

**Metropolitan Transportation Commission
Administration Committee**

October 12, 2022

Agenda Item 2g - 22-1454

Supplement to the Master Funding Agreement with the Peninsula Corridor Joint Powers Board (Caltrain) for the Diridon Integrated Station Concept Preliminary Business Case (\$2,000,000)

Subject:

Request to execute a Supplement to the Master Funding Agreement with the Peninsula Corridor Joint Powers Board (Caltrain) to distribute \$2 million in federal One Bay Area Grant (OBAG 2) program funding for Diridon Station planning and studies to for the Diridon Integrated Station Concept (DISC) Preliminary Business Case.

Background:

MTC has partnered with the City of San José, Caltrain, the California High Speed Rail Authority, and the Santa Clara Valley Transportation Authority (VTA) on planning for a new major regional transit hub at Diridon Station in San Jose. The DISC process was initiated under a cooperative agreement between the partner agencies, and the following activities have been completed to date:

- Approval of the initial concept layout that includes elevated station platforms and tracks; station entrances at Santa Clara and San Fernando Streets; and generally maintaining track approaches within the existing rail right of way. In 2021, DISC design and engineering consultants completed a more detailed design and engineering validation of the concept layout in conjunction with project partners.
- In mid-2021 the City of San José Approved the development agreement with Google for Downtown West and an update of the Diridon Station Area Plan which included the DISC Transit Boundary outlining the project footprint.
- Further development of the DISC Program of Projects and project roadmap.

DISC Preliminary Business Case

On behalf of the partner agencies, Caltrain is currently leading procurement of a consultant team to complete the Preliminary Business Case (PBC). The PBC will serve as a key tool in partner agency decision making and subsequent DISC implementation. It will identify the status of contingent and adjacent projects as well as the core program of projects needed for DISC

implementation in order to define the scale of DISC relative to cost and schedule, priority actions, tradeoff considerations, and ultimate agreement on a DISC project for implementation.

More specifically, the PBC will:

- Provide a structured, evidence-based decision-making framework to evaluate DISC concepts using goals, objectives, and evaluation criteria identified for the program;
- Examine Base Case investments (the minimum improvements and investments needed to accommodate future Diridon Station improvements and investments) of the partner agencies for Diridon Station, providing a foundation for relative comparison between the Base Case and DISC Vision;
- Provide recommendations for integral decision making on key Program or Project elements such as relocation of Central Equipment and Maintenance Facility (CEMOF), future use/location of the historic depot, and options for the PG&E substation;
- Examine the cost and benefits of improvements relative to the Base Case; and
- Examine Partner organizational and governance structures across future project phases.

In July 2021, MTC authorized a total of \$2,000,000 for Diridon Station Planning and Studies in federal One Bay Area Grant 2 Regional Programs funding (\$1,000,000 from Regional Planning and \$1,000,000 from Regional Strategic Investments). These funds are included in the proposed FY 2022-23 agency budget amendment.. Subject to approval of the budget amendment, staff recommends executing a Supplement to Caltrain's Master Funding Agreement in an amount not to exceed \$2,000,000 with Caltrain to complete work on the DISC PBC on behalf of the partner agencies.

Issues:

None identified.

Recommendation:

Subject to approval of the FY 2022-23 agency budget amendment, staff recommends that the Committee approve the execution of a Supplement to Caltrain's Master Funding Agreement in an amount not to exceed \$2,000,000 for the DISC Preliminary Business Case.

Attachments:

None.



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