan documents include documents that were reviewed by the PMOC for BSVII program EPD readiness:

Document Title	Revision	
	No.	Dated
Project Management Plan (PMP)	0.C	April 9, 2021
Management Capacity and Capability Plan (MCCP)	0.E	April 16, 2021
Risk and Contingency Management Plan (RCMP)	0.C	April 16, 2021
Quality Management Plan (QMP)	0.D	April 19, 2021
Real Estate Acquisition Management Plan (RAMP)	0.B	September 30, 2020
Safety and Security Management Plan (SSMP)	0.B	April 20, 2021
BART Rail Fleet Management Plan (RFMP) FY2020 to FY2036	D	September 2019
Third Party Agreement Management Plan	0.C	April 18, 2021
Project Delivery and Procurement Plan	0.F	April 16, 2021
Project Implementation Plan	C	September 30, 2020

On December 1, 2022, FTA agreed to allow the BSVII program to re-enter the New Starts Project Development phase of the Capital Investment Grants (CIG) program. Around the same time as the change in federal funding source and the update of the project budget, VTA also re-evaluated the project delivery scheme. Looking ahead to the New Starts Entry to Engineering request, VTA submitted 39 documents on May 26, 2023, including the following updates to the PMP and sub-Plans to FTA to be reviewed by the PMOC:

Document Title	Revision	
	No.	Dated
Project Management Plan (PMP)	1	May 1, 2023
Management Capacity and Capability Plan (MCCP)	1.A	May 1, 2023
Risk and Contingency Management Plan (RCMP)	0.D	May 22, 2023
Quality Management Plan (QMP)	2	May 1, 2023
Real Estate Acquisition Management Plan (RAMP)	0.C	May 1, 2023
Safety and Security Management Plan (SSMP)	0.C	May 1, 2023
BART Rail Fleet Management Plan (RFMP) FY2020 to FY2034	F	February 2023
Third Party Agreement Management Plan	1	May 1, 2023
Project Delivery and Procurement Plan	0.G	May 1, 2023
VTA Bus Fleet Management Plan	1	May 2023
VTA LRT Fleet Management Plan	1	April 2023

PMOC recommendations and comments from the EPD readiness review as related to OP20, OP22, OP23, and OP24 were provided to VTA informally to help VTA prepare for the submissions needed for Entry to Engineering readiness. PMOC reviewed the new submissions in support of the Entry to Engineering risk assessment and readiness review and provided preliminary summary comments about inconsistencies and incomplete elements to VTA on June 27, 2023.

VTA submitted 37 documents in November 2023 and 11 additional documents in December 2023, including the following updates to the PMP sub-Plans to FTA:

Document Title	Revision	
	No.	Dated
Project Management Plan (PMP)	2	December 15, 2023
Management Capacity and Capability Plan (MCCP)	2	December 15, 2023
Risk and Contingency Management Plan (RCMP)	B	September 14, 2023
Safety and Security Management Plan (SSMP)	0.D	December 8, 2023
Real Estate Acquisition Management Plan (RAMP)	0.C	December 8, 2023
Quality Management Plan (QMP)	2	November 1, 2023
VTA 2023 Bus Fleet Management Plan (BFMP)	1.0	November 2023
VTA 2023 Light Rail Fleet Management Plan (LRFMP)	1.0	April 2023
BART Rail Fleet Management Plan	F	February 2023

Document Title	Revision	
	No.	Dated
Third-Party Agreement Management Plan	1.0	November 1, 2023
Project Delivery and Procurement Plan	0.G	November 1, 2023

PMOC reviewed the submissions from November 2023 and December 2023 and provided input to PMOC’s risk assessment and Oversight Procedure (OP) 51 Readiness to Enter Engineering review. PMOC’s OP 51 report will be one input to FTA’s determination regarding Santa Clara Valley Transportation Authority’s (VTA’s) Capital Investment Grants (CIG) Program application. On March 29, 2024, along with the application to enter the New Starts Engineering Phase, VTA submitted revised PMPs and sub-Plans. The PMOC current assessment of the PMP and sub-Plans is based on the PMP and Sub-Plans submissions from November 2023 and December 2023 and only includes significant changes from the revised PMPs and sub-Plans that were submitted on March 29, 2024.

On July 2, 2024. FTA transmitted to VTA the final PMP and sub-Plans PMOC review reports. Over-the-shoulder review sessions with VTA PMOC and FTA were held in July to clarify and review VTA’s responses to FTA/PMOC comments on PMP and sub-plans. VTA submitted responses to FTA/PMOC comments on PMP and Sub-plan on July 31, 2024.

At the *February 20, 2025*, monthly meeting, VTA did not report any updates to the following Status from September 12, 2024. monthly meeting:

- PMP and sub-plans have been updated to reflect Q3 2024.
- All previous FTA/PMOC comments on PMP and sub-plans comments have been addressed; and
- Additional updates to the PMP and sub-plans will be made prior to FFGA Readiness submittal.

C. Management Capacity and Capability

Refer to Section B above for revision and submittal status of the Management Capacity and Capability Plan (MCCP) and other PMP Subplans to support VTA’s New Starts request to enter Engineering.

VTA has several professional services contracts awarded by which consultants have been supporting VTA in the project development phase. VTA consultants are managed under the HNTB/WSP joint venture Project Management Team (PMT), the MM/W joint venture General Engineering Consultant (GEC) and the Bechtel Infrastructure Corporation Construction Management Services (CMS). The PMT, the GEC, and the CMS include professional resources providing program management and multiple specialized engineering and construction management services.

In consultation with the FTA Staff, the PMOC assessed BSVII Management Capacity and Capability by conducting interviews of key BSVII staff on January 9, 2024, August 27 and 29, 2024, and October 17, 2024. The PMOC reviewed resumes of key BSVII staff and prepared interview questionnaires that were tailored specifically for the BSVII project needs and requirements. The experience requirement was divided into three categories: sufficient experience (5-7 years), considerable experience (7-12 years), and significant experience (12-20+ years). It was suggested for VTA to consider introducing additional resources that would strengthen the capabilities for several positions where the requirements are not fully met.

At the February 20, 2025, monthly meeting, VTA provided the following updates:

- *VTA introduced the new PMT Program Manager reporting to VTA Program Director / Deputy Chief.*
- *PMOC requested VTA adjust the BSVII organization chart to show the new PMT Program Manager's actual responsibilities and reporting.*
- *Request for Proposal (RFP) for Program Management*
 - *The RFP was issued on 9/24/24.*
 - *The pre-proposal conference was held on 10/8/24.*
 - *Several proposals were received by the February 19, 2025, due date.*
 - *On February 13, 2025, the VTA Board authorized VTA General Manager/CEO to extend the current contract seven (7) months from April 1, 2025, to October 31, 2025.*

D. National Environmental Policy Act (NEPA) Process and Environmental Mitigation

Since FTA issued the ROD in 2018, VTA has closely coordinated with FTA to determine when and if additional analysis was needed to maintain compliance with NEPA. FTA determined that a NEPA Re-evaluation was required for project changes at the EPD stage and again for project changes introduced by the Progressive Design Builder Innovations and Value Engineering initiatives adopted for the Entry to Engineering design. Both Re-evaluations confirmed the conclusions in the 2018 ROD are still valid. FTA approved the Re-evaluation associated with the Entry to Engineering preliminary design baseline in March of 2024. BSVII project staff converted the Mitigation Monitoring and Reporting Program (MMRP) from the ROD into a new format for tracking called the Environmental Commitments Record (ECR). Applicable environmental mitigation requirements were integrated into each of the contract packages via the ECR and the Design Requirements and Best Management Practices matrix.

At the February 20, 2025, monthly meeting, VTA provided the following NEPA / Environmental Mitigations Status updates:

- *4th Quarter 2024 ECR was posted online;*
- *Reviewing submittals for conformance with environmental requirements; and*
- *Efforts for the Archaeological Testing Program are ongoing.*

E. Project Delivery Method and Procurement

VTA's plan for project delivery has evolved over recent years. VTA developed a Project Delivery and Procurement Plan (Revision 0.F dated April 16, 2021) which referenced the Project

Implementation Plan. Those documents reflected the BSVII project baseline contracting plan which consisted of four distinct Design-Build contract packages for Systems (CP1), Tunnel and Trackwork (CP2), Newhall Yard and Santa Clara Station (CP3), and Underground Stations (CP4).

In November 2022, VTA held the Contract Packaging and Delivery Peer Review to receive feedback on the delivery approaches to be used for all contract packages other than CP2 (Tunnel and Trackwork). The RFPs for CP1 (Systems) and CP3 (Newhall Yard and Santa Clara Station) were cancelled pending reevaluation of contract packaging and delivery methods.

On March 2, 2023, VTA transmitted to FTA and the PMOC the “Contract Packaging and Project Delivery Draft Report” dated February 28, 2023. Taking the Contract Packaging and Project Delivery Peer Review panel feedback into account, VTA concluded that Design Bid Build will be used to procure the Systems (CP1), Newhall Yard and Santa Clara Station (CP3), and Underground Stations (CP4).

Package Number	Construction Contract Package Name	2022 Delivery Method	2023 Delivery Method
CP1	Systems	Design Build	Design-Bid-Build
CP2	Tunnel and Trackwork	Progressive Design Build	Progressive Design Build
CP3	Newhall Yard, Santa Clara Station, and Parking Garage	Design Build	Design-Bid-Build
CP4	Underground Stations	Design Build	Design-Bid-Build

Between fall 2020 and 2022, VTA initiated a three-step procurement process for the BSVII contract packages, including Requests for Industry Feedback (RFIF), Requests for Qualifications (RFQ), and Requests for Proposals (RFP). Historic data documenting dates for select procurement activities are reported in the following table for the four contract packages included in baseline contracting plan.

Milestones		Contract Packages			
		CP1	CP2	CP3	CP4
Request for Qualifications	RFQ Release	2/26/21	12/29/20	9/13/21	6/29/21
	SOQ Response	5/18/21	3/19/21	11/30/21	9/23/21
	Shortlist	6/30/21	5/11/21	2/3/22	RFQ was cancelled 3/1/2022.
Request for	Pre-Final	4/15/22	7/19/21	5/20/22	

	Final	RFP was cancelled 12/31/2022.	9/24/21	RFP was cancelled 12/31/2022.	
	RFP Response		12/10/21		

Requests For Qualifications were issued for all 4 packages. The RFQ of CP4 (Stations) was cancelled on March 1, 2022. The Statements of Qualifications (SOQs) for CP1 (Systems), CP2 (Tunnel and Trackwork), and CP3 (Newhall Yard and Santa Clara Station) were evaluated and resulted in the following:

- CP1 (Systems) – 2 Prime contractors being shortlisted.
- CP2 (Tunnel and Trackwork) – 3 Prime contractors being shortlisted.
- CP3 (Newhall Yard and Santa Clara Station) – 3 Prime contractors being shortlisted.

The Final Tunnel and Trackwork (CP2) RFP was released on September 24, 2021, with the final addendum to this RFP released November 24, 2021. BART Silicon Valley Phase II Tunnel Partners (B2TP) and Kiewit Shea Traylor (KST) Joint Venture submitted proposals on December 10, 2021. VTA completed negotiations with the highest ranked team and issued a Notice of Recommended Award to KST. The Contract award was approved by the VTA Board of Directors on May 5, 2022. Limited Notice to Proceed (NTP) was issued June 9, 2022, NTP1 was issued for Programming Services on September 7, 2022, and subsequently increased the lump sum not to exceed with Letter #12, dated November 10, 2022, authorizing KST to proceed with Early Works Packages design and estimating. VTA issued KST NTP1A for Stage 1 Design Professional Services on February 21, 2023. Amendment #1, valued at \$144M was executed in October 2023 for the Tunnel Boring Machine Purchase Order.

The Construction Management Services (CMS) Request for Proposal (RFP) was released on September 25, 2023. VTA Board authorized the award of the CMS contract to Bechtel Infrastructure Corporation on April 4, 2024. The CMS contract was executed on April 11, 2024. The scope of the CM Services contract is for the first ten years of the project.

- VTA is in the process of *evaluating the various approaches for contract delivery including partial and full off ramp for the CP2 Contract, re-packaging of the construction contracts with considerations of contract package sizes, procurement types, construction interfaces, and contracts biddability.*
- *At the February 20, 2025, monthly meeting, VTA and BART provided the following Project Delivery Method and Procurement Status:*
- Contract Package 1 (CP1) Systems
 - Current delivery method is Design-Bid-Build
 - 60% design complete and comments assembled; focus on cost savings.
- *CP2 Tunnel & Trackwork - Progressive Design-Build, Contract V20221*
 - Contract executed 5/5/2022 and in Stage 1 (Preconstruction Services).
 - 85% design is in progress for all design except tunnel (D10) progressing from 85% to 100%.
 - Contract amendments 1 through 8 executed.

- *Stage 2 NTP: TBD*
- CP3 – Newhall Yard and Santa Clara station
 - Current delivery method is Design-Bid-Build
 - 60% design complete and comments assembled; focus on cost savings.
- CP4 Underground stations
 - Current delivery method is Design-Bid-Build
 - 60% design complete and comments assembled; focus on cost savings.
- *Railcar Procurement Update*
 - Procurement of 48 vehicles for BSVII
 - This is in addition to the 60 vehicles for Silicon Valley Berryessa Extension (SVBX)
 - *882 Fleet of The Future (FOTF) railcars delivered to BART.*
 - *Alstom will begin delivering 48 vehicles for BSVII in 2025.*
- *At the February 20, 2025, monthly meeting, VTA provided the following BSVII Contracting Task Force status update:*
 - *Task Force established to evaluate various approaches for contract delivery including partial and full off-ramp of CP2, re-packaging of construction contracts, and industry outreach.*
 - *Includes VTA General Counsel Office, BSVII Project Staff, VTA Procurement Department, and Oversight Committee Subject Matter Expert Gall Zeidler;*
 - *Primary efforts include discussions on CP2 partial or full off-ramp, contract packaging & procurement approach;*
 - *Internal workshops conducted on topics including design level, engineer of record, contract package size, biddability, and delivery methods;*
 - *Preliminary recommendations anticipated this Spring.*
- *At the February 20, 2025, monthly meeting, VTA provided the following Industry and Market Sounding status update :*
 - *The purpose is to seek Contractor/Industry confidence to build BSVII within budget;*
 - *BSVII staff conducted industry outreach at two major tunnel and construction conferences in New York and Los Angeles in January 2025;*
 - *Follow-up meeting sessions were held/scheduled with a number of contractors in February 2025.*
 - *Responding to question from PMOC, VTA confirmed receipt of suggested cost savings from their contractor meetings.*

F. Design

VTA has been progressing designs and reassessing the division of scopes of work for all major packages other than CP2.

CP2 Tunnel and Trackwork

- *At the February 20, 2025, monthly meeting, VTA did not provide any update from previous month: Ongoing design optimization process to evaluate possible savings.*
- Third Party / Stakeholder review periods are coordinated by KST, sometimes with review periods different than VTA's reviews.
- Advance Partial Design Units (APDU):

- APDU 2 Pre-Cast tunnel liner 100% complete design – In VTA review.
- APDU 3C - West Portal U-Wall Support of Excavation (SOE) Rev. 2 –Approved for Construction (AFC) complete – Approved by VTA Board 12/5/2024.
- APDU 3D – West Portal Caterpillar SOE Final Design Rev. 2–AFC complete – Approved by VTA Board 12/5/2024.
- APDU 3E – West Portal Ground Improvement Design Rev. 2 - AFC complete – Approved by VTA Board 12/5/2024.
- APDU 5A – Downtown San Jose Station (DTSJ) Enabling Work (Civil & Maintenance of Traffic (MOT)) – 100% Rev. 1 design in VTA/Stakeholder review.
- APDU 8B – East Portal Enabling Works - Over the Shoulder (OTS) review of 85% complete, comment resolution in progress.
- APDU 11B – West portal Temporary Power High Voltage Substation - 85% design review complete, VTA/Stakeholder review in progress.
- APDU 12A – Diridon Station Enabling Works and Utilities – APDU 12A Rev. 1 pending.
- APDU 14 – 28th Street Station Enabling Works – APDU 14 Rev. 1 pending.
- APDU 20 – Track and Tunnel Alignment– Comment resolution on 100% complete.
- KST Design paused to evaluate optimizations – No update from previous month.
 - D05 – Program-wide Specifications – 85% review complete, resubmittal required, not paused.
 - D10 – Bored Tunnel Design –85% design review complete, KST reviewing VTA comments, not paused.
 - D15 – Tunnel Internal Structures - 85% design review complete, paused.
 - D20 – Track and Tunnel – 85% design review complete, KST reviewing VTA comments, paused.
 - D25 – Diridon Station Design – 85% design paused.
 - D30 – Downtown San José Station - 85% design paused.
 - D35 – 28th Street / Little Portugal Station - 85% design paused.
 - D40 – East Portal Design - 85% design review complete.
 - D45 – West Portal Design –85% design paused.

Program-wide, Facilities and Systems Engineering

At the February 20, 2025, monthly meeting, VTA provided the following progress:

- *Progressing design changes associated with the optimization and cost saving candidates that were authorized;*
- *Conducting technical working group meetings with BART stakeholders relating to the proposed Requests for Variances (RFV)s. Processing DocuSign of RFVs;*
- *Developing design concepts and evaluating cost/schedule impacts associated with Level 2 cost savings proposals.*

G. Value Engineering and Constructability Reviews

VTA conducted a Value Engineering (VE) workshop in early 2020 based upon the 10% design (submitted December 2019) which consisted of a revised design of a 53-foot diameter deep single bore running tunnel with center platform stations with the addition of station mezzanines

for platform access. The VE workshop was facilitated by a third-party consultant and the resulting report remains in draft status. The workshop was “a shortened version of a formal Value Engineering Study” required by FTA for Capital Investment Grants (CIG) projects. However, several of the recommended VE elements were applicable and incorporated into the EPD configuration. Stage 1 initial innovations vetting, as well as iterative design and cost estimating exercises, will accomplish further value engineering under the CP2 PDB procurement.

The DRAFT Constructability Review Report was written in August 2020 addressing biddability and buildability of the EPD configuration.

VTA conducted a peer review September 22, 23, and 25, 2020. VTA established action items to implement based on the peer recommendations and is tracking the implementation of those action items in their risk register.

A three-day facilitated Value Engineering (VE) workshop was held the week of June 19, 2023, and the Value Engineering Workshop Report was submitted to FTA/PMOC, documenting VE efforts from June 2023 through September 2023.

Constructability reviews were held on July 20 and 21, 2023. and the Draft Constructability Review Report was submitted to FTA/PMOC in December 2023.

To address the BSVII program funding gap and to allow adequate cost and schedule contingencies, VTA is evaluating cost savings candidates. On December 18, 2024, the FTA/PMOC and the VTA held an all-day informal Value Engineering workshop to review cost saving ideas along with a discussion on environmental, technical and stakeholder considerations. The participants conducted brainstorming session and discussed several cost savings ideas. At the February 20, 2025, monthly meeting, VTA provided the following Cost Savings progress update:

Level	Cost Savings Advancing	Cost Savings (ROM) (as of 2/3/2025)
1	Criteria / Requirements variances	\$187M
1	Refine Station Design	\$68M
1	Conversion of 28 th Street station parking structure to surface	\$77M
1	Owner Supplied Materials	\$20M
2	Concurrent tunneling with smaller single bore tunnel from east portal	TBD
2	Reconfiguration and phasing of yard and facilities; reconfiguration of Santa Clara Station parking	>\$40M
2	Reconfiguration of tunnel interior structure and trackwork	TBD
2	Structural items – e.g., hybrid wall and permanent portal structure	<\$5M
2	Muck off-haul options	<\$10M to TBD
3	Concurrent tunneling with smaller twin bore tunnel from east portal	
3	Tunnel diameter (ID) vs internal structure complexity	
3	Muck off-haul options: <ul style="list-style-type: none"> • Salt Ponds via rail or truck • Other disposal site via rail 	

Level	Cost Savings Advancing	Cost Savings (ROM) (as of 2/3/2025)
	<ul style="list-style-type: none"> Other disposal site with no tipping fees 	
3	Construct adits as cut and cover at underground stations	
3	Shifting station / alignment to off-street at Diridon Station	
3	Grout improvements / surface grouting	
3	Jet grouting for SEM to avoid cut and cover	
3	Lower the track profile in the large single bore tunnel.	
3	Cut and cover compared with station / alignment to off-street (28th Street & Diridon) and SEM vs cut and cover (Downtown)	
3	Small diameter tunnel to 13th Street vs additional cut and cover; moving fans from 28th Street to 13th Street	
3	Reviewing the viability of SEM (and ground water containment) while mitigating impacts to surface streets	
3	Ground improvements / surface grouting and associated impacts to utilities and costs	
3	Twin-Bore with SEM Stations	
3	Trackwork at invert level – Part of Level 2 Cost Savings	
3	30-ft single bore with off street open cut stations – Part of Level 2 Cost Savings	
3	West Portal optimizations – Part of Launch Structure (Amendment 8)	

* For the concurrent tunneling from the East Portal, the PMOC asked VTA if they are looking at the option of going past 13th Street and Santa Clara Street. VTA responded that right now, they are focused on 13th Street.

* For Salt Pond Muck Off Haul option, the PMOC asked VTA if this effort was still ongoing. VTA responded that the project is still progressing. PMOC requested a schedule on activities and durations.

H. Real Estate Acquisition and Relocation

Refer to Section B above for revision and submittal status of the Real Estate Acquisition Management Plan (RAMP) and other PMP Subplans to support VTA’s New Starts request to enter Engineering.

VTA’s implementation of the acquisition program is in progress. VTA has identified 77 total parcels with acquisitions needed, including full and partial acquisitions, subsurface tunnel easements, temporary construction easements (construction staging areas), and permanent easements.

During the February 20, 2025, monthly meeting, VTA reported the following progress as of December 2024:

- *Legals/Plats Approved: 81%*
- *Appraisals completed: 78%*
- *Offers made: 78%*
- *Purchase Agreements Signed: 40%*

PROJECT ACQUISITION STATUS											
Description	Total	Easement Obtained	In Acquisition Process	Status of "Parcels in Acquisition Process"						Relocation ****	
				Eminent Domain Actions Filed **	Board Adoption of RON	Offers Made	Appraisal Process Completed	Legals and Plats Approved	Pending Legals and Plats	Required	Completed
SUMMARY OF REQUIRED TAKES											
Total Parcels: *	77	31	46	18	3	8	0	2	15	37	22
Type of Take: Quantity											
BPE ** & Other Takes:	4		4	1		2			1	3	
Full Fee:	9	7	2	1					1	15	9
Other Multiple Takes (Easement/Fee):	3	1	2			1			1	15	12
Tunnel Easement:	47	21	26	16	2	1		2	5		
Roadway Easement:	3		3						3		
Utility Easement:	4		4						4		
Temporary Construction Easement:	7	2	5		1	4				4	

* Six Building Protective Easements were removed due to elimination of DTSJ Secondary HH; pending Property Protection Study report

** BPE: Building Protective Easements – Parcels have additional acquisitions, such as Tieback Easement

*** Total includes two parcels removed from the elimination of DTSJ Secondary HH

**** Represents total tenants not parcels

I. Public Involvement/Outreach/Communications

At the February 20, 2025, monthly meeting, VTA provided the following Public Involvement/Outreach/Communications updates:

- **Public and Stakeholder Meetings and Presentations**
 - 1/31/25 Diridon Briefing with Diridon Partner Agencies
 - 1/30/2025 Attended Cristo Rey's 28th Street Site Walk with City of San Jose
 - 2/10/25 Small Business Task Force Meeting
 - 1/21/2025 Interim Community Working Group /Design Review Committee (CWG/DRC) Meeting
 - February CWG meetings
 - Early Construction Preparation & Coordination with City of San Jose
 - San Jose Earthquake & Hunter Partners Courtesy Screen Installation Coordination Meetings
- **Communications and Public Relations**
 - Fencing Signage Program
 - Thriving Business Program Surveying (Winter 2025)
 - Blogs & Social Media & Stakeholder Toolkits
 - Investment Across America Fact Sheet (Upcoming DC Trip)
 - Construction Downtown Field Office (Spring 2025)

J. Third-Party Agreements and Utilities

Refer to Section B above for revision and submittal status of the Third-Party Agreement Management Plan and other PMP Subplans to support VTA's New Starts request to enter Engineering.

The Third-Party agreement tracking matrix is updated and submitted to the FTA/PMOC monthly. The third-party agreement tracking matrix provides detailed information including a listing of all the critical and non-critical agreements and permits, and their anticipated or actual execution dates. Per OP39, “critical third-party agreements are required before Construction, or Operations can begin, the absence of which may significantly change the cost, scope, and schedule.”

At the February 20, 2025, monthly meeting, VTA provided the following Third-Party Agreements updates:

- *VTA General Manager / CEO to contact Union Pacific Railroad (UPRR) to resolve the impasse on finalizing and executing the Mitigation and Reimbursement Agreement for the West Portal.*
- *The total number of Third-Party Agreements is now 43.*
- *Critical Agreements prior to FFGA: 31*
 - *30 Executed, and 1 Open.*
 - *The open critical agreement (UPRR Mitigation and Reimbursement Agreement for West Portal Early Works) is anticipated to be executed in February or March 2025 upon a positive outcome of discussions between VTA CEO and UPRR. The new need by date for this agreement is late April / early May 2025.*
- *Critical Agreements post FFGA (Construction): 4 (BART IL, UPRR C&M, and SJWC (2))*
- *Critical Agreements post FFGA (Operations): 5 (BART, JPB, CT, CSJ, CSC)*
- *Regarding the impasse on finalizing and executing the UPRR Mitigation and Reimbursement Agreement:*
 - *PMOC stated that the need by date keeps being pushed every month and asked if the meeting between VTA General Manager / CEO and UPRR been set. VTA responded that VTA and UPRR are in discussion, but no firm date has been set for the meeting. VTA are hoping this gets resolved by late April/early May.*
 - *PMOC asked if there is a workaround if this does not get solved. VTA responded there is not a problem with the agreement, UPRR is trying to get some other concessions from VTA. This should not affect construction.*
 - *FTA reminded VTA that this is a critical agreement that must be executed.*

Summary of Utility Relocation Design and Construction Progress

LOCATION	RELOCATIONS DESIGN	RELOCATIONS IN CONSTRUCTION
OWNER LED RELOCATIONS		
West Portal / NHY / SCS	7	4
Diridon Station	8	6
Downtown San José Station	5	3
28 th Street / Little Portugal Station	7	0
East Portal	5	0
Sub Total	32	13
CONTRACTOR LED RELOCATIONS		
West Portal / NHY / SCS	3	0
Diridon Station	3	0
Downtown San José Station	0	0
28 th Street / Little Portugal Station	3	0
East Portal	2	0
Sub Total	11	0
Total	43	13

At the February 20, 2025, monthly meeting, VTA reported the following:

- *West Portal:*
 - *Pacific Gas & Electric (PG&E) 115kV interconnection – PG&E remobilization pending advancement of KST work.*
 - *Cogent/Sprint final design package pending construction agreement & easement acquisition.*
 - *Zayo Construction Notice to Owner (NTO) executed – Construction start - early March.*
- *Diridon Station and West Vent Shaft:*
 - *AT&T/Comcast Construction to resume early March pending Comcast permit.*
 - *AT&T potholing near Stockton Avenue complete.*
- *Downtown Station:*
 - *AT&T construction start pending crew schedule coordination.*
 - *PG&E Electric relocation (DSJS-E-32) postponed to 2025 due to Real Estate.*
 - *Level 3 Construction NTO in-progress.*
- *East Portal:*
 - *AT&T & Comcast designs in-progress.*
 - *San Jose Water Company (SJWC) design completion pending confirmation of Fire Hydrant requirements.*

K. Construction

At the February 20, 2025, monthly meeting, VTA reported the following early works procurement / negotiations activities and status of progress:

- Early Works Projects – Procurement / Negotiations:
 - *EWP 1A – TBM Procurement and Delivery, Site visit to Herrenknecht (HK) factory in Germany conducted February 10-13, 2025.*
 - *EWP 2A – Precast Final lining, Material & Plant Procurement: negotiations ongoing.*
 - *EWP 3A – West Portal Initial Sitework: Construction ongoing.*
 - *EWP 3B – West Portal Sitework (Phase 2): Construction starting.*
 - *EWP 3C.1 – Preparation for West Portal Enabling Works: Processing long-lead submittals; restarted December 6.*
 - *EWP 3C.2 – Launch Structure: Received VTA Board approval December 5. Full NTP issued February 5, 2025.*
 - *EWP 7A – West Portal Instrumentation & Monitoring: Ongoing monitoring; developing baseline report.*
 - *EWP 9A – TBM Tunnel Support Equipment: Negotiations ongoing.*
 - *EWP 11A - West Portal TBM and Plant Power: KST continuing technical clarifications with vendors for electrical equipment EWP 11B - West Portal TBM and Plant Power Phase 2: KST continuing technical clarifications with vendors for electrical equipment*
- Construction – Tunnel Boring Machine (TBM):
 - *February 10-13, 2025, a contingent comprising VTA, KST and CMS representatives visited the CMA welding facility in Italy where shield welding is being conducted;*

- followed by a visit to the HK factory in Germany where the TBM is being assembled and being prepared for factory acceptance testing.*
- *Temporary molds are under construction for test rings.*
 - *Factory Acceptance Test scheduled for summer 2025.*
 - *TBM Storage + warranty extension: 18 months*
 - *The PMOC requested the welding audit report. VTA responded that the report will be shared when its ready. This will remain as an action item.*
- Construction – EWP 3C Readiness:
 - *Limited Notice to Proceed (LNTP) was issued to KST on December 11, 2024.*
 - *CMS Staffing plan is appropriate for KST's shifts (24/6) and number of setups (rigs).*
 - *CMS is adding staff including EWP 3C-specific safety and quality representatives.*
 - *Meetings with KST have been held to review revised baseline schedule and SOV.*
 - *Weekly meetings for 3C are now being held.*
 - *Early construction activities due to commence including Instrumentation and Monitoring (I&M) installation, site grading, field office set up and sound curtain installation.*
 - *Optimizations phase completed on schedule in parallel with construction readiness.*
 - *VTA provided direction on optimizations to investigate on December 19, 2024*
 - *KST provided analysis on January 10, 2025*
 - *KST provided cost/schedule impacts on January 20, 2025*
 - *Direction on Optimizations provided on February 4, 2025*
 - *Full NTP provided on February 5, 2025 in accordance with amendment schedule.*
 - *PMOC asked VTA if there are further optimizations that could be realized after issuance of Full NTP on February 5, 2025. VTA responded that there may be an opportunity for a couple of optimizations.*
 - Construction – West Portal:
 - *Completed CSJ Fire Department inspections/tests for waterline*
 - *Continued Air and Gas mainline installation*
 - *Continued Air, Gas and Waterline lateral installations*
 - *Continued site winterization SWPPP measures (BMPs), ongoing maintenance*
 - *Ongoing Instrumentation and Monitoring existing UPRR/JPB tracks;*
 - *Continuing baseline monitoring report development*
 - *Relocated total station monitoring devices*
 - *Completed access road striping and pavement delineation*
 - *Ongoing weekly Construction meetings with KST Construction – Facilities–Downtown San José, Diridon Station, 28th Street/ Little Portugal (No update was provided at the February 20, 2025, monthly meeting):*
 - Construction – Project-wide (No update was provided at the February 20, 2025, monthly meeting):

L. Vehicle Technology and Procurement

Expansion of BART's existing fleet to serve the BSVII service to Santa Clara is included in BART's Rail Fleet Management Plan (RFMP). Forty-eight vehicles have been identified in the

BSVII budget. However, all vehicles will be procured under BART's vehicle procurement contracts not through a separate VTA procurement.

On May 2, 2024, the VTA Board of Directors authorized the General Manager/CEO to enter into an agreement with the San Francisco Bay Area Rapid Transit (BART) for the purchase of 48 revenue vehicles for the BSVII Extension Project through BART's existing contract with Alstom (formerly Bombardier). The costs related to these revenue vehicles are estimated to total \$172,600,000.

At the February 20, 2024, monthly meeting, *BART Assistant Manager of Operations* reported that Alstom will begin delivering the 48 vehicles for BSVII in 2025.

M. Project Cost

VTA transmitted to FTA/PMOC on October 11, 2023, their new baseline cost estimate that included a total project budget of \$12.237B. The new baseline cost, with a status date of June 30, 2023, was developed reflecting the CP2 Stage 1 baseline, and the updated design-bid-build (DBB) contract packaging strategy for CP1, CP3 and CP4.

This new baseline cost estimate was reviewed in accordance with FTA's OP 33 Project Cost Review in coordination with the January 2024 Entry to Engineering risk assessment. The risk review resulted in P65 Forecast cost of \$12.746B that was accepted and adopted by VTA. VTA formally requested FTA's approval to enter Engineering Phase in a letter dated March 29, 2024, with a total project cost of \$12.746B and a Revenue Service Date (RSD) of February 2039.

The BSVII project budget of \$12.746B supporting VTA's March 29, 2024, request for FTA's approval to enter Engineering and the Cost and Expenditures Update thru December 31, 2024, are summarized below:

VTA's BART Silicon Valley Program, Phase II				Report Period	Dec-2024
Cost Report By Standard Cost Category (\$ in millions)				Report Date	1/15/2025
Standard Cost Category Description	Estimate ¹ (A)	Forecast @ Completion (B)	Variance (C) = (B) - (A)	Incurred To Date ² (D)	Incurred This Period ^{2,3} (E)
10 Guideway and Track Elements	\$ 2,899.8	\$ 3,032.7	\$ 132.9	\$ 63.1	\$ 3.0
20 Stations, Stops, Terminals, Intermodal	\$ 2,037.2	\$ 2,037.2	\$ -	\$ -	
30 Support Facilities: Yards, Shops, Admin. Building	\$ 352.2	\$ 352.2	\$ -	\$ -	
40 Sitework and Special Conditions	\$ 582.5	\$ 712.4	\$ 129.9	\$ 88.7	\$ 10.7
50 Systems	\$ 1,409.0	\$ 1,409.0	\$ -	\$ -	
60 ROW, Land and Existing Improvements	\$ 240.5	\$ 240.5	\$ -	\$ 121.4	\$ 0.8
70 Vehicles	\$ 204.8	\$ 173.7	\$ (31.1)	\$ 12.1	
80 Professional Services	\$ 2,972.5	\$ 2,989.0	\$ 16.5	\$ 934.9	\$ 24.6
90 Unallocated Contingency	\$ 1,657.1	\$ 1,377.9	\$ (279.2)	\$ -	
100 Finance Charges	\$ 390.0	\$ 390.0	\$ -	\$ -	
Total	\$ 12,745.6	\$ 12,714.5	\$ (31.1)	\$ 1,220.2	\$ 39.1

Notes:

1. Baseline estimate established at entry into New Starts Engineering
2. Incurred total (D) and (E) may vary from VTA's accounting system due to rounding
3. Incurred this period excludes accruals (invoices under review or in process)

Figure 3– Cost and Expenditures

VTA has reported expenditures through December 31, 2024, including accruals, which total \$1,296.8M. Project costs have been expended in SCC 10, SCC 40, SCC 60, SCC 70, and SCC 80. Project commitments include SCC 10, SCC 40, SCC 60, SCC 70, and SCC 80 and total \$1,648.1M through December 31, 2024.

At the February 20, 2025, monthly meeting, VTA reported the following Budget / Cost updates for the December 2024 reporting period:

- No budget transfers were executed in December 2024.
- Budget transfers are under development/final review to reflect scope transfers between CPs Contingency Status.
- No additional contingency was drawn down this period.
- As of December 31, 2024, VTA drew down a net \$52.7M allocated contingency and \$279.2M unallocated contingency to date.

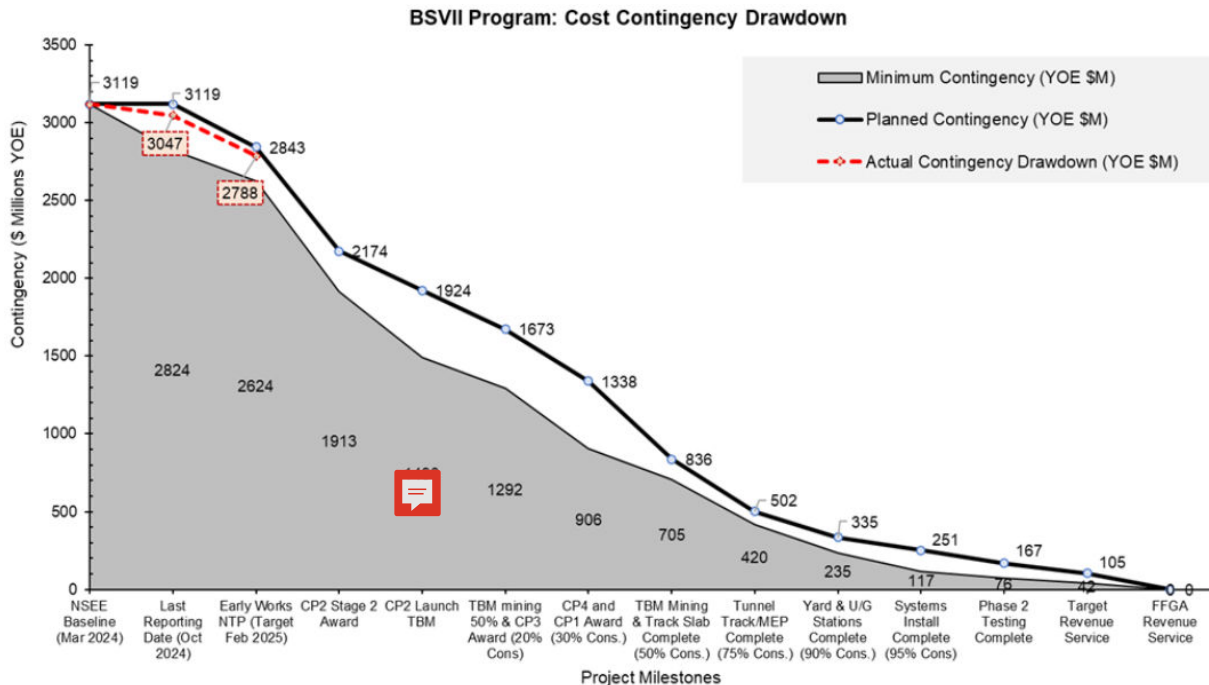


Figure 4– Cost Contingency Drawdown Curve

N. Project Schedule

VTA provided a December schedule update with a data date of 01Jan25. A full analysis was completed on this schedule.

The new VTA baseline schedule has a target Revenue Service Date (RSD) of Q2-2037. The preliminary risk assessment by PMOC indicated a projected RSD of February 2039, inclusive of FTA-assessed schedule contingency. VTA is adopting the FTA-recommended schedule contingency that indicates a Q1-2039 RSD while managing to the target RSD of Q2-2037.

The activities for “VTA Target RSD” with a date of 12MAY37, and “FFGA RSD” with a date of 28FEB39 have remained the same as has Systems Substantial Completion with a date of 01APR36.

VTA noted that the critical path excluding the contingency and reserve includes the following items:

1. West Portal Enabling work and Launch Structure (CP2)
2. TBM Procurement: Assembly and Testing (CP2)
3. Tunnel mining from West Portal to East Portal (CP2)
4. West Portal: Final concrete work and finishes (CP2)
5. West Portal: Train Control Building (CP2)
6. Newhall Yard: Systems installation (CP1)
7. Phase 2 testing by CP1 with BART oversight
8. BART OCC Validation / Testing

The Master Project Schedule (MPS) is comprised of a summary schedule plus the following twelve individual schedules:

1. Program Management and Administration
2. Right-of-Way Acquisition
3. Design
4. Advertise, Bid, and Award
5. Utilities
6. Third Party
7. Vehicles & Parking
8. Testing and Commissioning
9. Systems
10. Contract Package 2
11. Yard/SC Station
12. Underground

As of previous reporting period (November 2024), a total of 8.5 months of schedule contingency was drawn down to accommodate delays in the award and NTP of West Portal launch early works scope to the CP2 contractor. No additional schedule contingency was drawn during this reporting period. As the remaining contingency has fallen below the minimum contingency levels, VTA is working on the following to address this:

- ***Identify opportunities to accelerate EWP 3C construction activities:*** *Following the planned February 2025 NTP for the EWP 3C heavy construction, the project team will collaborate with the contractor to identify opportunities to accelerate construction activities and minimize the actual use of contingency wherever possible. VTA also included incentive clauses and liquidated damages clauses in Amendment #8.*
- ***Plan for a comprehensive risk assessment following outcome of VTA Task Force:*** *To mitigate the contingency usage and delays occurred to date for future work, VTA has set up a task force to evaluate CP2 contract options including evaluating other potential contract packaging solutions to expedite schedule and reduce delays. A comprehensive risk assessment will be conducted after those options have been evaluated and a path forward determined.*

The critical path on the overall schedule has total float at 0. CP2 Newhall Yard Enabling Works Prepare for Precast Concrete Tunnel Linings (PCTL) & Power is driving the critical path for CP2 West Portal SOE & Caterpillar Structure. This then leads to a Contingency activity for CP2 West Portal SOE & Caterpillar Structure, CP2 West Portal Excavation of Caterpillar Structure and CP2 West Portal Base Slab before moving on to tunneling.

There are three contingency activities on the longest/critical path. They are CP2 West Portal SOE & Caterpillar Structure Contingency, CP2 TBM Assembly Contingency and Project Contingency. The CP2 TBM Assembly Contingency was reduced to zero on the last update (data date 01DEC24). These three activities add up to 225 working days.

On the Right of Way schedule there continues to be activities indicating 100% Complete with the Physical % type in place however there are no Actual Finish Dates. Therefore, it is not clear if these activities have actually been completed or are still in-progress. Of the thirty activities which had a percent complete change to them this month all but one was for Cost Loaded Activity Easements. There are many activities that have actual start dates but are showing 0% complete. These activities have a Physical % which mean they need to be manually adjusted each update with a percentage, and it appears this is not being done. There are 50 activities this period with no progress.

On the Right of Way schedule: Between West Portal and Diridon – Tunnel portion of the schedule has lost between 183 and 188 working days. DTSJ – Primary Headhouse has had a mix of gains and losses. Between DTSJ Emergency Egress Shaft & 28th Street – Tunnel has had losses of 184 and 28th Street has lost 252 working days while Between 28th Street & East Portal – Tunnel has lost 185 working days. The overall schedule completion has lost 185 working days. There continues to be activities indicating 100% Complete with the Physical % type in place however there are no Actual Finish Dates. Therefore, it cannot be determined if these activities are completed or not. Of the 65 activities with duration adjustments six have been reduced the remainder have been increased. There are 66 activities this period with no progress. There are 42 activities with diminishing progress this period. There are no activities on the longest path.

On the Design schedule there was one activity with a change in duration, VTA Initiates Post Interim Design Cost Savings Process. The duration was increased. There are six activities with 0% complete but have actual start dates. Seven activities are indicating no progress this period. There are no design activities on the longest path.

In the Utility schedule the Underground Stations 28th Street General and Design sections of the schedule have been moved out in time anywhere from 192 to 318 working days. The Start dates on the Execute NTP's have constraint dates.

The entire Salt Ponds Design, Construction & Muck Disposal section of the schedule has moved out by 105 working days. This has stemmed from the finish of Design (Soil distribution approach and required improvements at Salt Ponds) being pushed out. The Vehicle Testing / Commissioning LOE is on the longest path.

The Systems, Yard/SC Station and Underground Stations schedules had no changes.

CP2 Base Design Services have been moved out by 64 working days along with the activities that follow. CP2 Stage 2 - Tunnel Work Package - VTA Review & Validate Cost Proposal has moved out by 41 working days. 28th Street work has also been pushed out by 106 working days. The overall CP2 schedule duration has remained the same. There are activities without finish relationships. There are forty-three (43) activities on the longest path.

There are activities which are indicating 100% however have no actual finish dates and activities that have actual start dates but are showing 0% complete. These activities have a Physical % which means they need to be manually adjusted each update with a percentage, and it appears this is not being done.

At the February 20, 2025, monthly meeting, VTA reported the following Project Schedule updates for the December 2024 reporting period:

- Major critical path elements include the TBM Launch Structure, TBM Mining, Tunnel Interior, and completion of the West Portal structure; followed by Systems Construction/Testing
- No major changes to schedule critical path this period
- No change to forecast Revenue Service Date (mitigated by contingency draw)

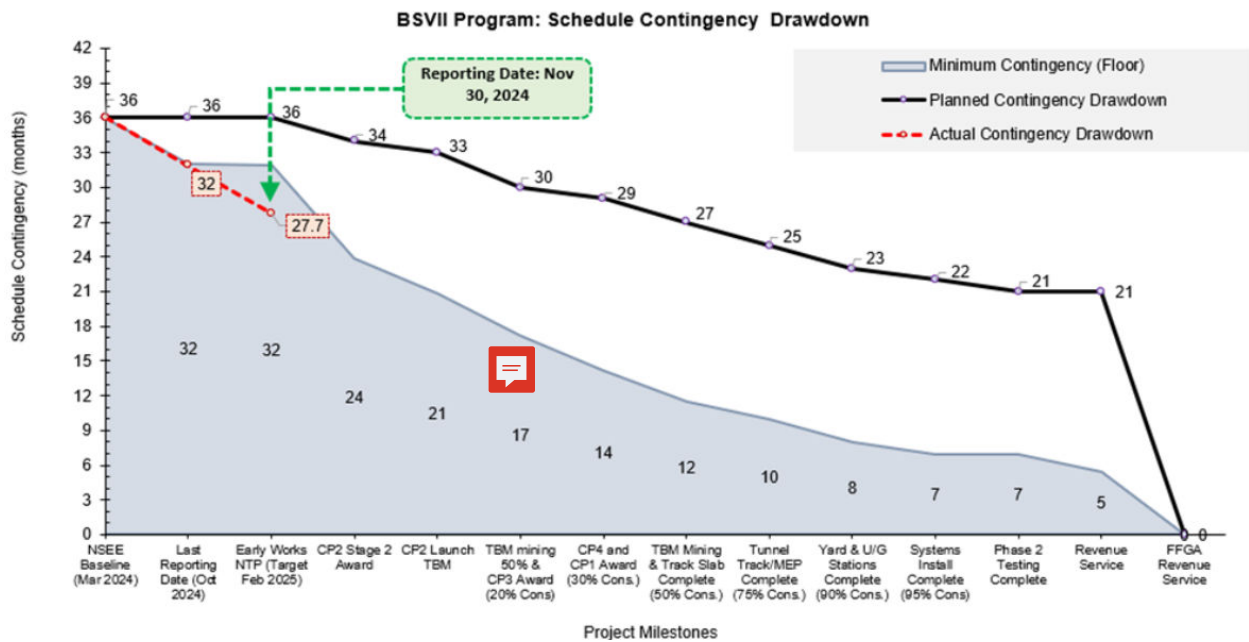


Figure 5– Schedule Contingency Drawdown Curve (This figure is from the November 30, 2024, VTA Monthly Report and has not been updated)

O. Project Risk

Overall Status

The PMOC reviewed various versions of the Risk and Contingency Management Plan (RCMP) leading up to VTA’s EPD selection. On May 26, 2023, VTA submitted an updated RCMP (Rev. 0.D dated May 22, 2023) with the above-noted PMP Subplans to support VTA’s New Starts request to enter Engineering. On October 11, 2023, VTA submitted another revision of the RCMP (Rev. B dated September 14, 2023) associated with the new baseline cost and schedule.

VTA reported having continued their on-going risk review meetings with project and discipline teams, updating risk response plans and risk register. *VTA continues to include the PMOC in their monthly risk review meetings.*

VTA has indicated, as per CP2 contract requirements, the KST team is expected to include a risk register after the review of the Configuration Design submittal. The BSVII team will review KST's identified risks with BSVII disciplines, revise the Program Risk Register as appropriate and establish a joint VTA/KST CP2 Project Risk Register that will be reviewed with the KST team regularly. As of the risk workshop held in January 2024, this register has not been provided to PMOC.

The project risk profile has changed since the EPD submission and is likely further impacted as the project has moved back into the New Starts program. *The PMOC has completed a risk assessment given the new baseline cost and schedule by VTA that reflects their planned delivery and updated packaging strategy, along with awarded CP2 contractor (KST's) approved innovations. The Entry to Engineering risk workshop for the project was conducted in January 2024 with the FTA, the project sponsor and PMOC. The PMOC has proposed additional new risks related to geotechnical conditions, Buy America requirements, interface requirements associated with changing scope, Real Estate management plan, TBM productivity assumptions, agency capacity, timely decision with BART and external stakeholder impacts including potential delays from Board of Directors. VTA has incorporated the FTA/PMOC risk assessment results into their new baseline and request to Enter Engineering.*

Based on the VTA's December 31, 2024, monthly report, following are the key progress updates:

New Risks: None for the period

Increased Risk Score:

BSV-158 - Sprint utility relocation delays: *Per VTA, this risk captures the potential for Sprint utility relocation delays at the construction sites leading to construction interruptions and schedule delays. Per the latest monthly update, negotiations for a construction agreement and UPRR easement may push out the construction start date. VTA is anticipating executing a construction agreement in March 2025 and starting construction in June 2025. Risk assessment has increased from low to moderate severity.*

Reduced Risk Score: None for the period

Retired Risk:

BSV-160 - Delays in getting approval from FAA on yard layout: *Per VTA, in order to comply with the Environmental Commitment Record (ECR), VTA needed to comply with FAR Part 77 notification requirements and go through Federal Aviation Administration (FAA) review and approval prior to start of construction. As the current requirements for tower height are well below FAA height restrictions, this item is no longer an issue. This risk is now retired.*

BSV-203 - Higher cost of the West Portal TBM launch facility: *Per VTA, this item originally pertained to the potential for higher than anticipated cost and longer time to construct the West Portal facility, potentially delaying launch of TBM operations. VTA Board approved KST*

contract Amendment #8 on 12/5/2024. The approved amendment includes cost exposure lowered by \$15M to account for savings during final negotiation. An additional \$5M is allocated to EWP 3C scope as contingency to account for Amendment 8 incentives and LDs, leading to overall contingency drawdown of \$271M. This risk is now retired.

BSV-218 - Delayed start of EWP 3C pushing critical path work but within NSEE approved

baseline: Per VTA, this risk originally captured the uncertainty with budget authorization and/or available funding, potentially delaying NTP of EWP 3C West Portal work and critical path work. Following the approval of Amendment #8, the approved schedule includes approximately 4 months of contingency to account for construction risks associated with EWP 3C. This risk is now retired.

Provided in the table below are the Top 10 risks as reported by VTA for the period (please also refer to Attachment E for additional risk detail).

VTA December, 2024 Risk Register Top 10		
Risk ID	Risk Title	VTA Risk Score
BSV-196	Failure to secure a lump-sum price with KST resulting in Off-ramp.	20
BSV-211	Opportunity for eliminating DTSJ secondary Headhouse.	15
BSV-222	Refinements PGW-006: Combine Fans and Eliminate 1 Fan Plant at 28th Station & PGW-010: Eliminate Fan Plant at Diridon West Vent S	15
BSV-005	Unanticipated damage to historic buildings & other structures.	12
BSV-029	VTA financial capacity/funding plan to finance potential future project cost increases.	12
BSV-036	General construction labor shortage/labor premiums resulting in delays or increased cost.	12
BSV-096	Testing and Commissioning delays due to various factors.	12
BSV-138	Design interfaces between GEC and KST leads to integration issues, errors and disputes.	12
BSV-152	Truck traffic volume for disposal of muck from the tunnel resulting in additional costs.	12
BSV-154	UPRR extended coordination delays PDB contractor during design and construction.	12

Threat Opportunity

At the February 20, 2025, monthly meeting, VTA provided the following progress updates:

- Ongoing internal risk review meetings with Program, Project, Discipline Leads and key stakeholders.
- Key changes to the Program Risk Register summarized below:

Change ¹	Risk	Notes
Retired	• None	
Upgrade	• None	
Downgrade	• BSV-232 - Diridon Station in-tunnel design changes to accommodate future Diridon Business Case	• Risk originally covered potential exposure due to potential redesign costs, added capital costs, and extended design duration to accommodate an underground connection for a future Diridon Station (Diridon Business Case). VTA has now planned for executing cost sharing agreements with partner agencies prior to the start of construction. This would limit BSVII cost exposure to upfront design costs only. Risk impact reduced from high to moderate severity as a result.
New	• None	

Note 1: Only major changes including addition of new risk, retirement of existing risk or change in risk score from one risk zone to the another (i.e., from red to yellow and so forth) are reported in this table. Monthly update to the BSVII Program Risk Register include other changes to the risk scoring.

P. Quality Assurance/Quality Control

PMOC reviewed various versions of the Quality Management Plan (QMP) leading up to VTA's EPD selection. On May 26, 2023, VTA submitted an updated QMP (Rev. 2 dated May 1, 2023) with the above-noted PMP Subplans to support VTA's New Starts request to enter Engineering. PMOC reviewed the revised QMP and provided preliminary summary comments to VTA on June 27, 2023. The QMP (Rev. 2 dated November 1, 2023) was submitted to the PMOC on November 22, 2023. *On July 2, 2024, FTA transmitted to VTA the final QMP PMOC review report.*

At the February 20, 2025, monthly meeting, VTA reported the following quality activities:

- *VTA / Program Management Team (PMT) Oversight*
 - *Completed QA Oversight certification process on BSVII Market Saturation Study Bulletin No. 21 on January 28, 2025.*
- *CP2 Design and Construction Oversight – Kiewit Shea Traylor JV (KST)*
 - *Kicked off audit of KST's proposed independent testing laboratory for EWP 3C activities. Visited their mobile laboratory in San Jose 1/27/2025. Audit in progress.*
- *CP1, CP3, CP4 Design Oversight – Mott MacDonald / PGH Wong Engineering JV (MMW)*
 - *Continued GEC Design Program Audit. Kick off meeting was held on January 7, 2025. Document review and evidence gathering in progress.*
- *The PMOC suggested that QA/QC is an area that requires a lot of attention. Would like to go into detail on the quality assurance program. Will plan to include an action item to come over and meet with VTA team to discuss QA.*

Q. Safety and Security

VTA and BART previously indicated an intent to conduct joint Fire Life Safety and Security Committee (FLSSC) and Safety and Security Review Committee (SSRC) meetings for the early phase of the BSVII program.

The monthly SSRC meetings commenced in January 2021, with the latest meeting held October 25, 2023. On August 30, 2023, VTA issued the SSRC charter. The SSRC is chaired by VTA Deputy Director, Program Administrator and includes VTA (Security Specialist, Chief of System Safety & Security, System Safety & Security Lead, and project managers), BART (engineering, operations, system safety, and police), BSVII Program Management Team, Federal Transit Administration, and the Project Management Oversight Contractor.

The first FLSSC meeting was conducted on October 7, 2021. FLS (Fire Life Safety) continues to monitor project progress, but there are no significant updates to report. On August 30, 2023, VTA issued the FLSSC charter. The FLSSC charter is co-chaired by VTA Chief Megaprojects Officer and BART Assistant General Manager of Operations. It includes committee members from the Cities of San José and Santa Clara fire and police departments, Santa Clara Sheriff, California Public Utilities Commission (CPUC), BART (engineering, system safety, and police),

and VTA (System Safety & Security, and project managers). The CPUC is the State Safety Oversight Agency (SSOA) as certified by FTA.

At the February 20, 2025, monthly meeting, VTA reported the following System Safety and Security Risk Management / Certification activities:

- *The Safety and Security team continues to evaluate risks related to cost saving measures. The team is also working with various task force groups to assess safety and security concerns.*
- *Safety and Security Review Committee (SSRC)*
 - *SSRC meeting was held January 29th with a review of cost saving measure status and potential impacts to safety and security.*
 - *Updates to the SSMP, SSCP, PHA and TVA will occur once decisions are made around any design changes.*
 - *The next SSRC meeting is February 26th.*
- *Fire Life Safety and Security (FLSS) Activities*
 - *One (1) FLSSWG meeting was held in December to finalize some outstanding FLSS issues*
 - *No FLSSC was held in December as the group is awaiting concurrence within the workgroup.*
 - *The FLSSC did not meet in January 2025, but a meeting is planned for February 2025, based on FLSSWG progress*
 - *The FLSSWG did not meet in January 2025, but meetings are schedule for February 2025*
 - *There are several outstanding issues related to EVS to be finalized with San Jose Fire Department*
 - *The SJFD has requested additional information prior to concurrence with the proposed approach.*
- *PMOC asked in terms of evacuation, is there adequate platform capacity if two trains empty simultaneously. PMOC would like to setup an action item for an in-depth meeting with BSVII to see details of the analysis and to ensure compliance.*

R. Americans with Disabilities Act (ADA)

VTA produced an Accessibility Report to meet the EPD application requirements specified in the NOFO (Notice of Funding Opportunity).

S. Buy America

VTA has committed to meeting the Buy America requirements in their PMP documentation. Additional details regarding how they intend to meet the 70-percent content threshold, and their management of contractor requirements have yet to be made available to the PMOC for review.

VTA is including a notification in the RFQ to all prospective bidders that Buy America requirements will be part of each contract. VTA sets the expectation that each supplier and subcontractor must research and present findings for verification. Additional work is needed to coordinate the requirements and compliance at a program level. VTA indicated that their contract technical teams will provide input regarding that program coordination.

No update was provided in at the February 20, 2025, monthly meeting. PMOC recommends that VTA revisit their plan for Buy America implementation and management regarding Buy America Build America changes and the program’s adjusted delivery plan.

T. Start-Up, Commissioning, Testing

VTA and their contractors will be responsible for Phase 1 and 2 system integration testing. Upon successful completion of Phase 2 system integration testing, the system will be turned over to BART to complete Phase 3 system integration and pre-revenue testing. As noted above, VTA has established a Rail Systems Organization (RSO) teaming with BART to manage systems and operations input to project development and address related issues. The RSO is developing the System Integration Testing Program Plan. The testing plan will define BART Phase 3 System Integration Testing (SIT) to be Operations Control Center (OCC) validation of tests previously performed. The intent of Phase 3 SIT is not to introduce new tests to be performed. However, if there are system validation failures during SIT Phase 3, BART will have the right to perform new tests until all testing discrepancies are cleared.

As previously noted, VTA has determined that Communication Based Train Control (CBTC) design will be progressed for implementation on the BSVII extension. To accommodate the technology, BART CBTC implementation from Warm Springs to Berryessa needs to be completed. VTA provided the following milestones related to this phase/segment of BART’s project:

- Migration design from Q3 2025 to Q4 2029
- Procurement from Q4 2025 to Q3 2028
- Installation from Q1 2029 to Q4 2029
- Testing and Commissioning from Q3 2029 to Q4 2030
- Revenue service expected at the end of 2030

No update was provided in at the February 20, 2025, monthly meeting.

U. Action Items Table

Item		Responsible Party	Date			Status / Action Required
No.	Description		Identified	Due	Complete	
155	Notify PMOC when EWPs are executed	VTA	2/8/2024	3/13/2025		In-Progress 2/20/2025 – VTA updated PMOC about latest status of EWPs
174	Provide response regarding the storage of cables	VTA	10/10/2024	2/20/2025	2/20/2025	Closed Will address this item during project construction

Item		Responsible Party	Date			Status / Action Required
No.	Description		Identified	Due	Complete	
175	<i>Provide a list of Request for Variances pertaining to system safety and security</i>	VTA	10/10/2024	3/13/2025		In-Progress <i>VTA to provide as the RFVs are approved</i>
176	<i>Provide the CMS Detailed Welding Audit Report</i>	VTA	1/16/2025	3/13/2025		Open
177	<i>Provide schedule update of the Salt Pond project</i>	VTA	2/20/2025	3/13/2025		New
178	<i>Set up a focus meeting to discuss BSVII Quality Management Program</i>	VTA	2/20/2025	3/13/2025		New
179	<i>Set up a focus meeting to for Tunnel ventilation / NFPA 130</i>	VTA	2/20/2025	3/13/2025		New
180	<i>Set up a meeting to revisit the risk register in light of the cost savings, contracts repackaging, etc....</i>	VTA	2/20/2025	3/13/2025		New
181	<i>Provide BART Fleet of the Future update / Newsletters</i>	VTA	2/20/2025	3/13/2025		New

3. Project Monitoring Report Attachments

Attachment A. List of Acronyms

Attachment B. Monthly Meeting Agenda

Attachment C. Monthly Meeting Attendees

Attachment D. List of Documents Received

Attachment E. VTA Top 10 Project Risks

Attachment F. Project Milestones/Key Events Attachment G. Project Map

Attachment H. FTA Grant approval letter dated August 1, 2024.

A. List of Acronyms

ADA	Americans with Disabilities Act
BART	Bay Area Rapid Transit
BSVII	BART Silicon Valley Phase II
CBTC	Communications Based Train Control
CIG	Capital Investment Grants
CMS	Construction Management Services
CPUC	California Public Utilities Commission
CSC	City of Santa Clara
CSJ	City of San José
DCM	Design Criteria Manual
EVS	Emergency Ventilation Structure
EPD	Expedited Project Delivery
FLSS	Fire, Life, Safety and Security
FTA	Federal Transit Administration
FOTF	Fleet of the Future
GEC	General Engineering Consultant
HK	Herrenknecht
KST	Kiewit Shea Traylor
LS	Lump Sum
MCCP	Management Capacity and Capability Plan
NDA	Non-disclosure Agreement
NEPA	National Environmental Policy Act
NOFO	Notice of Funding Opportunity
OP	Oversight Procedure
PDB	Progressive Design Build
PMOC	Project Management Oversight Contractor
PMP	Project Management Plan
PMT	Program Management Team
QMP	Quality Management Plan
RAMP	Real Estate Acquisition Plan
RCMP	Risk and Contingency Management Plan
RFIF	Request for Industry Feedback
RFMP	Rail Fleet Management Plan
RFP	Request for Proposal
RFQ	Request for Qualifications
ROW	Right of Way
RSO	Rail Systems Organization
SCC	Standard Cost Categories
SOQ	Statement of Qualifications
SSMP	Safety and Security Management Plan
SSOA	State Safety Oversight Agency
SSRC	Safety and Security Review Committee
STOPS	Simplified Trips-On-Project Software
SVBX	Silicon Valley Berryessa Extension
SVTC	Silicon Valley Transit Consultants

TBM	Tunnel Boring Machine
TAP	Tunnel Advisory Panel
UPRR	Union Pacific Railroad
VE	Value Engineering
VTA	Santa Clara Valley Transportation Authority

B. Monthly Meeting Agenda

Monthly Coordination Meeting/Teleconference
VTA BART Silicon Valley Extension Phase II
Thursday, February 20, 2025 – 10:30am (Pacific)
Conference Connection: MS Teams

1. Introductions/Roll Call
2. Key Agency-level updates (organization, financial, legal, safety, etc.)
3. Action Items from latest Monthly Call
4. Issues and Concerns from latest Monthly Meeting
5. Project Status
 - a. Project Management Organization Updates
 - i. PMP and sub-plans
 - ii. Management Capacity and Capability
 - b. Project Summary Description
 - c. Key Project Issues
 - i. Key Personnel staffing update
 - ii. Program Management Services Procurement Update
 - iii. Construction Management Services Staffing Update
 - iv. Status of Cost Reduction / Optimization
 - v. Update on Value Engineering
 - vi. Budget vs. Funding Report
 - vii. Contracts Re-Packaging / Procurement / Delivery
 - viii. BSVII Project Progress:
 - a. TBM Inspection / Delivery Update
 - b. Schedule critical path
 - c. Early Works
 - d. CP2 Stages 1 & 2
 - d. NEPA / Environmental Mitigations
 - e. Project Delivery Method and Procurement Status
 - i. Project-Wide
 - ii. Systems DBB
 - iii. CP2 PDB
 - iv. Facilities DBB
 - v. Stations DBB
 - f. Design Status
 - i. Project-Wide
 - ii. Systems
 - iii. CP2 – Tunnel & Trackwork
 - iv. Facilities
 - v. Stations
 - g. Real Estate Acquisition/Relocation Status
 - h. Public Involvement/Outreach
 - i. Third-Party Agreements
 - j. Utilities
 - k. Construction

1. Project Controls
 - i. Schedule Updates
 - ii. Cost and Expenditures Updates
 - iii. Change Order Status
 - iv. Contingency Status
 - m. Project Risk Management
 - n. Quality Assurance / Quality Control
 - o. System Safety and Security
6. New Action Items
 7. Upcoming Monthly Coordination Meetings:
 - a. March 13, 2025, 9:30am (Pacific)
 - b. April 10, 2025, 9:30am (Pacific)

C. Monthly Meeting Attendees

Organization	Name	E-mail
FTA Region IX	Susan Ko	susan.ko@dot.gov
FTA	Edward Carranza	edward.carranza@dot.gov
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PMOC	Beth Sprague	beth.sprague@atkinsrealis.com
PMOC	Nadeem Tahir	nadeem.tahir@atkinsrealis.com

D. List of Documents Received

Document	Received
BSVII_Monthly_Progress_Report_November_2024.pdf	1/7/2025
VTA BSVII MPS_November_2024.xer	1/7/2025
third party agreement tracking 11_30_24.xlsx	1/7/2025
VTA BSVII Detailed Schedule_November 2024.pdf	1/7/2025
BSVII-ProjectRiskRegister NOV-2024 Clean Draft 12-05-2024.xlsx	1/7/2025
Trends Register and Cost Report_November 2024_Confidential Draft.pdf	1/7/2025
BSVII-ProjectRiskRegister JAN-2025-SelectedRisksforDiscussion-01-28-2025.pdf	1/29/2025
BSVII_Monthly_Progress_Report_December_2024.pdf	1/31/2025
VTA BSVII Detailed Schedule_December 2024.pdf	1/31/2025
third Party agreement tracking 12.31.24.xlsx	1/31/2025
VTA BSVII MPS December 2024 Updates.xer	1/31/2025
BSVII-ProjectRiskRegister DEC-2024 Clean Draft 01-07-2025.xosx	1/31/2025
Trends Register and Cost Report_December 2024_Confidential Draft.pdf	1/31/2025

E. VTA Top 10 Project Risks

Risk ID	Risk Title	Risk Description	Risk Score	Action Items Description
BSV-196	Failure to secure a lump-sum price with KST resulting in Off-ramp.	Cause: KST's unwillingness to accept reasonable risk strategies/sharing within VTA budget. Risk: Failure to agree on lump-sum and come to terms with KST. Impact: Off-ramp with CP2 contract scope, increased interface risk, design completion delays, construction escalation costs, etc.	20	1. Implement schedule critical scopes as early construction item during Stage 1 to lessen the impacts/delays of implementing an off-ramp. 5. Compare Tunnel Package cost proposal with the ICE. 6. VTA Task Force to evaluate Stage 2 options (including off-ramp) for KST contract and update VTA Board on current status of CP2 Stage 2 scope and ongoing negotiations.
BSV-211	Opportunity for eliminating DTSJ Secondary Headhouse	Cause: VTA's VE study identified elimination of DTSJ Secondary Headhouse Risk: Reduction in capital cost for eliminating DTSJ SH as well as all ROW parcels associated with it Impact: Direct cost savings	15	1. Implement the approved VE and realize savings as part of 60% design estimate.
BSV-222	Refinements PGW-006: Combine Fans and Eliminate 1 Fan Plant at 28th Station & PGW-010: Eliminate Fan Plant at Diridon West Vent Shaft	Opportunity to eliminate 1 fan plant at 28th Station by co-locating three fans into one room and providing one fan plant with three fans on a N+1 basis at North Vent Structure. Cost saving is generated from: a) Reduction of footprint; b) Reduction of power loads; c) Elimination of one fan plant. Opportunity to eliminate the fan plants at DIWVS by utilizing the fan plants at West Portal and DTSJS. Cost savings would be generated from: a) Reduced footprint / elimination of fan plants; b) Reduced power supply needs.	15	2. Obtain BART agreement on PGW-010
BSV-005	Unanticipated damage to historic buildings & other structures	Cause: Vibration and/or settlement during construction. Risk: Unanticipated or inadvertent damage to buildings (especially historic buildings) and structures. Impact: Added cost to mitigate; along Santa Clara St, but extending to the area encompassed by settlement trough.	12	9. Contractor to prepare mitigation design following findings of PPS.
BSV-029	VTA financial capacity / funding plan to finance potential future project cost increases	Cause: Changes in cost may result from further design development and coordination with stakeholders. Risk: Future cost estimates may exceed current available funding and/or local funds may expire, necessitating the identification of additional funding sources and/or debt financing. Impact: a) delays in progressing the project, b) changes to scope in order to align with identified funding and project cost.	12	3. Identify secondary mitigation and review with BART if additional cost pressures arise as applicable. 4. VTA CFO continues to perform stress test of the financial plan to address potential cost increases
BSV-036	General construction labor shortage / labor premiums resulting in delays or increased cost	With so many on-going concurrent projects in the state, and the potential for more projects ramping up due to Federal /State stimulus to create jobs, there may be a shortage of skilled labor to support aggressive project milestones. In addition, competition of resources for skilled labor (operators, electricians, tunnel moles, etc.) and equipment may create the need to pay a premium.	12	2. Continue to monitor economic trends. 3. Continue project public outreach efforts.
BSV-096	Testing and Commissioning delays due to various factors	Testing and commissioning delays due to: - Insufficient time allocated to the schedule for testing activities. - Unanticipated systems integration/interface issues. - Inadequate installation verification and QA/QC processes implemented. - Failed testing of equipment and/or testing parts requiring major rework. - Improper handoff from other CPs to systems contractor.	12	2. Develop detailed resources loaded schedule for system's testing, commissioning and training activities. 3. Rigorous implementation of lessons learned including integrating BART's Operations (Maintenance and Engineering) team into the design, construction and testing phases of the program. 4. PMT to work with GEC to ensure clear definition of the inspection and test conditions to be included in the CP1/3/4 contract documents as they constitute SOW definition. Also, PMT to work with the CP 2 Management Team to ensure KST technical deliverables clearly specify equivalent requirements for their contracted SOW. As part of the review process with BART and other stakeholders the intent is to give reviewers the opportunity to comment on the stated installation and test conditions specified. 5. Introduce the Rail Acceptance Officer early on during the testing phase. 6. Establish joint testing and commissioning organization, under an experienced systems integration manager. Ensure Project key personnel include Interface/Integration Manager (Facilities Design), Systems Design Integration and Systems Testing/Start-Up Manager. 7. VTA, BART and other stakeholders jointly develop all technical, operational and maintenance requirements for the rail systems, and fixed facility systems.

Risk ID	Risk Title	Risk Description	Risk Score	Action Items Description
BSV-138	Design interfaces between GEC and KST leads to integration issues, errors and disputes.	Interdependency of CP2 PDB design with VTA GEC design with complex analysis/design interfaces has the potential for misalignment of design expectations, confusion over roles/ responsibilities, errors and omissions, poor integration of the various designs at contract interface points, and resultant impacts to construction cost/schedule including increased risk of claims.	12	<ul style="list-style-type: none"> 2. Coordinate with GEC and KST design teams to work within one consolidated model and properly integrating/managing design and contract interfaces. 5. Conduct additional coordination with CP teams to address changed interfaces and minimize interface issues.
BSV-152	Truck traffic volume for disposal of muck from the tunnel resulting in additional costs	<p>Cause: Muck disposal constrained by number of trucks per day (revised NSEE cost estimate already includes cost of muck disposal via traditional haul/disposal (i.e., at disposal sites with added cost) via trucks at market rate.)</p> <p>Risk: Muck disposal limited by number of trucks per day, impact to public traffic requiring additional work constraints or limitations.</p> <p>Impact: Eventual disposal taking longer than anticipated resulting in additional cost may be higher than currently estimated due to actual volume of trucks at West Portal.</p>	12	<ul style="list-style-type: none"> 4. Investigate market capacity of trucks and establish potential overflow location(s) on-site. 5. Continue to progress Salt Ponds as alternative muck disposal option independent of BSVII program. Three options have been looked at to get the material to the ponds (Rail, Truck and Pipeline). All of these have cost impacts and require environmental clearance. 6. Further explore Local Quarries option - at least 2 local quarries have been contacted and are interested in taking all of the material for use in reclamation projects. Both options could be handled with trucks. One of the sites has an abandoned rail spur that might be an option but would require additional environmental approval. 7. Further explore Dirt Broker(s) option that focuses on finding a broker who could connect developers/ project site(s) that needs material. 8. Continue to explore muck disposal via UPRR corridor from the project site to locations (near and far). This could eliminate the use of trucks but also requires additional environmental clearance.
BSV-154	UPRR extended coordination delays PDB contractor during design and construction.	UPRR operates within the railroad easement on VTA property adjacent to the proposed Santa Clara station, West Portal, and Newhall Yard. Applicable UPRR requirements for work adjacent to their facilities will be included in the contract documents. Risk is associated if UPRR is non-responsive or otherwise delays the design builder completion of design/ construction activities.	12	<ul style="list-style-type: none"> 3. Coordinate with UPRR Engineering on various items including joint use maintenance road, drainage system to accommodate surface runoff from UPRR easement at Newhall Yard, and flagging and construction work zones. 4. Execute Mitigation and Cost Reimbursement Agreement for the West Portal Early Works (aka Final Engineering Agreement) with UPRR. 5. Escalate to UPRR Executive Team if UPRR is non-responsive in the identified timeframe.

Source: BSVII Monthly Progress Report December 2024

F. Project Milestones/Key Events

Milestone	Planned Date
General Key Milestones	
Contract Package 1_Systems Design Bid Ready & Review	9-Mar-28
Contract Package 3_Newhall Yard and Santa Clara Station Design Bid Ready & Review	22-Jan-27
Contract Package 4_Stations and Support Facilities Design Bid Ready & Review	5-Oct-27
VTA Target Start of Revenue Service	12-May-37
FTA Target Start of Revenue Service	28-Feb-39
Construction Contracts Key Milestones	
Contract Package 1_Systems	
Contract Package 1 NTP Systems	18-Apr-29
Track Testing Completion	16-Oct-34
Systems Testing Completion Turn Over to BART	9-Nov-35
Contract Package 2_Tunnel and Trackwork	
Order TBM	31-Oct-23
Contract Package 2 NTP2 Tunnel & Trackwork	6-Jan-25
Deliver TBM	21-May-26
Start of Tunneling	6-Nov-26
Start of Trackwork	1-Nov-29
Contract Package 3_Newhall Yard and Santa Clara Station	
Contract Package 3 NTP Newhall Yard and Santa Clara Station and Parking Garage	3-Feb-28
Santa Clara Station Fit-Out Completion	4-Feb-32
Santa Clara Station Parking Garage Construction Completion	18-Dec-31
Newhall Yard Trackwork Completion	22-Jul-33
Contract Package 4_Stations	
Contract Package 4 NTP Stations and Support Facilities	18-Dec-28
Diridon Station Fit-Out Completion	12-Dec-33
DTSJ Station Fit-Out Completion	19-Aug-33
28th Street Station Fit-Out Completion	26-Aug-33
28th Street Station Parking Garage Construction Completion	5-Dec-33

Source: VTA's BART Silicon Valley Phase II Extension Project Basis of Schedule, New Starts Entry to Engineering Revision 0, March 25, 2024

G. Project Map





**U.S. Department
of Transportation**
**Federal Transit
Administration**

Region IX
Arizona, California,
Hawaii, Nevada, Guam
American Samoa,
Northern Mariana Islands

90 7th Street
Suite 15-300
San Francisco, CA 94103-6701
415-734-9490

888 South Figueroa Street
Suite 440
Los Angeles, CA 90017-5467
213-202-3950

Ms. Carolyn Gonot
General Manager and Chief Executive Officer
3331 North First Street
San Jose, CA 94134

Dear Ms. Gonot:

The Federal Transit Administration (FTA) is pleased to inform you that the Santa Clara Valley Transportation Authority's (VTA) request for the Bay Area Rapid Transit (BART) Silicon Valley Phase II Extension Project (the Project) to enter the New Starts Engineering phase of the FTA Capital Investment Grants (CIG) Program is approved. This approval to initiate Engineering is a requirement of Federal transit law [49 U.S.C. 5309(g)] governing the Program.

The FTA is required by law to evaluate proposed projects against a number of criteria and ensure that prospective grant recipients demonstrate the technical, legal, and financial capability to implement the project. As a result of FTA's evaluation of the Project, an overall project rating of Medium-High was assigned.

Please note that the VTA undertakes Engineering work at its own risk, and that the Project must still progress through further steps in the CIG program to be eligible for consideration to receive CIG funding.

FTA approved a Letter of No Prejudice covering expenses VTA incurred when it started in New Starts Project Development in March 2016, through the Project's migration to the Expedited Project Development (EPD) Pilot Program, as well as for all remaining work on the project, thereby matching the pre-award authority VTA had been given while it was in the EPD Pilot Program for the estimated total project cost of \$9.318 billion.

With this Engineering approval, the VTA can continue automatic pre-award authority to incur costs for engineering activities, utility relocation, real estate acquisition, construction and other non-construction activities such as the procurement of rails, ties, commodities, and other specialized equipment. The VTA should consult with the FTA Region IX office for a determination of whether any other non-construction activity falls within the automatic pre-award authority granted with the Engineering approval of the Project.

Under this extended pre-awarded authority, FTA reminds VTA that the procurement of vehicles must comply with all Federal requirements including, but not limited to, competitive procurement practices, the Americans with Disabilities Act, and the Buy America Act

requirements. The FTA encourages the VTA to discuss the procurement of vehicles with FTA prior to exercising the pre-award authority.

This pre-award authority does not constitute any FTA commitment that future Federal funds will be approved for the Project or for any element of the Project. As with all pre-award authority, all Federal requirements must be met prior to incurring costs in order to retain eligibility for future FTA grant assistance. Additional guidance regarding pre-award authority for the CIG Program is provided in the FTA Fiscal Year 2024 Apportionments, Allocations, and Program Information Notice, that was published in the Federal Register Notice on May 31, 2024.

Local Financial Commitment

The capital cost of the Project is estimated to be \$12,745,606,428 in year-of-expenditure dollars. The VTA is seeking \$6,296,329,575 (49.4 percent) in CIG program funds. The FTA determined that approximately 84 percent of the non-CIG capital funds are committed or budgeted.

Please be advised that the amount of CIG funding for the Project is fixed at the time of entry into Engineering. The FTA considers multiple factors when deciding on the CIG funding level that can be provided to an individual project. These factors include the size of the project and the CIG dollar amount being requested, the demand for CIG funding from other projects in the program, and the availability of funds from Congress. Although the VTA requested a 49.4 percent CIG share, FTA is notifying VTA that \$5,098,242,571 (40 percent) represents the maximum amount of CIG funds that will be provided by FTA for the Project should a Full Funding Grant Agreement (FFGA) be approved. The FTA will work with VTA during Engineering to identify appropriate annual CIG funding amounts to assume.

Prior to the Project's consideration for an FFGA, VTA must submit a revised financial plan. VTA is required by statute to secure and document all commitments of the non-CIG funding for the Project to be able to receive an FFGA. VTA must secure explicit board approval to commit 2000 Measure A and 2016 Measure B in sales tax funds to the Project beyond the timeline of the current biennial budget. In addition, without an extension in the Measure A and Measure B sales taxes, the Project runs the risk of a system-wide deficit in cash reserves shortly after the revenue service date in February 2039, therefore VTA must account for this possibility in its financial plan. Additionally, the Metropolitan Transportation Commission (MTC) needs an administrative action to release \$375 million in state TIRCP funding to VTA. The VTA and MTC must also execute an agreement regarding use of the State Transportation funds. FTA wants to bring to your attention the opportunity for Federal loans. The Build America Bureau offers several customizable credit instruments that can reduce project costs and increase flexibility.

Scope, Schedule, Cost, and Technical Capacity

The FTA and its Project Management Oversight Contractor (PMOC) conducted a readiness review of the Project's scope, schedule, cost, and project risks as well as VTA's technical capacity and capability to manage the project. The PMOC provided a final Readiness to Enter Engineering Review Report in May 2024. The report indicated the current cost estimate and project schedule are acceptable for a project at this phase of development. The risk and contingency review indicated the current contingency is within the acceptable range at this phase of the Project. Therefore, FTA and the PMOC found that the current cost estimate is reasonable and acceptable for a project at this phase of development.

The VTA's Project Schedule reflects a Revenue Service Date (RSD) of February 28, 2039. The FTA and PMOC's schedule review found the project schedule is sufficient for entry into Engineering. The FTA has determined that the VTA has the management capacity and capability to effectively manage the Engineering phase of the Project. However, during Engineering, the VTA must address all recommendations noted in the FTA's Readiness to Enter Engineering Review Report, which represent risks to the project cost and schedule, including the key items listed below:

- Update the Project Management Plan to reflect project advancement.
- Update the Risk and Contingency Management Plan, the Management Capacity and Capability Plan, the Real Estate Acquisition and Management Plan, the Quality Assurance/Quality Control Plan, the Operations and Maintenance Plan, the Fleet Management Plan, the Safety and Security Management Plan, and Scope documents to address PMOC comments/ recommendations.
- Execute all critical third-party agreements.

Civil Rights

Pursuant to the Civil Rights Act of 1964 and its implementing regulations, as well as FTA Circular 4702.1 (Title VI Program Guidelines for FTA Recipients, Part II, Section 114), VTA submitted an updated Title VI program on November 15, 2022. The current program remains effective through January 31, 2026.

VTA's Equal Employment Opportunity Plan was submitted on February 24, 2022. The current program remains effective through April 30, 2026.

VTA's Disadvantaged Business Enterprise program was submitted on March 18, 2021, and was approved by FTA on May 3, 2021. VTA's Project goal was submitted on August 1, 2022, and was approved by FTA on October 18, 2022.

The VTA is required to ensure that the vehicles, stations, and facilities are designed and engineered to ensure compliance with current standards for accessibility under U.S. Department of Transportation regulations implementing the transportation provisions of the

Ms. Carolyn Gonot
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Americans with Disabilities Act of 1990 (ADA). VTA is advised to independently verify manufacturers' claims of ADA compliance, and to consult with FTA's Office of Civil Rights concerning ADA requirements as project construction and implementation progresses.

Information Collection and Analysis Plan

Within four months of entry into Engineering, VTA should complete the milestone activities required for the Information Collection and Analysis Plan of the Project, namely the documentation, analysis, and archiving of the predicted physical scope, capital cost, transit service levels, operating and maintenance costs, and ridership. The VTA should coordinate this work, as it is underway, with the FTA Office of Planning and Environment.

The FTA looks forward to working with VTA on the BART Silicon Valley Phase II Extension Project. For any questions, please contact Ms. Jean Mazur, Transportation Program Specialist, at jean.mazur@dot.gov or by phone at (415) 734-9456.

Sincerely,

X 

Signed by: RAYMOND SELVIN TELLIS

Regional Administrator