



Chair, **Lisa Craig-Hensley**, City of Lodi
Vice-Chair, **Leo Zuber**, City of Ripon
Commissioner, **Dan Arriola**, City of Tracy
Commissioner, **Steven Ding**, San Joaquin County

Chief Executive Officer, **Chris Orlando**

Commissioner, **Christina Fugazi**, City of Stockton
Commissioner, **John Marchand**, City of Livermore
Commissioner, **Raj Salwan**, City of Fremont

SAN JOAQUIN REGIONAL RAIL COMMISSION SPECIAL BOARD MEETING

Thursday, January 8, 2026 – 8:30 am

San Joaquin Council of Governments
First Floor - Board Room
555 E. Weber Avenue
Stockton, CA 95202

Teleconference Locations:

3300 Capitol Ave.
Building A
Fremont, CA 94538

1052 S. Livermore Ave.
Livermore City Hall
Livermore 94550

Members of the public may attend the meeting at the above addresses, or may observe the meeting by using the link or dial-in information below:

Join Zoom Meeting

<https://us06web.zoom.us/j/87961933868>

Or Telephone: +1 669 444 9171 US

Persons wishing to address the Commission on any item of interest to the public regarding rail shall state their names and address and make their presentation. The Commission cannot take action on matters not on the agenda unless the action is authorized by Section 54954.2 of the Government Code. Materials related to an item on the Agenda submitted to the Board of Commissioners after distribution of the agenda packet are available for public inspection in the Commission Office at 949 E. Channel Street during normal business hours. These documents are also available on the San Joaquin Regional Rail Commission website at <https://www.sjrcc.com/events/> subject to staff's ability to post the documents prior to the meeting. If a member of the public wishes to make a public comment:

- 1. Submit written comments to SJRRC staff via email at clerk@sjrcc.com, in which staff will read the comment aloud during the public comment period.**
- 2. Complete a Request to Speak form (available at the entrance to the Board Room) and give it to the SJRRC Board Clerk before the Item is considered by the Board.**
- 3. Join from the Zoom meeting link and notify SJRRC staff by alerting them via the "Raise hand" or "Chat" function; call +1 669 444 9171, dial *9 to raise your hand when you wish to speak, and dial *6 to unmute when you are requested to speak. Please note that if participating using Zoom, all members of the public will be placed on mute until such times allow for public comments to be made.**

Public comments should be limited to five (5) minutes per comment.

This Agenda shall be made available upon request in alternative formats to persons with a disability, as required by the Americans with Disabilities Act of 1990 (42 U.S.C. § 12132) and the Ralph M. Brown Act (California Government Code § 54954.2). Persons requesting a disability related modification or accommodation in order to participate in the meeting should contact San Joaquin Regional Rail Commission (SJRRC) staff, at (209) 944-6220, during regular business hours, at least twenty-four hours prior to the time of the meeting.

All proceedings before the Commission are conducted in English. Anyone wishing to address the SJRRC Board is advised to have an interpreter or to contact SJRRC during regular business hours at least 48 hours prior to the time of the meeting so that SJRRC can provide an interpreter. Any writings or documents provided to a majority of the Commission regarding any item on this agenda will be made available upon request in both English and Spanish for public inspection at the Office of the Executive Director located at 949 East Channel Street, Stockton, California, 95202 during normal business hours or by calling (209) 944-6220. The Agenda is available on the San Joaquin Regional Rail Commission website: www.sjrrc.com.

Disclosures: *Commissioners shall disclose any agenda item in which they have a conflict of interest under State law and acknowledge whether they will recuse from hearing that item. Among other State laws, the Levine Act (Gov. C. §84308) may require recusal on agenda items involving a contract or entitlement before the Commission where a campaign donor is a participant, and the campaign contribution totals more than \$250 within the 12-month period before the decision on the item.*

1. Call to Order and Pledge of Allegiance **Chair Craig-Hensley**

2. Safety Briefing **Cameron Paler**

3. Roll Call

Roll Call: Arriola, Ding, Fugazi, Marchand, Salwan, Vice-Chair Zuber,
Chair Craig-Hensley

Ex-Officios: StanCOG-Appointed Representative, SJCOG Executive Director, SJRTD
CEO, Caltrans District 10 Director

4. Public Comment

Persons wishing to address the Commission on any item of interest to the public regarding rail shall state their names and addresses and make their presentation. Please limit presentations to five minutes. The Commission cannot take action on matters not on the agenda unless the action is authorized by Section 54954.2 of the Government Code. Materials related to an item on the Agenda submitted to the Board of Directors after distribution of the agenda packet are available for public inspection in the Commission Office at 949 E. Channel Street during normal business hours. These documents are also available on the San Joaquin Regional Rail Commission website at <https://www.sjrrc.com/events/> subject to staff's ability to post the documents prior to the meeting.

Public comments should be limited to five (5) minutes per comment.

- 5. **Consent Calendar**
 - 5.1 Approve Minutes of San Joaquin Regional Rail Commission December 5, 2025 Board Meeting (Regular and Special Voting Members) **ACTION**
 - 5.2 Monthly Expense Report **INFORMATION**
 - 5.3 ACE Monthly Ridership **INFORMATION**
 - 5.4 ACE Monthly Fare Revenue **INFORMATION**
 - 5.5 ACE On-Time Performance **INFORMATION**
 - 5.6 Monthly Marketing and Outreach Report Out **INFORMATION**
 - 5.7 San Joaquin Regional Rail Commission Station/Facilities Development Committee Report Out **INFORMATION**
 - 5.8 Washington Update **INFORMATION**

- 6. **Adopt a Resolution Approving an Agreement with Capitol Corridor Joint Powers Authority in Support of the Operation and Maintenance of Legacy Passenger Information Display System (PIDS) at ACE Stations for a Cumulative Amount Not-to-Exceed \$340,000 and Authorizing the Chief Executive Officer, or Designee, to Execute Any and All Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority** **ACTION**
Presented by: Marques Cook, Interim Senior Marketing Manager and Autumn Gowan, Procurement and Contracts Manager (Regular and Special Voting Members)

- 7. **Adopt a Resolution Extending the Transition Date for Direct Management of the ACE Great America Shuttle Program to July 1, 2027, and Authorizing the Chief Executive Officer, or Designee, to Negotiate, Award, and Execute Any and All Agreements and Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority** **DISCUSSION/ ACTION**
Presented by: Teri Hayes, Connecting Services Manager (Regular and Special Voting Members)

- 8. **Great America Shuttles – Super Bowl Update** **INFORMATION**
(Nathan Alastra, Operations Superintendent/Teri Hayes, Connecting Services Manager)

- 9. **Board Member Comments**

- 10. **Ex-Officio Comments**

- 11. **Chief Executive Officer’s Report**

- 12. **Adjournment**
The next regular meeting is scheduled for February 6, 2026 – 9:30 am.

SAN JOAQUIN REGIONAL RAIL COMMISSION
Special Meeting of January 8, 2026

Item 5.1

ACTION

Minutes of San Joaquin Regional Rail Commission December 5, 2025 Board Meeting

The meeting of the San Joaquin Regional Rail Commission (Rail Commission) was held at 9:30 am on December 5, 2025. Board Members attended this meeting via videoconference or in person.

1. Call to Order, Pledge of Allegiance

Chair Craig-Hensley

Chair Craig-Hensley called the meeting to order at 9:30 am and led the audience in the Pledge of Allegiance.

2. Safety Briefing

Cameron Paler, Rail Commission Safety and Security Specialist, provided a safety briefing.

3. Roll Call

Commissioners Present: Marchand, Morowit, Vice-Chair Zuber, Chair Craig-Hensley

Commissioners Absent: Arriola, Ding, Fugazi, Marchand, Salwan

Ex-officios Present: Ken Baxter (SJRTD), Sue Zwahlen (StanCOG), Kim Anderson (SJCOG), Tom Dumas (Caltrans)

4. Public Comment

There were no public comments.

5. Consent Calendar

ACTION

5.1 Approve Minutes of San Joaquin Regional Rail Commission November 7, 2025 8:30 am Special Board Meeting (Regular and Special Voting Members)

ACTION

5.2 Approve Minutes of San Joaquin Regional Rail Commission November 7, 2025 10:00 am Special Board Meeting (Regular and Special Voting Members)

ACTION

5.4 Monthly Expense Report

INFORMATION

5.5 ACE Monthly Ridership

INFORMATION

5.6 ACE Monthly Fare Revenue

INFORMATION

5.7 ACE On-Time Performance

INFORMATION

5.8 Washington Update

INFORMATION

There were no public comments.

M/S/C (Marchand/Zuber) to approve Items 5.1-5.8 of the Consent Calendar.

Passed and Adopted by the San Joaquin Regional Rail Commission on December 5, 2025, by the following vote to wit:

AYES: 4 Marchand, Morowit, Vice-Chair Zuber, Chair Craig-Hensley
NOES: 0
ABSTAIN: 0
ABSENT: 4 Salwan, Arriola, Ding, Fugazi

6. Adopt a Resolution Authorizing Staff to Pursue an Alternative Solution to Update and Modernize Passenger Information Display System (PIDS) at ACE Stations and Funding Authorization for the Operations and Maintenance of the Current Legacy PIDS System **ACTION**

Marques Cook, Senior Marketing Manager, gave a presentation on this item.

There were no public comments on this item.

Mr. Cook provided additional details on other agencies' research on Passenger Information Display Systems in relation to the Rail Commission's research and explained that staff aims to avoid customization and ensure scalability.

M/S/C (Marchand/Zuber) to Authorize Staff to Pursue an Alternative Solution to Update and Modernize Passenger Information Display System (PIDS) at ACE Stations and Funding Authorization for the Operations and Maintenance of the Current Legacy PIDS System.

Passed and Adopted by the San Joaquin Regional Rail Commission on December 5, 2025, by the following vote to wit:

AYES: 4 Marchand, Morowit, Vice-Chair Zuber, Chair Craig-Hensley
NOES: 0
ABSTAIN: 0
ABSENT: 4 Salwan, Arriola, Ding, Fugazi

7. Stockton Diamond Grade Separation Project Delivery Update **INFORMATION**

Momoko Tamaoki, Deputy Director of Planning, Grants and Programming, and Christine Inouye, Director of Capital Programs, gave a presentation on this item.

Justin Penman, a member of the public, asked if BNSF Railway and Union Pacific Railroad would be contributing to any of the funding needs to get this project completed.

David Lipari, Interim Executive Director, stated that at this time, the host railroads have no financial obligations to this project.

This was an information item only.

8. ACE 02 Year-One Performance Update

INFORMATION

Mr. Cook and Chad Duvachelle, Transportation Research Analyst, gave a presentation on this item.

Chair Craig-Hensley and Commissioner Marchand commended staff on the success of ACE 02.

This was an information item only.

9. Board Member Comments

Chair Craig-Hensley shared details regarding the Gold Runner 7th Round Trip.

10. Ex-Officio Comments

Sue Zwahlen with StanCOG gave her remarks on ACE 02's success and had no other items to report.

Ken Baxter with SJRTD stated SJRTD recently acquired federal funding for new hybrid-electric vehicles and opened an invitation to the Stockton Move Downtown event being held at the Transit Center on December 10.

Kim Anderson with SJCOG, on behalf of Diane Nguyen, shared details regarding SJCOG's Regional Bike Masterplan and grant application process for member agencies.

Tom Dumas with Caltrans shared details regarding the current open call-for-applications on various programs and projects.

11. Interim Executive Director's Report

Mr. Lipari had staff introduce the Rail Commission's recent hire, Marissa Cabusas, the Onboard Experience Manager. Mr. Lipari also provided details on the progress of the Cabral Station upgrades project.

12. CLOSED SESSION CONFERENCE WITH REAL PROPERTY NEGOTIATORS

Pursuant to Government Code Section 54956.8

Property: 1155 3rd Street, Oakland, Alameda County, California

Agency Negotiators: David Lipari, Interim Executive Director and Tamika Smith, Director of Rail Operations

Negotiating parties: Morris Wright and Thomas McCoy

Under negotiation: Price and terms of payment

13. CLOSED SESSION

Public Employment

Pursuant to Government Code Section 54957

One Position – Appointment of Chief Executive Officer

Agency Negotiators: Lisa Craig-Hensley and Leo Zuber

**14. CLOSED SESSION
PUBLIC EMPLOYMENT
Pursuant to Government Code Section 54957
One Position – Interim Executive Director
Agency Negotiators: Lisa Craig-Hensley and Leo Zuber**

15. Return to Open Session

Janice D. Magdich, General Counsel, announced the return to open session at 10:52 am.

Ms. Magdich explained that item 12 was discussed, direction was given, and there were no other reportable actions taken.

Chair Craig-Hensley reported out for items 13 and 14 and welcomed Christopher Orlando and David Lipari to their respective positions. Ms. Magdich stated items 13 and 14 were voted in favor unanimously, to appoint Christopher Orlando to the Chief Executive Officer position and David Lipari to Deputy Executive Director position.

16. Adopt a Resolution Approving an Employment Contract with the Appointed Chief Executive Officer ACTION

Ms. Magdich gave a presentation on this item.

There were no public comments on this item.

M/S/C (Zuber/Morowit) to approve an Employment Contract with the Appointed Chief Executive Officer.

Passed and Adopted by the San Joaquin Regional Rail Commission on December 5, 2025, by the following vote to wit:

AYES:	3	Morowit, Vice-Chair Zuber, Chair Craig-Hensley
NOES:	0	
ABSTAIN:	0	
ABSENT:	3	Arriola, Ding, Fugazi

17. Adjournment

Chair Craig-Hensley adjourned the meeting at 10:56 am.

The next regular meeting is scheduled for:
February 6, 2026 – 9:30 am.

**San Joaquin Regional Rail Commission
ACE
Rail Support Services
TRACC
Operating Expense Report
OCTOBER 2025
33% of Budget Year Elapsed**

SJRRC OPERATING EXPENSES	FY 25-26 BUDGET	EXPENSE THRU OCT 2025	% SPENT TO DATE
Project Management, Services & Supplies Subtotal	\$ 6,501,526	\$ 2,128,506	33%
Contracted Services Subtotal	\$ 633,475	\$ 114,469	18%
TOTAL OPERATING EXPENSES	\$ 7,135,001	\$ 2,242,975	31%

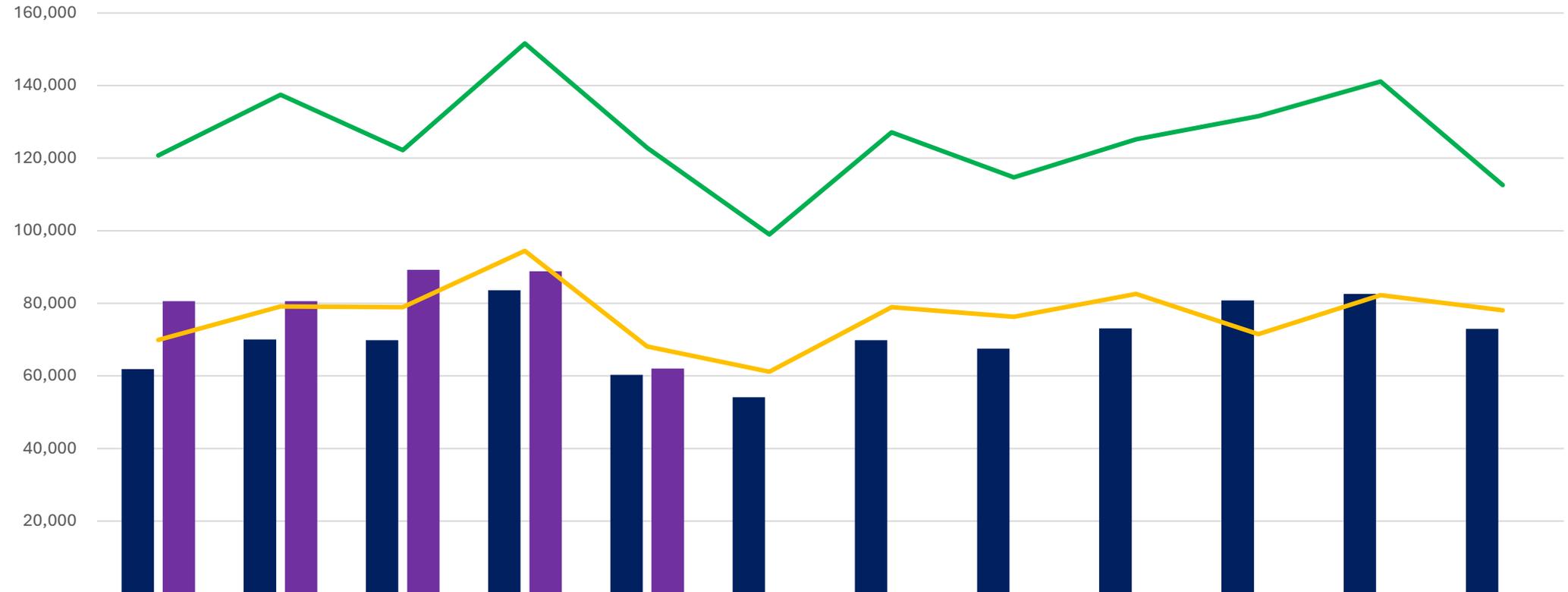
ACE OPERATING EXPENSES	FY 25-26 BUDGET	EXPENSE THRU OCT 2025	% SPENT TO DATE
Project Management, Services & Supplies Subtotal	\$ 5,949,952	\$ 1,715,702	29%
Contracted Services Subtotal	\$ 32,286,765	\$ 9,207,245	29%
Shuttle Services	\$ 3,219,900	\$ 1,073,300	33%
Capital Access	\$ 3,242,516	\$ 1,080,839	33%
Capital Maintenance	\$ 4,500,000	\$ 1,500,000	33%
TOTAL OPERATING EXPENSES	\$ 49,199,134	\$ 14,577,086	30%

RAIL SUPPORT SERVICES OPERATING EXPENSES	FY 25-26 BUDGET	EXPENSE THRU OCT 2025	% SPENT TO DATE
Project Management, Services & Supplies Subtotal	\$ 787,005	10,149	1%
Contracted Services Subtotal	\$ 95,496,543	\$ 12,192,799	13%
TOTAL RSS EXPENSES	\$ 96,283,548	\$ 12,202,948	13%

*RSS - Work Contracted with Caltrans; State-owned Venture car Pre Revenue "acceptance" and Post Revenue "ongoing" maintenance.

TRACC OPERATING EXPENSES	FY 25-26 BUDGET	EXPENSE THRU OCT 2025	% SPENT TO DATE
Project Management, Services & Supplies Subtotal	-	1,690	0%
Contracted Services Subtotal	\$ 620,000	\$ 10,064	2%
TOTAL CONTRACTED SERVICES EXPENSES	\$ 620,000	\$ 11,754	2%

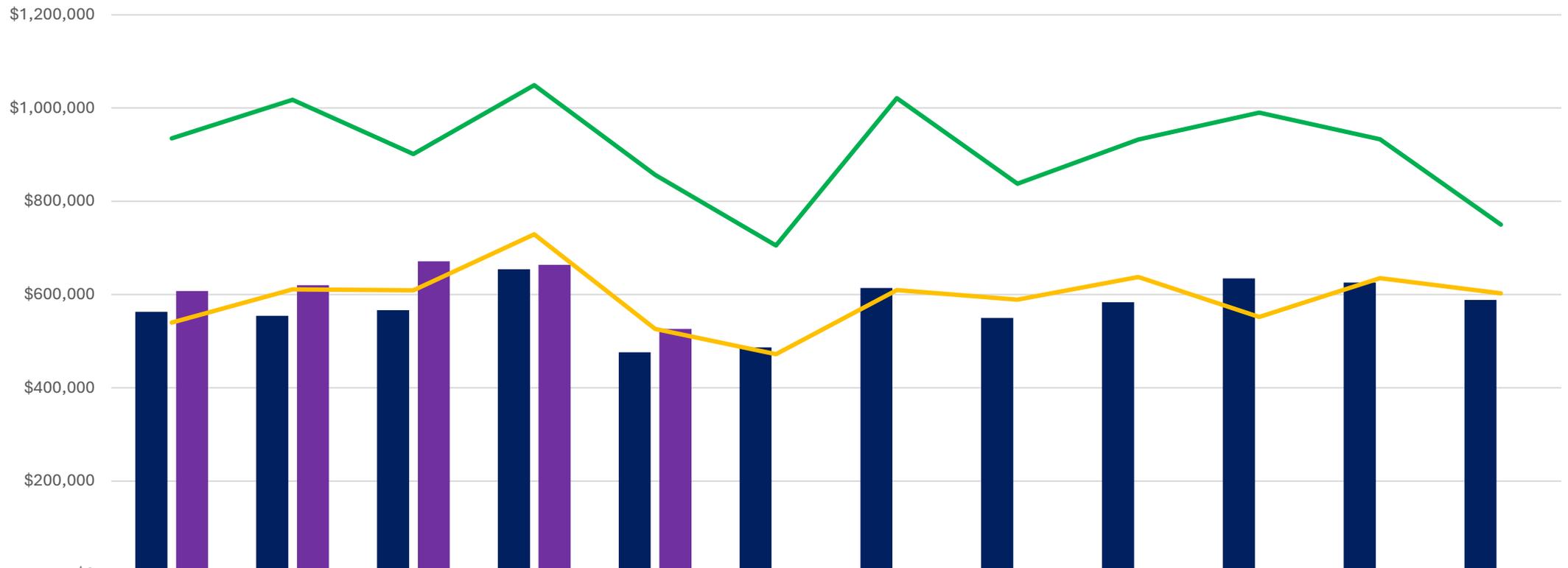
ACE Monthly Ridership



	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
FY 24/25	61,892	70,039	69,845	83,594	60,312	54,120	69,879	67,496	73,119	80,829	82,570	72,967	846,662
FY 25/26	80,599	80,626	89,231	88,850	62,038								401,344
FY 25/26 Forecast	69,938	79,144	78,925	94,461	68,153	61,156	78,963	76,270	82,624	71,497	82,244	78,074	921,449
FY18/19 (Pre-Pandemic)	120,779	137,442	122,227	151,604	122,880	98,973	127,130	114,725	125,199	131,558	141,113	112,573	1,506,203



ACE Monthly Revenue

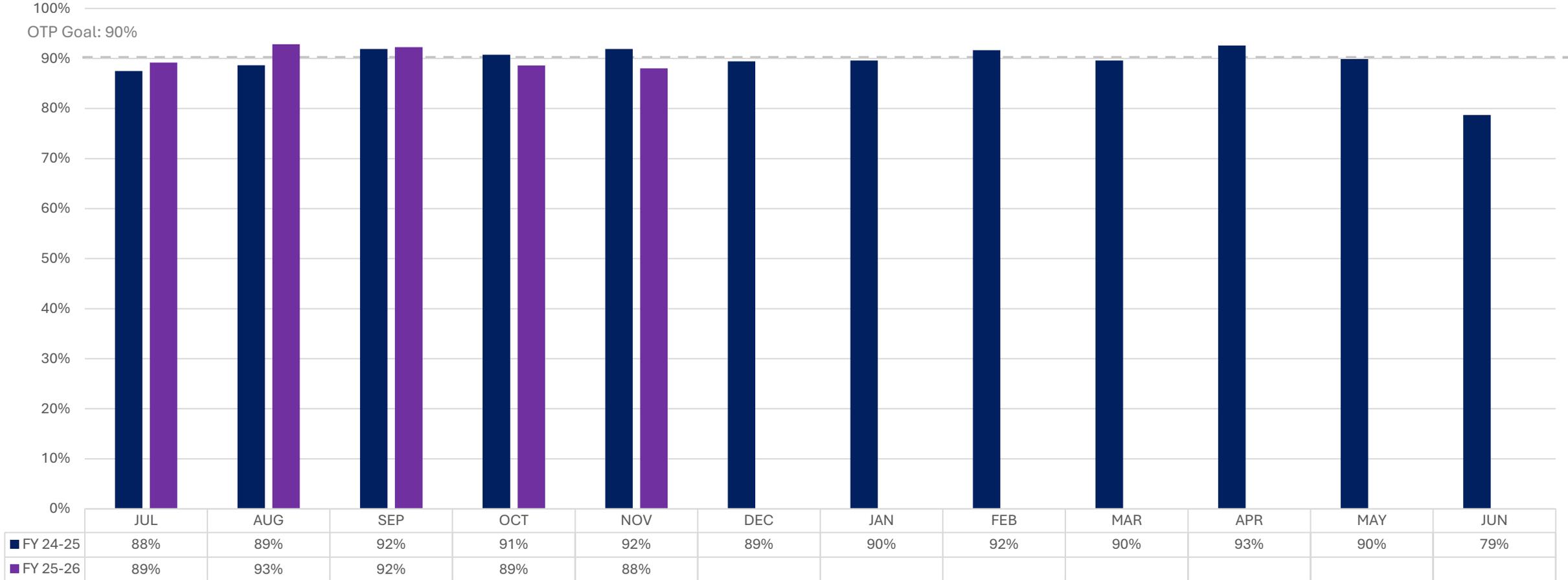


	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN	Total
FY 24/25	\$563,073	\$554,275	\$566,474	\$654,322	\$475,942	\$486,864	\$613,911	\$550,131	\$583,629	\$634,729	\$625,418	\$588,682	\$6,897,450
FY 25/26	\$607,691	\$620,244	\$671,306	\$663,603	\$526,181								\$3,089,025
FY 25/26 Forecast	\$539,921	\$610,992	\$609,300	\$729,241	\$526,138	\$472,121	\$609,596	\$588,808	\$637,861	\$551,960	\$634,921	\$602,731	\$7,113,590
FY18/19 (Pre-Pandemic)	\$934,823	\$1,017,601	\$901,396	\$1,049,117	\$856,601	\$705,227	\$1,021,424	\$837,812	\$932,548	\$990,292	\$933,163	\$749,848	\$10,929,84



ACE On-Time Performance

ACE On-Time Performance



SAN JOAQUIN REGIONAL RAIL COMMISSION

Special Meeting of January 8, 2026

STAFF REPORT

Item 5.6

INFORMATION

Monthly Marketing and Outreach Report Out

Background:

San Joaquin Regional Rail Commission’s (Rail Commission’s) local, embedded grassroots Outreach Consultant/Team is responsible for leading agency outreach efforts along the ACE route, marketing and promoting the ACE service and its programs, supporting employer outreach, serving as liaison with stakeholders, developing partnerships to promote destination travel, maintaining a contact database, highlighting the Rail Commission and the ACE service to elected officials, and submitting monthly reports.

January 2026

Upcoming Outreach Events Overview:

Event	Date	Type
Women in Transportation Seminar (WTS) Sacramento Region Awards Dinner	January 28, 2026	Networking
Modesto Chamber Awards & Board Installation Banquet	January 29, 2026	Networking

Fiscal Impact:

There is no fiscal impact.

Recommendation:

This is an informational item. There is no action required.

SAN JOAQUIN REGIONAL RAIL COMMISSION

Special Meeting of January 8, 2026

STAFF REPORT

Item 5.7

INFORMATION

San Joaquin Regional Rail Commission Station/Facilities Development Committee Report Out

Background:

The San Joaquin Regional Rail Commission Station/Facilities Development Committee (Committee) was established by the San Joaquin Regional Rail Commission (Rail Commission) to delegate decision-making on the stations and facilities associated with the Valley Rail Program to a small group of elected officials affected by the service expansion. The state statutory deadlines for new rail service to Ceres and Merced/Natomas require a focused effort and significant coordination with numerous cities within three counties.

The four-member Committee includes representatives from Stanislaus, San Joaquin, and Sacramento counties. Leo Zuber (Ripon) was appointed and serves as Chair, and Lisa Craig-Hensley (Lodi) was appointed and serves as Vice-Chair of the Committee.

In July of 2024, the Rail Commission requested that staff provide the Board with monthly summaries of Committee activities. Attached are the approved meeting Minutes from the Committee's October 5, 2025, meeting. The December 5, 2025, meeting Minutes will be presented to the Committee for approval at the special January 8, 2026, 10:30 am meeting and will be included as an information item on the Rail Commission's Consent Calendar at the February 6, 2026, meeting.

Fiscal Impact:

There is no fiscal impact.

Recommendation:

This is an informational item. There is no action required.

**SAN JOAQUIN REGIONAL RAIL COMMISSION
STATION/FACILITIES DEVELOPMENT COMMITTEE**
Meeting of December 5, 2025

Item 3.1

ACTION

Minutes of Committee Meeting October 3, 2025

The meeting of the Station/Facilities Development Committee (Committee) was held at 11:30 am on October 3, 2025. Committee Members attended this meeting in person and via video conference.

1. Call to Order and Roll Call

Chair Zuber

Chair Zuber called the meeting to order at 12:35 pm.

Committee Members Present: Chiesa, Vice-Chair Craig- Hensley, Chair Zuber

Committee Members Absent: Hume

2. Public Comment

There were no public comments.

3. Consent Calendar

3.1 Approve Minutes of Committee Special Meeting August 1, 2025

ACTION

There were no comments on this item.

M/S/C (Craig-Hensley/Chiesa) to approve Item 3.1 of the Consent Calendar.

**Passed and Adopted by the San Joaquin Regional Rail Commission
Station/Facilities Development Committee on October 3, 2025, by the
following vote to wit:**

AYES: 3 Chiesa, Vice-Chair Craig-Hensley, Chair Zuber
NOES: 0
ABSTAIN: 0
ABSENT: 1 Hume

4. Valley Rail Program and Stockton Diamond Project Updates

INFORMATION

David Lipari, Interim Executive Director, gave a presentation on this item.

The Committee agreed to move the Stockton Diamond Grade Separation Project (Stockton Diamond) from the Valley Rail Program Phase 1 to a later phase and pursue its delivery through a more suitable delivering agency. Mr. Lipari clarified that the ~\$150 million originally set aside for the Stockton Diamond will be reprogrammed and allocated to address the Valley Rail Program's funding shortfall, pending approval from the State.

Mr. Lipari also stated that staff will engage in negotiations with Union Pacific (UP) and develop an alternative proposal that aligns with available funding and project timelines. Following UP's review and feedback, staff will return to the Committee with a detailed service and funding plan for consideration and approval.

There were no public comments on this item.

5. Committee Member Comments

There were no comments.

6. CLOSED SESSION

Pursuant to Government Code Section 54956.8

Property: Acquisition of Additional Railroad Right-of-Way and Tracks (Trackage Rights) within the Valley Rail Project Corridor, including but not limited to Sacramento Subdivision between El Pinal near Stockton (Mile Post 95) and Natomas (Mile Post 147); Fresno Subdivision Between El Pinal in Stockton (Mile Post 83) and the Lathrop UP Connection (Mile Post 84.5); and Fresno Subdivision Between the Lathrop UP Connection (Mile Post 84.5) and Turlock (Mile Post 129)

Agency Negotiator: Stacey Mortensen, Executive Director

Negotiating Party: Union Pacific Railroad Company, a Delaware corporation

Under negotiation: Price and payment terms

7. Return to Open Session and Disclosure of Action

The Committee returned to the open session at 1:13 pm, and Janice D. Magdich, General Counsel, announced that Item 6 was for discussion only and there were no other reportable actions.

8. Adjournment

Chair Zuber adjourned the meeting at 1:15 pm.

The next regular meeting is scheduled for:
November 7, 2025 – 11:30 am



PREPARED BY TAI GINSBERG &
ASSOCIATES, LLC



MONTHLY REPORT

LATEST LEGISLATIVE &
REGULATORY UPDATES

DEC
2025

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EXECUTIVE SUMMARY

DECEMBER PRIORITIES

There was not a dull moment in Congress this December. The Senate advanced more than 97 key Trump Administration nominees, including Jared Isaacman for NASA Administrator, while the House successfully passed permitting reform aimed at limiting states' ability to block energy projects on water quality grounds and streamlining federal approvals for artificial intelligence projects. Congress also moved swiftly on defense policy, advancing the FY26 National Defense Authorization Act (NDAA) through both chambers and into law on December 18.

Federal agencies were equally active with the U.S. Department of Transportation (USDOT) releasing a new proposed rule updating corporate average fuel economy (CAFE) standards, announcing a \$1.5 billion Better Utilizing Investments to Leverage Development (BUILD) grant Notice of Funding Opportunity (NOFO), and approving a five-year waiver allowing expanded use of automated track inspection. USDOT also rescinded Biden-era airline fines and continued its audit of states' practices related to non-domiciled Commercial Driver's Licenses.

LOOKING FORWARD

The second session of the 119th Congress will officially convene on January 3, 2026, and will focus heavily on appropriations throughout January. The federal government is currently operating under a Continuing Resolution (CR) that was signed in November to end a 43-day shutdown. Most federal agencies are only funded through January 30, 2026. Three bills (VA/MilCon, Agriculture, and Legislative Branch) have already been signed into law for the full fiscal year. The remaining nine bills, including the transportation funding bill, must be resolved by the end of January.

Health care policy is also expected to be considered next year. On December 17, the House passed a health care bill that does not address the extension of expiring Affordable Care Act tax credits. However, a House Democratic discharge petition has secured the necessary signature threshold to force a vote in January on legislation extending those tax credits through 2028. Several health care tax credit reform proposals did not advance in the Senate earlier in December.

SURFACE TRANSPORTATION REAUTHORIZATION

OVERVIEW

Senate Environment and Public Works (EPW) Committee Chair Shelley Moore Capito (R-WV) - whose committee has jurisdiction over the highway title - has indicated plans to release a draft surface transportation reauthorization bill by early March 2026 and to hold a markup later that month. House Transportation and Infrastructure (T&I) Committee Chair Sam Graves (R-MO) has said the House plans to mark up its companion legislation in the “very first part of next year.”

A key issue in the reauthorization debate is how to address the Highway Trust Fund’s ongoing shortfall, set to expire in September 2026. Chair Graves has stated that a vehicle miles traveled (VMT) fee will not be included in the next surface transportation bill. Instead, several alternative approaches have been discussed, including a proposal that would replace the federal gas tax with a user fee based on vehicle weight.

Chair Graves, who previously proposed an annual fee aimed at electric vehicles and hybrids that did not advance, has not publicly identified a specific proposal he intends to support in the upcoming package. House T&I Ranking Member Rick Larsen (D-WA) has also not outlined a preferred approach. Jurisdiction over a VMT fee rests with the House Ways and Means Committee, which has not taken any action on the issue.



*Sen. Shelley Moore Capito
Senate EPW, 11/19/25*

STAKEHOLDER ENGAGEMENT

Industry stakeholders are also engaging more actively in the surface reauthorization process. On December 4, the U.S. Chamber of Commerce and more than 20 national organizations, including industry trade associations and labor unions, launched the “Move America Coalition”, an alliance focused on securing timely reauthorization of federal surface transportation programs and supporting long-term investment in America’s infrastructure.

The Coalition has called for funding levels in line with the Infrastructure Investment and Jobs Act (IIJA) of 2021, as well as efforts to stabilize the Highway Trust Fund and modernize permitting processes as part of the reauthorization bill.



View the full list of Move America Coalition members [here](#).

APPROPRIATIONS UPDATE

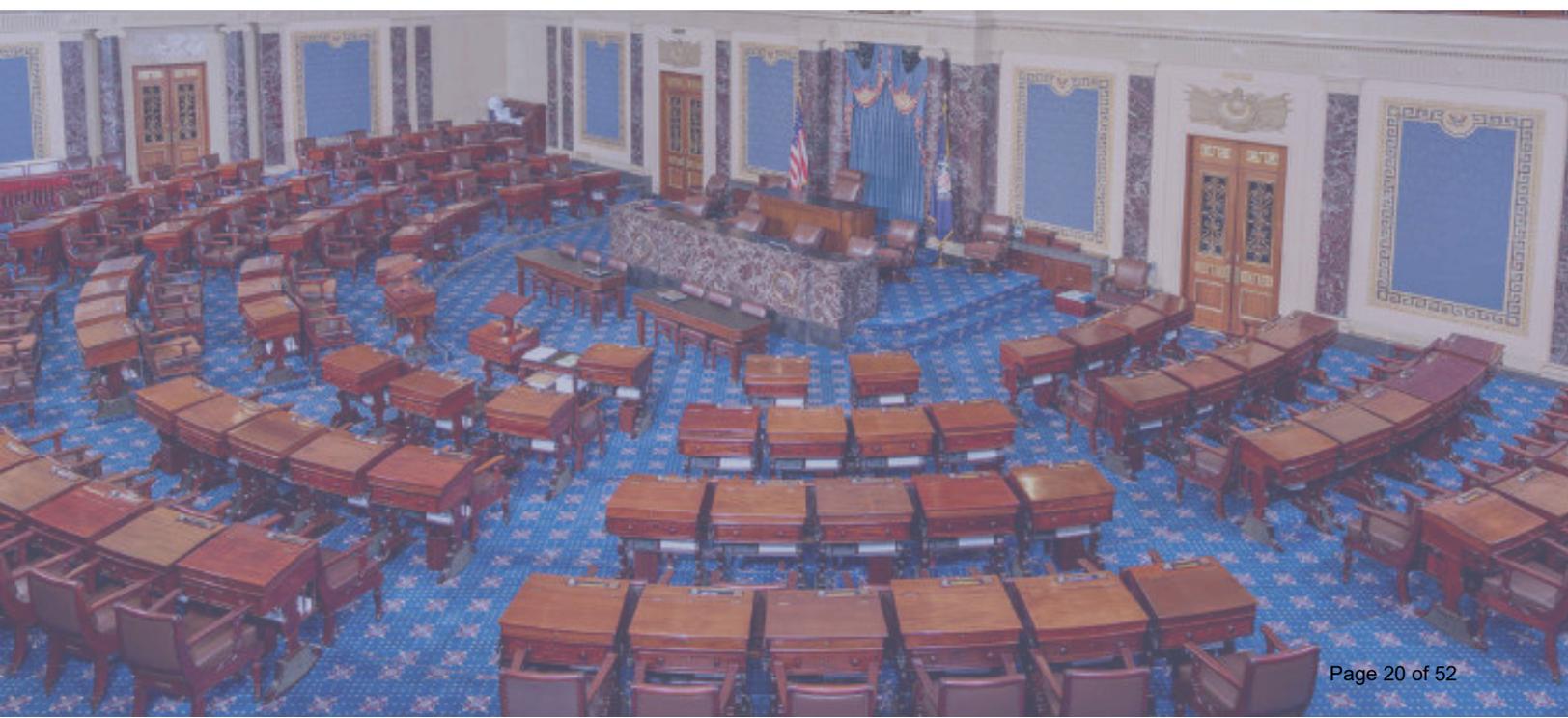
OVERVIEW

After several weeks of negotiations, Senate leadership did not move forward with a government funding package before adjourning for the holidays. As a result, consideration of the legislation has been deferred to early next year — when lawmakers will have a limited window to act ahead of the January 30, 2026, deadline to avoid a partial government shutdown.

SENATE MINIBUS PACKAGE

Throughout much of December, the Senate focused on an FY26 “minibus” package consisting of five appropriations bills: Labor-HHS-Education, Defense, Interior-Environment, Transportation-HUD, and Commerce-Justice-Science. As Congress prepared to adjourn, the package appeared positioned for floor consideration. However, Democratic Senators Michael Bennet and John Hickenlooper of Colorado indicated they would delay advancement of the legislation following a decision by White House Office of Management and Budget (OMB) Director Russell Vought regarding the National Center for Atmospheric Research. Other senators also raised objections to moving forward. Senate Minority Leader Chuck Schumer (D-NY) said he and Majority Leader John Thune (R-SD) are aligned on advancing funding legislation next month.

Even if the Senate advances the package, additional negotiations will be required. The legislation reflects Senate-only negotiations, and bicameral discussions will not begin until top House Republican appropriators reach a separate agreement on overall spending levels.



LEGISLATIVE UPDATES

PERMITTING REFORM

HR 3898, PERMIT ACT

On December 11, the U.S. House of Representatives passed H.R. 3898, the Promoting Efficient Review for Modern Infrastructure Today (PERMIT) Act, by a vote of 221-205. The bill was sponsored by Water Resources and Environment Subcommittee Chair Mike Collins (R-GA), with T&I Committee Chair Sam Graves (R-MO) as an original cosponsor.

The PERMIT Act would revise the scope of Clean Water Act protections for ephemeral streams and limit states' authority to block certain energy projects based on water quality considerations. It would also establish strict timelines for legal challenges to permits authorizing impacts to wetlands and narrow the ability of individuals, municipalities, and advocacy organizations to bring lawsuits related to unauthorized water pollution discharges. In addition, the legislation would codify the Army Corps of Engineers' use of streamlined nationwide permits for oil and gas pipelines and restrict the Environmental Protection Agency's ability to overturn wetlands permits issued by the Army Corps.

Most Democrats voted against the bill, though Representatives Sanford Bishop (D-GA), Jim Costa (D-CA), Henry Cuellar (D-TX), Don Davis (D-NC), Adam Gray (D-CA), and Marie Gluesenkamp Perez (D-WA) voted in favor. Representative Brian Fitzpatrick (R-PA) was the only Republican to vote against the measure. The bill now heads to the Senate for consideration.

HR 4776, SPEED ACT

On December 18, the House passed H.R. 4776, the Standardizing Permitting and Expediting Economic Development (SPEED) Act, a bipartisan legislation sponsored by House Natural Resources Committee Chair Bruce Westerman (R-AR).

The bill would streamline federal permitting processes for infrastructure projects related to artificial intelligence projects. The SPEED Act has support from several major technology companies such as OpenAI, Microsoft, and Micron. The bill cleared the House by a 221-196 vote and now advances to the Senate for review.



Rep. Mike Collins; AP, 1/9/25



Rep. Bruce Westerman; Politico, 4/18/23

LEGISLATIVE UPDATES

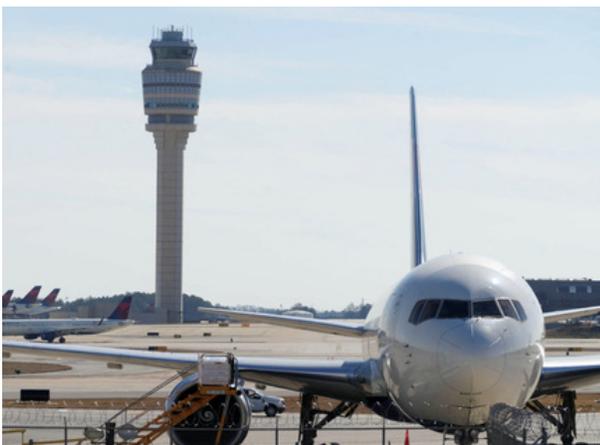
AVIATION

AIR TRAFFIC CONTROLLERS

On December 3, Senate Aviation Subcommittee Ranking Member Tammy Duckworth (D-IL) sent a letter to USDOT Secretary Duffy urging the department to expand its \$10,000 bonus to include all air traffic controllers and Federal Aviation Administration (FAA) technicians who worked without pay during the government shutdown. USDOT has stated that the bonuses will be limited to employees who did not miss any workdays during the 44-day shutdown.

In the letter, Senator Duckworth argued that many federal employees took authorized leave for legitimate reasons while continuing to work without pay and should not be excluded from the bonus due to circumstances such as illness or family emergencies.

 [View the full letter *here*.](#)



Reuters, 2/1/25

On December 18, the House Transportation & Infrastructure Committee approved the bipartisan [H.R. 6086](#), the Aviation Funding Solvency Act, during a markup by voice vote. The bill, introduced by T&I Committee Chair Sam Graves (R-MO) and Ranking Member Rick Larsen (D-WA), would allow the FAA to continue paying air traffic controllers during future government shutdowns. The legislation will now proceed to the House floor for consideration.

ADVANCED AIR MOBILITY (AAM) NATIONAL STRATEGY

On December 17, USDOT Secretary Duffy announced the first-ever [USDOT Advanced Air Mobility \(AAM\) National Strategy](#). The Strategy is organized around six key pillars - Airspace, Infrastructure, Security, Community Planning and Engagement, Workforce, and Automation - intended to support the development of a national AAM system. The Strategy sets forth 40 recommendations aimed at establishing a resilient foundation for national policy and operations in the sector.

To implement the Strategy, USDOT released a corresponding plan that outlines high-level implementation action items across four distinct strategic action phases, collectively referred to as LIFT. These phases focus on advancing research, engaging stakeholders, developing policy, and deploying technical solutions to support the safe, secure, and coordinated introduction of AAM technologies.

LEGISLATIVE UPDATES

AVIATION

NDAA HELICOPTER PROVISION

The House-passed National Defense Authorization Act (NDAA) included a provision (Section 373) that would expand the circumstances under which military helicopters can operate in Washington, D.C., airspace without broadcasting their location.

National Transportation Safety Board (NTSB) Chair Jennifer Homendy stated that the Board “vehemently opposes” Section 373, arguing that it provides the military “unfettered access” to Washington, D.C. airspace and allows training missions in the area. Homendy noted that the provision reverses safety measures implemented after the January 29, 2025, collision between an American Airlines flight and an Army helicopter near Ronald Reagan Washington National Airport, a crash that resulted in 67 fatalities. Investigators found that helicopter pilots had difficulty hearing dispatches from National Airport’s traffic control. The NTSB investigation is ongoing.

Senate Commerce Chair Ted Cruz (R-TX) and Ranking Member Maria Cantwell (D-WA) sought to remove the language from the NDAA but were unsuccessful. Instead, the Senate passed an amended version of the bipartisan S. 2503, the Rotorcraft Operations Transparency and Oversight Reform (ROTOR) Act via unanimous consent.

The ROTOR Act would eliminate Section 373 and limit the Army’s ability to disable ADS-B Out on helicopters nationwide. Pentagon spokesperson Sean Parnell stated that the U.S. Department of Defense supports the legislation and “looks forward to continuing the productive dialogue” with Senator Cruz’s committee to finalize the bill. On the Senate floor, Chair Cruz said the ROTOR Act has the “explicit backing” of the White House.

The legislation must still be considered by the House. House T&I Committee Chair Graves (R-MO) has indicated that he would like to see changes to the bill.



US Air Force, 3/25/24

NOTABLE DECEMBER HEARINGS & MARKUPS

DECEMBER 3 - SENATE COMMERCE COMMITTEE NOMINATIONS HEARING

Considered:

- Jared Isaacman to serve as Administrator of the National Aeronautics and Space Administration (NASA); and
- Steven Haines to be Assistant Secretary of Commerce for Industry and Analysis.



Jared Isaacman; Reuters 12/3/25

In his opening remarks, Isaacman stated that Transportation Secretary and interim NASA Administrator Sean Duffy had submitted a letter of endorsement to Senate Commerce Members. Isaacman did not provide details on the letter's contents but said Duffy emphasized the importance of permanent leadership at NASA ahead of the Artemis II mission scheduled for next year.

During the hearing, Senator Ed Markey (D-MA) questioned Isaacman about whether Elon Musk was present when President Trump offered him the NASA Administrator role. Isaacman declined to answer directly, stating that multiple individuals were entering and leaving the room at the time, and added, "I don't think it's fair to bring any of them into this matter." Isaacman was asked a similar question during his first confirmation hearing earlier this year.

DECEMBER 3 - HOUSE T&I COMMITTEE, AVIATION SUBCOMMITTEE HEARING: "AMERICA BUILDS: THE STATE OF THE ADVANCED AIR MOBILITY (AAM) INDUSTRY"

Aviation Subcommittee Chair Troy Nehls (R-TX) underscored the importance of modernizing the National Airspace System (NAS) and highlighted developments in electric vertical takeoff and landing (e-VTOL) aircraft, commonly referred to as Advanced Air Mobility. Nehls pointed to the e-VTOL Integration Pilot Program (eIPP) as an example of ongoing efforts and emphasized the need for continued innovation and congressional funding to support emerging aviation technologies.

Witness Kyle Clark, founder and CEO of aerospace company Beta Technologies, testified that the eIPP program would play a key role in advancing domestic AAM deployment, noting increased international competition in the sector. Clark stated that the pilot program could enable initial domestic operations as early as this summer.

NOTABLE DECEMBER HEARINGS & MARKUPS

DECEMBER 8 - SENATE COMMERCE COMMITTEE EXECUTIVE SESSION

The Committee voted on the following nominations:

- Jared Isaacman to serve as Administrator of the National Aeronautics and Space Administration (NASA) (18-10);
- Admiral Kevin E. Lunday to be Commandant of the United States Coast Guard (23-5);
- Ryan McCormack to serve as Under Secretary of Transportation for Policy (18-10); and
- Michael Graham to be a Member of the National Transportation Safety Board (19-9).

The Committee did not consider - as previously scheduled - the nominations of Steven Haines to serve as Assistant Secretary of Commerce for Industry and Analysis; John DeLeeuw to serve as a Member of the National Transportation Safety Board; Robert Harvey to be a Federal Maritime Commissioner; or Richard Kloster to be a Member of the Surface Transportation Board, citing committee attendance issues. These nominations are expected to be taken up at a future session.

DECEMBER 16 - HOUSE T&I COMMITTEE, AVIATION SUBCOMMITTEE HEARING: "THE STATE OF AMERICAN AVIATION"

During the hearing, Federal Aviation Administration (FAA) Administrator Bedford stated that the USDOT will have committed more than \$6 billion by the end of the year toward telecommunications infrastructure and new radar surveillance systems.

Bedford also said the FAA was not consulted in advance on the National Defense Authorization Act (NDAA) provision related to military helicopter operations. In response to a question from Representative Tim Burchett (R-TN), Bedford indicated that there are currently no plans to change the two-pilot minimum crew requirement.



*FAA Administrator Bryan Bedford
Getty Images, 12/16/25*

NOTABLE DECEMBER HEARINGS & MARKUPS

DECEMBER 17 - SENATE COMMERCE COMMITTEE, AVIATION SUBCOMMITTEE HEARING: “FAA’S PLAN FOR ATC MODERNIZATION: EVALUATING PROGRESS, ENSURING ACCOUNTABILITY AND RESULTS”

During the hearing, FAA Administrator Bedford provided additional information on the impact of the recent government shutdown on air traffic controller training. Bedford stated that while USDOT was able to keep the FAA Academy in Oklahoma City operational during the shutdown, the agency lost several hundred air traffic controller trainees.

Senators also questioned Bedford regarding the timing of his divestment from stock holdings in Republic Airways, the regional airline that he led prior to joining the Trump Administration. Senators Ed Markey (D-MA) and Tammy Duckworth (D-IL) voiced their concerns. Bedford responded that his shares have been “terminated” and are pending resissuance under a new organizational structure, after which they will be transferred to his broker for sale.

DECEMBER 17 - HOUSE T&I COMMITTEE, WATER RESOURCES SUBCOMMITTEE HEARING: “WATER RESOURCES DEVELOPMENT ACT OF 2026: STAKEHOLDER PRIORITIES”

During the hearing, committee Democrats expressed concerns regarding a Trump Administration policy affecting communications between the Army Corps of Engineers and Congress, stating that it could complicate development of the Water Resources Development Act of 2026.

Since October, the Department of Defense has required officials to obtain approval from its legislative affairs office before communicating with members of Congress, congressional staff, and state elected officials. The policy applies to the Army Corps of Engineers, which is responsible for the construction, operation, and maintenance of dams, levees, navigation channels, and environmental restoration projects.

USDOT UPDATES

RAIL

AMTRAK BONUSES

On December 11, President Trump and Transportation Secretary Duffy announced an agreement between USDOT and Amtrak's management and board of directors to provide \$900 bonuses to more than 18,000 Amtrak rail workers, marking the company's record year for ridership and revenue. Under the agreement, Amtrak executives will forgo 50 percent of the bonuses they would have received under their existing bonus structure. The board has also eliminated long-term bonuses for senior executives and redirected those funds to union workers. Leaders of the two largest rail unions, SMART-TD and Transport Workers Union, applauded the decision.

Amtrak's executive bonus structure has been a longstanding point of controversy. In FY23, thirteen top executives received a total of \$2.98 million in bonuses. The bonus structure has also been the subject of congressional hearings, as well as legislation that would require full disclosure of bonus payments and the criteria used for those bonuses.

AUTOMATED TRACK INSPECTION WAIVER

On December 5, the Federal Railroad Administration (FRA) approved a five-year waiver allowing expanded use of automated track inspection (ATI) technology. The waiver comes after a long period during which the FRA had not acted on requests regarding the technology.

Waivers will be granted subject to a dozen conditions, including:

- Providing 30 days' advance notice;
- Identifying subdivisions to be included, which cannot be changed for one year;
- Conducting automated inspection of all main tracks and sidings in those subdivisions at least once a month;
- Reducing visual inspections from twice to once weekly;
- Submitting monthly and annual reports on testing results; and
- Reporting within 24 hours any derailment for tracks covered by the waiver.

Transportation Secretary Duffy said the waiver "will allow U.S. railroads to complement visual track inspections with innovative technology that will identify issues on our rail [network] before they become a serious safety threat for rail passengers and crew." The Association of American Railroads (AAR), which requested the waiver in an April 24, 2025, petition, supports the change. However, in a statement by Jared Cassity, SMART-TD's National Safety and Legislative Director, he stated the waiver "does nothing to improve safety."

USDOT UPDATES

RAIL

BUILD GRANT NOTICE OF FUNDING OPPORTUNITY

On December 15, Transportation Secretary Duffy announced a Notice of Funding Opportunity (NOFO) through Better Utilizing Investments to Leverage Development (BUILD) Grants for FY2026, making \$1.5 billion available for infrastructure projects across the country. The program's goal is to identify transportation projects with the potential for significant local or regional impact, including highway, rail, port, and truck parking projects.

BUILD grants are awarded on a competitive basis for planning or constructing surface transportation infrastructure projects that improve safety; quality of life; mobility and community connectivity; economic competitiveness and opportunity, including tourism; state of good repair; partnership and collaboration; and innovation.

Projects will be prioritized that enhance safety measures, expand transportation options for American families, and:

- Beautify transportation infrastructure with context-appropriate design that enhances user experience while maintaining safety and operational efficiency;
- Improve roadway capacity and make transportation more affordable;
- Enhance the travel experience for families through dedicated facilities for mothers, accessibility for those with disabilities, intuitive design elements, clear signage, intuitive layouts, and predictable operations for caregivers;
- Facilitate tourism;
- Support U.S. energy dominance.



See the [NOFO here](#)

Applications are due February 24, 2026.



USDOT UPDATES

HIGHWAY

NHTSA PROPOSED RULEMAKING: FUEL EFFICIENCY STANDARDS

On December 3, President Trump announced a National Highway Traffic Safety Administration's (NHTSA) proposed rule titled "Freedom Means Affordable Cars," which updates corporate average fuel economy (CAFE) standards. CAFE standards require that the entire fleet of vehicles sold by a given automaker, on average, become more fuel-efficient over time. Automakers that do not meet the standards have previously been required to pay hefty fines or purchase credits from companies that over-perform on efficiency, such as Tesla and other all-electric companies.

The proposed rule builds on the One Big Beautiful Bill Act, which eliminated CAFE fines. Under President Biden, the NHTSA rules called for vehicles to get 2 percent more fuel efficient every year; the Trump administration is now proposing to revert to the 2022 baseline and improve fuel efficiency by 0.5 percent annually.

NHTSA will accept public comments on the proposed rule until January 20, 2026. The agency will also hold a virtual public hearing on January 7, 2026. Hearing participants will be able to provide oral comments regarding the Draft Supplemental Environmental Impact Statement (Draft SEIS) that accompanies the proposal. [Registration](#) for the public hearing ends on December 31, 2025.

 [See the proposed rule here](#)

NHTSA AUTOMATED DRIVING RESEARCH

On December 11, NHTSA released the fourth and final volume of its research effort "FMVSS Considerations for Vehicles with Automated Driving Systems." This research examined potential technical changes to safety standards that would address conformity challenges posed by automated vehicles, which will inform NHTSA's modernization efforts. This multi-year and multi-phased research project examined 81 Federal Motor Vehicle Safety Standards to determine how they could be applied to innovative vehicle designs, with extensive hands-on research.

Recognizing ongoing changes in the industry, including new entrants and constantly emerging business models, NHTSA is issuing a new [Request for Comment](#). The agency is seeking public input on industry changes, product plans, new concepts, or emerging issues that may affect the scope of the effort since this research was initiated in 2017. Comments will be due 60 days after the notice is published in the Federal Register.

 [Read the research report here](#)

USDOT UPDATES

HIGHWAY

FMCSA NATIONWIDE COMMERCIAL DRIVER'S LICENSES (CDL) AUDIT

As part of USDOT's nationwide audit into state practices in issuing non-domiciled Commercial Driver's Licenses (CDLs), USDOT found that the New York Department of Motor Vehicles (DMV) has been issuing 53 percent of its CDLs in ways the department determined did not comply with federal standards. Transportation Secretary Duffy has threatened to freeze \$73 million from New York and warned that continued noncompliance could lead to decertification of the state's CDL program.



The Federal Motor Carrier Safety Administration (FMCSA) reported similar findings in Minnesota, where it determined that approximately one-third of CDLs were issued improperly. Secretary Duffy has threatened to pull up to \$30.4 million in Minnesota's federal highway funding if the state does not take corrective action.

Building on these efforts, on December 1, Transportation Secretary Duffy announced the removal of nearly 3,000 CDL training providers from the FMCSA Training Provider Registry (TPR) for failing to equip trainees with the Trump Administration's standards of readiness. Another 4,500 training providers were placed on notice due to potential noncompliance.

“

“When more than half of the licenses reviewed were issued illegally, it isn't just a mistake—it is a dereliction of duty by state leadership.”

– Secretary Sean Duffy
USDOT Press Release,
12/12/25

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USDOT UPDATES

AVIATION

WAIVED AIRLINE FINES

USDOT is waiving millions of airline fines issued under former President Biden. This includes \$16.7 million in fines issued to American Airlines (AA) as part of a settlement over the air carrier’s treatment of passengers with disabilities, including failing to provide some with adequate assistance and mishandling wheelchairs. USDOT said it will instead require AA to invest \$16.8 million in improvements benefiting passengers with disabilities. Some of these initiatives include requiring the airline to purchase 119 additional wheelchair lifts at Miami, Philadelphia, and Chicago O’Hare airports, as well as mobile devices and software enhancements that will allow American Airlines to track and record passenger wheelchairs point-by-point as they move through the transport process.

USDOT will also waive an \$11 million fine levied against Southwest Airlines over the company’s 2022 holiday travel disruptions, when the airline canceled nearly 17,000 flights during a period of severe weather. The \$11 million was part of a \$140 million fine that the Biden Administration had imposed in 2023, which was the largest penalty USDOT had applied to an airline for consumer protection violations. Southwest had agreed to pay a \$35 million fine to the U.S. government, with the remaining \$105 million going to passengers through vouchers and frequent-flier points. To date, Southwest has paid \$24 million to the government. To account for the remaining \$11 million, the order said the airline would receive an \$11 million “credit” to improve its performance.

MAKE TRAVEL FAMILY FRIENDLY AGAIN CAMPAIGN

On December 8, USDOT Secretary Duffy and Department of Health and Human Services (HHS) Secretary Robert F. Kennedy Jr. unveiled \$1 billion in federal funding to improve the passenger experience at airports. As part of a campaign to “Make Travel Family Friendly Again,” airports will be able to submit projects for funding from the IIJA Airport Terminal Program, which supports modernization improvements at airports and air traffic control facilities across the country.

Eligible projects include:

- Creating more children’s play or exercise areas;
- Adding mothers’ rooms or nursing pods;
- Reconfiguring security checkpoints to create family screening lanes;
- Building sensory rooms for children with special needs; and
- Other creative terminal projects that focus on enhancing the family travel journey.

 [See the NOFO here](#)

*Applications are due
January 15, 2026.*

UNION PACIFIC AND NORFOLK SOUTHERN MERGER

OVERVIEW

Union Pacific (UP) and Norfolk Southern (NS) filed a formal merger application with federal regulators on December 19. According to a timeline posted on the Surface Transportation Board (STB) website, the filing triggers a statutory 30-day review by the STB for completeness, after which the regulator can accept a complete application or reject it as incomplete. This phase is separate and involves no evaluation of the merger itself. The companies project their proposed transcontinental merger will take more than 2 million trucks off the road annually, boosting the combined system's traffic by 1.4 million intermodal loads and 425,000 carloads.

Outlined in their application, the combined railroad would see revenue growth of \$4.2 billion three years into the merger, with nearly \$1 billion in cost synergies. UP will spend \$1.1 billion in capacity improvements, plus another \$1.1 billion on technology integration and other investments.

INDUSTRY

Industry leaders are weighing in, with Canadian Pacific Kansas City (CPKC) CEO Keith Creel disagreeing with Union Pacific CEO Vena's contention that the UP-Norfolk Southern merger would face minimal regulatory resistance. CPKC will ask the board to ensure that any merger conditions have teeth, Creel says. Creel also stated that CPKC alone will seek merger concessions that might approach the \$750 million figure.

CONGRESS

Members of Congress have also begun to take a stand on the merger. Representatives Bennie Thompson (D-MS), Troy Carter (D-LA), and Cleo Fields (D-LA) have expressed support for the merger, most recently urging STB Chairman Fuchs to conduct a careful review of the proposal. The lawmakers described rail freight as "vital to our states and the country's economy," and stated the merger should help move the U.S. toward "a more efficient, reliable, and competitive transportation network."

LABOR

Labor organizations have expressed differing views. Recently, the Teamsters Rail Conference opposed the proposed merger. The conference, which encompasses a large number of unionized workers at the two railroads, includes two unions: the Brotherhood of Locomotive Engineers and Trainmen (BLET) and the Brotherhood of Maintenance of Way Employees (BMWE).

The Rail Conference's position differs from that of the largest railroad union in the country, International Association of Sheet Metal, Air, Rail and Transportation Workers-Transportation Division (SMART-TD), which came out in support of the merger earlier this year after sharing they were guaranteed "that their members would keep their jobs after the merger and be able to use their expertise to ensure safety until they retire."



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SAN JOAQUIN REGIONAL RAIL COMMISSION

Special Meeting of January 8, 2026

STAFF REPORT

Item 6

ACTION

Adopt a Resolution Approving an Agreement with Capitol Corridor Joint Powers Authority in Support of the Operation and Maintenance of Legacy Passenger Information Display System (PIDS) at ACE Stations for a Cumulative Amount Not-to-Exceed \$340,000 and Authorizing the Chief Executive Officer, or Designee, to Execute Any and All Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority

Background:

In December 2020, Capitol Corridor Joint Powers Authority (CCJPA) took over the operational and mechanical responsibilities of the Legacy Passenger Information Display System (PIDS) system from Amtrak, and the San Joaquin Regional Rail Commission (Rail Commission) entered into a reimbursement agreement with CCJPA, which outlines shared costs among the three services:

Capitol Corridor	Gold Runner	ACE
44.41%	38.16%	17.43%

The original reimbursement agreement was set to expire on September 30, 2022, based on the timeline CCJPA provided for the CalPIDS project completion. Given that the timeline continued to extend and that the Rail Commission Board has approved Staff to pursue an alternative path for modernizing the Legacy PIDS, a new reimbursement agreement needs to be implemented to cover back payments from FY23/24 and FY24/25, and current FY25/26 operating and maintenance costs for ACE Legacy PIDS to CCJPA.

Procurement History and Contract Structure:

In November 2018, CCJPA, with the support of rail agency partners, issued a Request for Statement of Qualifications (RFSOQ) to upgrade and replace the existing PIDS, with the modern version. As a result of the procurement, CCJPA awarded its contract in November 2019 to XenaTech Software Integration Services, LLC (XenaTech) for the design, testing, implementation, and maintenance of CalPIDS. Since the project kick-off in December 2019, XenaTech has continued working on CalPIDS and Legacy PIDS.

The Rail Commission will enter into an intergovernmental reimbursement agreement with CCJPA for allowable costs associated with the continued oversight of the Legacy PIDS. Any costs for future years will be brought to the Board through the amendment process.

Fiscal Impact:

Based on the current total ACE Operating Expenses incurred to date, expenses for the first year of the Agreement are funded with FY25/26 Revenues. If total ACE Operating Expenses begin to exceed the budget, the ACE Budget will be brought to the board to be amended. Costs for future years will be brought before the Board for consideration as part of the annual Budget approval process.

Recommendation:

Adopt a Resolution Approving an Agreement with Capitol Corridor Joint Powers Authority in Support of the Operation and Maintenance of Legacy Passenger Information Display System (PIDS) at ACE Stations for a Cumulative Amount Not-to-Exceed \$340,000 and Authorizing the Chief Executive Officer, or Designee, to Execute Any and All Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority.

SJRRC RESOLUTION 25/26 –

RESOLUTION APPROVING AN AGREEMENT WITH CAPITOL CORRIDOR JOINT POWERS AUTHORITY IN SUPPORT OF THE OPERATION AND MAINTENANCE OF LEGACY PASSENGER INFORMATION DISPLAY SYSTEM (PIDS) AT ACE STATIONS FOR A CUMULATIVE AMOUNT NOT-TO-EXCEED \$340,000 AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO EXECUTE ANY AND ALL DOCUMENTS RELATED TO THE PROJECT, INCLUDING APPROVING ANY AND ALL AMENDMENTS THERETO WITHIN THEIR SPENDING AUTHORITY

WHEREAS, in December 2020, Capitol Corridor Joint Powers Authority (CCJPA) took over the operational and mechanical responsibilities of the Legacy Passenger Information Display System (PIDS) system from Amtrak, and the San Joaquin Regional Rail Commission (Rail Commission) entered into a reimbursement agreement with CCJPA; and

WHEREAS, the original reimbursement agreement was set to expire on September 30, 2022, based on the timeline CCJPA provided for the CalPIDS project completion; and

WHEREAS, given that the timeline continued to extend and that the Rail Commission Board has approved Staff to pursue an alternative path for modernizing the Legacy PIDS, a new reimbursement agreement needs to be implemented to cover back payments from FY23/24 and FY24/25, and current FY25/26 operating and maintenance costs for ACE Legacy PIDS to CCJPA; and

WHEREAS, in November 2018, CCJPA, with the support of rail agency partners, issued a Request for Statement of Qualifications (RFSOQ) to upgrade and replace the existing PIDS, with the modern version; and

WHEREAS, the Rail Commission will enter into an intergovernmental reimbursement agreement with CCJPA for allowable costs associated with the continued oversight of the Legacy PIDS; and

WHEREAS, any future years' costs will be brought to the Board through the amendment process.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Joaquin Regional Rail Commission hereby Approves an Agreement with Capitol Corridor Joint Powers Authority in Support of the Operation and Maintenance of Legacy Passenger Information Display System (PIDS) at ACE Stations for a Cumulative Amount Not-to-Exceed \$340,000 and Authorizing the Chief Executive Officer, or Designee, to Execute Any and All Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority.

PASSED AND ADOPTED, by the San Joaquin Regional Rail Commission this 8th day of January 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

SAN JOAQUIN REGIONAL RAIL
COMMISSION

CHRIS ORLANDO, Secretary

LISA CRAIG-HENSLEY, Chair

SAN JOAQUIN REGIONAL RAIL COMMISSION
Special Meeting of January 8, 2026

STAFF REPORT

Item 7

DISCUSSION/ACTION

Adopt a Resolution Extending the Transition Date for Direct Management of the ACE Great America Shuttle Program to July 1, 2027, and Authorizing the Chief Executive Officer, or Designee, to Negotiate, Award, and Execute Any and All Agreements and Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority

Background:

ACE Shuttle services have been a core component of the ACE system since the launch of rail services in 1998, providing essential first- and last-mile connections between ACE stations and major employment centers, transit hubs, and business parks. Passengers with a valid ACE ticket are entitled to use the shuttle services free of charge and are critical to the system's overall ridership success, supporting an average of over 20,000+ boardings per month in FY 24/25.

The ACE Great America Shuttle network is operated under the management of the Santa Clara Valley Transportation Authority (VTA), which contracts the service to a third-party vendor, currently Avalon Transportation. Avalon transportation provides mid-size buses and operates eight (8) shuttle routes serving the Great America Station. These routes alone carry approximately 30% of ACE's total daily ridership and are projected to cost \$3 million in FY 26/27 of which 2.9 million (96%) is allocated to the ACE program. The remaining 4% is supported by other regional and private funding sources.

Update on ACE Great America Shuttle Management Transition:

At the August 1, 2025, Board meeting, staff provided an informational update on potential plans to transition management and oversight of the ACE Shuttle Program from VTA to the San Joaquin Regional Rail Commission (Rail Commission), with an anticipated transition beginning in FY26/27. The update outlined how such a transition could align management of ACE-funded services under a single agency and strengthen long-term planning, accountability, and oversight.

Since that Board meeting, additional coordination and due diligence have identified several outstanding requirements that must be completed prior to a full management transition. These include finalizing bus stop access agreements, negotiating related legal agreements with partner agencies and city jurisdictions, and completing the procurement steps necessary to transition to a new operating contract under the Rail Commission's oversight.

Based on the complexity and timing of the required bus stop access agreements, staff have determined that the original transition timeline cannot be achieved without undue risk to service continuity. In particular, most of the access agreements between VTA and the South Bay local jurisdictions were executed in the 1970s and are not readily available.

Next Steps:

As a result of these findings, VTA recommended that the Rail Commission extend the management transition of the ACE Great America Shuttle Program to July 1, 2027, to maintain service continuity while completing remaining requirements.

To implement this approach, the following actions will be taken to allow additional time to complete the remaining legal agreements, procurement activities, and management preparation necessary for the Rail Commission to successfully assume direct management of the ACE Shuttle Program:

- VTA will exercise Option Period 1, extending the contract between VTA and Avalon Transportation from July 1, 2026, through June 30, 2027
- While VTA will continue managing and overseeing the program, the Rail Commission commits to funding 96% of the program from July 1, 2026, through June 30, 2027. An amendment to the current funding agreement between SCVTA and the Rail Commission must be fully executed by May 30, 2026 which would be brought before the Board for approval once the final amount and terms are agreed to.
- No major service changes are anticipated for FY26/27.
- VTA will work collaboratively with the Rail Commission during the transition to submit the Transportation Fund for Clean Air (TFCA) County Grant application for FY27.

Approval of this approach provides operational stability, preserves existing service, and reduces transition risk while allowing the Rail Commission and VTA to complete the remaining legal, financial, and management actions required for a successful transfer of program oversight.

Continued Partnership with VTA:

Throughout the initial phase of the management transition, teams from VTA and the Rail Commission have worked collaboratively to develop a comprehensive transition plan. This plan addresses not only the remaining legal, procurement, and operational items, but also, establishes clear guidance and documentation to support the Rail Commission staff when they assume direct oversight of the ACE Shuttle Program.

Fiscal Impact:

There is no fiscal impact at this time. Costs for FY26/27 will be brought before the Board for consideration as part of the annual Budget approval process.

Recommendation:

Adopt a Resolution Extending the Transition Date for Direct Management of the ACE Great America Shuttle Program to July 1, 2027, and Authorizing the Chief Executive Officer, or Designee, to Negotiate, Award, and Execute Any and All Agreements and Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority.

SJRRC RESOLUTION 25/26 –

RESOLUTION APPROVING EXTENDING THE TRANSITION DATE FOR DIRECT MANAGEMENT OF THE ACE GREAT AMERICA SHUTTLE PROGRAM TO JULY 1, 2027, AND AUTHORIZING THE CHIEF EXECUTIVE OFFICER, OR DESIGNEE, TO NEGOTIATE, AWARD, AND EXECUTE ANY AND ALL AGREEMENTS AND DOCUMENTS RELATED TO THE PROJECT, INCLUDING APPROVING ANY AND ALL AMENDMENTS THERETO WITHIN THEIR SPENDING AUTHORITY

WHEREAS, ACE Shuttle services have been a core component of the ACE system since the launch of rail services in 1998, providing essential first- and last-mile connections between ACE stations and major employment centers, transit hubs and business parks; and

WHEREAS, the ACE Great America Shuttle network is operated under the management of the Santa Clara Valley Transportation Authority (VTA), which contracts the service to a third-party vendor, currently Avalon Transportation; and

WHEREAS, at the August 1, 2025, Board meeting, staff I provided an informational update on potential plans to transition management and oversight of the ACE Shuttle Program from VTA to the San Joaquin Regional Rail Commission (Rail Commission), with an anticipated transition beginning in FY26/27; and

WHEREAS, based on the complexity and timing of the required bus stop access agreements, staff have determined that the original transition timeline cannot be achieved without undue risk to service continuity; and

WHEREAS, VTA recommended that the Rail Commission extend the management transition of the ACE Great America Shuttle Program to July 1, 2027, to maintain service continuity while completing remaining requirements; and

WHEREAS, approval of this approach provides operational stability, preserves existing service, and reduces transition risk while allowing the Rail Commission and VTA to complete the remaining legal, financial, and management actions required for a successful transfer of program oversight; and

WHEREAS, this plan addresses not only the remaining legal, procurement, and operational items, but also, establishes clear guidance and documentation to support the Rail Commission staff when they assume direct oversight of the ACE Shuttle Program.

NOW, THEREFORE, BE IT RESOLVED that the Board of Commissioners of the San Joaquin Regional Rail Commission hereby Approves Extending the Transition Date for Direct Management of the ACE Great America Shuttle Program to July 1, 2027, and Authorizing the Chief Executive Officer, or Designee, to Negotiate, Award, and Execute Any and All Agreements and Documents Related to the Project, Including Approving Any and All Amendments thereto within Their Spending Authority.

PASSED AND ADOPTED, by the San Joaquin Regional Rail Commission this 8th day of January 2026, by the following vote:

AYES:
NOES:
ABSENT:
ABSTAIN:

ATTEST:

SAN JOAQUIN REGIONAL RAIL
COMMISSION

CHRIS ORLANDO, Secretary

LISA CRAIG-HENSLEY, Chair

SAN JOAQUIN REGIONAL RAIL COMMISSION
Special Meeting of January 8, 2026

STAFF REPORT

Item 8

INFORMATION

Great America Shuttles – Super Bowl Update

Background:

The ACE train and its shuttle network provide essential first- and last-mile connections for riders traveling to and from the Great America ACE Station, one of the system’s most utilized stations. On an average weekday, approximately 1,000 riders utilize ACE Great America shuttles to complete their first- and last-mile trip to major employers. In addition, hundreds of passengers each day access the station using rideshare services (Lyft/Uber), private employer shuttles, or their personal vehicles, many of which are parked at the Great America Station parking lot.

The National Football League (NFL) Super Bowl LX will be held on February 8, 2026, at Levi’s® Stadium in Santa Clara. The San Joaquin Regional Rail Commission (Rail Commission) recognizes the regional significance of the event and values its long-standing partnership with Levi’s® Stadium. Beginning on January 5, 2026, the NFL and the Bay Area Host Committee will implement a phased closure plan around the stadium, including full and partial restrictions on Stars and Stripes Drive and Tasman Drive, as well as other key access points around the Great America Station. These road closures and access restrictions will pose significant challenges for ACE passengers and shuttle operations due to the fact that the station will be inaccessible from January 5 – February 22, 2026. As such, the Rail Commission must temporarily modify shuttle routing, passenger wayfinding, and on-site staffing to maintain safe and reliable service.



Rail Commission staff have been coordinating with Levi’s Stadium®, the Bay Area Host Committee, City of Santa Clara, and the NFL, as well as Avalon Transportation (shuttle operator), and the Santa Clara Valley Transportation Authority (VTA) to ensure continuity of service and minimize disruptions during this 48-day closure.

Operational Plan:

The Rail Commission has developed a comprehensive operational plan to ensure passengers can continue to reach their workplaces and ACE train connections safely and consistently throughout the Super Bowl closure period. During the closure, access to the Great America Station will be maintained, but all traffic, including the ACE shuttles, private employer shuttles, and rideshare activities, will be relocated to a designated parking area at 2111 West Tasman Drive. This “temporary” location is approximately 2.5 blocks from the station and is in a business park off Tasman Drive and Calle De Luna Drive. ACE shuttles will exclusively operate from this location within a clearly designated staging area. Passengers dropped off or picked up will follow assigned pedestrian routes with staff on site to assist. Wayfinding signage will also be provided between the station platform and the shuttle pick-up area.



To support accessibility needs, accessible parking, shuttle, and rideshare, accommodations will be available at the West Tasman Drive location. In addition, a mobility shuttle will operate between the parking and shuttle pick-up area and a closer access point near the Great America Station for passengers who request assistance. Passengers seeking to use the mobility shuttle will follow marked accessible routes to one of the designated shuttle stops, where on-site staff will be stationed to assist with operations and passenger support. This shuttle is provided by Levi's® Stadium.

Afternoon shuttle departures will be advanced by approximately 20-30 minutes, to accommodate the extended 6–10-minute walk and anticipated traffic congestion, depending on the closure phase. This plan is intentionally flexible and will be reviewed weekly, allowing the Rail Commission to adjust schedules, staffing, and routing as conditions evolve.

The Rail Commission’s coordination with VTA, the City of Santa Clara, Avalon Transportation, and the Bay Area Host Committee ensures that detours, signage, contingency buses, and safety procedures are aligned to minimize disruption for the 450–525 daily ACE passengers who rely on shuttles, rideshare, employer shuttles, or personal vehicles at this station. The primary goal of the operational plan is to ensure passengers can continue to make their connections safely and consistently despite the significant access restrictions around Levi’s® Stadium.

In addition to these measures supporting regular weekday service, ACE will operate a special event train on Super Bowl game day, Sunday, February 8, 2026. The game day special train schedule is shown below for reference.

SUPER BOWL LX	
Date	Sunday, February 8, 2026
Event Start Time	3:30 PM
Stockton	9:30 AM
Lathrop	9:49 AM
Tracy	10:01 AM
Vasco	10:30 AM
Livermore	10:35 AM
Pleasanton	10:43 AM
Fremont	11:05 AM
Great America	11:23 AM
Santa Clara	11:30 AM
San Jose	11:42 AM
San Jose	9:11 PM
Santa Clara	9:16 PM
Great America	9:30 PM
Fremont	9:46 PM
Pleasanton	10:09 PM
Livermore	10:18 PM
Vasco	10:23 PM
Tracy	10:52 PM
Lathrop	11:04 PM
Stockton	11:28 PM

Communications:

The Rail Commission initiated a coordinated rider communication plan beginning December 15, in partnership with Levi’s® Stadium, to ensure passengers were informed well in advance of the Super Bowl-related access changes at the Great America ACE Station. Outreach efforts include advance warning signage at the station, temporary wayfinding and informational signage, and the deployment of an electronic message sign in the Great America ACE Station parking lot to notify riders of the January 5–February 22, 2026, closure period and the relocation of parking, shuttle, and rideshare activities. In addition, the Rail Commission has issued targeted rider notifications through all available digital channels, including a dedicated landing page on the ACE website, the ACE Mobile App, text and email alerts, on-board train announcements, and standardized talking points for on-site and customer-facing staff. These communications are designed to provide consistent, clear, and repeated information to help riders plan and navigate the temporary conditions safely and confidently.

Fiscal Impact:

Super Bowl-related impacts are expected to result in limited, short-term operating costs associated with starting ACE Shuttle service earlier in the afternoons, the potential need for a temporary bus bridge to protect final train connections due to traffic congestion, and daily staffing to manage pedestrian track crossings. These costs are anticipated to be manageable, and the Rail Commission expects to remain within the approved shuttle program budget, as year-to-date expenditures are currently under budget.

Recommendation:

This is an informational item. There is no action required.

ATTACHMENT A

Parking



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained. Parking, shuttle and rideshare activities will be relocated to the parking areas at **2111 West Tasman Drive**. Surface parking spaces for GA Transit Station patrons will be provided at this location. The lot can be accessed directly from Tasman Dr. at the Lick Mill Blvd. intersection and also from Calle Del Mundo. Once in the lot, follow the signs to the specified parking areas and proceed west along the designated pedestrian route to the GA Transit Station. Signage will also be provided from the station platform back to the parking area.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Walking Path | Road Closures



*Pending final approval

Ride Share



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained. Parking, shuttle and rideshare activities will be relocated to the parking areas at **2111 West Tasman Drive**. Rideshare pick-up and drop-off for GA Transit Station patrons will be provided at this location. A designated area will be provided in the parking area for rideshare operations. Patrons that are dropped off in the lot should follow signs to the designated pedestrian route to the GA Train Station. Signage will also be provided from the station platform back to the rideshare pick-up area.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Walking Path | Road Closures



*Pending final approval

VTA ACE Shuttle



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained. Parking, VTA ACE Shuttle, and rideshare activities will be relocated to the parking areas at **2111 West Tasman Drive**. VTA ACE Shuttle pick-up and drop-off for GA Transit Station patrons will be provided at this location. A designated area will be provided in the parking area for VTA ACE Shuttle operations. Patrons that are dropped off in the lot should follow signs to the designated pedestrian route to the GA Train Station. Signage will also be provided from the station platform back to the VTA ACE Shuttle pick-up area.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Walking Path | Road Closures



*Pending final approval

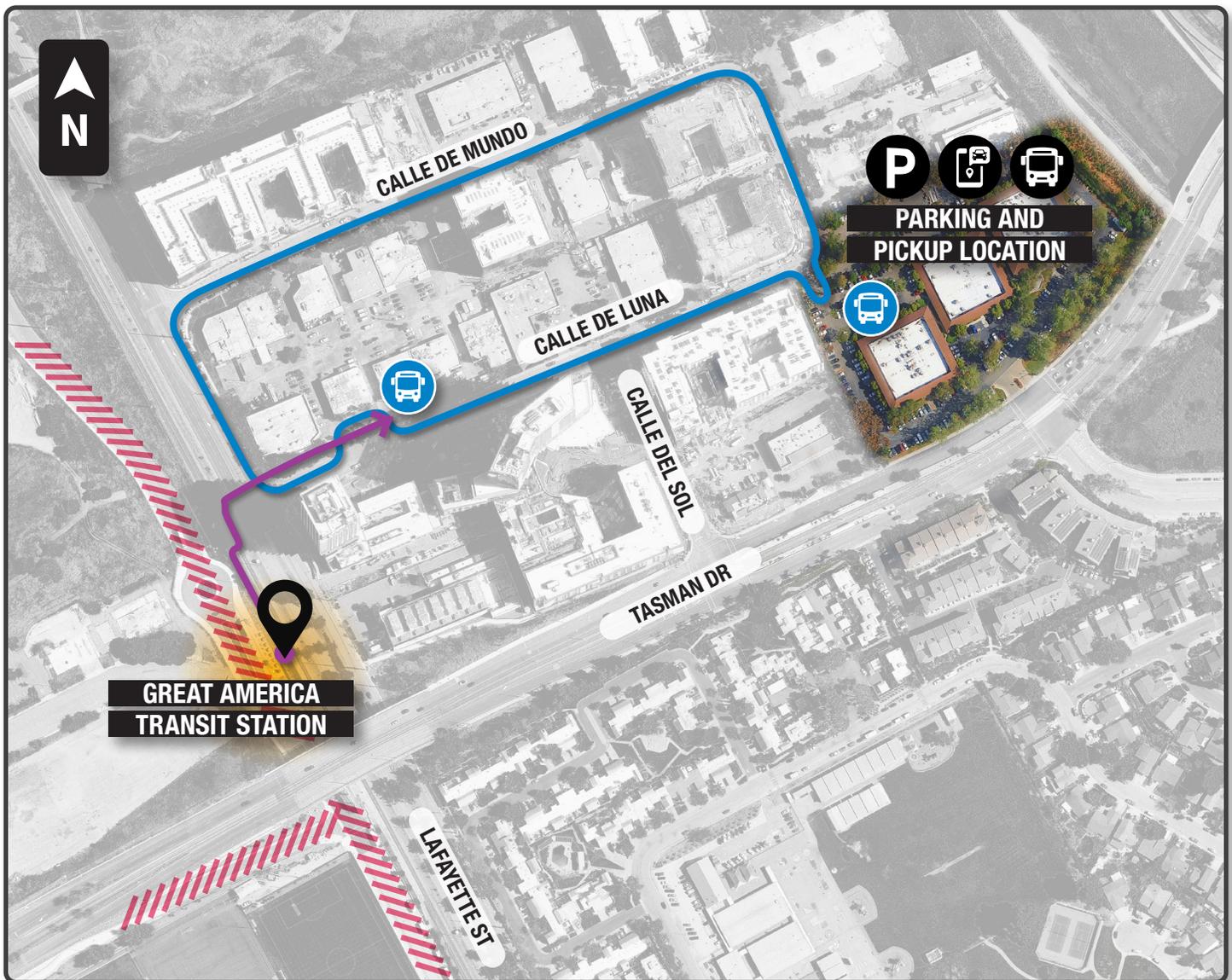
Mobility Shuttle



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained. Parking, shuttle and rideshare activities will be relocated to the parking areas at **2111 West Tasman Drive**. Accessible parking, shuttle, and rideshare options for GA Transit Station patrons will be provided at this location. A mobility shuttle will be available to assist those who request it. The shuttle will provide a connection between the parking and pickup area and a more proximate location near the GA Transit Station. Persons requesting to use the shuttle should utilize the marked accessible routes to reach either of the shuttle stops. Representatives will be available near each shuttle stop to assist in shuttle operations.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Accessible Path | Mobility Shuttle Stop | Mobility Shuttle Route | Road Closures



*Pending final approval

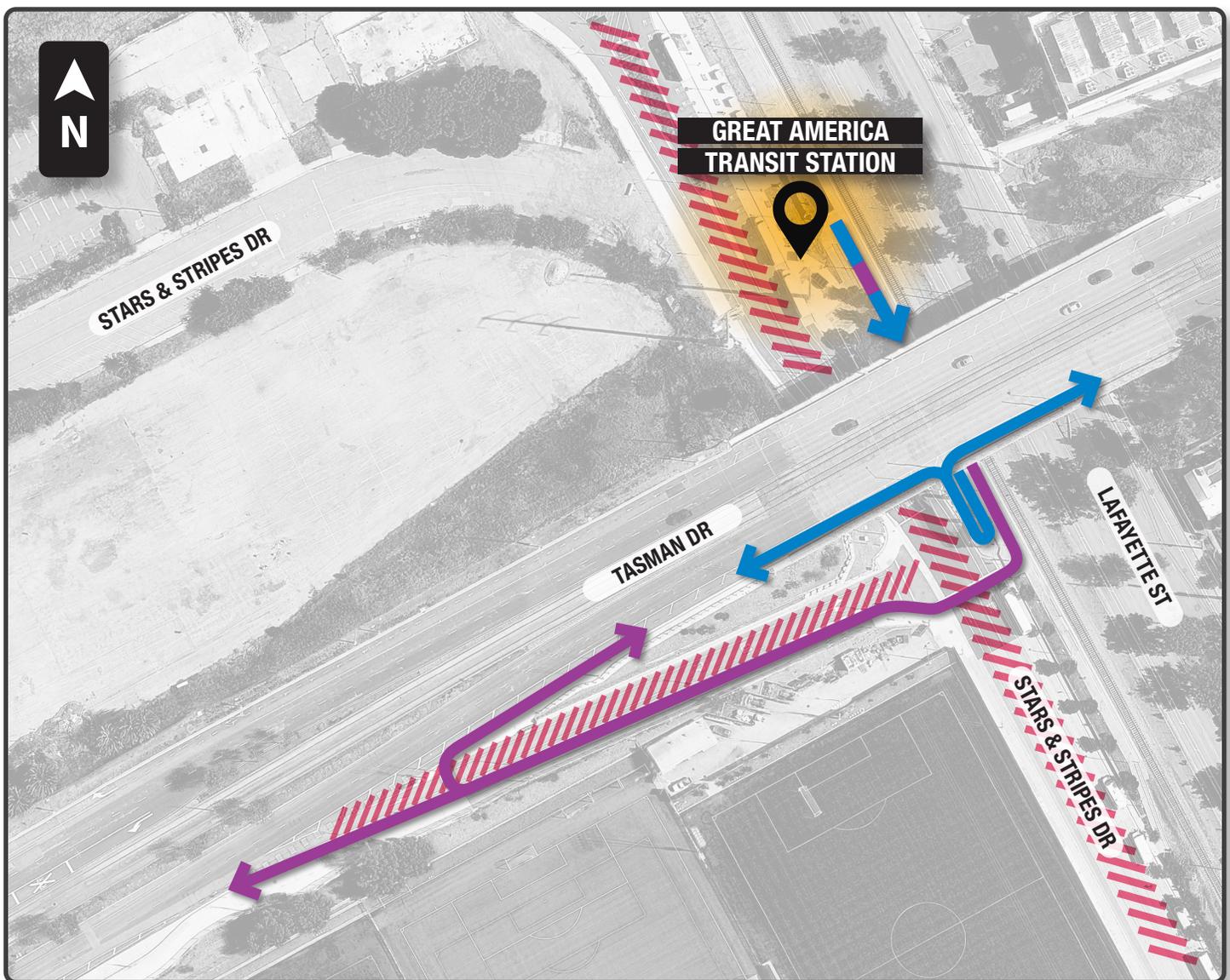
Tasman Pedestrians



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained and pedestrian routes to Tasman Drive will be facilitated. GA Train Station patrons can access Tasman Drive sidewalks by using the stairs provided at the south end of the platform area or by using a marked accessible route along the ramp connecting Stars & Stripes Drive with Tasman Drive. The ramp will be closed to vehicular traffic, but the accessible route on the southern sidewalk will be maintained. Signs will be provided on Tasman Drive and on the GA Train Station platform to inform pedestrians of these two routes.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Accessible Route | Pedestrian Route | Road Closures



**Pending final approval*

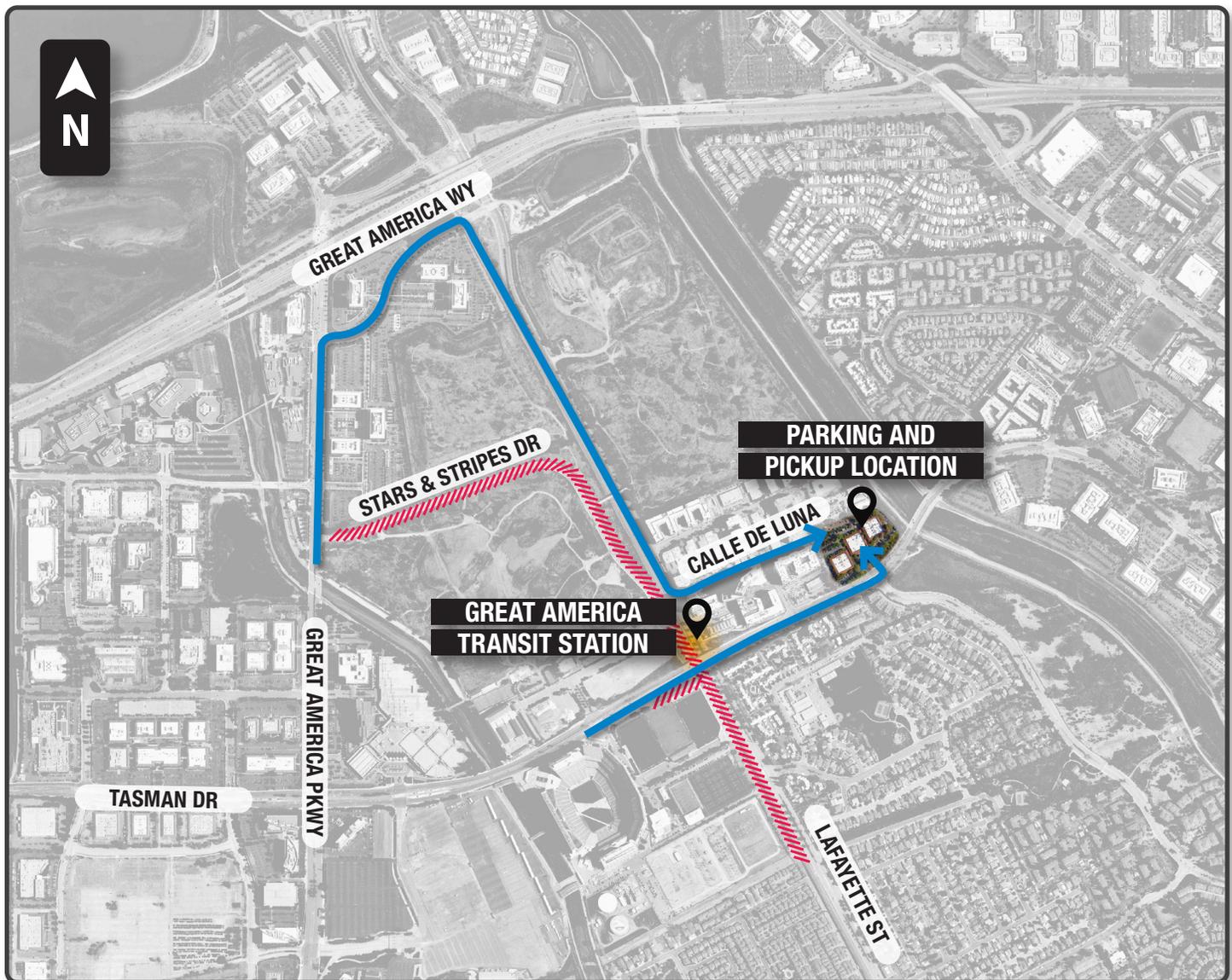
Vehicle Access Routes



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, access to the Great America (GA) Transit Station will be maintained. Parking, shuttle, and rideshare activities will be relocated to the parking areas at **2111 West Tasman Drive**. Traffic from Great America Parkway will be directed north to Great America Way, then to Lafayette Street and Calle De Luna to reach the designated lot. Vehicles on Tasman Drive will use the property access provided on the north side of the Lick Mill Boulevard/Tasman Drive intersection.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Vehicle Access Routes | Road Closures



*Pending final approval

Bike Detour



Safety and security associated with Super Bowl LX will require the temporary closure of public infrastructure around Levi's Stadium.

Stars & Stripes Drive will be closed to the public from January 5-February 22. During this closure, bike access to the Stars and Stripes corridor will be restricted at the Gianera Street trailhead and at the intersection with Great America Parkway. All cyclists will be redirected to the San Tomas Aquino Creek Trail. Signage will be posted along Great America Parkway, Wilcox Avenue, and Agnew Road directing cyclists to the creek trail, with supplementary detour signage along the route.

To learn more about the road closures impacting the Santa Clara area during Super Bowl LX, please visit: www.sfbayareasuperbowl.com/getting-around



LEGEND: Bike Detour | Road Closures



*Pending final approval