



ITEM ID: 2026-133-0

TRANSMITTAL DATE: February 20, 2026

MEETING DATE: February 27, 2026

TO: Board of Directors

FROM: Justin Fornelli, Chief, Program Delivery

SUBJECT: Contract MS320-23 - Balfour Beatty Infrastructure, Inc. - Exercise Two-Year Option and Increase Contract Authority for Communication and Signal System Installation Services

Issue

The MS320-23 Contract with Balfour Beatty Infrastructure, Inc. is a railroad infrastructure communication and signal installation services contract that began on July 1, 2023. The Authority requires continued support for new capital, third party, and state of good repair projects and proposes exercising an existing 2-year option within the contract, as well as increase the contract authority to cover projected expenditures with during the 2-year contract extension.

Recommendation

It is recommended that the Board authorize the Chief Executive Officer to:

1. Exercise the available two-year option on Contract No. MS320-23 with Balfour Beatty Infrastructure, Inc. for Communication and Signal System Installation Services; and
2. Increase the total contract authority for Contract No. MS320-23 by \$24,000,000 from the current authority of \$60,000,000, for a new not-to-exceed amount of \$84,000,000. Work under this Contract is authorized through the Contract Task Order process on an as-needed basis as budgets allow.

Strategic Commitment

This report aligns with the Strategic Business Plan commitment of:

- **Safety is Foundational:** We will stay on the leading edge by continuing to deploy new technologies and processes to enhance the safety and security of our riders, employees

and the communities we serve.

Background

Railroad infrastructure communication and signal systems installation services are required to support the Authority's new capital, state of good repair, as well as third party re-collectable projects. This specialized work may involve the installation, modification, and in-service testing and cutover of new and relocated wayside signal systems, microwave communication systems, fiber optic systems, PABX systems, passenger station visual messaging and audio systems, wayside hazard and monitoring devices and related minor electrical and lighting work.

These installation services will typically be performed while the signal, communication, and electrical systems are in-service or "live" allowing for continued railroad operations. The installation services are subject to rigorous Federal Railroad Administration and California Public Utilities Commission regulations as well as the Authority's rules, regulations, specifications, standard operating procedures, and oversight and monitoring programs.

Contract MS320-23 was competitively awarded to Balfour Beatty Infrastructure, Inc. (BBII) and is staffed by communication and signal personnel who have the experience, qualifications, and training to work on and modify the Authority's safety sensitive signal and communication in-service systems while maintaining the safety, integrity, and reliability of these systems. BBII has performed the work satisfactorily to-date performing work under the current contract, whose base term is set to expire on June 30, 2026.

Therefore, it is recommended that the Authority exercise the available 2-year option on their Contract.

Some of their accomplishments over the last 2.5 years include:

- The full Signal Cutover to the new microprocessor-based signal system at Los Angeles Union Station, which was performed between Christmas and New Years in December 2023, for which they completed their work a day ahead of schedule;
- Successfully supported the implementation of Metrolink's Smart Crossing Technology at five locations—one site within each member agency's territory;
- Performed signal cutovers at over 25 locations across the Metrolink system which modernized aged signal infrastructure;
- Installed new signal and fiber on the new San Juan Creek bridge in coordination with the civil contractor, and performed signal cutover services to the new infrastructure.

BBII is also currently on track to be compliant with the FRA's new CFR Part 246 requirement on Day 1 of the new regulation, which is anticipated to go into effect in March 2026.

Based on the current commitments with BBII, and the number of upcoming projects that will need support, staff is projecting that an additional \$24,000,000 of contract funding authorization, increasing the contract from \$60,000,000 to \$84,000,000, will be necessary to support projects through the 2-year Contract extension.

Discussion

On April 28, 2023, the Board awarded Contract No. MS320-23 to Balfour Beatty Infrastructure, Inc. (BBII) with a not-to-exceed contract authority of \$60,000,000 for a three-year base term. The award also included a single two-year option that may be exercised at the sole discretion of the Authority. Work under this contract is issued through Contract Task Orders (CTO's) on an as-needed basis.

To date the Authority has committed approximately \$40,000,000 across 57 CTOs, based on the current projection of commitments and expenditures to date since the NTP was provided on July 1, 2021. It is anticipated that \$84,000,000 will be needed to ensure sufficient contract capacity to complete the Authority's projected work through June 30, 2028.

Budget Impact

There is no financial commitment with respect to approving additional contract funding authorization, work will be issued and authorized on a Contract Task Order basis only if funding is approved and available through the annual budget or an equivalent process.

Next Steps

Upon Board approval, a contract amendment will be executed to exercise the 2-year option and increase the total contract authority by \$24,000,000 for a new not-to-exceed total contract authority of \$84,000,000.

Prepared by: Aaron Azevedo, Director, State of Good Repair

Approved by: Justin Fornelli, Chief, Program Delivery

Attachment(s)

[Presentation - Balfour Beatty Extension](#)